



CAIRO **COMMUNICATION**

Milan, March 20 2019



A LARGE MULTI-MEDIA PUBLISHING GROUP

			
<p>TV & TV INFRASTRUCTURE</p>	<p>MAGAZINES</p>	<p>NEWSPAPERS</p>	<p>ADVERTISING & SPORT EVENTS</p>

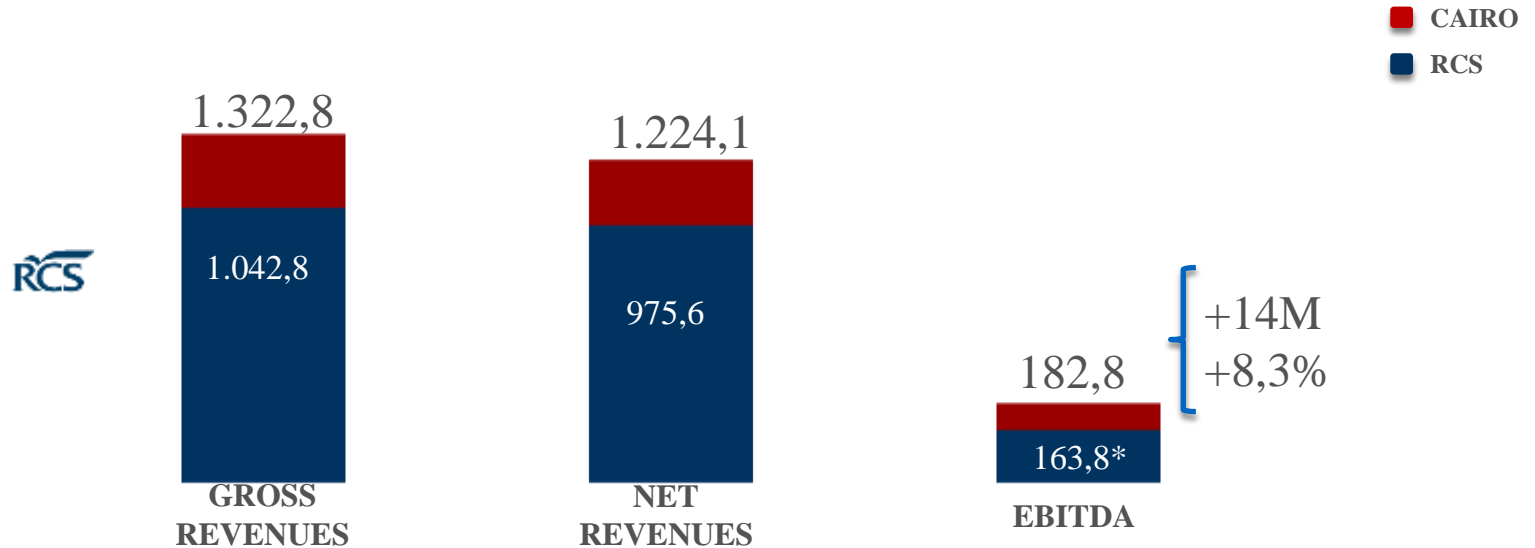
FY 2018 (January-December)



EUR million

CAIRO COMMUNICATION

FY 2018 PRELIMINARY RESULTS



Net to Ifrs 15 effects (106,8M€) 2018 net operating revenues grew by 7,9M€, strong growth in Ebitda.

*Rcs adopts a different definition of Ebitda from the one used by the Cairo Communication Group. The differences, of about 8,4M€, lies in the provisions for risks and in the allowance for impairment included in RCS and excluded in Cairo Communication

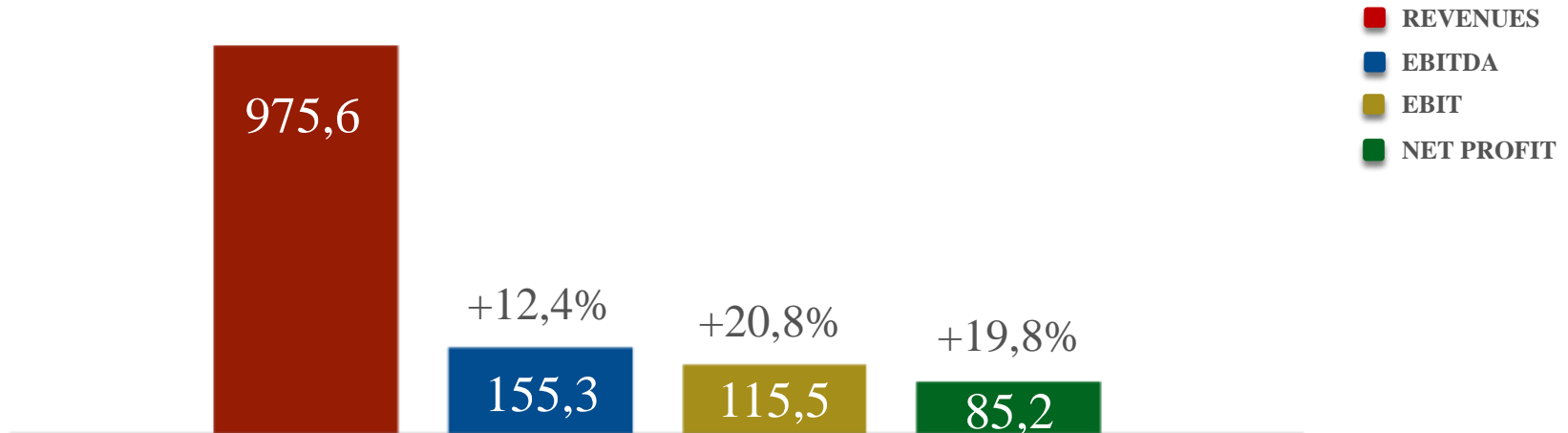
FY 2018 (January-December)



RCS

CAIRO COMMUNICATION

EUR million



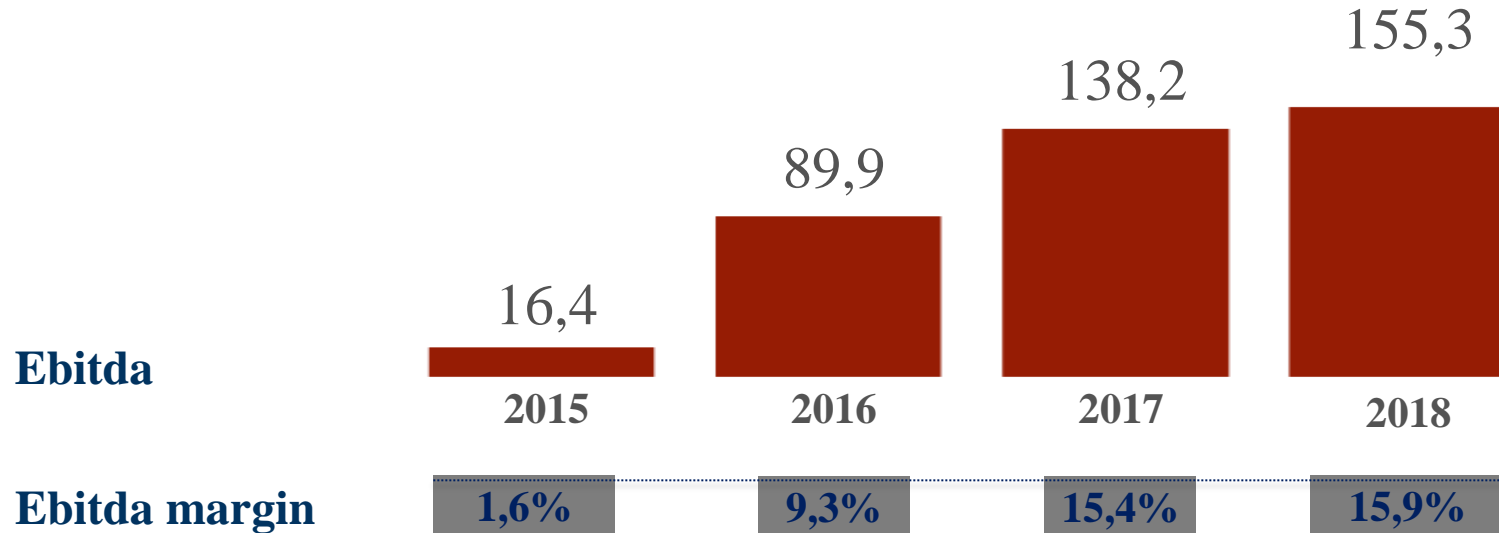
Net of IFRS 15 effect (76,4M€) Revenues grew by 3.4M€; net of the same effect advertising revenues grew by 2%, around 7.5M€. 2017 Net Profit was impacted by a positive capital gain of 14,9M € (disposal Ieo part.) Strong growth of digital Revenues (+12.6% at 163M€).

FY 2018 (January-December)



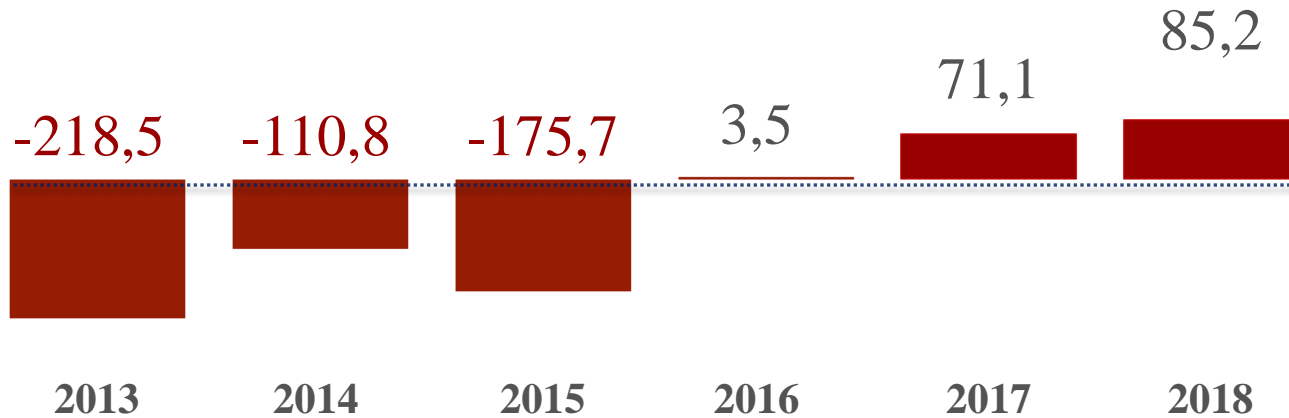
EUR million

RCS
EBITDA TREND



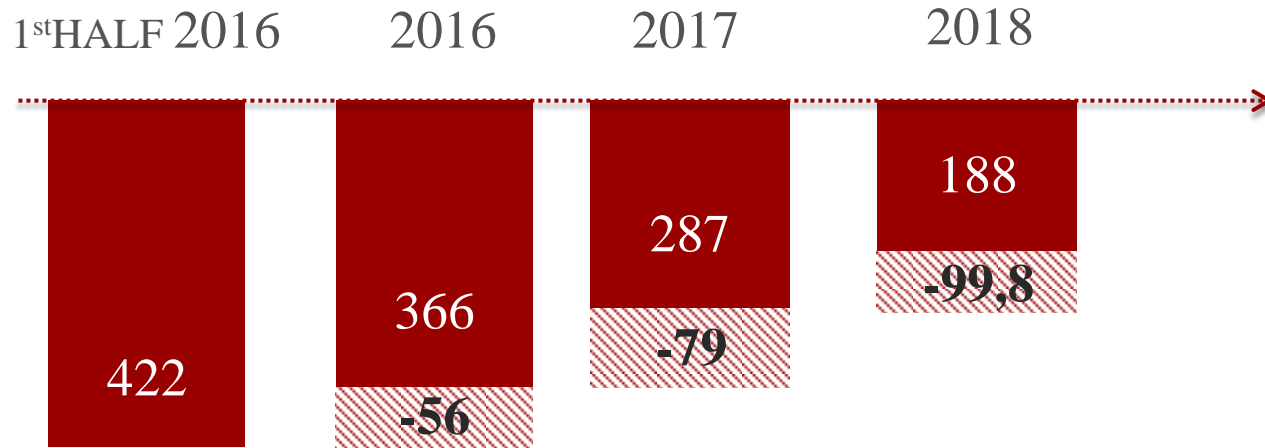


RCS
NET PROFIT TREND





RCS
NET FINANCIAL POSITION



Thanks to positive results reached (Net Cash Flow +26.5% at €118.7M) net debt target below €200 million has been reached.



RCS

BACK TO DIVIDEND AFTER 10 YEARS

2018

DIVIDEND 0,06€ PS

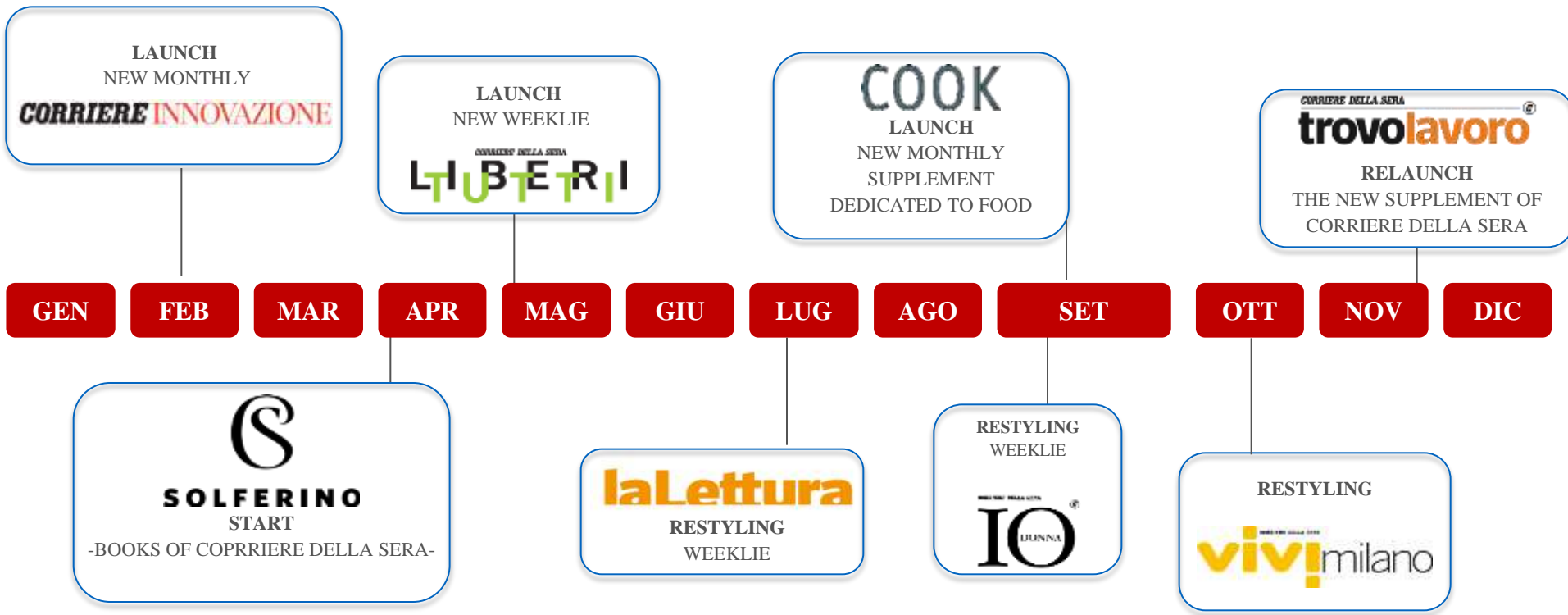
DIVIDEND YIELD 4%

The Board of Directors will propose at the Shareholders' Meeting the distribution of a dividend of Euro 0.06 per share, gross of taxes, with coupon detachment date (coupon no. 8) on 20 May 2019 and payable on 22 May 2019 (record date 21 May 2019).



CORRIERE DELLA SERA

TIMELINE 2018





CORRIERE DELLA SERA
NEWSPAPER ITALY 2018

CORRIERE INNOVAZIONE



MAGAZINE +
EVENTS MEDIA

ADV 2,7Mio
+80% YoY

COOK



ADV
AROUND **1 Mio€**
FROM THE
LAUNCH sept2018

LA LETTURA



134.000 COPIES
PER WEEK

ADV 2,1Mio
+10,1% YoY

CORRIERE DELLA SERA

NEWSPAPER ITALY 2018

IO DONNA



+ 8,5% IN COPIES
ON SATURDAY

ADV

+11% FROM
RELAUNCH (Sept)

VIVI MILANO



+ 37% IN COPIES
ON WEDNESDAY

ADV

+23% FROM
RELAUNCH (Oct)

TROVO LAVORO



FIRST ISSUE
35.000
COPIES SOLD

RCS



CAIRO COMMUNICATION

CORRIERE DELLA SERA NEWSPAPER ITALY 2018

FURTHER POSITIVE CONTRIBUTION

CORRIERE TORINO



+118% IN COPIES

Launch in November 2017

L'ECONOMIA



+ 8 % IN COPIES
ADV 2017 **+44%** YoY
ADV 2018 **+15%** YoY

New from March 2017

BUONE NOTIZIE



ADV
1.5 Mio€

Launch in September 2017

RCS



CAIRO COMMUNICATION

CORRIERE DELLA SERA NEW PROJECTS



SOLFERINO

APRIL 19 2018:

Solferino debuts – Books of Corriere della Sera. It includes fiction, non fiction, poetry and childrens books, Italian and foreign.

Strong of an heritage of solid tradition of culture and information Solferino join the market with the aim to be at once authoritative, curious, innovative and rigorous. With its books Solferino offer histories, reports, narrations which brings a large contribution of the truth, consideration and passion to the readers.



2018

50 TITLES

2019

175 TITLES

RCS



CAIRO COMMUNICATION



RCS NEW PROJECTS

The Group, main player in the media and information market with its prestigious brands found a natural progression in Education sector, business with a great potential of growth and profitability.

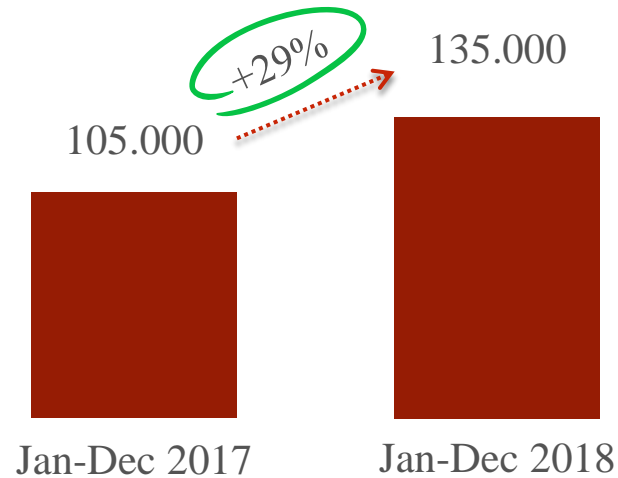
2019 Plan

- 22 Masters
- More than 500 attendees
- 11 Business Conference





CORRIERE DELLA SERA DIGITAL PERFORMANCES 2018

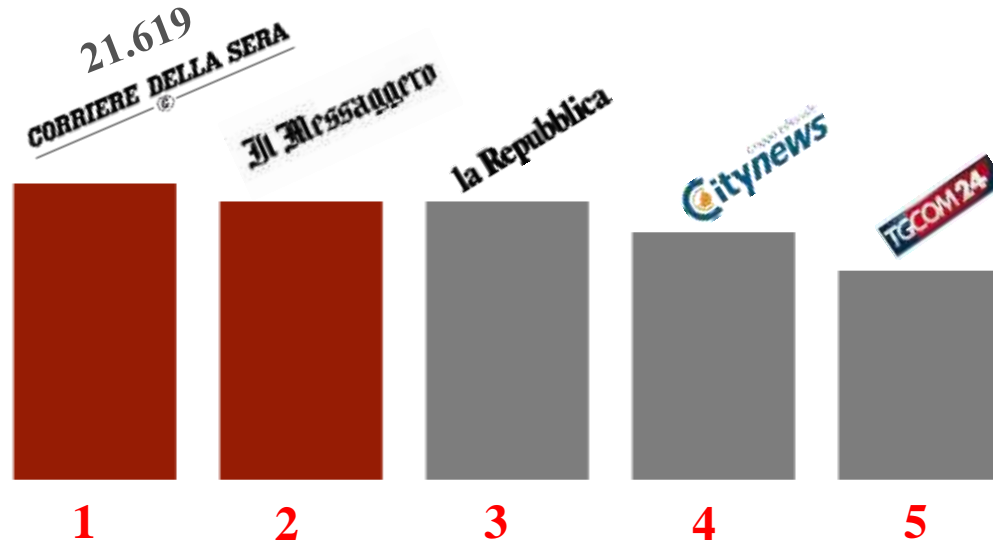


STRONG GROWTH OF DIGITAL CUSTOMER BASE



CORRIERE DELLA SERA

FIRST PUBLISHER IN MONTHLY UNIC USERS





CORRIERE DELLA SERA DIGITAL PERFORMANCES 2018

Further growth potential thanks to...



- Focus on customer's purchase behavior
- User experience improvement (easier access to...)
- New premium contents with new ways of offering



GAZZETTA DELLO SPORT

MAIN 2018 IMPROVEMENTS

PROGRESS IN GEOLOCALIZATION



EVENTS



CONTENT ENRICHMENT



COLLATERALS





GAZZETTA DELLO SPORT

Continue the development of the geolocalization offer in order to increase the circulation market share in specific areas following customer needs:



DONE

- BERGAMO
- VERONA
- BARI
- PALERMO
- ROMA
- TORINO*
- CAGLIARI*
- GENOVA*

TO DO

- BOLOGNA
- TRIVENETO



*During 2018

Add value through local edition with first page dedicated to each specific team



GAZZETTA DELLO SPORT

ENRICHMENT OF EDITORIAL CONTENT

The enrichment of the editorial content with Volley, Basket, Gmagazine and other thematic supplements (Winter Olympics, F1, Giro d'Italia, Golf, ecc) had a big success among the public. This also enable La Gazzetta dello Sport to reach a wider and larger audience.





GAZZETTA DELLO SPORT

PRIME TIME SPORT EVENTS



50.000 VISITORS
115 EVENTS
198 GUESTS
3 Mil VIDEO VIEWS ON GAZZETTA.IT
1 Mil VIEWS ON FACEBOOK
18,8 Mil IN READERS REACH
80 Mil IMPRESSIONS ON GAZZETTA.IT



Gazzetta Sport Awards celebrate the Italian sports stars. A public vote (readers of Gazzetta) and a final jury judgement will decide the winners and reward them during the Gran Galà tv show.





GAZZETTA DELLO SPORT DIGITAL PERFORMANCES



959.000



735.000



338.000



312.000

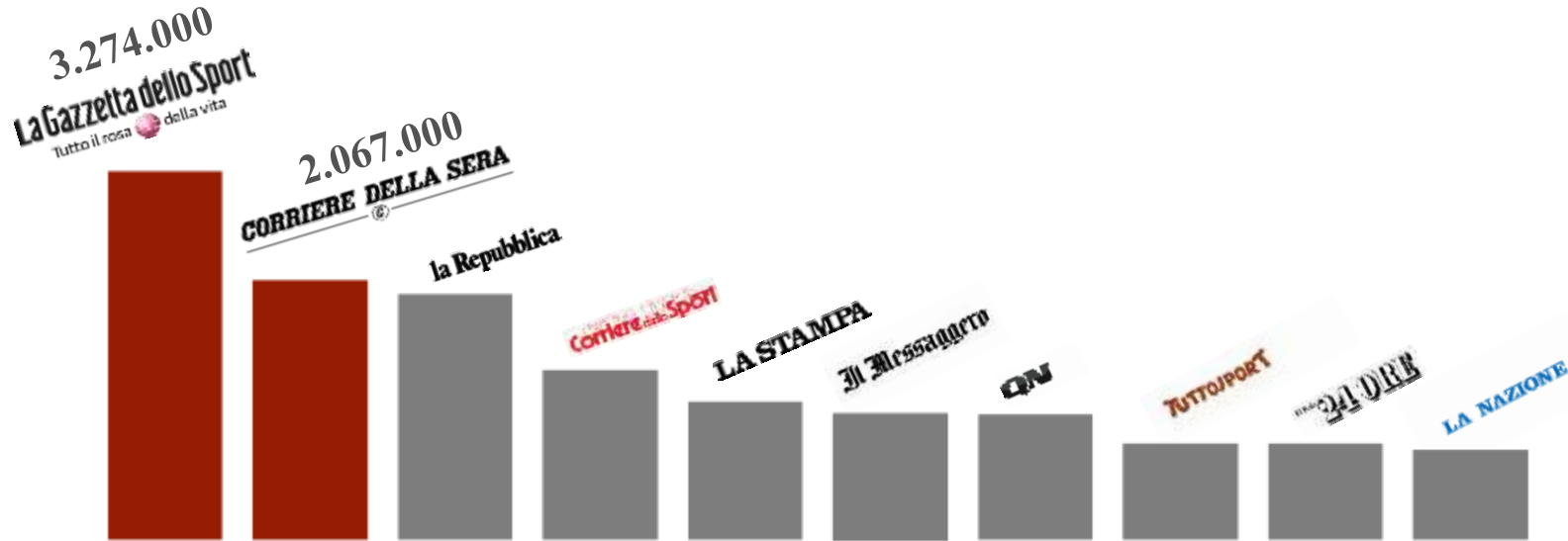
La Gazzetta dello Sport *it*
Tutto il rosa  della vita



Daily Audience
1.725.000



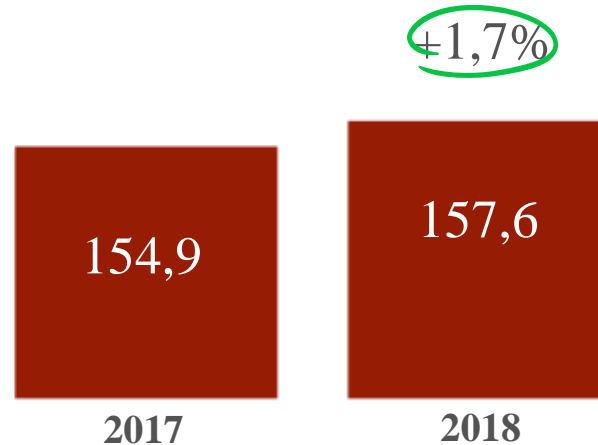
GAZZETTA DELLO SPORT AND CORRIERE DELLA SERA MOST WIDELY READ NEWSPAPERS IN ITALY



The recent publication of Audipress survey confirm the leadership of Gazzetta dello Sport and Corriere della Sera, the newspapers most read in Italy



NEWSPAPER ITALY ADVERTISING REVENUES



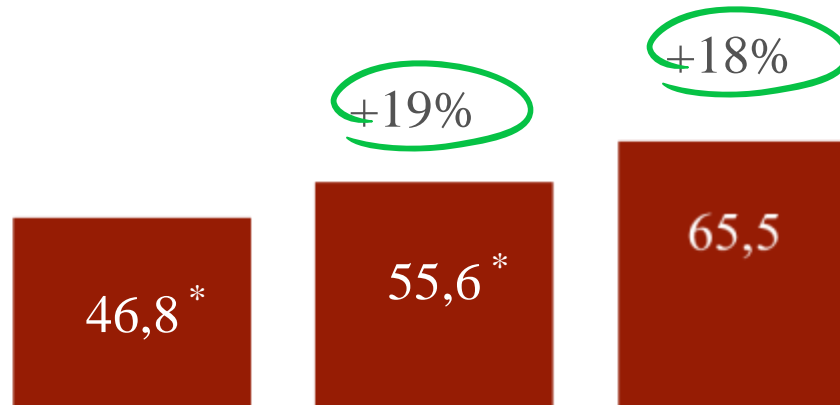
In a tough market (Newspaper -6.2%, Magazines -8.2%/Jan-Dec Nielsen data) advertising revenues are growing yoy, thanks also to positive effects of constant publishing enlargement and enrichment.



RCS SPORT EVENTS GROWTH IN REVENUES AND MARGINS



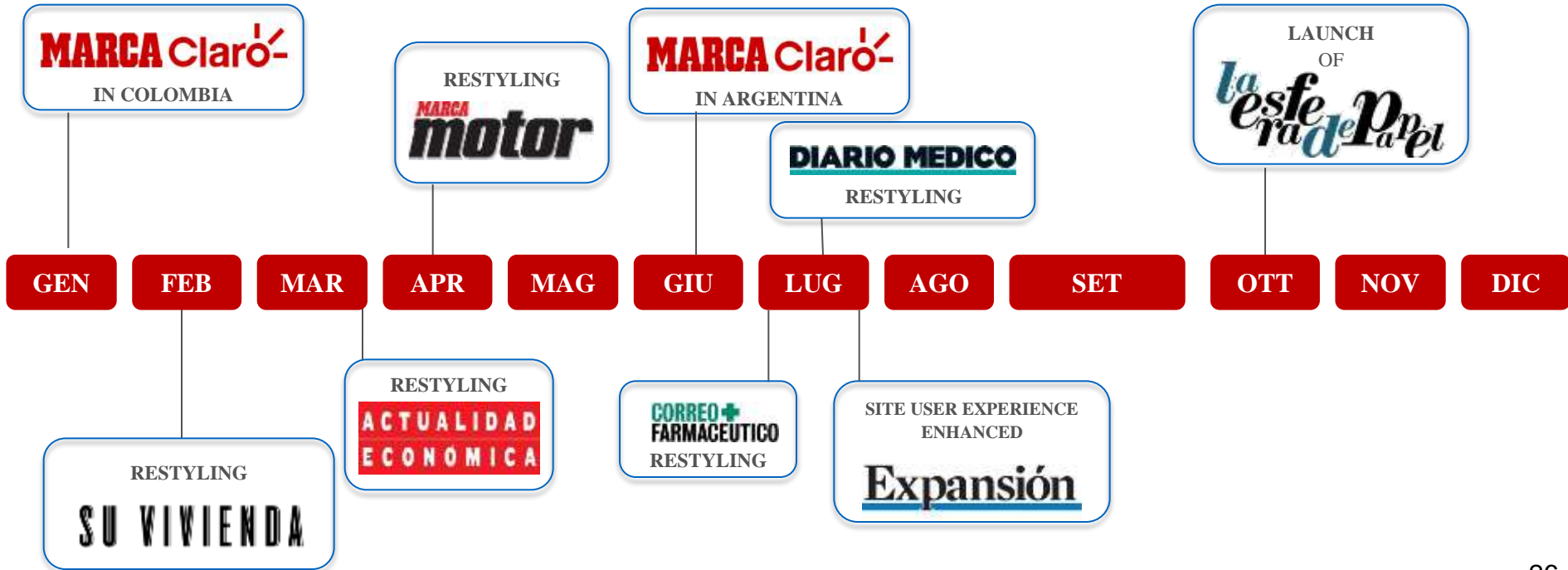
Revenues



* IFRS 15 effect included



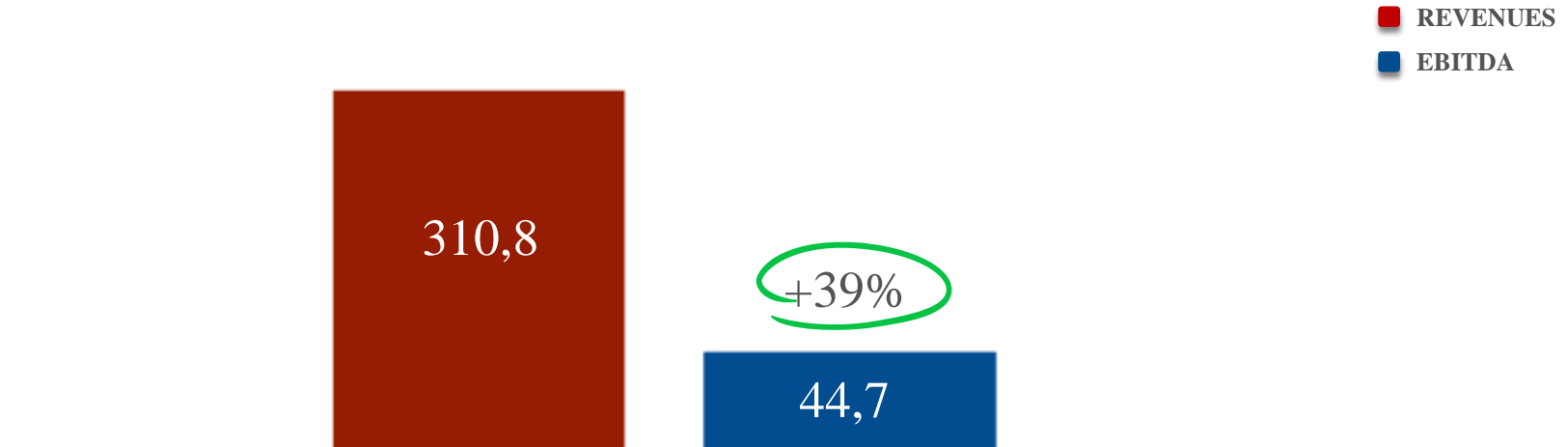
UNIDAD EDITORIAL TIMELINE 2018





EUR million

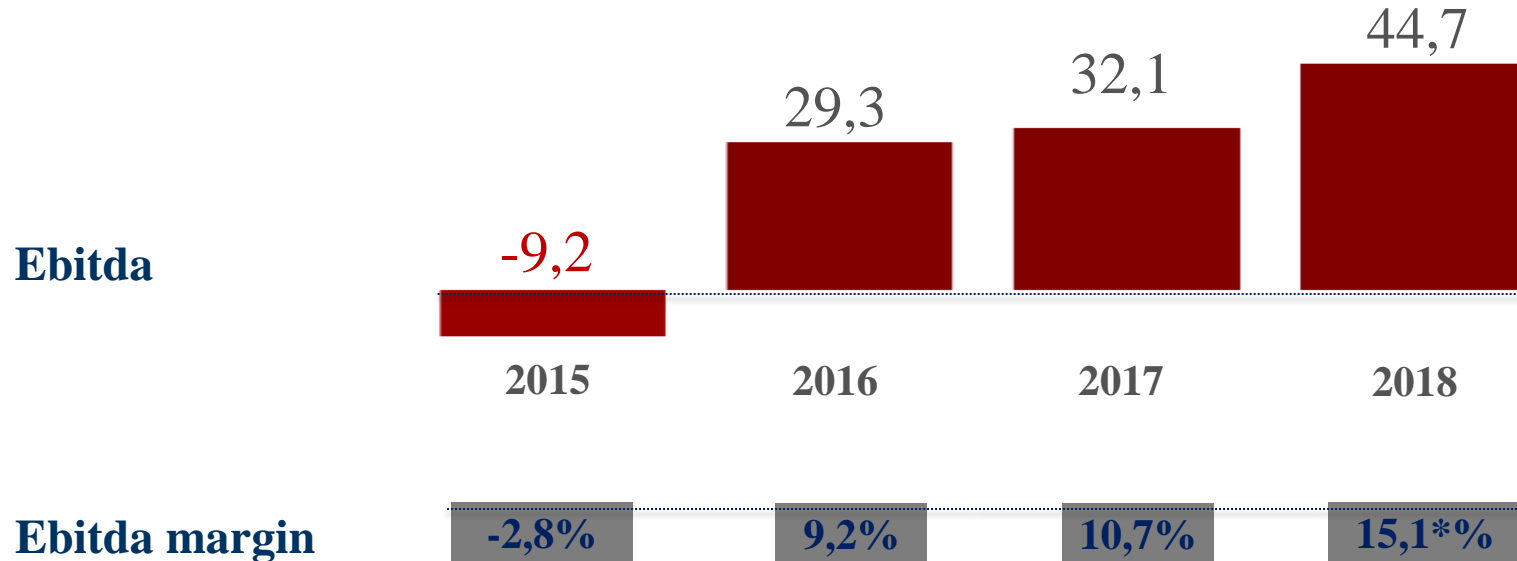
UNIDAD EDITORIAL
STRONG GROWTH IN MARGINS



The strong growth of 2018 Ebitda is mostly related to a positive contribution of digital revenues (+22,9%) and to a continuous commitment to pursue efficiency.

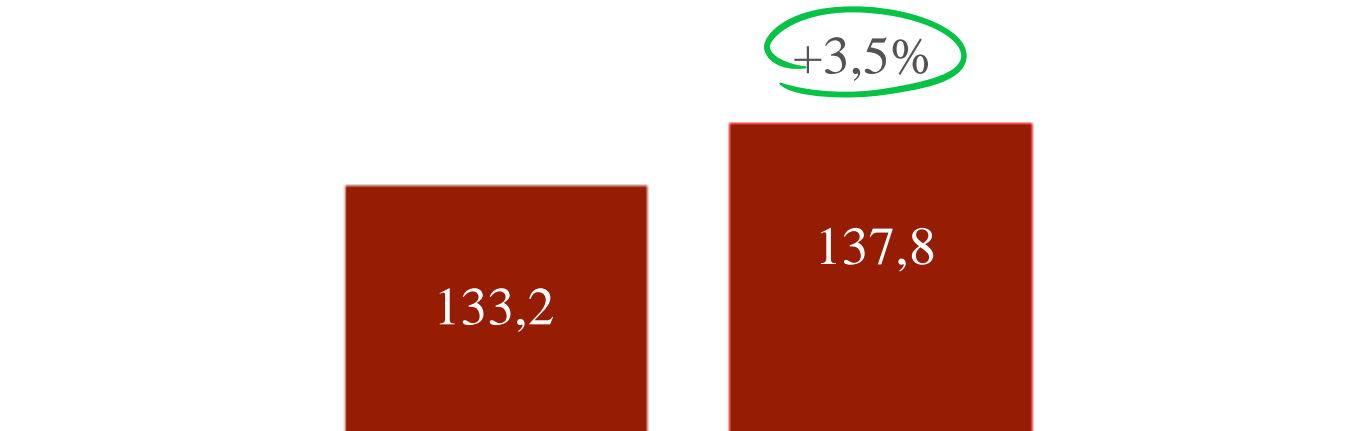


UNIDAD EDITORIAL EBITDA TREND





UNIDAD EDITORIAL
ADVERTISING REVENUES



The positive result of advertising revenues are mostly related to digital, representing 46% of the total adv revenues (YoY +19.6%).

FY 2018 (January-December)



CAIRO COMMUNICATION

User(000)



UNIDAD EDITORIAL

FIRST PUBLISHER IN DIGITAL AUDIENCE

Monthly Unic Users (000)

1	UNIDAD EDITORIAL	26.370	+9,4%
2	PRISA	24.440	
3	VOCENTO	23.370	

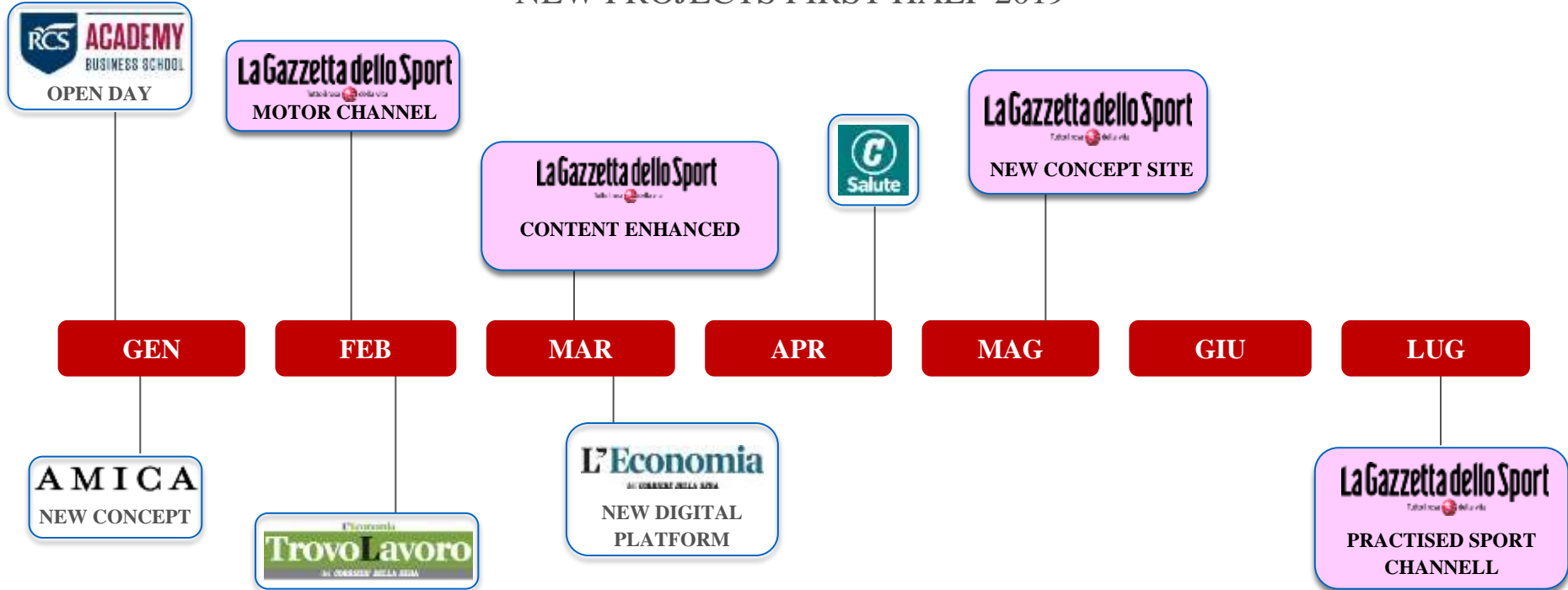


2019



RCS

NEW PROJECTS FIRST HALF 2019

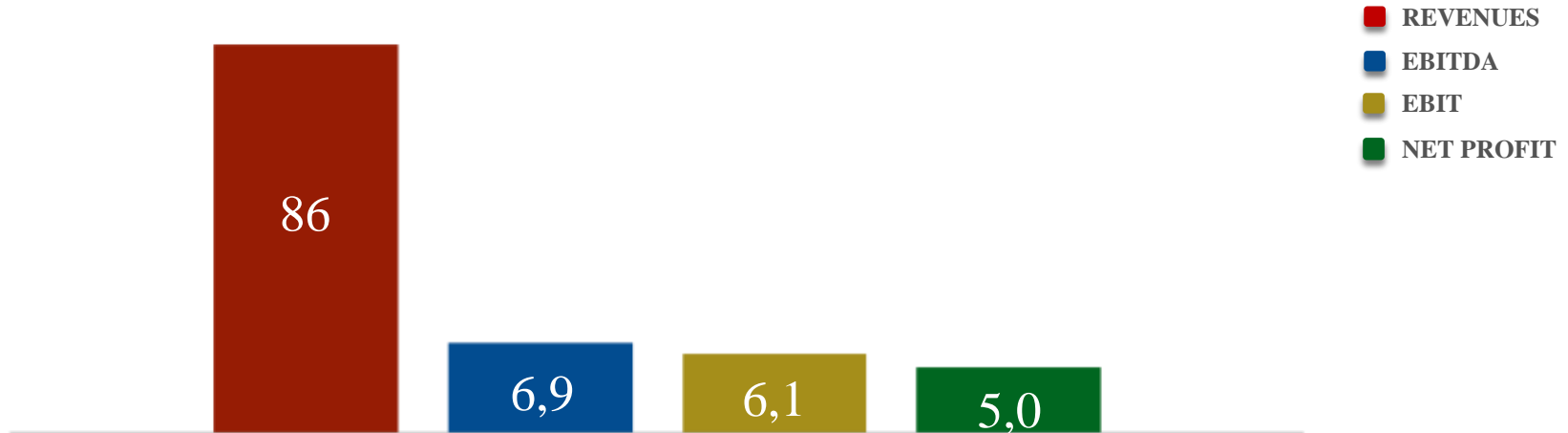


9 Month 2018 (January-July)



EUR million

CAIRO EDITORE



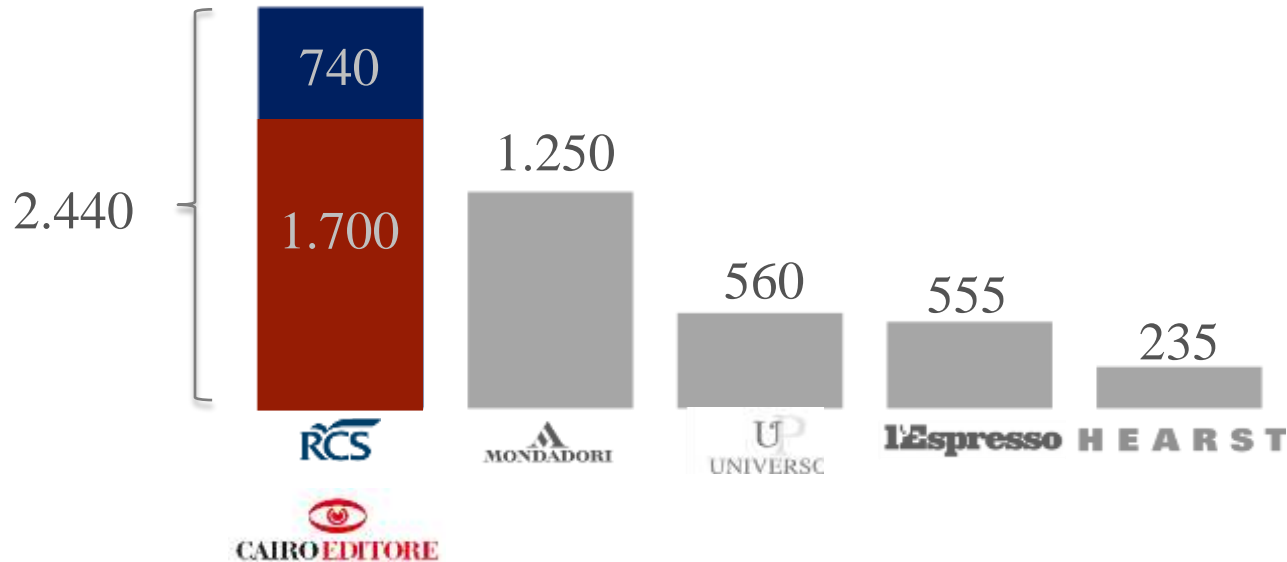
Cairo Editore strengthened the results of its titles, worked on improving the levels of efficiency reached in containing production, publishing and distribution costs, and continued to achieve positive results. 2018 results were negatively impacted by the launch cost of Enigmistica Mia (around 0,5€M). Net of IFRS 15 effects gross revenues would have amounted to 65M€.



(000 Copies)

WEEKLY MAGAZINES NEWSSTAND SALES

January - December 2018





WEEKLY MAGAZINES NEWSSTAND SALES

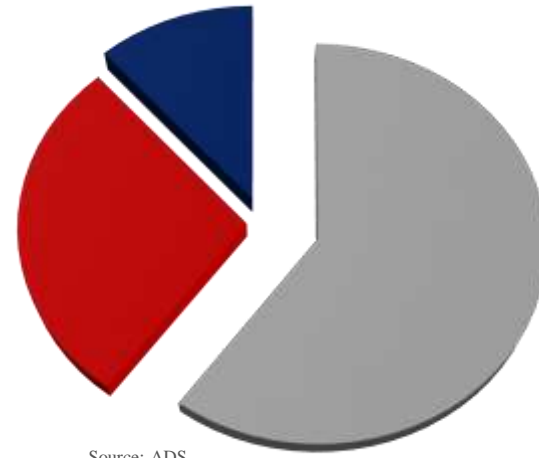
January - December 2018

MARKET SHARE

 **CAIRO EDITORE** 31%
30% in 2017



 **CAIRO EDITORE** +  **RCS** = 45%
43% in 2017



Source: ADS



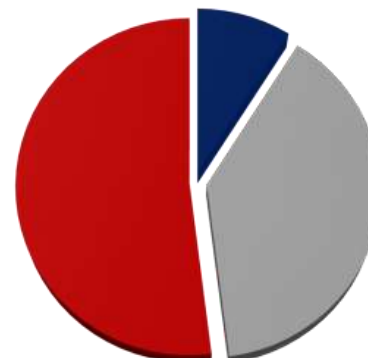
WEEKLY MAGAZINES NEWSSTAND SALES

January - December 2018

MARKET SHARE

FAMILY MAGAZINES

DIPIÙ **TU** **NUOVO** **NUOVO TV** 53% → **DIPIÙ** **TU** **NUOVO** **NUOVO TV** + **OGGI** = 63%



CAIRO EDITORE
RCS
OTHERS



CAIRO EDITORE

ADVERTISING PERFORMANCES

	ADVERTISING REVENUES*			N. CLIENTS**
	2015	2018	$\Delta\%$ 2018 vs 2015	Δ 2018 vs 2015
CAIRO	26,8 mio	26,2 mio	~ =	+ 200
MARKET	381 mio	317 mio	-16,8%	-195



CAIRO EDITORE

ADV REVENUES: TOP CONTRIBUTION 2018 vs 2015



LA7



CAIRO COMMUNICATION





LA7
AUDIENCE SHARE GROWTH

JAN-DEC 2018

ALL DAY



3,7%

+28%

PRIME TIME

20:30-22:30



4,9%

+36%

6th Channel



NEW TARGET PROFILE
SPENDING POWER




High	10%
Medium-High	20%
Medium	35%
Medium-Low	20%
Low	15%



HIGH/MEDIUM-HIGH INCOME AUDIENCE

PRIME TIME AUDIENCE SHARE

LA7: 4th CHANNEL


1	RAI 1	19,6%	5	RAI 3	6,8%
2	CANALE 5	11,4%	6	ITALIA 1	4,1%
3	RAI 2	7,5%	7	RETE 4	3,8%
4		7,2%			



HIGH INCOME AUDIENCE PRIME TIME AUDIENCE SHARE



LA7: 3th CHANNEL

1	RAI 1	20,1%	5	RAI 3	6,9%
2	CANALE 5	9,6%	6	RETE 4	3,9%
3		8,5%	7	ITALIA 1	3,1%
4	RAI 2	7,9%			

TV NETWORK



AUDIENCE

Δ 2018 vs YOY

	Share DAILY	Share PRIME TIME
ADULTS 25-54	+34%	+41%
RP 25-54	+39%	+47%
ADULTS 18-34	+43%	+47%





DAYTIME SHOWS
AUDIENCE SHARE TREND
2018 vs 2017



OMNIBUS



COFFEE BREAK



L'ARIA CHE TIRA



L'ARIA CHE TIRA
OGGI



TG 13:30



TAGADA'

SHARE

4,8%

5,2%

6,9%

5,3%

4,1%

3,6%

Δ VS 2017

+22%

+24%

+31%

+41%

+15%

+46%



PRIMETIME SHOWS
SHARE% ANNO 2018 vs YOY



TG LA7 SERA



OTTO E MEZZO



NON E' L'ARENA



DI MARTEDI'



PIAZZA
PULITA



PROPAGANDA
LIVE

SHARE

5,8%

7,1%

7%

7,4%

5,9%

4,6%

Δ 2017
INDIVIDUI

+8%

+23%

+160%

+48%

+36%

+91%



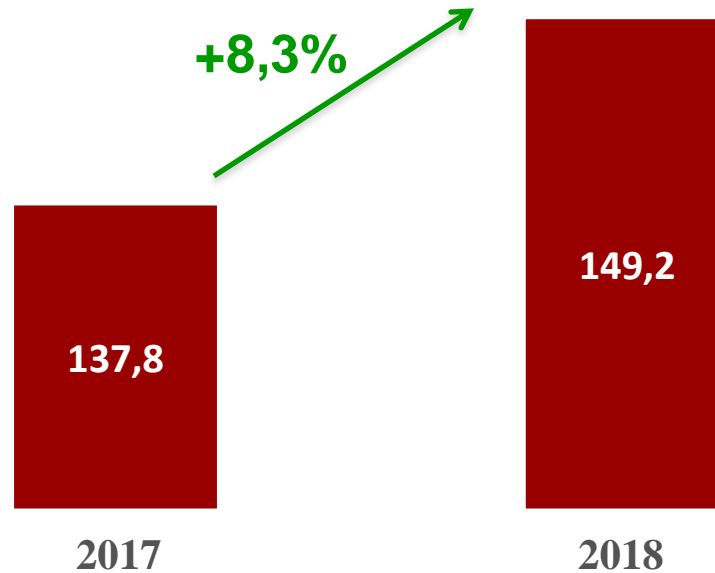
LA7: BEST TARGET PROFILE
CONCENTRATION OF VIEWERS



	164	113	112	131	64	64	81	91	80
HIGH INCOME	164	113	112	131	64	64	81	91	80
RP HIGH INCOME	173	121	117	136	67	59	81	92	79
GRADUATED	180	97	102	130	59	86	64	113	104
HIGH LEVEL PROFESSION	146	83	92	103	70	102	67	117	111

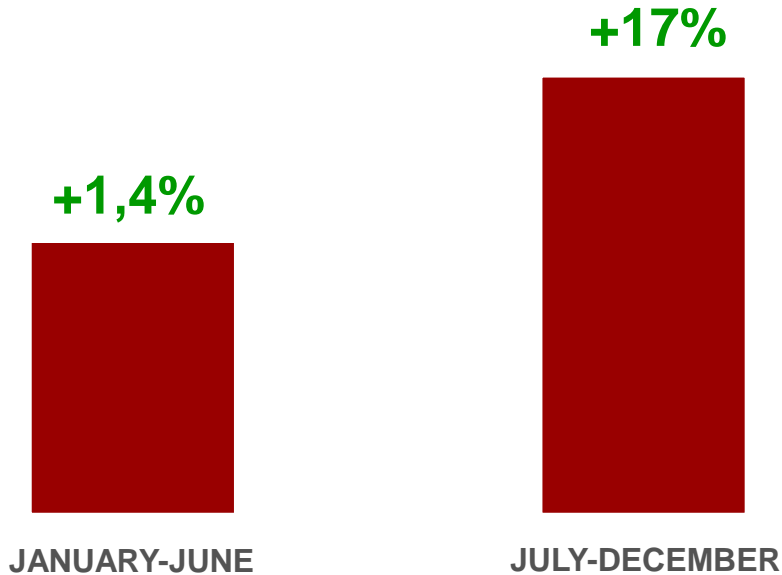


NETWORK LA7 – ADVERTISING REVENUES JANUARY - DECEMBER





NETWORK LA7 – ADVERTISING FIRST VS SECOND HALF 2018





LA7

2019 - THE AUDIENCE GROWTH CONTINUE

Jan-Feb

ALL DAY



+15%

PRIME TIME

20:30-22:30










+12%



LA7- QUALIFIED AUDIENCE SHARE HIGH INCOME



PRIME TIME TARGET AUDIENCE SHARE

1		22,3%
2		9,6%
3		8,8%
4		6,9%
5		6,6%
6		4,1%
7		3,2%



NIELSEN ADVERTISING MEASUREMENT

JANUARY 2019

Stima del mercato pubblicitario			
Fatturati netti	2018	2019	
(000 Euro)	Gennaio	Gennaio	Var.%
TOTALE PUBBLICITA'	429.863	412.097	-4,1
TV	288.258	276.992	-3,9
RAI	56.350	55.095	-2,2
MEDIASET	171.000	164.300	-3,9
LA 7	11.953	13.077	9,4
SKY	30.685	27.620	-10,0
DISCOVERY	18.270	16.900	-7,5





OUTLOOK 2019

- **Strengthen 2018 restylings/launches**
- **Proceed with the enrichment of editorial publications**
- **Maximize adv revenues**
- **Continuos commitment to pursue efficiency**



OUTLOOK 2019

- **Focus on digital activity**
 - ✓ **Development of customer base**
 - ✓ **Restyling App and website**
 - ✓ **Enrichment of editorial content**
 - ✓ **Increase the social activity**
 - ✓ **Maximize adv revenues**



OUTLOOK 2019

- **Further cost curbing** (keeping Italy as a benchmark)
- **Daily newspapers: focus on product improvement**
- **Focus on digital activity**
- **Maximize adv revenues**
- **Increase synergies between Spain/Italy** (publishing contents, add on, advertising, online, etc)



OUTLOOK 2018-2019

- **Significant growth of advertising revenues taking advantage of:**
 - audience performances
 - high quality target profile
 - New advertising formats
- **Maintain audience growth**
- **Focus on digital activity**