PRESS RELEASE

BoD APPROVES RESULTS AT 30 JUNE 2022[1]

- **Net revenue € 355.1 million, up by 10.8% versus € 320.4 million at 30.06.2021; +5.7% net of the consolidation of D Scuola**

- **Adjusted EBITDA € 27.6 million; on a like-for-like basis, € 28.4 million, improving by € 6.9 million versus € 21.5 million at 30.06.2021**

- **Group net result € 2.8 million; on a like-for-like basis, € 6.7 million, up by € 2.3 million versus € 4.4 million at 30.06.2021**

- **Continued solid cash flow generation, net of the acquisition of D Scuola:**
  - **LTM cash flow from ordinary operations grows to reach € 70.6 million;**
  - **LTM free cash flow € 41.9 million**

- **NFP before IFRS 16 € -205.8 million; excluding the impacts from the acquisition and consolidation of D Scuola, € -48.4 million, improving by € 20 million versus 30.06.2021**

OUTLOOK: GUIDANCE FOR 2022 CONFIRMED

- **Mid-single-digit growth of revenue**
- **Adjusted EBITDA up** by more than **20%**
- **Double-digit growth of net result**
- **Cash flow from ordinary operations in line** with **2021**
- **Free cash flow** in the region of € **10/15 million**
- **IFRS 16 NFP** at **1.3x adjusted EBITDA**.

Segrate, 28 July 2022 - Today, the meeting of the Board of Directors of Arnoldo Mondadori Editore S.p.A., chaired by Marina Berlusconi, reviewed and approved the Half-Year Report at 30 June 2022 presented by CEO Antonio Porro.

"In the first half of the year, our performance was highly positive, and all the business areas contributed to the result, with revenue gaining momentum especially in the second quarter", emphasized **Antonio Porro, Chief Executive Officer of the Mondadori Group**. "These results, as well as a continually meticulous management of operations, have allowed us to increase overall profitability and cash generation. Improved operating performance, coupled with the Group's continued capital strengthening, have laid the groundwork for confirming the 2022 targets and continuing the path of strategic reshaping, despite the uncertain economic and political scenario on a domestic and international level", concluded Porro.

PERFORMANCE AT 30 JUNE 2022

In first half 2022, **consolidated revenue** amounted to € **355.1 million**, **increasing by 10.8%** versus € 320.4 million in the prior year; net of the consolidation of D Scuola, Group revenue recorded a like-for-like **growth of 5.7%, thanks to the contribution of all business areas, of the Retail and Books areas in particular**.

[1] The operating and financial figures at 30 June 2022 are also shown on a like-for-like basis excluding D Scuola for greater comparability versus the prior year. Additionally, as already seen for the first quarter, at 30 June 2022, the contribution of D Scuola, fully consolidated as from 16 December 2021, was heavily marked by the seasonal nature of the Education business which, in the first half of the year, records the costs of creating editorial content, as well as the expense from the promotional activities to support the adoption campaign, postponing the recognition of the most significant portion of revenue from the sale of school textbooks to the second half of the year.

Adjusted EBITDA came to a **positive** € **27.6 million** versus € 21.5 million in first half 2021; excluding the result for the period of D Scuola, **adjusted EBITDA came to a positive € 28.4 million** as the company, which operates in the school textbooks segment, recorded a loss in the first part of the year due to the seasonal nature of the business; **on a like-for-like basis**, the Group **improved profitability by € 6.9 million** versus first half 2021, driven by the **positive performance** of all business areas, by the **Books and Media** areas in particular.

Group EBITDA stood at € **26.8 million** versus € 19 million in first half 2021; **on a like-for-like basis**, the figure of € **27.6 million** shows a **strong improvement**, attributable to the abovementioned phenomena, as well as to the positive dynamics of non-ordinary components.

EBIT came to a **positive € 3.2 million** (€ 8.5 million on a like-for-like basis). The comparison with 2021 shows:

- an **improvement** in the overall scope of € **3 million**, impacted by the consolidation of D Scuola's amortization/depreciation and the effects of the Purchase Price Allocation process;
- an **improvement** on a like-for-like basis of € **8.3 million**.

Financial expense increased by € 1.3 million, due mainly to the recognition in 2021 of a one-off income from the application of IFRS 9 to the terms of the pool loan signed by the Group in May 2021.

Consolidated profit before tax amounted to € **0.5 million**; on a like-for-like basis, the figure shows a profit of **€ 5.8 million, improving by € 10.9 million** versus € -5.1 million in first half 2021.
Also contributing to this increase was the improvement of over € 3 million in the results of the investees attributable to the sale on 1 January 2022 of the investment in Monradio (which usually recorded losses), the improved results for the period of Attica, as well as the start of the accounting for the share of profits of A.L.I., of which the Group completed the acquisition of 50%.

Group net profit, after minority interests, amounted to € **2.8 million**; on a like-for-like basis, it amounted to € **6.7 million**, **improving** by € 2.3 million versus € 4.4 million in first half 2021, despite the fact that last year had benefited from net non-recurring positive tax components of **approximately € 9 million**, resulting from the realignment of the tax amounts of trademarks and goodwill to their respective statutory amounts.

The **Net Financial Position** before IFRS 16 stood at € -205.8 million (€ -285.1 million including IFRS 16). On a like-for-like basis, it stood at € **-48.4 million, improving strongly by € 20 million** versus the net debt of € 68.3 million recorded at 30 June 2021, despite the cash out from the payment of dividends and the acquisition of A.L.I.

On a like-for-like basis, the **LTM cash flow from ordinary operations** (after outlays for financial expense and tax) amounted to € **70.6 million**, allowing the **Group to continue to strengthen its financial structure** through the **continued and growing ability of the businesses to generate cash**.
D Scuola reported a negative cash flow of € 25.2 million in the first half, reflecting the seasonal nature of the school business which, in the first half of the year, records the costs and expenditure for the development and publication of texts marketed in the second half.

LTM Free Cash Flow on a like-for-like basis came to € **41.9 million** and includes mainly outlays for restructuring costs of € 10.6 million and approximately € 14 million for acquisitions.

At 30 June 2022, Group employees amounted to **1,917 units, up by 4.8%** versus the 1,829 units at 30 June 2021, following the inclusion of the workforce of **D Scuola** and of **De Agostini Libri**. Excluding the contribution of companies consolidated from 2022 and the effects of the disposal of titles in the Media area that took place in December 2021, **the decline** would be approximately **1.7%**.

BUSINESS OUTLOOK

In light of the positive operating-financial trend recorded in the first half of the year, and thanks also to the relief received by Electa for its museum activities[2], the Group believes that it can **confirm,** for the full year 2022, **the previously disclosed estimates at the consolidated level**, despite the geopolitical uncertainty and the persisting problems arising from the increase in costs both in the procurement of raw materials, paper in particular, and for energy consumption.

The Group thus expects:

- **Earnings: continued resilience of the business model**
  - **mid-single-digit growth of revenue**
  - **adjusted EBITDA up by more than 20%**
  - **double-digit growth of the net result,** thanks also to significantly lower restructuring costs and to the improved results of investees versus 2021.

- **Cash Flow/Net Financial Position: continued strong cash generation**
  - **Cash flow from ordinary operations in line** with **2021**;
  - **Free Cash Flow** in the region of € **10/15 million** (including outlays for the announced acquisitions and before dividend payout);
  - **Group net financial debt (IFRS 16) at 1.3x Adjusted EBITDA**.

The Mondadori Group continues to prioritize sustainability issues and to pursue its efforts to achieve the ESG goals set.

PERFORMANCE OF BUSINESS AREAS

- ***BOOKS***

Following the remarkable growth seen in 2021, first half 2022 witnessed a **consolidation phase of the books market**, with a slight drop in terms of value (-1.8%) and volume (-1.4%) versus the same period of 2021[3].
Excluding from the scope of the books market the comic books segment - still untapped by the Group in the first half of the year and whose growth rate in the period stood at 27.1% - the decline versus first half 2021 is 3.4% (in terms of value).

Against this backdrop, the **Mondadori Group's performance steadily improved**, thanks to a publishing plan that concentrated the publication of the **most successful titles in the second quarter, and enabled the Group to retain its domestic leadership** with a **24.3% market share** (26.1% considering the consolidation of **Edizioni Star Comics**, whose acquisition was completed last 1 July)

Additionally, on 7 July, thanks to **Einaudi**, the Group won the **76th edition of the Strega Prize** with *Spatriati* by Mario Desiati and placed three other titles from 2nd to 4th place: *Quel maledetto Vronskij* by Claudio Piersanti for **Rizzoli**; *E poi saremo salvi* by Alessandra Carati, a debut fiction writer for **Mondadori**; *Niente di vero* by Veronica Raimo for **Einaudi**.

In first six months 2022, **revenue** in the **Books area** stood at € **196 million, up by 16%** versus € 168.9 million in first six months 2021, driven by the positive performance of the **trade publishers (+2.2%)**, which grew by 9% in the second quarter, the **sharp increase of Rizzoli International Publications (+10.7%)**, the upswing in Electa's activities, as well as the consolidation of D Scuola.
Considering the scope of the Books area **on a like-for-like basis** alone, excluding the contribution of D Scuola, **revenue grew by 6.1%**.

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[2] Emergency Fund for Enterprises and Cultural Institutions for the Relief of Art Exhibition Organizers, decree published on 27 May 2022 granting the subsidies provided by Ministerial Decree 428 no. 227 of June 2021.

[3] GFK, June 2022

Revenue from the school textbooks business amounted to € **49.6 million**, **up by 38.5%** versus € 35.8 million in first half 2021, due to the abovementioned change in the scope following the **consolidation of the D Scuola publishing house**.
On a like-for-like basis, revenue was down by € 3 million (-8.2%), as a result of the delay in supplies to a number of top accounts, whose recovery is expected in July.

Adjusted EBITDA in the Books area stood at € **23.8 million** including the continued negative contribution of € 0.8 million at 30 June of D Scuola, owing to the seasonal nature of the school textbooks business: net of this effect, adjusted EBITDA on a like-for-like basis stood at € **24.7 million**, an **improvement of € 4.8 million** versus € 19.8 million in first half 2021.
The result can be attributable to the abovementioned **positive trend of Trade publishers** and the performance of Electa, which benefited from the **upswing in museum** and concession-related activities and **higher relief** (€ 6.3 million versus approximately € 3 million in first half 2021), which more than offset lower revenue in the Education segment.

- ***RETAIL***

In the first six months, the **Retail** area posted **revenue** of € **77.6 million**, up by € 7.8 million (**+11.2%**) versus € 69.8 million in the same period of the prior year.
The ongoing development and renovation of existing stores and the focus on the core business of books have enabled the Mondadori network of bookstores to consolidate its role in the market, as shown by the **solid growth in revenue from the Book product** (**€ +7.7 million**), which is higher at the end of the first half even than in the pre-COVID period.

A breakdown of the main channels of Mondadori Retail shows the following:
- **directly-managed stores** reported a **sharp increase in revenue** (**+45.7%** versus the prior year), due to the abovementioned strategy of focusing on the book product and network development activities, and to the restrictions on activities in 1° half 2021 brought by the anti-COVID measures;
- the **franchised channel**, composed mainly of proximity stores located in small towns, continued its progression, **increasing by +3.8%** versus the same period of the prior year.

Thanks to the **remarkable performance of physical stores,** the **market share** of Mondadori Retail in the Italian books market grew to **11.8%**.

In the first half of the year, **adjusted EBITDA came to a positive € 1.4 million**, **up strongly** versus approximately € 1 million in first six months 2021, as a result of revenue growth and continued cost containment, renovation and development of the physical network of stores, and despite higher rental and utility costs incurred by directly-managed stores in the six months under review.

- ***MEDIA***

The Media area recorded revenue of € **98.2 million** in first six months 2022, **increasing** by approximately **1%** versus € 97.4 million in the same half of the prior year; on a like-for-like basis of portfolio of brands (excluding the effect of the deconsolidation of the titles sold at end 2021), the **growth** was **10%**:
- **digital activities**, which now account for **22%** of the area's total **revenue**, **rose sharply** in the second quarter **by 22%** (+27.5% on a like-for-like basis of brands). Thanks to this growth, **digital revenue** as a percentage of total advertising revenue stood at **67% of the total** (up from 63% in first half 2021);
- traditional **print** activities, excluding the titles sold at end 2021, **grew by 5%**.
  The Group's market share in terms of circulation, as a result of a performance - on a like-for-like basis of portfolio of titles - that outdid the relevant market, stood at **21.3%**, up versus 20.5% in May of the prior year.

The Media area's **adjusted EBITDA** stood at € **7.8 million**, **up strongly** versus first six months 2021, thanks to the remarkable performance of the print area which, in the second quarter, in addition to benefiting from the **continued cost-curbing measures**, was able to account for both the margin from the *FuoriSalone* event (which in 2021 took place in the second half of the year) and for a tax credit recognized on paper consumption that allowed it to offset the increase in the related cost incurred in the period.

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With regard to the Warning Notice to listed issuers published by CONSOB on 19 May 2022, concerning the effects on the operating and financial situation resulting from the Russia-Ukraine war, the Mondadori Group clarifies:

- to have no "direct" impacts, as it has no production sites in the affected area, nor does this area represent an outlet market for publishing production or services offered by the Group;
- to have "indirect" impacts, due to the increase in prices of raw materials, energy and transportation.

With regard to such increased costs, the Group has taken measures to alleviate their impact, and has put in place further remedies to achieve efficiencies, such as to achieve in the first half of the year in all business areas growing results versus the relevant forecast figures and to confirm the outlook for the entire year.

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The presentation of the results at 30 June 2022, approved today by the Board of Directors is available, on 1Info (www.1info.it), on www.borsaitaliana.it and on www.gruppomondadori.it (Investors section). A Q&A session will be held in conference call mode at 4.30 pm for the financial community, attended by the CEO of the Mondadori Group, Antonio Porro, and the CFO, Alessandro Franzosi. Journalists will be able to follow the meeting in listening mode only, by connecting to the following phone number +39.02.8020927 or via web at: https://hditalia.choruscall.com/?calltype=2&info=company.

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The Financial Reporting Manager - Alessandro Franzosi - hereby declares, pursuant to Article 154 bis, paragraph 2, of the Consolidated Finance Law, that the accounting information contained herein corresponds to the Company's records, books and accounting entries.

Annexes:

1. *Consolidated balance sheet;*
2. *Consolidated income statement;*
3. *Consolidated income statement - II quarter;*
4. *Group cash flow;*
5. *Glossary of terms and alternative performance measures used.*

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Annex 1
Consolidated balance sheet

€ millions	1H 2022	1H 2022 LFL	1H 2021	% chg.	% chg. LFL
TRADE RECEIVABLES	142.0	130.8	140.6	*1.0%*	*(7.0%)*
INVENTORY	158.8	145.8	132.4	*20.0%*	*10.2%*
TRADE PAYABLES	206.9	188.1	171.2	*20.8%*	*9.9%*
OTHER ASSETS (LIABILITIES)	4.6	13.9	(0.3)	*n.s.*	*(4107.9%)*
NET WORKING CAPITAL CONTINUING OPERATIONS	**98.6**	**102.4**	**101.4**	***(2.7%)***	***1.0%***
DISCONTINUED OR DISCONTINUING ASSETS (LIABILITIES)	(1.3)	(1.3)	(5.1)	*(74.7%)*	*(74.7%)*
NET WORKING CAPITAL	**97.4**	**101.1**	**96.3**	***1.1%***	***5.0%***
INTANGIBLE ASSETS	352.0	189.3	192.2	*83.1%*	*(1.5%)*
PROPERTY, PLANT AND EQUIPMENT	16.4	16.3	16.5	*(0.5%)*	*(0.9%)*
INVESTMENTS	27.9	27.9	16.0	*74.1%*	*74.0%*
NET FIXED ASSETS WITH NO RIGHTS OF USE IFRS 16	**396.3**	**233.5**	**224.7**	***76.4%***	***3.9%***
ASSETS FROM RIGHTS OF USE IFRS 16	75.2	73.3	83.8	*(10.2%)*	*(12.5%)*
NET FIXED ASSETS WITH RIGHTS OF USE IFRS 16	**471.5**	**306.8**	**308.5**	***52.8%***	***(0.6%)***
PROVISIONS FOR RISKS	45.4	43.6	42.8	*6.1%*	*1.9%*
POST-EMPLOYMENT BENEFITS	28.7	25.0	28.9	*(0.7%)*	*(13.4%)*
PROVISIONS	**74.1**	**68.7**	**71.7**	***3.4%***	***(4.3%)***
NET INVESTED CAPITAL	**494.7**	**339.3**	**333.1**	***48.5%***	***1.8%***
SHARE CAPITAL	68.0	68.0	68.0	*0.0%*	*0.0%*
RESERVES	137.0	136.9	105.7	*29.6%*	*29.5%*
PROFIT (LOSS) FOR THE PERIOD	2.8	6.7	4.4	*n.s.*	*n.s.*
GROUP EQUITY	**207.7**	**211.6**	**178.0**	***16.7%***	***18.9%***
NON-CONTROLLING INTERESTS' EQUITY	1.9	1.9	0.0	*n.s.*	*n.s.*
EQUITY	**209.6**	**213.5**	**178.0**	***17.7%***	***19.9%***
NET FINANCIAL POSITION NO IFRS 16	205.8	48.4	68.3	*n.s.*	*n.s.*
NET FINANCIAL POSITION IFRS 16	79.3	77.4	86.8	*(8.6%)*	*(10.9%)*
NET FINANCIAL POSITION	**285.1**	**125.8**	**155.1**	***83.9%***	***(18.9%)***
SOURCES	**494.7**	**339.3**	**333.1**	***48.5%***	***1.8%***

GRUPPO MONDADORI

Annex 2

Consolidated income statement

€ millions	1H 2022		1H 2022 LFL		1H 2021		% chg.	% chg. LFL
REVENUE	**355.1**		**338.6**		**320.4**		***10.8%***	***5.7%***
INDUSTRIAL PRODUCT COST	112.3	*31.6%*	108.1	*31.9%*	94.6	*29.5%*	*18.7%*	*14.3%*
VARIABLE PRODUCT COSTS	46.3	*13.0%*	45.1	*13.3%*	50.7	*15.8%*	*(8.7%)*	*(11.0%)*
OTHER VARIABLE COSTS	74.0	*20.8%*	68.1	*20.1%*	66.2	*20.6%*	*11.9%*	*2.9%*
STRUCTURAL COSTS	29.3	*8.2%*	27.7	*8.2%*	23.8	*7.4%*	*22.9%*	*16.5%*
EXTENDED LABOUR COST	73.7	*20.8%*	69.1	*20.4%*	68.6	*21.4%*	*7.5%*	*0.8%*
OTHER EXPENSE (INCOME)	(8.0)	*(2.3%)*	(7.9)	*(2.3%)*	(4.9)	*(1.5%)*	*65.0%*	*62.4%*
ADJUSTED EBITDA	**27.6**	***7.8%***	**28.4**	***8.4%***	**21.5**	***6.7%***	***28.1%***	***32.0%***
RESTRUCTURING COSTS	0.5	*0.1%*	0.5	*0.1%*	1.7	*0.5%*	*(71.0%)*	*(71.0%)*
EXTRAORDINARY EXPENSE (INCOME)	0.3	*0.1%*	0.3	*0.1%*	0.8	*0.3%*	*(60.9%)*	*(60.9%)*
EBITDA	**26.8**	***7.5%***	**27.6**	***8.1%***	**19.0**	***5.9%***	***40.6%***	***45.0%***
AMORTIZATION AND DEPRECIATION	16.5	*4.7%*	12.4	*3.7%*	11.9	*3.7%*	*39.0%*	*3.9%*
IMPAIRMENT AND WRITE-DOWNS	0.0	*0.0%*	0.0	*0.0%*	0.3	*0.1%*	*n.s.*	*n.s.*
AMORTIZATION AND DEPRECIATION IFRS 16	7.0	*2.0%*	6.7	*2.0%*	6.6	*2.1%*	*5.3%*	*1.4%*
EBIT	**3.2**	***0.9%***	**8.5**	***2.5%***	**0.2**	***0.1%***	***n.s.***	***n.s.***
FINANCIAL EXPENSE (INCOME)	1.8	*0.5%*	1.7	*0.5%*	0.6	*0.2%*	*180.8%*	*176.8%*
FINANCIAL EXPENSE IFRS 16	1.1	*0.3%*	1.1	*0.3%*	1.1	*0.3%*	*4.1%*	*2.0%*
FINANCIAL EXPENSE (INCOME) FROM SECURITIES VALUATION	0.0	*0.0%*	0.0	*0.0%*	0.4	*0.1%*	*n.s.*	*n.s.*
EXPENSE (INCOME) FROM INVESTMENTS	(0.1)	*(0.0%)*	(0.1)	*(0.0%)*	3.1	*1.0%*	*n.s.*	*(103.2%)*
EBT	**0.5**	***0.1%***	**5.8**	***1.7%***	**(5.1)**	***(1.6%)***	***n.s.***	***n.s.***
TAX EXPENSE (INCOME)	(1.8)	*(0.5%)*	(0.4)	*(0.1%)*	(9.4)	*(2.9%)*	*n.s.*	*(95.5%)*
NET RESULT FOR THE PERIOD (GROUP AND NON-CONTROLLING INTERESTS)	**2.2**	***0.6%***	**6.2**	***1.8%***	**4.4**	***1.4%***	***(48.6%)***	***42.1%***
MINORITIES	(0.6)	*(0.2%)*	(0.6)	*(0.2%)*	0.0	*0.0%*	*n.s.*	*n.s.*
GROUP NET RESULT	**2.8**	***0.8%***	**6.7**	***2.0%***	**4.4**	***1.4%***	***(35.9%)***	***54.9%***

Cost of personnel includes costs for collaborations and temporary employment.

Annex 3

Consolidated income statement - II quarter

€ millions	2Q 2022		2Q 2022 LFL		2Q 2021		% chg.	% chg. LFL
REVENUE	**202.0**		**189.5**		**175.6**		***15.0%***	***7.9%***
INDUSTRIAL PRODUCT COST	62.6	*31.0%*	59.7	*31.5%*	51.3	*29.2%*	*22.0%*	*16.4%*
VARIABLE PRODUCT COSTS	24.9	*12.3%*	23.9	*12.6%*	26.0	*14.8%*	*(4.4%)*	*(7.9%)*
OTHER VARIABLE COSTS	39.8	*19.7%*	36.9	*19.5%*	37.5	*21.4%*	*6.0%*	*(1.6%)*
STRUCTURAL COSTS	16.7	*8.3%*	15.9	*8.4%*	12.1	*6.9%*	*37.7%*	*30.8%*
EXTENDED LABOUR COST	37.0	*18.3%*	34.7	*18.3%*	32.7	*18.6%*	*13.2%*	*6.1%*
OTHER EXPENSE (INCOME)	(7.6)	*(3.8%)*	(7.5)	*(4.0%)*	(4.5)	*(2.5%)*	*69.7%*	*68.3%*
ADJUSTED EBITDA	**28.7**	***14.2%***	**26.0**	***13.7%***	**20.4**	***11.6%***	***40.3%***	***27.1%***
RESTRUCTURING COSTS	0.3	*0.2%*	0.3	*0.2%*	0.7	*0.4%*	*(58.7%)*	*(58.7%)*
EXTRAORDINARY EXPENSE (INCOME)	0.9	*0.5%*	0.9	*0.5%*	0.9	*0.5%*	*1.7%*	*1.7%*
EBITDA	**27.5**	***13.6%***	**24.8**	***13.1%***	**18.8**	***10.7%***	***46.0%***	***31.7%***
AMORTIZATION AND DEPRECIATION	8.5	*4.2%*	6.4	*3.4%*	6.3	*3.6%*	*35.3%*	*1.3%*
IMPAIRMENT AND WRITE-DOWNS	0.0	*0.0%*	0.0	*0.0%*	0.0	*0.0%*		
AMORTIZATION AND DEPRECIATION IFRS 16	3.5	*1.7%*	3.4	*1.8%*	3.4	*1.9%*	*4.0%*	*0.1%*
EBIT	**15.5**	***7.7%***	**15.1**	***7.9%***	**9.2**	***5.2%***	***68.7%***	***64.0%***
FINANCIAL EXPENSE (INCOME)	1.0	*0.5%*	0.9	*0.5%*	0.0	*0.0%*	*n.s.*	*n.s.*
FINANCIAL EXPENSE IFRS 16	0.5	*0.3%*	0.5	*0.3%*	0.6	*0.3%*	*(1.8%)*	*(3.9%)*
FINANCIAL EXPENSE (INCOME) FROM SECURITIES VALUATION	0.0	*0.0%*	0.0	*0.0%*	0.0	*0.0%*		
EXPENSE (INCOME) FROM INVESTMENTS	(1.0)	*(0.5%)*	(1.0)	*(0.5%)*	1.5	*0.9%*	*n.s.*	*n.s.*
EBT	**14.9**	***7.4%***	**14.5**	***7.7%***	**7.1**	***4.0%***	***n.s.***	***n.s.***
TAX EXPENSE (INCOME)	1.3	*0.6%*	1.2	*0.7%*	(7.5)	*(4.3%)*	*n.s.*	*n.s.*
RESULT FROM CONTINUING OPERATIONS	**13.6**	***6.7%***	**13.3**	***7.0%***	**14.5**	***8.3%***	***(6.2%)***	***(8.5%)***
MINORITIES	(0.6)	*(0.3%)*	(0.6)	*(0.3%)*	0.0	*0.0%*		
GROUP NET RESULT	**14.2**	***7.0%***	**13.9**	***7.3%***	**14.5**	***8.3%***	***(2.3%)***	***(4.6%)***

Cost of personnel includes costs for collaborations and temporary employment.

GRUPPO MONDADORI

Annex 4
Group cash flow

€ millions	LTM 1H 2022	LTM 1H 2022 LFL	LTM 2021 Excl Dscuola
INITIAL NFP IFRS 16	**(155.1)**	**(155.1)**	**(97.6)**
FINANCIAL LIABILITIES APPLICATION OF IFRS 16	(86.8)	(86.8)	(82.8)
INITIAL NFP NO IFRS 16	**(68.3)**	**(68.3)**	**(14.8)**
ADJUSTED EBITDA (NO IFRS 16)	96.7	97.8	91.0
NWC AND PROVISIONS	6.7	23.6	10.3
CAPEX NO IFRS 16	(28.9)	(26.4)	(22.0)
CASH FLOW FROM OPERATIONS	**74.4**	**94.9**	**79.3**
FINANCIAL INCOME (EXPENSE) NO IFRS 16	(3.3)	(3.3)	(2.438)
TAX	(21.8)	(17.1)	(13.943)
CASH FLOW FROM ORDINARY OPERATIONS CONTINUING OPERATIONS	**49.2**	**74.5**	**62.9**
CF FROM ORDINARY OPERATIONS DISCONTINUED OR DISCONTINUING OPERATIONS	(3.8)	(3.8)	5.3
CASH FLOW FROM ORDINARY OPERATIONS	**45.4**	**70.6**	**68.2**
RESTRUCTURING COSTS	(10.6)	(10.6)	(6.9)
EXTRAORDINARY TAX	(0.3)	(0.3)	3.4
SHARE CAPITAL INCREASE/DIVIDENDS NON CONTROLLING INTERESTS AND ASSOCIATES	(0.5)	(0.5)	(0.1)
PURCHASE/DISPOSAL	(146.4)	(14.3)	(8.6)
OTHER INCOME AND EXPENDITURE	(2.9)	(2.9)	(3.5)
CF EXTRAORDINARY OPERATIONS DISCONTINUED OR DISCONTINUING OPERATIONS	(0.1)	(0.1)	(0.3)
CASH FLOW FROM EXTRAORDINARY OPERATIONS	**(160.9)**	**(28.7)**	**(16.1)**
FREE CASH FLOW	**(115.6)**	**41.9**	**52.1**
DIVIDENDS PAID	(22.2)	(22.2)	
TOT. CASH FLOW	**(137.8)**	**19.7**	**52.1**
NET FINANCIAL POSITION NO IFRS 16	**(205.8)**	**(48.4)**	**37.4**
IFRS 16 EFFECTS IN THE PERIOD	7.7	9.6	0.7
FINAL NET FINANCIAL POSITION	**(285.1)**	**(125.8)**	**(44.7)**

Annex 4

Glossary of terms and alternative performance measures used

This document, in addition to the statements and conventional financial measures required by IFRS, presents a number of reclassified statements and alternative performance measures, in order to provide a better understanding of the operating and financial performance of the Group. These statements and measures should not be considered as a replacement of those required by IFRS. With regard to these figures, in accordance with the recommendations contained in CONSOB Communication no. 6064293 of 28 July 2006, and in CONSOB Communication no. 0092543 of 3 December 2015, as well as with the 2015/1415 ESMA guidelines on alternative performance measures ("Non-GAAP Measures"), explanations are given on the criteria adopted in their preparation and the relevant notes to the items appearing in the mandatory statements.
Specifically, the alternative measures used include:
Gross Operating Profit (EBITDA): net result for the period before income tax, other financial income and expense, amortization, depreciation and write-downs of fixed assets. The Group also provides information on the percentage of EBITDA on net sales. EBITDA measured 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 gross operating profit (adjusted EBITDA): gross operating profit as explained above, net of income and expense of a non-ordinary nature such as:
(i) income and expense from restructuring, reorganization and business combinations;
(ii) clearly identified income and expense not directly related to the ordinary course of business;
(iii) as well as any income and expense from non-ordinary events and transactions as set out in CONSOB Communication DEM6064293 of 28/07/2006.
With regard to adjusted EBITDA in first half 2021, the following items were excluded from EBITDA:
a) restructuring costs for a total of € 1.7 million, included in "Cost of personnel" in the income statement;
b) expense of a non-ordinary nature for a total of € 0.8 million, included in "Sundry expense (income)" and "Cost of services".
With regard to adjusted EBITDA in first half 2022, the following items were excluded from EBITDA:
a) restructuring costs for a total of € 0.5 million, included in "Cost of personnel" in the income statement;
b) income of a non-ordinary nature for a total of € 0.3 million, included in "Sundry expense (income)" and "Cost of services".

(Euro/milions)		30/06/2022	30/06/2021
EBITDA ADJUSTED		**27.6**	**21.5**
RESTRUCTURING COSTS		0.5	1.7
EXTRAORDINARY EXPENSE (INCOME)		0.3	0.8
EBITDA		**26.8**	**19.0**

Operating profit (**EBIT**): net result for the period before income tax, and other financial income and expense.
Result before tax (EBT): EBT or consolidated result before tax is the net result for the period before income tax.
Net invested capital: 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).
Cash flow from operations: adjusted EBITDA, as explained above, plus or minus the decrease/(increase) in working capital in the period, minus capital expenditure (CAPEX/Investment).
Cash flow from ordinary operations: cash flow from operations as explained above, net of financial expense, tax paid in the period, and income/expense from investments in associates.
LTM cash flow: cash flow in the last 12 months (Last Twelve Months).
Cash flow from non-ordinary operations: cash flow generated/used in transactions that are not considered ordinary, such as company restructuring and reorganization, share capital transactions and acquisitions/disposals.
Free Cash Flow: the sum of cash flow from ordinary and non-ordinary operations in the reporting period (excluding payment of dividends, if any).
Total Cash Flow: the sum of cash flow from ordinary and non-ordinary operations in the reporting period (including payment of dividends, if any).