



## CAIRO COMMUNICATION

### Press Release - Results at 30 September 2023 approved

- In first nine months 2023, the Group achieved consolidated gross revenue of Euro 828.2 million (Euro 842.1 million in 2022) and growing margins, with EBITDA of Euro 93.9 million (Euro 81.5 million in 2022), EBIT of Euro 33.9 million (Euro 25.3 million in 2022), and net profit of Euro 10.8 million (Euro 8.3 million in 2022)
- The Group generated positive cash flows in third quarter, improving the net financial position by Euro 23.7 million versus 30 June 2023
- In first nine months 2023, RCS still ranks as the top online publisher in Italy with an aggregate figure of 31.6 million average monthly unique users (net of duplications - *Audicom*)
- At end June, the RCS Group's titles reached an active digital customer base of 970 thousand subscriptions, 556 thousand for *Corriere della Sera*, Italy's leading newspaper also on newsstands, 211 thousand for *Gazzetta*, 129 thousand for *El Mundo*, and 74 thousand for *Expansión*
- La7 achieved high ratings, 3.3% in the all-day share and 4.6% in prime time, and was the sixth channel for ratings in this time slot in the nine months and fifth in October with a 5.7% share
- The Cairo Editore magazines publishing segment improved its results versus first nine months 2022

**Milan, 14 November 2023:** at its meeting today, the Board of Directors of Cairo Communication reviewed and approved the Interim Management Statement at 30 September 2023.

Income statement and balance sheet figures (€ millions)	30/09/2023	30/09/2022
Consolidated gross revenue	828.8	842.1
EBITDA before net non-recurring expense	94.5	93.4
EBITDA	93.9	81.5
EBIT	33.9	25.3
Profit (loss) attributable to the owners of the parent	10.8	8.3
	<b>30/09/2023</b>	<b>31/12/2022</b>
Net financial position (net financial debt)	(23.3)	(15.2)

The first nine months of 2023 were marked by the continued conflict in Ukraine, with its consequences also in terms of impacts on the economy and trade. This is leading to a state of great uncertainty and a slowdown in anticipated economic growth in relevant markets. The Group has no direct exposure and/or business activities towards the markets affected by the conflict and/or sanctioned entities.

This backdrop fueled in 2022 the growing trend in the costs of various inputs already underway since 2021, affecting the Group's production costs, particularly for paper.

Moreover, in 2023, energy and gas costs, after the strong volatility and increases recorded in 2022, gradually returned to values basically similar to those of late summer 2021; additionally, paper costs have decreased versus 2022 figures, with anticipated positive effects on the income statement, primarily from fourth quarter 2023, also taking account of the turnover time of existing inventory.

In first nine months 2023, in a context still marked by uncertainty due to the conflict in Ukraine:

- **the Group** increased its margins (EBITDA, EBIT, and net profit) versus the results in the same period of 2022;
- **RCS** too increased its margins (EBITDA, EBIT, and net profit) versus the results in the same period of 2022, generated positive cash flows in the third quarter by improving its net financial position by Euro 24.2 million versus 30 June 2023, confirmed remarkable circulation levels at newsstands, and continued to grow in the digital field, ranking also in first nine months 2023 as the top online publisher in Italy with an aggregate figure of 31.6 million average monthly unique users (net of duplications - *Audicom*). At end September, the total active digital customer base (digital edition, membership and m-site) of *Corriere della Sera* reached 556 thousand subscriptions (508 thousand at end 2022 - Internal Source), while the customer base of *Gazzetta's* pay products (*G ALL*, *G+*, *GPRO* and *Fantacampionato*) reached 211 thousand subscriptions (171 thousand at end 2022 - Internal Source). Digital subscriptions grew in Spain too, reaching at end September 2023 129 thousand subscriptions for *El Mundo* (101 thousand at end 2022 - Internal Source) and 74 thousand subscriptions for *Expansión* (51 thousand at end 2022 - Internal Source), topping 200 thousand subscriptions. Both Italian newspapers, *Corriere della Sera* and *La Gazzetta dello Sport*, and in Spain *Marca* and *Expansión*, retained their circulation leadership in their respective market segments (*ADS* for Italy and *OJD* for Spain). *La Gazzetta dello Sport*, with the Audipress 2023/II survey, retained its position as the most-read Italian newspaper with a readership of 2,035,000. EGM's June 2023 "*General Media Research*" survey confirms Unidad Editorial as the leader in Spanish print media, adding almost 1.6 million overall daily readers of its three daily newspapers. The main digital performance indicators confirm the top market position of RCS, with the *Corriere della Sera* and *La Gazzetta dello Sport* brands which counted, in the period January-September 2023, 30.1 million and 18.4 million average monthly unique users and 3.8 million and 2.6 million average daily unique users (*Audicom*). The main social accounts of the *Corriere System* at 30 September 2023 reached approximately 12.2 million total followers (considering *Facebook*, *Instagram*, *X*, *LinkedIn* and *TikTok* - Internal Source) and those of *La Gazzetta dello Sport* 5.9 million (considering *Facebook*, *Instagram*, *X* and *TikTok* - Internal Source). In Spain, as part of the online activities, in first nine months 2023 *elmundo.es*, *marca.com* and *expansion.com* reached 44.7 million, 94.2 million and 9.4 million average monthly unique browsers, comprising both domestic and foreign browsers and including apps (*Google Analytics*). The social audience of Unidad Editorial Group titles (Internal Source) stands at 10.5 million followers for *El Mundo*, 18.5 million for *Marca* and 2.4 million for *Telva* (considering *Facebook*, *Instagram* and *X*) and 1.4 million for *Expansión* (considering *Facebook*, *Instagram*, *X* and *LinkedIn*). Net operating revenue amounted to Euro 605.2 million, with total digital revenue (Italy and Spain) amounting to approximately Euro 148.6 million and accounting for approximately 24.5% of total revenue. Total advertising sales from RCS online media amounted to Euro 99.1 million in first nine months 2023, making for 41.3% of total advertising revenue;
- the **TV publishing (La7) and network operator segment** achieved high ratings of the La7 channel (3.3% in the all-day share and 4.6% in prime time). Advertising sales on La7 and La7d channels totaled approximately Euro 98.9 million (Euro 99.5 million in first nine months 2022). Specifically, in the nine months La7 was the sixth channel in prime time ratings and in October the fifth with a 5.7% share. In the morning slots too (7:00/12:00), in the nine months La7 achieved a 3.5% share, claiming the fifth position in the national ranking. The channel's news and discussion programmes in first nine months 2023 all continued to deliver remarkable results: *Otto e Mezzo* with 7% average share from Monday to Friday, *TgLa7* 8 p.m. edition with 5.8% from Monday to Friday, *diMartedì* with 6.4%, *Piazzapulita* with 5.2%, *Propaganda Live* with 5.7%, *In Viaggio con Barbero* with 5.5%, *In Altre Parole* with 6.1%, *In Onda* with 4.5%, *Omnibus La7* with 3.7%, *Coffee Break* with 3.8%, *L'Aria che tira* with 4.6%, and *Tagadà* with 3.4%. La7 confirmed its leadership among generalist TV stations in terms of news hours (over 3,445 hours in the period) and was the second channel in terms of live hours (2,760 in the first nine months of the year). On the digital front, in first nine months 2023, average monthly unique users were 9.3 million and daily unique users were 734 thousand. Stream views were 30 million per month. In the nine months, average unique browsers of *Tg.La7.it* (2.1 million) grew by 370% versus the same period of 2022. At end September, followers of La7 and its active programmes on Facebook, X, Instagram and TikTok total 6.7 million;
- the **Cairo Editore magazines publishing segment** improved its results versus first nine months 2022.

In first nine months 2023, consolidated gross revenue amounted to approximately Euro 828.2 million (comprising gross operating revenue of Euro 798.7 million and other revenue and income of Euro 29.5 million) versus Euro 842.1 million in the same period of 2022 (comprising gross operating revenue of Euro 811.5 million and other revenue and income of Euro 30.5 million).

EBITDA and EBIT came to Euro 93.9 million and Euro 33.9 million (Euro 81.5 million and Euro 25.3 million in the same period of the prior year). Mention should be made that the Group's seasonality factors generally impact on the results of the first and third quarters of the year. Net non-recurring expense came to Euro -0.6 million (Euro 11.9 million in the same period of 2022, including Euro 10 million in expense from the settlement of the litigation over the Via Solferino/San Marco/Balzan property complex).

Profit attributable to the owners of the parent came to approximately Euro 10.8 million (Euro 8.3 million in first nine months 2022).

Looking at the business segments, in first nine months 2023:

- in the **magazine publishing segment (Cairo Editore)**, EBITDA and EBIT came to Euro 4 million and Euro 2.8 million (Euro 3 million and Euro 1.4 million in first nine months 2022). Regarding weeklies, with approximately 1 million average copies sold in the period January-September 2023 (ADS), Cairo Editore retains its position as the leading publisher in copies of weeklies sold at newsstands, with an approximately 30% market share. Including the average sales of titles out of the ADS survey (comprising copies sold of “*Enigmistica Più*” and of “*Enigmistica Mia*”), average copies sold were approximately 1.1 million;
- in the **TV publishing (La7) and network operator segment**, EBITDA grew to reach approximately Euro 4 million (Euro 2.4 million in first nine months 2022). EBIT was approximately Euro -9.1 million (Euro -9.1 million in first nine months 2022). Mention should be made that the TV publishing segment's seasonality factors generally impact on the results of the first and third quarters of the year;
- in the **advertising segment**, EBITDA came to Euro 0.4 million (Euro 1.9 million in first nine months 2022) and EBIT to Euro -1.4 million (Euro 0.4 million in first nine months 2022);
- in the **RCS segment**, in the consolidated financial statements of Cairo Communication, EBITDA<sup>1</sup> and EBIT amounted to Euro 85.5 million and Euro 41.6 million (Euro 74.1 million and Euro 32.5 million in the same period of the prior year). Mention should be made that RCS's seasonality factors generally impact on the results of the first and third quarters of the year. In 2023, initiatives continued on maintaining and developing revenue, boosting the publishing systems' range of products, developing the digital platforms and enhancing the vertical publishing systems. In **Italy**, regarding the main initiatives only, for *Corriere della Sera*, new TikTok accounts were opened, video sections of local newspapers were updated and the Trento, Salerno, and Monza editions opened, exclusive events dedicated to digital subscribers were organized, and podcast and newsletter catalogues were enriched. Important events were also organized, including the second edition of *Obiettivo5* in association with La Sapienza University of Rome, “*Italia Genera Futuro*”, the *Bilanci di Sostenibilità* award, *Civil Week*, *Tech Emotion*, *Cibo a Regola d'arte*, and the events of *Economia d'Italia*, together with *Living* and *Abitare* the multimedia installation *Solferino 28 Elevators*, inside the courtyard of the historic headquarters, open to the public for the occasion, and the tenth edition of the Festival “*Il tempo delle Donne*”. Starting from September, the *corriere.it* website has introduced a feature that allows users to listen to almost all articles, whether from smartphones, computers, or tablets. *La Gazzetta dello Sport* continued the graphical enhancement of *G+* content, launched the new sections *Stile Gazzetta*, *Il Ciclista* and *Numbers*, boosted the online games offer of *Gazzetta.it*, launched the *Gazzetta Motori Youtube* channel and the *Gazzabet* remote games site, and organized the first edition of *Milano Football Week*. *La Gazzetta* 's new *Twitch* channel (with over 7 million cumulative video views since its opening) has quickly established itself among the top channels in Italy. In **Spain**, regarding the main initiatives only, in February the new online version of *El Mundo* was launched, while renewing the graphical design and organization of the print version, and in March the online *Cooking* platform was launched. *Marca* continued to enhance its content by

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<sup>1</sup> Mention should be made that RCS adopts a different definition of EBITDA from the one used by the Cairo Communication Group, as indicated in the section below “Alternative Performance Measures”. As a result of these differences, which lie in the provisions for risks and in the allowance for impairment, amounting to a total of Euro 3.5 million in the first nine months of 2023 - EBITDA shown in the RCS Interim Management Statement at 30 September 2023, approved on 10 November 2023, amounted to Euro 82.1 million.

acquiring the rights to broadcast the main matches of the Arab-Saudi league. A new version of the *Expansión* app was launched in September. Work also continued on organizing major events, including the *Classica di Jaén*, the participation of *El Mundo* and *La Lectura* in the International Contemporary Art Fair in Madrid, the *Marca Sport Weekend* in Malaga, the *Marca Family & Sports*, the fourth edition of "*El foro económico internacional Expansión*", the first edition of the new *Expansión Green World & Sustainability* summit, the *Congreso Internacional de Telva*, a part (the Zaragoza, Valencia, and Malaga stops) of *Telva's* series of meetings to celebrate its 60th anniversary.

Consolidated **net financial debt** at 30 September 2023 stood at approximately Euro 23.3 million (Euro 15.2 million at end 2022). The change versus 2022 is explained mostly by the outlays for dividend payout of approximately Euro 31.2 million and for technical expenditure of approximately Euro 28.7 million, offset by the positive contribution of ordinary operations, affected by the current timing of collecting tax credits granted to the publishing industry (at 30 September 2023, the outstanding credit of approximately Euro 28 million refers also to 2021 and 2022), and by the dynamics of working capital. The Group generated positive cash flows in the third quarter, improving the net financial debt by Euro 23.7 million versus 30 June 2023 (Euro -47 million). At end September, the net financial debt of RCS stood at Euro 45.2 million (Euro 31.6 million at end 2022).

**Total net financial debt**, which includes financial liabilities from leases recognized in accordance with IFRS 16 (mainly property leases) of Euro 150.5 million, amounted to Euro 173.7 million (Euro 177.6 million at 31 December 2022).

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This backdrop fueled in 2022 the growing trend in the costs of various inputs already underway since 2021, affecting the Group's production costs, particularly for paper.

Moreover, in 2023, energy and gas costs, after the strong volatility and increases recorded in 2022, gradually returned to values basically similar to those of late summer 2021; additionally, paper costs have decreased versus 2022 figures, with anticipated positive effects on the income statement, primarily from fourth quarter 2023, also taking account of the turnover time of existing inventory.

Starting in October, a conflict situation has arisen in the Middle East following the Hamas attacks on Israeli territory. This situation has the potential to have increasing geopolitical impacts, further adding to the overall environment of uncertainty.

Also during this first part of 2023, the Group met the public's strong need to stay informed through its information offering, ensuring a timely service to its viewers and readers. The *La7* programmes, the daily editions of *Corriere della Sera* and *La Gazzetta dello Sport* in Italy, and of *El Mundo*, *Marca* and *Expansión* in Spain, the Group's magazines and web and social platforms have played a pivotal role in informing, focusing on their mission as a non-partisan, trustworthy public service, and establishing themselves as authoritative players in daily television, print and online information, with strong television ratings and digital traffic figures.

The developing situation and the potential effects on the business outlook, which are constantly monitored, are unforeseeable at this time as they depend, inter alia, on the evolution, developments and duration of the conflict in Ukraine and the conflict in the Middle East and their geopolitical effects.

In consideration of the actions already implemented and those planned, in the absence of a deterioration of the consequences from the continuation and developments of the conflicts in Ukraine and the Middle East and/or cost dynamics, the Group believes that it can confirm the goal of achieving strongly positive margins (EBITDA) in 2023, up from those achieved in 2022, with further cash generation in the fourth quarter of the year, improving the net financial position at the end of the year compared to end 2022.

Developments in the ongoing conflict, the overall economic climate and the core segments could, however, affect the full achievement of these targets.

The Financial Reporting Manager of Cairo Communication S.p.A., Marco Pompignoli, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Finance Law, that the accounting information contained herein is consistent with the underlying accounting documents, books and records.

*Cairo Communication is one of the leading groups in the publishing and advertising sales segments, recognized as one of the first to have developed a multimedia sales approach. With the acquisition of the control of RCS MediaGroup, Cairo Communication establishes itself as a major multimedia publishing group, well-positioned to become the main player on the Italian market, with a strong international presence in Spain, by leveraging on the high quality and diversification of products in the dailies, web, television, magazines and sporting events segments.*

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This press release is also available on the Company's website [www.cairocommunication.it](http://www.cairocommunication.it)  
in the section NOTICES AND DOCUMENTS / PRESS RELEASES

## Summary of the main consolidated income statement figures at 30 September 2023

The main **consolidated income statement figures** in first nine months 2023 can be compared as follows with those of the same period of 2022:

(€ millions)	30/09/2023	30/09/2022
Gross operating revenue	798.7	811.5
Advertising agency discounts	(40.6)	(41.4)
<b>Net operating revenue</b>	<b>758.1</b>	<b>770.1</b>
Change in inventory	0.8	2.5
Other revenue and income	29.5	30.5
<b>Total revenue</b>	<b>788.4</b>	<b>803.1</b>
Production costs	(453.5)	(474.6)
Personnel expense	(240.3)	(235.2)
Non-recurring income (expense)	(0.6)	(11.9)
<b>EBITDA</b>	<b>93.9</b>	<b>81.5</b>
Amortization, depreciation, provisions and write-downs	(60.0)	(56.1)
<b>EBIT</b>	<b>33.9</b>	<b>25.3</b>
Other gains (losses) from financial assets/liabilities	1.2	(0.1)
Net financial income	(9.3)	(6.4)
<b>Profit (loss) before tax</b>	<b>25.9</b>	<b>18.8</b>
Income tax	(4.3)	(1.1)
Non-controlling interests	(10.8)	(9.4)
<b>Profit (loss) attributable to the owners of the parent</b>	<b>10.8</b>	<b>8.3</b>

*Unaudited reclassified statements*

The Group **statement of comprehensive income** can be analyzed as follows:

€ millions	30 September 2023	30 September 2022
<b>Profit (loss) for the year</b>	<b>21.6</b>	<b>17.6</b>
<b>Reclassifiable items of the comprehensive income statement</b>		
Gains (losses) from the translation of financial statements denominated in foreign currencies	-	-
Gains (losses) from cash flow hedges	-	1.4
Reclassification of gains (losses) from cash flow hedges	(0.4)	0.3
Tax effect	0.1	(0.3)
<b>Non-reclassifiable items of the comprehensive income statement</b>		
Gains (losses) from the fair value measurement of equity instruments	(0.7)	-
Actuarial gains (losses) from defined benefit plans	0.2	0.8
Tax effect	(0.0)	(0.2)
<b>Total comprehensive income for the period</b>	<b>20.7</b>	<b>19.6</b>
- Owners of the parent	10.2	10.8
- Non-controlling interests	10.5	8.9
	<b>20.7</b>	<b>19.6</b>

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## Summary of the main consolidated statement of financial position figures at 30 September 2023

The main **consolidated statement of financial position** figures at 30 September 2023 can be compared as follows with those at 31 December 2022:

(€ millions)	30/09/2023	31/12/2022
Property, plant and equipment	106.5	110.9
Rights of use on leased assets	134.4	146.4
Intangible assets	987.9	990.2
Financial assets	34.0	36.8
Deferred tax assets	85.5	86.0
Net working capital	(58.6)	(57.8)
<b>Total assets</b>	<b>1,289.7</b>	<b>1,312.5</b>
Non-current liabilities and provisions	96.5	104.7
Deferred tax provision	163.3	163.4
(Financial position)/Net debt	23.3	15.2
Liabilities from lease contracts (pursuant to IFRS 16)	150.5	162.4
Equity attributable to the owners of the parent	516.2	525.0
Equity attributable to non-controlling interests	339.9	341.8
<b>Total equity and liabilities</b>	<b>1,289.7</b>	<b>1,312.5</b>

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The consolidated **net financial position** at 30 September 2023, versus the situation at 31 December 2022, can be summarized as follows:

Net financial position (€ millions)	30/09/2023	31/12/2022	Changes
Cash and cash equivalents	62.5	54.3	8.3
Other current financial assets and financial receivables	1.0	1.0	-
Current financial assets (liabilities) from derivative instruments	0.4	0.9	(0.5)
Current financial payables	(46.7)	(31.8)	(14.9)
<b>Current net financial position (net financial debt)</b>	<b>17.2</b>	<b>24.3</b>	<b>(7.2)</b>
Non-current financial payables	(40.4)	(40.0)	(0.5)
Non-current financial assets (liabilities) from derivative instruments	-	0.4	(0.4)
<b>Non-current net financial position (net financial debt)</b>	<b>(40.4)</b>	<b>(39.6)</b>	<b>(0.9)</b>
<b>Net financial position (net financial debt)</b>	<b>(23.3)</b>	<b>(15.2)</b>	<b>(8.1)</b>
Liabilities from lease contracts (pursuant to IFRS 16)	(150.5)	(162.4)	11.9
<b>Total net financial position (net financial debt)</b>	<b>(173.7)</b>	<b>(177.6)</b>	<b>3.9</b>

*Unaudited reclassified statements*

## Segment reporting at 30 September 2023

The Group's performance can be read better by analyzing the results by **main business segment**:

2023	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Eliminations and unallocated	Total
(€ millions)						
Gross operating revenue	58.0	262.5	77.8	629.7	(229.2)	798.7
Advertising agency discounts	-	(33.7)	-	(24.5)	17.5	(40.6)
<b>Net operating revenue</b>	<b>58.0</b>	<b>228.8</b>	<b>77.8</b>	<b>605.2</b>	<b>(211.7)</b>	<b>758.1</b>
Change in inventory	(0.0)	-	-	0.8	-	0.8
Other revenue and income	6.0	4.0	0.5	23.4	(4.3)	29.5
<b>Total revenue</b>	<b>64.0</b>	<b>232.8</b>	<b>78.3</b>	<b>629.3</b>	<b>(216.0)</b>	<b>788.4</b>
Production costs	(48.0)	(214.4)	(46.1)	(361.2)	216.1	(453.5)
Personnel expense	(12.0)	(18.0)	(28.2)	(182.0)	(0.1)	(240.3)
Non-recurring income (expense)	-	-	-	(0.6)	-	(0.6)
<b>EBITDA</b>	<b>4.0</b>	<b>0.4</b>	<b>4.0</b>	<b>85.5</b>	<b>(0.0)</b>	<b>93.9</b>
Amortization, depreciation, provisions and write-downs	(1.1)	(1.8)	(13.1)	(44.0)	0.0	(60.0)
<b>EBIT</b>	<b>2.8</b>	<b>(1.4)</b>	<b>(9.1)</b>	<b>41.6</b>	<b>(0.0)</b>	<b>33.9</b>
Other gains (losses) from financial assets/liabilities	-	-	-	1.2	-	1.2
Net financial income	(0.0)	(0.4)	(0.0)	(8.9)	(0.0)	(9.3)
<b>Profit (loss) before tax</b>	<b>2.8</b>	<b>(1.7)</b>	<b>(9.1)</b>	<b>33.9</b>	<b>(0.0)</b>	<b>25.9</b>
Income tax	(0.0)	0.0	2.2	(6.4)	(0.0)	(4.3)
Non-controlling interests	-	0.2	-	(11.1)	0.0	(10.8)
<b>Profit (loss) for the period attributable to the owners of the parent</b>	<b>2.8</b>	<b>(1.5)</b>	<b>(6.9)</b>	<b>16.4</b>	<b>(0.0)</b>	<b>10.8</b>

*Unaudited reclassified statements*

2022	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Eliminations and unallocated	Total
(€ millions)						
Gross operating revenue	58.9	265.8	76.5	645.3	(234.9)	811.5
Advertising agency discounts	-	(34.2)	-	(25.1)	17.9	(41.4)
<b>Net operating revenue</b>	<b>58.9</b>	<b>231.6</b>	<b>76.5</b>	<b>620.2</b>	<b>(217.0)</b>	<b>770.1</b>
Change in inventory	0.0	-	-	2.5	-	2.5
Other revenue and income	5.1	4.8	2.3	22.0	(3.7)	30.5
<b>Total revenue</b>	<b>64.0</b>	<b>236.3</b>	<b>78.8</b>	<b>644.7</b>	<b>(220.8)</b>	<b>803.1</b>
Production costs	(48.7)	(216.7)	(48.6)	(381.6)	220.9	(474.6)
Personnel expense	(12.4)	(17.7)	(27.9)	(177.2)	(0.1)	(235.2)
Non-recurring income (expense)	-	-	-	(11.9)	-	(11.9)
<b>EBITDA</b>	<b>3.0</b>	<b>1.9</b>	<b>2.4</b>	<b>74.1</b>	<b>0.1</b>	<b>81.5</b>
Amortization, depreciation, provisions and write-downs	(1.5)	(1.5)	(11.5)	(41.5)	0.0	(56.1)
<b>EBIT</b>	<b>1.4</b>	<b>0.4</b>	<b>(9.1)</b>	<b>32.5</b>	<b>0.1</b>	<b>25.3</b>
Other gains (losses) from financial assets/liabilities	-	-	-	(0.1)	-	(0.1)
Net financial income	(0.1)	(0.3)	(0.4)	(5.7)	(0.0)	(6.4)
<b>Profit (loss) before tax</b>	<b>1.4</b>	<b>0.1</b>	<b>(9.5)</b>	<b>26.8</b>	<b>0.1</b>	<b>18.8</b>
Income tax	0.4	(0.6)	2.7	(3.7)	(0.0)	(1.1)
Non-controlling interests	-	-	-	(9.4)	(0.0)	(9.4)
<b>Profit (loss) for the period attributable to the owners of the parent</b>	<b>1.8</b>	<b>(0.5)</b>	<b>(6.8)</b>	<b>13.7</b>	<b>0.0</b>	<b>8.3</b>

*Unaudited reclassified statements*



## Details of consolidated revenue at 30 September 2023

Gross operating revenue in first nine months 2023, split up by main business segment, can be analyzed as follows versus the amounts of 2022:

2023	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Eliminations and unallocated	Total
(€ millions)						
TV advertising	-	98.9	67.1	0.1	(67.8)	98.4
Advertising on print media, Internet and sporting events	5.6	161.2	1.8	264.0	(152.5)	280.2
Other TV revenue	-	-	1.7	2.1	(0.2)	3.7
Magazine over-the-counter sales and subscriptions	53.3	-	-	252.0	(1.6)	303.7
VAT relating to publications	(0.9)	-	-	(2.5)	-	(3.4)
Sundry revenue	-	2.3	7.1	113.8	(7.2)	116.1
<b>Total gross operating revenue</b>	<b>58.0</b>	<b>262.5</b>	<b>77.8</b>	<b>629.7</b>	<b>(229.2)</b>	<b>798.7</b>
Other revenue	6.0	4.0	0.5	23.4	(4.3)	29.5
<b>Total gross revenue</b>	<b>64.0</b>	<b>266.5</b>	<b>78.3</b>	<b>653.0</b>	<b>(233.6)</b>	<b>828.2</b>

2022	Magazine publishing Cairo Editore	Advertising	TV publishing La7 and network operator	RCS	Eliminations and and	Total
(€ millions)						
TV advertising	-	100.0	67.8	0.1	(68.9)	99.0
Advertising on print media, Internet and sporting events	6.1	163.4	1.5	263.0	(156.4)	277.6
Other TV revenue	-	-	1.2	2.0	(0.2)	3.1
Magazine over-the-counter sales and subscriptions	53.7	-	-	271.3	(1.8)	323.2
VAT relating to publications	(0.9)	-	-	(1.8)	-	(2.7)
Sundry revenue	-	2.4	6.0	110.6	(7.6)	111.3
<b>Total gross operating revenue</b>	<b>58.9</b>	<b>265.8</b>	<b>76.5</b>	<b>645.3</b>	<b>(234.9)</b>	<b>811.5</b>
Other revenue	5.1	4.8	2.3	22.0	(3.7)	30.5
<b>Total gross revenue</b>	<b>64.0</b>	<b>270.6</b>	<b>78.8</b>	<b>667.3</b>	<b>(238.7)</b>	<b>842.1</b>

### **Alternative performance measures**

In this press release, in order to provide a clearer picture of the financial performance of the Cairo Communication Group, besides of the conventional financial measures required by IFRS, a number of alternative performance measures are shown that should, however, not be considered substitutes of those adopted by IFRS.

The alternative measures are:

· **EBITDA:** used by Cairo Communication as a target to monitor internal management, and in public presentations (to financial analysts and investors). It serves as a unit of measurement to evaluate Group and Parent operational performance, with **EBIT**, and is calculated as follows:

**Result from continuing operations, before tax**

+/- Net finance income

+/- Other income (expense) from financial assets and liabilities

**EBIT - Operating profit (loss)**

+ Amortization & depreciation

+ Bad debt impairment losses

+ Provisions for risks

**EBITDA – Operating profit (loss), before amortization, depreciation, provisions and write-downs.**

EBITDA (earnings before interest, tax, depreciation and amortization) is not classified as an accounting measure under IFRS, therefore, the criteria adopted for its measurement may not be consistent among companies or different groups.

RCS defines EBITDA as operating profit/loss (EBIT) before depreciation, amortization and write-downs on fixed assets

The main differences between the two definitions of EBITDA lie in the provisions for risks and in the allowance for impairment, included in the EBITDA definition adopted by RCS, while they are excluded from the EBITDA definition adopted by Cairo Communication. Owing to the differences between EBITDA definitions adopted, in this press release, consolidated EBITDA has been determined consistently with the definition adopted by the parent company Cairo Communication.

**Consolidated gross revenue:** for a more detailed view, and in consideration of the specific features of the segment, operating revenue - for advertising revenue - includes gross operating revenue, advertising agency discounts and net operating revenue. Consolidated gross revenue is equal to the sum of gross operating revenue and other revenue and income.

The Cairo Communication Group also considers the **net financial position (net financial debt)** as a valid measure of the Group's financial structure determined as a result of current and non-current financial liabilities, net of cash and cash equivalents and current financial assets, excluding financial liabilities (current and non-current) from leases previously classified as operating and recognized in the financial statements in accordance with IFRS 16.

The **total net financial position (net financial debt)** also includes financial liabilities from leases recorded in the financial statements pursuant to IFRS 16, previously classified as operating leases and non-remunerated debt, which have a significant implicit or explicit financing component (e.g. trade payables with a maturity of over 12 months), and any other non-interest-bearing loans (as defined by the "Guidelines on disclosure requirements under the Prospectus Regulation" published by ESMA on 4 March 2021 with document "ESMA32-382-1138" and taken up by CONSOB in communication 5/21 of 29 April 2021).