GRUPPO MONDADORI

9M20 Results

Investors Presentation

Ernesto Mauri – CEO
Alessandro Franzosi – CFO

Segrate, November 10th 2020

GRUPPO MONDADORI

AGENDA

1. **3Q 2020 Highlights**
2. 9M 2020 Results
3. 9M 2020 Business Areas
4. FY 2020 Outlook

3Q20 Highlights

Significant improvement in the Group's economic profile:
- **Revenue down single-digit** vs 3Q19 (-9% vs -24% in 1H20)
- **Adj. EBITDA (€60 mn) in line with 3Q19**
- **Net profit at €43 mn** (vs €25 mn in 3Q19)

Steady cash flow generation
- **LTM Ordinary Cash Flow at €40.8 mn** (vs €36.7 mn as of June 2020)

Strong recovery in Trade books market after lock-down
- **23 growing weeks in a row vs 2019**
- **3Q20: + 8.4% yoy**

Increasing Education market share
- **22.1% at September 2020** vs 21.7% at September 2019

Remarkable rebound in digital advertising revenue
- **+7% yoy in 3Q20**
- **56% of total Group's adv revenue**

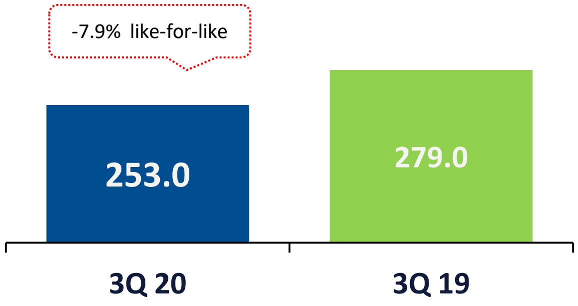
Disposal of non-strategic assets:
- Residual stake (25%) in Stile Italia Edizioni
- 8.5% of ReWorld Media share capital (remaining stake equal to 7.8% - €11 mn approx.)

3Q20 Highlights

€ mn

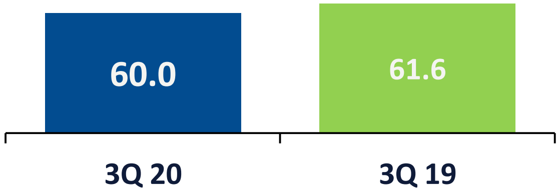
-9.3%

Revenue



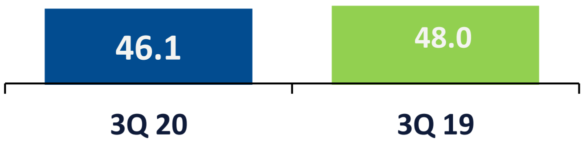
-2.5%

Adj. EBITDA



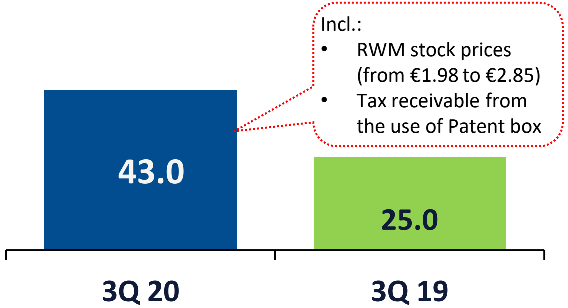
-4.0%

EBIT



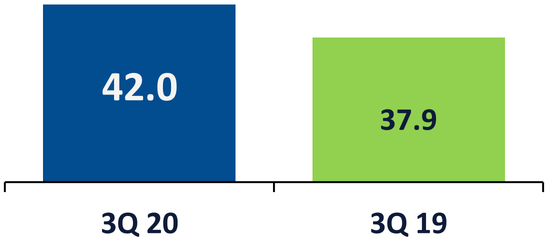
+72.2%

Net Profit



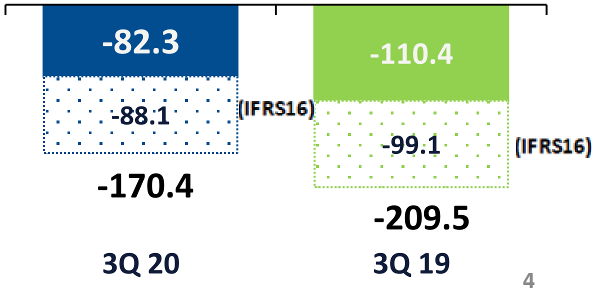
+10.8%

3Q Ordinary Cash Flow



+25.4%

NFP

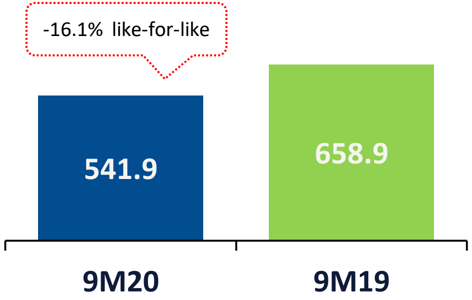


9M20 Highlights

€ mn

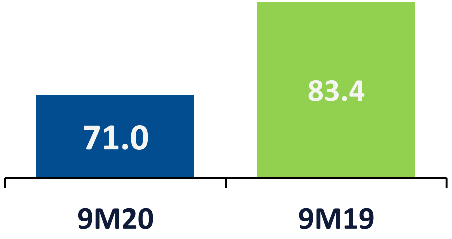
-17.8%

Revenue



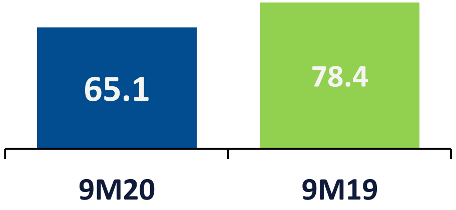
-12.4 € mn

Adj. EBITDA



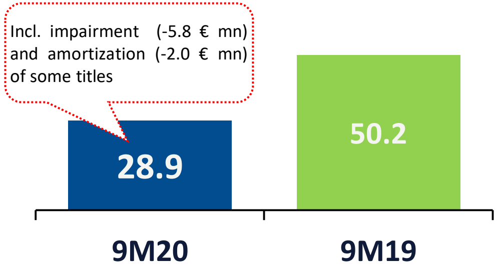
-13.3 € mn

Rep. EBITDA



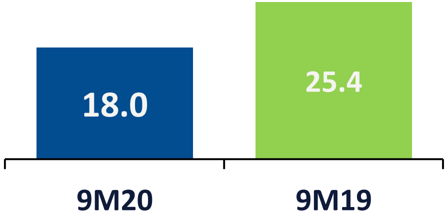
-21.3 € mn

EBIT



-7.4 € mn

Result from continuing operations

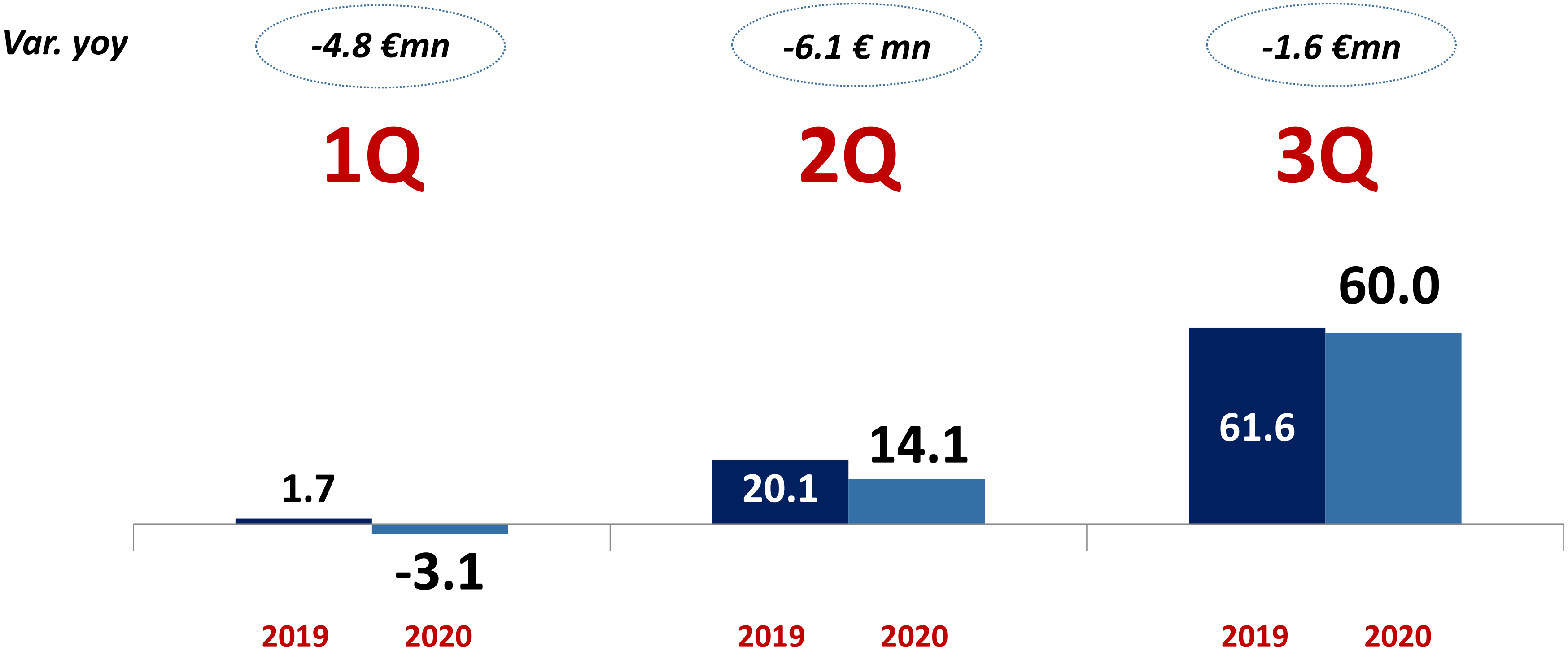


-5.1 € mn

Consolidated Net Result

3Q20 Highlights – Trend EBITDA Adj.

€ mln



	1Q 2019	1Q 2020	2Q 2019	2Q 2020	3Q 2019	3Q 2020
EBITDA margin	*1.0%*	*n.m.*	*9.4%*	*9.2%*	*22.1%*	*23.7%*

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3Q-9M20 Revenue and Adjusted EBITDA by Business Area

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€ mln

Revenue

	3Q 20	3Q 19	Var. %	9M 20	9M 19	Var. %
Books	170.2	182.2	*(6.6%)*	316.1	366.0	*(13.6%)*
Retail	43.0	45.2	*(4.8%)*	102.0	126.6	*(19.4%)*
Media	48.3	60.4	*(19.9%)*	144.1	191.2	*(24.7%)*
Corporate & Shared Services	11.1	9.6	*15.8%*	33.2	28.7	*15.6%*
Intercompany	(19.7)	(18.4)	*7.1%*	(53.5)	(53.6)	*(0.1%)*
Total	**253.0**	**279.0**	*(9.3%)*	**541.9**	**658.9**	*(17.8%)*

-19% lfl

-16% lfl

-8% lfl

Adj. EBITDA

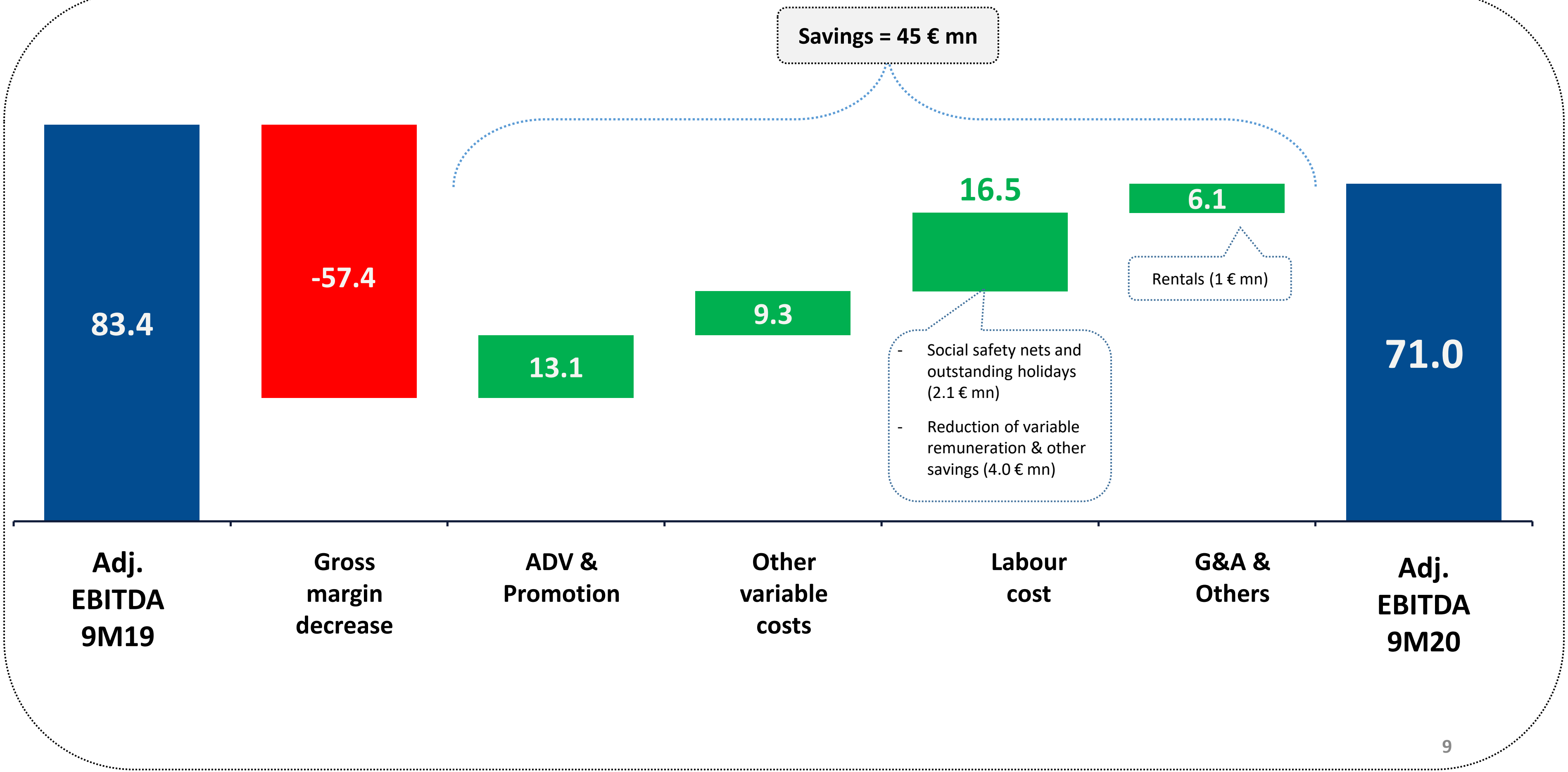
	3Q 20	3Q 19	Var. %	9M 20	9M 19	Var. %
Books	56.5	62.4	*(9.4%)*	67.5	78.6	*(14.1%)*
Retail	2.3	1.4	*58.3%*	(0.5)	0.8	*n.s.*
Media	1.2	(1.4)	*n.s.*	3.2	5.5	*(41.3%)*
Corporate & Shared Services	(0.2)	0.2	*n.s.*	(0.4)	(0.5)	*n.s.*
Intercompany	*0.2*	*(1.0)*	*n.s.*	*1.2*	*(1.0)*	*n.s.*
Total	**60.0**	**61.6**	*(2.5%)*	**71.0**	**83.4**	*(14.9%)*

Intercompany stock effect*

* Margin release on intercompany inventory reduction

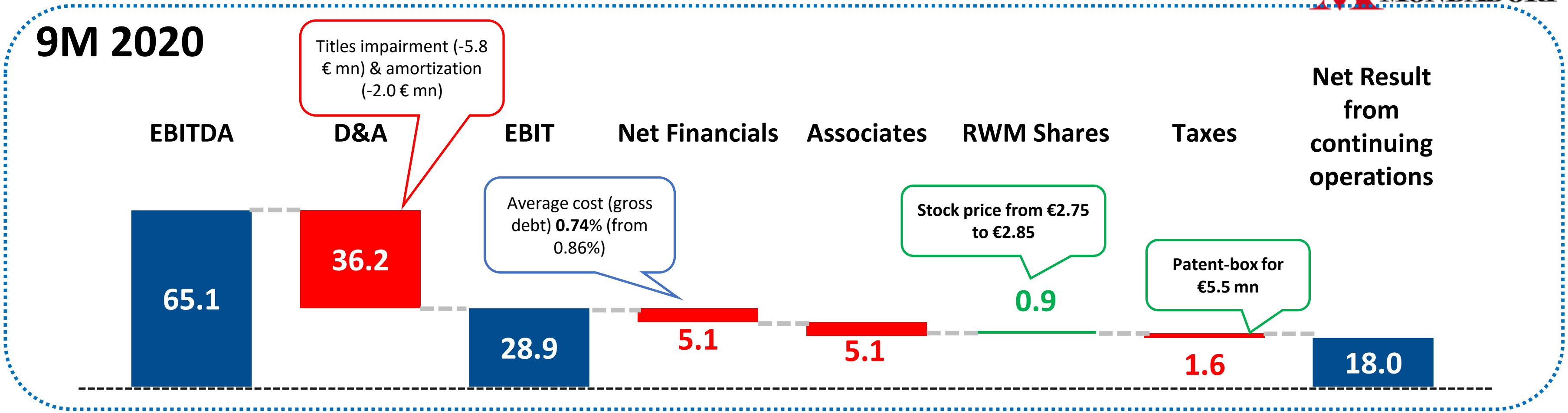
Cost savings 9M20 vs. 9M19

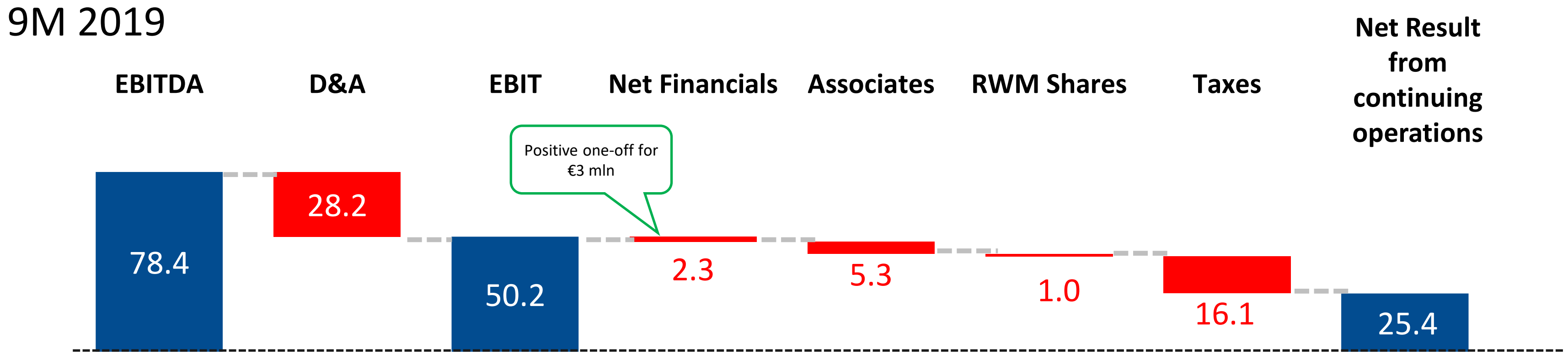
€ mln



From EBITDA to Net Result 9M20

€ mn





Cash Flow & NFP Sept. 20

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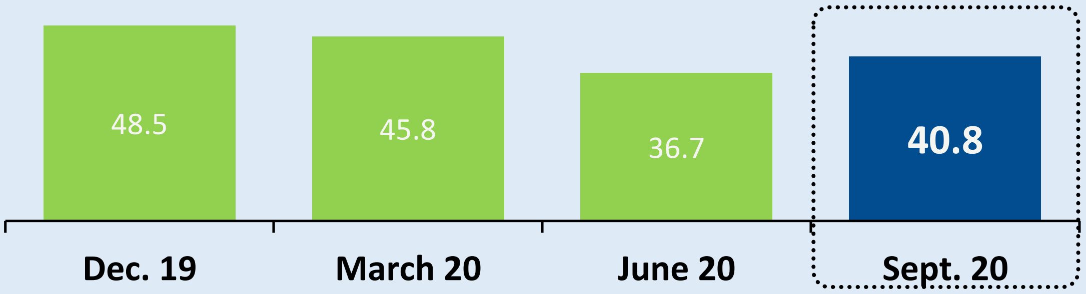
€ mln

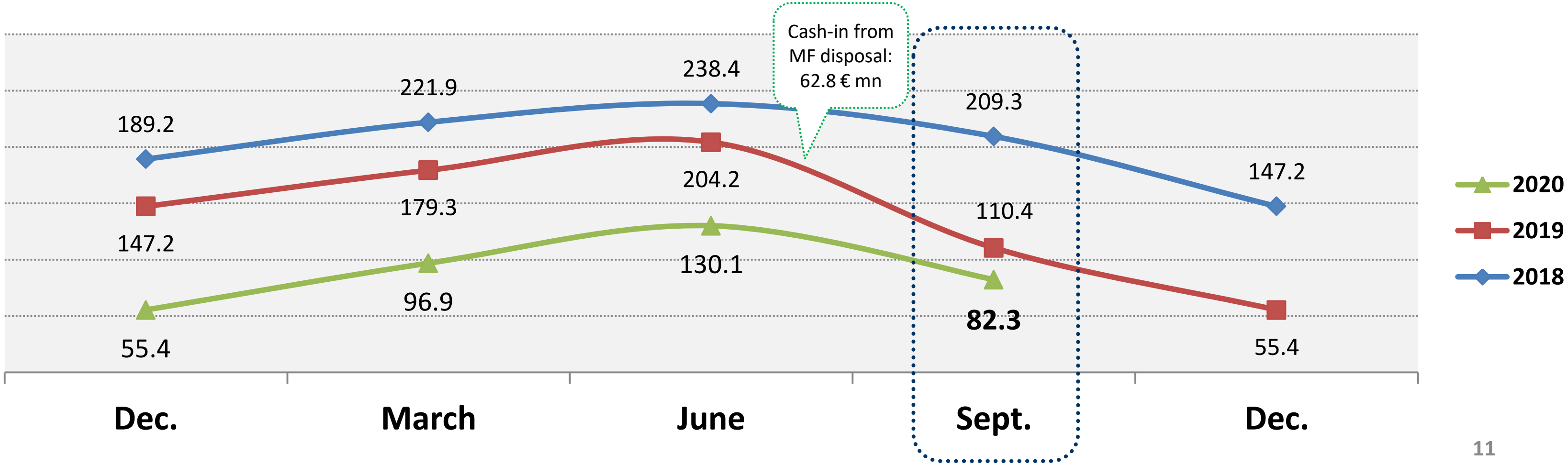
LTM Ordinary Cash Flow

Positive cash generation confirmed

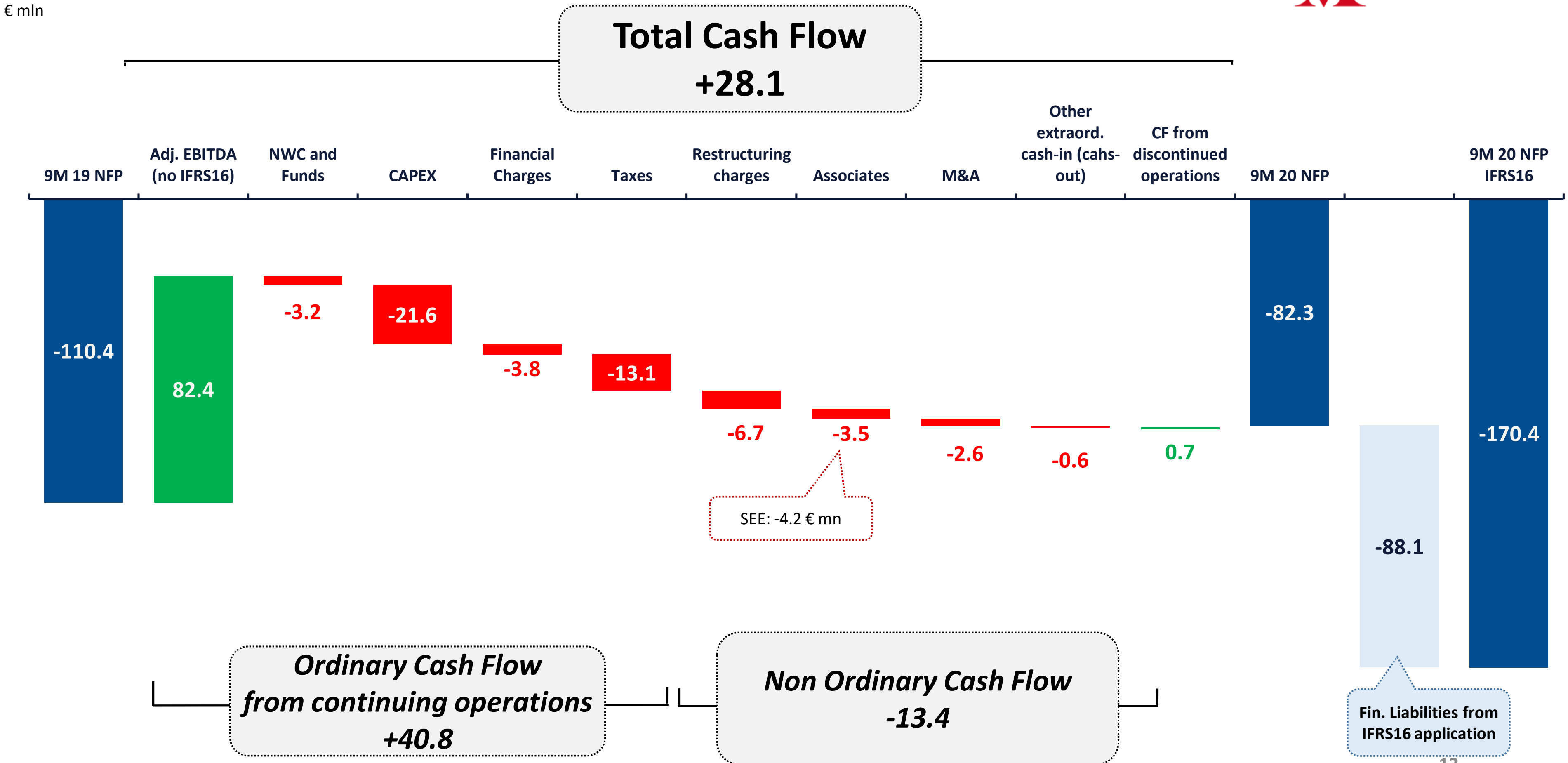


Ordinary Cash Flow = Operating CF net of financial charges and taxes

NFP evolution

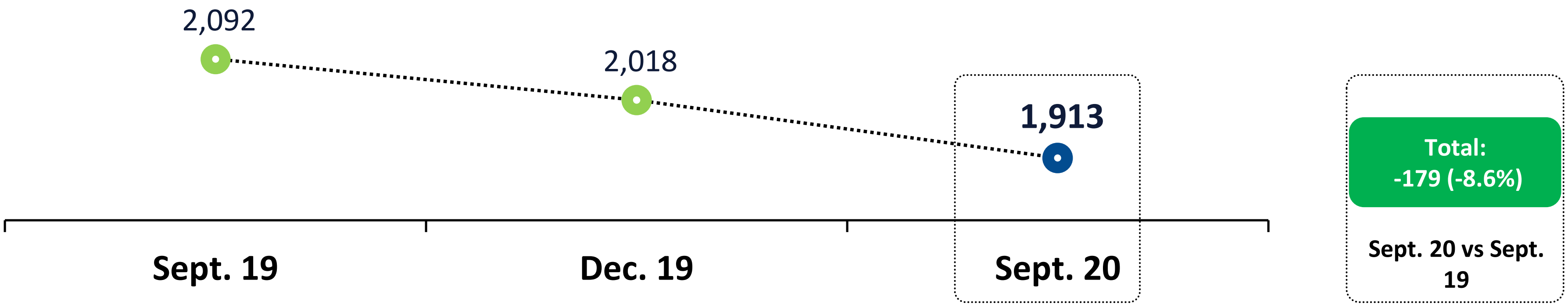


LTM Cash Flow – Sept. 20

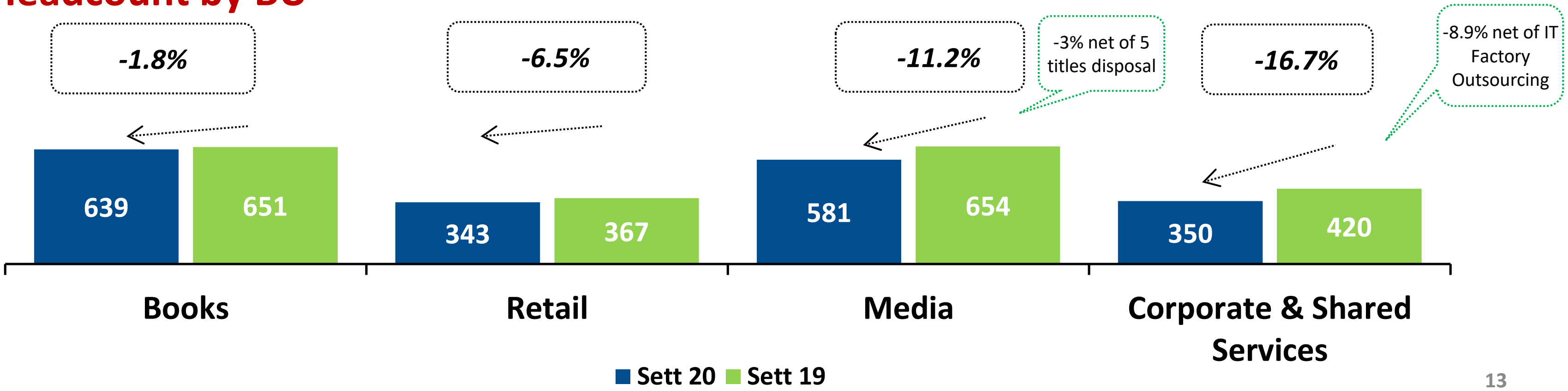


9M20 Headcount evolution

Group Headcount



Headcount by BU



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AGENDA

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3. **9M 2020 Business Areas**
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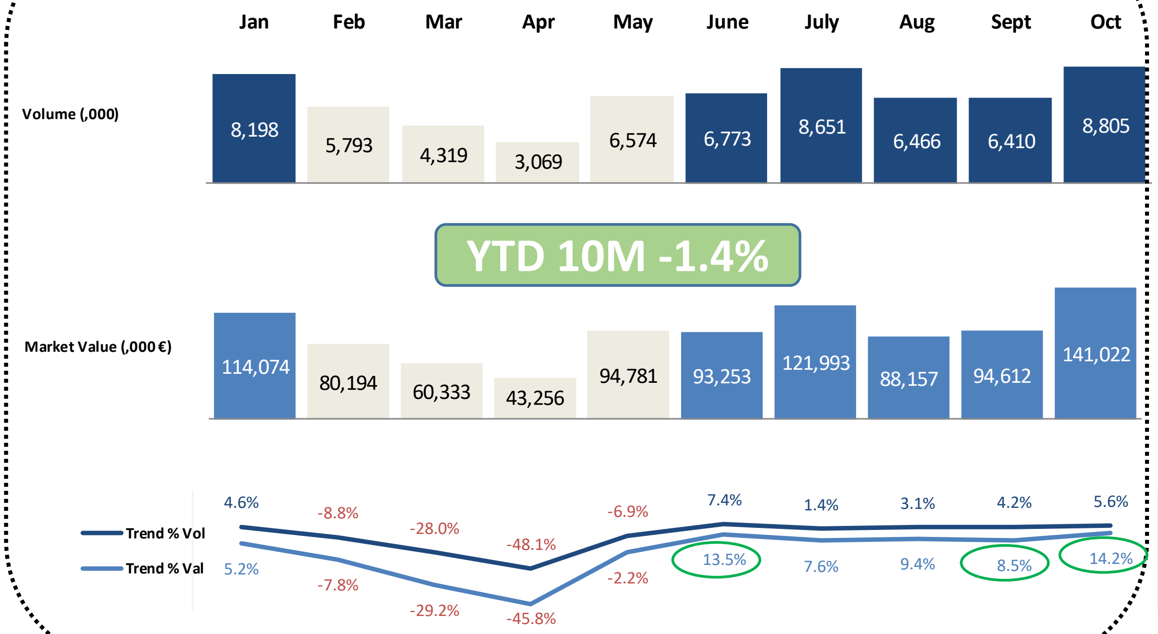
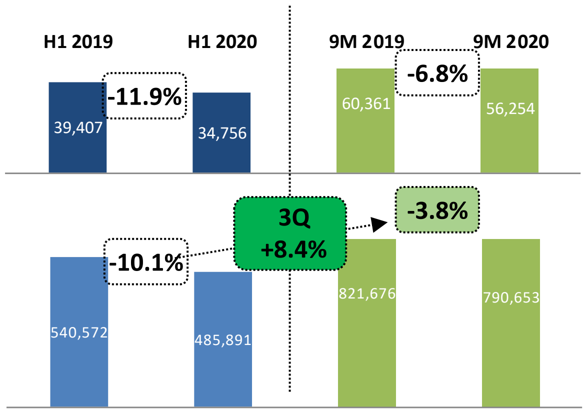
Markets – Trade Books Sept. 20

Strong recovery of Trade Books after lock-down

Total Market - Month



Total Market – 6/9 M



June-Sept. +9.6% yoy

Source: GfK, Sept. 2020 (sell-out market value data)

Markets – Rankings e new publications 2020

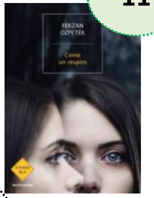
7 titles in the Top 20 bestsellers (Sept.-Oct.)*

1


7


10


TOP TEN

11


14


17


20


YE 2020 New launches

MONDADORI	MONDADORI
3rd NOV.	NOV.
	J. Grisham
NOV.	DIC.
S. Avallone	M. De Giovanni
Rizzoli	GIULIO EINAUDI EDITORE

Fonte: GfK, October 2020 (week 36-43, sell-out market value data)

Markets – September 20 Market Shares

Trade Market Share

	2020	2019
GRUPPO MONDADORI	24.6%	25.5%
GEMS	11.2%	10.5%
GIUNTI	7.8%	8.8%
la Feltrinelli	5.2%	5.5%
ADELPHI	2.1%	1.7%
DeAGOSTINI LIBRI	1.4%	1.5%
Altri editori	47.7%	46.5%

Education Market Share

	2020	2019
GRUPPO MONDADORI	22.1%	21.7%
MONDADORI EDUCATION	12.2%	12.1%
Rizzoli EDUCATION	9.9%	9.5%
ZANICHELLI	23.2%	22.8%
PEARSON	13.8%	13.8%
DeAGOSTINI LIBRI	10.7%	10.7%
Altri editori	30.2%	31.0%

2020 2019

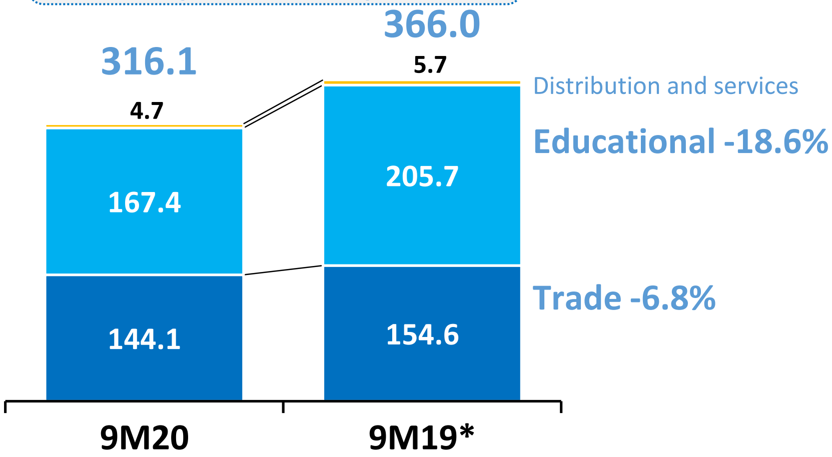
Source: GfK, Sept. 2020 (sell-out market value data)

Source: AIE, preliminary estimates on section adoptions

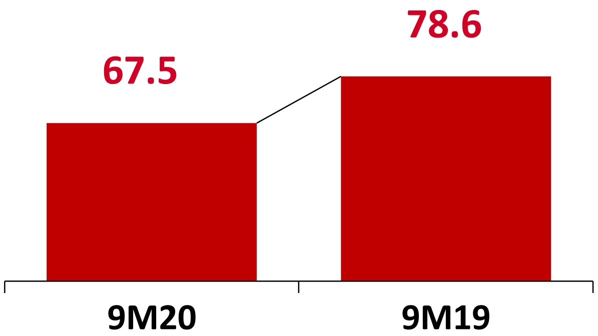
9M20 Business Areas – Books

€ mn

Revenue -13.6%
(-6.6% in 3Q)



Adj. EBITDA -11.1 € mn
(-5.8 € mn in 3Q)



*9M19 restated following the spin-off of Electa's Trade books BU, incorporated as from 1/1/20 in the Trade Books segment

REVENUE

- **Trade:** -6.8% yoy, **in the third quarter up by +13% yoy** confirming the **strong recovery of the reference market** and thanks to the launch of new titles
- **E-books: +29% yoy** following the significant increase in the lockdown period **(8.6% of total Trade revenue)**
- **Educational:** -18.6% yoy mainly attributable to closure of exhibitions and archaeological sites due to the Covid-19 health emergency (-23€ mn yoy); Education revenue -8.8% yoy also for a timing effect (delay in procurement by some distributors)

Adj. EBITDA

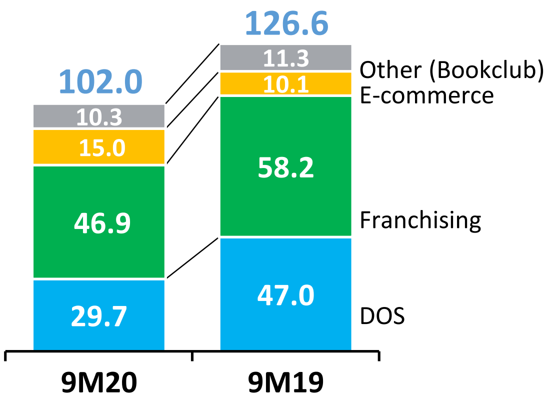
- **Adjusted EBITDA** at 67.5 € mn vs 78.6€ mn in 9M19 mainly affected by the negative trend in museum activities
- **EBITDA margin % substantially stable**

9M20 Business Areas – Retail

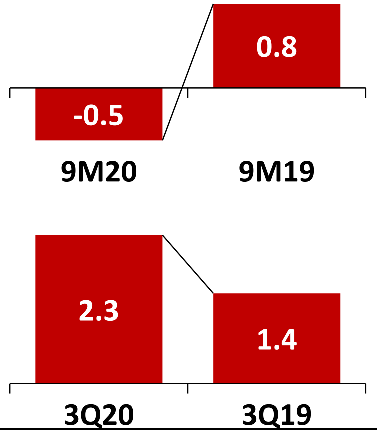
MONDADORI RETAIL

€ mln

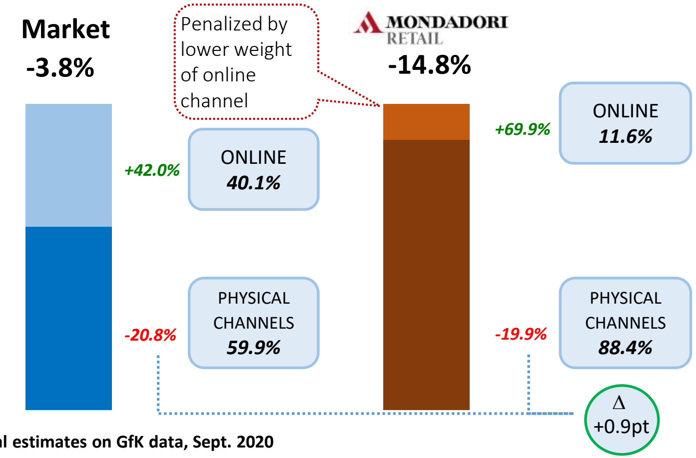
Revenue -19.4% (-4.8% in 3Q)



Adj. EBITDA -1.3 € mn (+0.9 € mn in 3Q)



YTD 2020 Book market (Sept.)



Source: internal estimates on GfK data, Sept. 2020

REVENUE

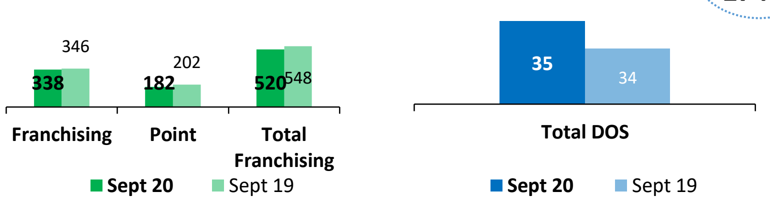
- **Book**: down by –14.8% (physical bookstores closed from 12 March until end of April); **in 3Q -0.6% yoy**
- **Extra-Book**: decline due also to the strategic decision to increase focus on the book product
- **Online: ≈+49%**

Adj. EBITDA

EBITDA adjusted: steady improvement in 3Q thanks to:
- the strong recovery of the book products
- the cost saving management
- the rationalization of the store and product portfolio

Point of Sales

555
-27 PoS



Markets – Media

MONDADORI MEDIA

€ mn

YTD 2020 Circulation

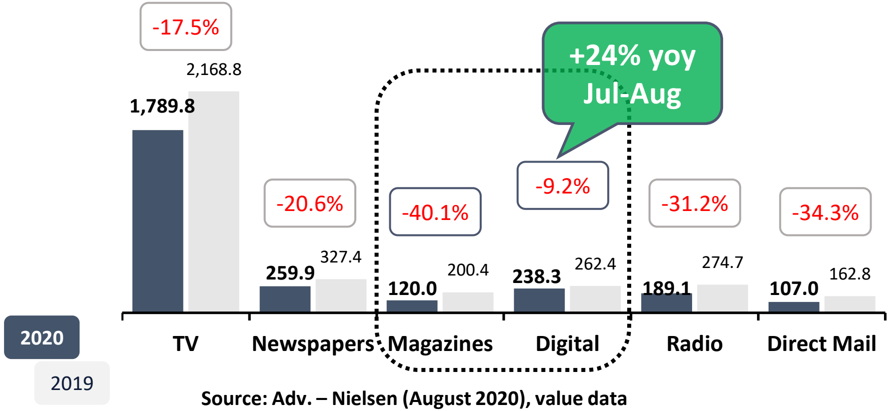
-12.8%

	2020	2019		2020	2019
MONDADORI MEDIA	24.0%	28.6% (25.2% excl. 5 titles disposal)			
CAIRO EDITORE	22.9%	21.5%	HEARST magazines	5.2%	5.5%
RCS	6.3%	6.0%	Gr. La Verità (solo periodici) Stile Italia Edizioni	4.0%	1.5%
Casa Editrice Universo	11.9%	11.3%	Altri	23.4%	22.7%

Source: Circulation – Press-di (August 2020), newstands + subs.

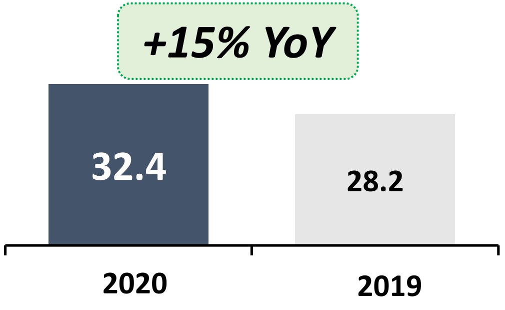
YTD 2020 ADV

-22.0%



Source: Adv. – Nielsen (August 2020), value data

Mondadori – Web Unique Audience (mn/month)



Fonte: comScore (August 2020)

9M20 Business Areas – Media

MONDADORI MEDIA

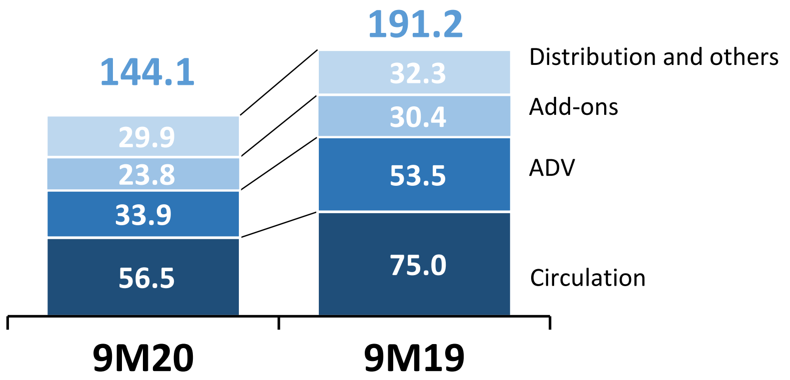
€ mn

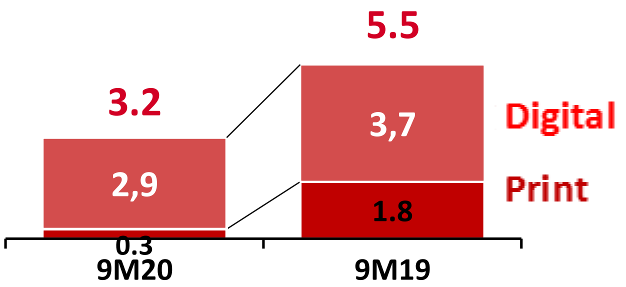
Revenue -24.7%

(-19.9% in 3Q)

-19 % excl. 5 titles disposal (-14% in 3Q)

Adj. EBITDA
-2.3 € mn
(+2.6 € mn in 3Q)





REVENUE

- **Circulation:** ≈-25% yoy, due to the impact of Covid-19 emergency and, at a lower extent, to the five titles disposal; like-for-like down by -15% yoy
- **Add-ons**: -22% (-20% lfl), also due to a different scheduling od planned releases
- **Advertising:** ≈-37% yoy, -32% like-for-like, the most affected by the ongoing Covid-19 emergency; digital revenue on total: ≈56%. In 3Q, **digital adv revenue +7%**
- **Distribution and other revenues** down by ≈-8%

Adj. EBITDA

- **Adjusted EBITDA:** decrease in 9M but **improving significantly in 3Q** thanks to the **careful cost containment policy** and to the **recovery in digital advertising**

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FY20 Outlook

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TRADE BOOKS

- **Strong market recovery after lock-down**
- Positive estimate on 4Q performance thanks to the **market expected growth** and the Group's **publishing plan quality**
- **Profitability substantially in line with FY2019**

EDUCATION TEXTBOOKS

- **Market share increase** limit the impact on revenue deriving from lower adoption changes
- **Profitability basically steady/unchanged towards pre-Covid-19 level**

MUSEUM BUSINESS

- The **small size of the business** (≈10% of the Books BU's revenue) curbs the impact on the Group's consolidated profile, deriving from the sharp drop in activities
- The business model and the **cost cutting measures** aim at a substantial operating **break-even**, despite the drastic drop in revenue

RETAIL

- Decreasing revenue but sustained by the **books market growth** in the second half of the year (80% of BU revenue)
- **Positive profitability, although affected by the lockdown period,** thanks to the deep organizational and process review and the rationalization strategy on the store portfolio

MEDIA

- **Digital advertising recovery** should mitigate the overall advertising market slowdown
- Circulation revenue less affected by the emergency but however decreasing
- **Positive** – albeit declining – **profitability** thanks to the **cost-cutting** measures

FY20 Outlook

2020 TARGETS IMPROVED

		Vs previous estimate (1H20)
REVENUE	-16/-18% vs FY19	=
EBITDA margin % (adj)	12%	↑
Ordinary Cash Flow	Business cash generation to continue	↑
Non Ordin. Cash Flow	Lower cash-out for restructuring costs	↑
NFP	< NFP FY 2019	↑

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BACK-UP

9M20 P&L

Euro/millions	9M 2020		9M 2019		% chg.
REVENUE	**541.9**		**658.9**		***(17.8%)***
INDUSTRIAL PRODUCT COST	159.6	*29.4%*	205.4	*31.2%*	*(22.3%)*
VARIABLE PRODUCT COSTS	72.4	*13.4%*	86.2	*13.1%*	*(16.0%)*
OTHER VARIABLE COSTS	105.4	*19.4%*	127.7	*19.4%*	*(17.5%)*
STRUCTURAL COSTS	35.8	*6.6%*	41.8	*6.3%*	*(14.2%)*
EXTENDED LABOUR COST	98.2	*18.1%*	114.7	*17.4%*	*(14.4%)*
OTHER EXPENSE (INCOME)	(0.5)	*(0.1%)*	(0.3)	*(0.0%)*	*50.7%*
ADJUSTED EBITDA	**71.0**	***13.1%***	**83.4**	***12.7%***	***(14.9%)***
RESTRUCTURING COSTS	2.7	*0.5%*	3.0	*0.5%*	*(9.0%)*
EXTRAORDINARY EXPENSE (INCOME)	3.2	*0.6%*	2.0	*0.3%*	*55.7%*
EBITDA	**65.1**	***12.0%***	**78.4**	***11.9%***	***(16.9%)***
AMORTIZATION AND DEPRECIATION	25.4	*4.7%*	17.1	*2.6%*	*48.4%*
AMORTIZATION AND DEPRECIATION IFRS 16	10.8	*2.0%*	11.1	*1.7%*	*(2.7%)*
EBIT	**28.9**	***5.3%***	**50.2**	***7.6%***	***(42.4%)***
FINANCIAL EXPENSE (INCOME)	3.2	*0.6%*	0.6	*0.1%*	*402.2%*
FINANCIAL EXPENSE IFRS 16	1.9	*0.3%*	1.7	*0.3%*	*9.8%*
FINANCIAL EXPENSE (INCOME) FROM SECURITIES VALUATION	(0.9)	*(0.2%)*	1.0	*0.2%*	*(186.1%)*
EXPENSE (INCOME) FROM INVESTMENTS	5.1	*0.9%*	5.3	*0.8%*	*(3.5%)*
EBT	**19.6**	***3.6%***	**41.5**	***6.3%***	***(52.8%)***
TAX EXPENSE (INCOME)	1.6	*0.3%*	16.1	*2.4%*	*(90.1%)*
RESULT FROM CONTINUING OPERATIONS	**18.0**	***3.3%***	**25.4**	***3.9%***	***(29.3%)***
RESULT FROM DISCONTINUED OR DISCONTINUING OPERATIONS	0.0	*0.0%*	1.1	*0.2%*	*(100.0%)*
NET RESULT FOR THE PERIOD (GROUP AND NON-CONTROLLING INT	**18.0**	***3.3%***	**24.3**	***3.7%***	***(26.0%)***
MINORITIES	(0.0)	*(0.0%)*	1.2	*0.2%*	*(100.2%)*
GROUP NET RESULT	**18.0**	***3.3%***	**23.1**	***3.5%***	***(22.1%)***

-16.1% lfl

Incl. impairment (-5.8 € mn) and amortization (-2.0 € mn) of some titles

3Q20 P&L

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Euro/millions	Q3 2020		Q3 2019		% chg.
REVENUE	**253.0**		**279.0**		***(9.3%)***
INDUSTRIAL PRODUCT COST	74.8	*29.6%*	84.0	*30.1%*	*(11.0%)*
VARIABLE PRODUCT COSTS	29.5	*11.7%*	31.6	*11.3%*	*(6.6%)*
OTHER VARIABLE COSTS	44.6	*17.6%*	53.2	*19.1%*	*(16.1%)*
STRUCTURAL COSTS	11.6	*4.6%*	13.7	*4.9%*	*(15.0%)*
EXTENDED LABOUR COST	32.7	*12.9%*	35.4	*12.7%*	*(7.6%)*
OTHER EXPENSE (INCOME)	(0.3)	*(0.1%)*	(0.5)	*(0.2%)*	*n.s.*
ADJUSTED EBITDA	**60.0**	***23.7%***	**61.6**	***22.1%***	***(2.5%)***
RESTRUCTURING COSTS	1.1	*0.4%*	1.8	*0.7%*	*(40.4%)*
EXTRAORDINARY EXPENSE (INCOME)	2.3	*0.9%*	2.0	*0.7%*	*13.4%*
EBITDA	**56.7**	***22.4%***	**57.8**	***20.7%***	***(1.9%)***
AMORTIZATION AND DEPRECIATION	7.1	*2.8%*	6.0	*2.2%*	*18.0%*
AMORTIZATION AND DEPRECIATION IFRS 16	3.5	*1.4%*	3.7	*1.3%*	*(7.1%)*
EBIT	**46.1**	***18.2%***	**48.0**	***17.2%***	***(4.0%)***
FINANCIAL EXPENSE (INCOME)	0.8	*0.3%*	1.0	*0.4%*	*(17.6%)*
FINANCIAL EXPENSE IFRS 16	0.6	*0.2%*	0.7	*0.2%*	*(15.0%)*
FINANCIAL EXPENSE (INCOME) FROM SECURITIES VALUATION	(7.5)	*(3.0%)*	1.0	*0.4%*	*n.m.*
EXPENSE (INCOME) FROM INVESTMENTS	1.8	*0.7%*	2.3	*0.8%*	*(24.3%)*
EBT	**50.4**	***19.9%***	**43.1**	***15.4%***	***17.2%***
TAX EXPENSE (INCOME)	7.4	*2.9%*	13.1	*4.7%*	*(43.0%)*
RESULT FROM CONTINUING OPERATIONS	**43.0**	***17.0%***	**30.0**	***10.8%***	***43.3%***
RESULT FROM DISCONTINUED OR DISCONTINUING OPERATIONS	0.0	*0.0%*	5.0	*1.8%*	*(100.0%)*
NET RESULT FOR THE PERIOD (GROUP AND NON-CONTROLLING INTERESTS)	**43.0**	***17.0%***	**25.0**	***9.0%***	***71.9%***
MINORITIES	0.0	*0.0%*	0.0	*0.0%*	*(97.6%)*
GROUP NET RESULT	**43.0**	***17.0%***	**25.0**	***8.9%***	***72.2%***

-7.9% lfl

Patent Box for €5.5 mn

3Q-9M20 Reported EBITDA and EBIT by Business Area

GRUPPO MONDADORI

€ mln

Rep. EBITDA

	3Q 20	3Q 19	Var.	9M 20	9M 19	Var.
Books	56.1	62.3	*(6.2)*	66.4	78.1	*(11.7)*
Retail	0.9	1.3	*(0.4)*	(2.4)	0.5	*(2.9)*
Media	0.1	(3.8)	*3.9*	1.8	2.6	*(0.8)*
Corporate & Shared Services	(0.7)	(1.0)	*0.4*	(1.9)	(1.8)	*(0.1)*
Intercompany	*0.2*	*(1.0)*	*1.2*	*1.2*	*(1.0)*	*2.2*
Total	**56.7**	**57.8**	***(1.1)***	**65.1**	**78.4**	***(13.3)***

EBIT

	3Q 20	3Q 19	Var.	9M 20	9M 19	Var.
Books	51.9	58.8	*(6.9)*	55.8	68.5	*(12.7)*
Retail	(1.3)	(1.3)	*0.1*	(9.4)	(7.3)	*(2.1)*
Media	(1.6)	(5.1)	*3.5*	(9.5)	(1.4)	*(8.1)*
Corporate & Shared Services	(3.1)	(3.4)	*0.3*	(9.1)	(8.6)	*(0.5)*
Intercompany	*0.2*	*(1.0)*	*1.2*	*1.2*	*(1.0)*	*2.2*
Total	**46.1**	**48.0**	***(1.9)***	**28.9**	**50.2**	***(21.2)***

Incl. impairment (-5.8 € mn) and amortization (-2.0 € mn) of some titles

9M20 Balance Sheet

GRUPPO MONDADORI

Euro/millions	set-20	set-19	% chg.
TRADE RECEIVABLES	231.4	269.1	*(14.0%)*
INVENTORY	125.6	133.0	*(5.6%)*
TRADE PAYABLES	246.2	282.0	*(12.7%)*
OTHER ASSETS (LIABILITIES)	(6.0)	(19.3)	*(68.7%)*
NET WORKING CAPITAL	**104.8**	**100.8**	***4.0%***
INTANGIBLE ASSETS	210.5	223.5	*(5.8%)*
PROPERTY, PLANT AND EQUIPMENT	17.5	17.1	*2.1%*
INVESTMENTS	21.6	28.7	*(24.5%)*
NET FIXED ASSETS WITH NO RIGHTS OF USE IFRS 16	**249.7**	**269.3**	***(7.3%)***
ASSETS FROM RIGHTS OF USE IFRS 16	85.0	97.8	*(13.1%)*
NET FIXED ASSETS WITH RIGHTS OF USE IFRS 16	**334.7**	**367.1**	***(8.8%)***
PROVISIONS FOR RISKS	49.1	57.7	*(14.9%)*
POST-EMPLOYMENT BENEFITS	32.7	34.7	*(5.8%)*
PROVISIONS	**81.8**	**92.4**	***(11.5%)***
NET INVESTED CAPITAL	**357.7**	**375.5**	***(4.7%)***
SHARE CAPITAL	68.0	68.0	*0.0%*
RESERVES	101.3	74.9	*35.3%*
PROFIT (LOSS) FOR THE PERIOD	18.0	23.1	*(22.0%)*
GROUP EQUITY	**187.3**	**165.9**	***12.9%***
NON-CONTROLLING INTERESTS' EQUITY	0.1	0.0	*673.1%*
EQUITY	**187.4**	**165.9**	***12.9%***
NET FINANCIAL POSITION NO IFRS 16	82.3	110.4	*(25.4%)*
NET FINANCIAL POSITION IFRS 16	88.0	99.1	*(11.1%)*
NET FINANCIAL POSITION	**170.4**	**209.5**	***(18.7%)***
SOURCES	**357.7**	**375.5**	***(4.7%)***

LTM Cash Flow – September20

GRUPPO MONDADORI

Euro/millions	set-20
INITIAL NFP IFRS 16	**(209.3)**
FINANCIAL LIABILITIES APPLICATION OF IFRS 16	(98.9)
INITIAL NFP NO IFRS 16	**(110.4)**
ADJUSTED EBITDA (NO IFRS 16)	82.4
NWC AND PROVISIONS	(3.2)
CAPEX NO IFRS 16	(21.6)
CASH FLOW FROM OPERATIONS	**57.6**
FINANCIAL INCOME (EXPENSE) NO IFRS 16	(3.8)
TAX	(13.1)
CASH FLOW FROM ORDINARY OPERATIONS CONTINUING OPERATIONS	**40.8**
CF FROM ORDINARY OPERATIONS DISCONTINUED OR DISCONTINUING OPERATIONS	0.7
CASH FLOW FROM ORDINARY OPERATIONS	**41.5**
RESTRUCTURING COSTS	(6.7)
SHARE CAPITAL INCREASE/DIVIDENDS NON CONTROLLING INTERESTS AND ASSOCIATES	(3.5)
PURCHASES/DISPOSALS	(2.6)
OTHER	(0.6)
CF EXTRAORDINARY OPERATIONS DISCONTINUED OR DISCONTINUING OPERATIONS	0.0
CASH FLOW FROM EXTRAORDINARY OPERATIONS	**(13.4)**
TOTAL CASH FLOW	**28.1**
NET FINANCIAL POSITION NO IFRS 16	**(82.3)**
IFRS 16 EFFECTS IN THE PERIOD	10.8
FINAL NET FINANCIAL POSITION	**(170.4)**

Glossary

- **EBITDA** is equal to earnings before interest, tax, depreciation and amortization. The Group also provides information on the percentage of EBITDA on net sales.

  EBITDA computed by the Group allows operating results to be compared with those of other companies, net of any effects from financial and tax items, and of depreciation and amortization, which may vary from company to company for reasons unrelated to general operating performance.

- **Adjusted EBITDA** is gross operating profit as explained above, net of income and expenses of a non-ordinary nature such as

  (i) income and expenses from restructuring, reorganization and business combinations;

  (ii) clearly identified income and expenses not directly related to the ordinary course of business;

  (iii) as well as any income and expenses from nonrecurring events and transactions as set out in Consob communication DEM6064293 of 28/07/2006.

- **EBIT** net result for the period before income tax, and other income and expenses.

- **Net Invested Capital** is equal to the algebraic sum of Fixed Capital, which includes non-current assets and non-current liabilities (net of non-current financial liabilities included in the Net Financial Position) and Net Working Capital, which includes current assets (net of cash and cash equivalents and current financial assets included in the Net Financial Position), and current liabilities (net of current financial liabilities included in the Net Financial Position).

- **Operating Cash Flow** adjusted EBITDA, as explained above, plus or minus the decrease/(increase) in working capital in the period, minus capital expenditure (CAPEX/Investment).

- **Ordinary Cash Flow** is cash flow from operations as explained above, net of financial expenses, taxes paid in the period, and income/expenses from investments in associates.

- **LTM Ordinary Cash Flow** cash flow from ordinary operations in the last twelve months.

- **Non ord. Cash Flow** cash flow generated/used in transactions that are not considered ordinary, such as company restructuring and reorganization, share capital transactions and acquisitions/disposals.

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