

## Press Release

### Results at 30 June 2024 approved<sup>1</sup>

**In the six months, consolidated revenue amounted to € 434.1 million (€ 439.2 million in 1° half 2023), with digital revenue accounting for 23.6% of the total. In the second quarter, consolidated revenue grew by € 5 million (+2%).**

**EBITDA, EBIT and net profit grew respectively by € 77.7 million, € 51.1 million and € 33.9 million (respectively € 70.5 million, € 44.9 million and € 30.3 million in 1° half 2023).**

**At end June, the Group's newspapers reached an active digital customer base in excess of 1.1 million subscriptions, 633 thousand for *Corriere della Sera*, Italy's leading newspaper on newsstands, 227 thousand for *Gazzetta*, 148 thousand for *El Mundo*, and 96 thousand for *Expansión*.**

**RCS retains its position as the leading online publisher in Italy, with an aggregate figure of 31.2 million average monthly unique users (*Audicom May 2024*).**

*Milan, 31 July 2024* - The Board of Directors of RCS MediaGroup S.p.A., which met today, reviewed and approved the Half-Year Report at 30 June 2024.

Income statement (€ millions)	30/06/2024	30/06/2023
Consolidated revenue	434.1	439.2
EBITDA before non-recurring expense/income	78.4	71.1
EBITDA	77.7	70.5
EBIT	51.1	44.9
Net profit	33.9	30.3

Statement of financial position (€ millions)	30/06/2024	31/12/2023
Net financial debt <sup>1</sup>	43.8	23.4

### Group performance

The first half of 2024 was dominated by the ongoing conflicts in Ukraine and the Middle East, with their repercussions extending to the economy and trade. These events persist in creating a state of significant overall uncertainty. The Group has no direct exposure and/or business activities towards the markets affected by the conflict and/or sanctioned entities.

Against this backdrop, the Group achieved higher margins (EBITDA, EBIT and net profit) in first

(1) For the definitions of *Group EBITDA*, *EBIT* and *Net Financial Position* or *Group net financial debt (liquidity)*, reference should be made to the section "Alternative Performance Measures" in this Press Release.



six months 2024 than in the same period of 2023.

The Group's **consolidated net revenue** at 30 June 2024 amounted to € 434.1 million (€ 439.2 million in first half 2023). Digital revenue totaled € 102.3 million (€ 101 million in 1° half 2023), accounting for approximately 23.6% of total revenue.

In the second quarter of the year, consolidated net revenue grew by 2% or by € +5 million.

**Advertising revenue** in first half 2024 amounted to € 177 million (€ 179.4 million in first half 2023). Total advertising sales on *online* media amounted to € 67.6 million in first half 2024, reaching approximately 38.2% of total advertising revenue.

**Publishing and circulation revenue** amounted to € 160.3 million (€ 165.5 million in first half 2023), dropping by € 5.2 million, attributable to a decline in revenue from add-ons (€ -2.5 million), in m-dis circulation revenue attributable to the distribution of third-party publishers (€ -1.4 million), and in print circulation revenue, partly offset by growth in digital subscription revenue.

Both Italian newspapers retained their circulation leadership in their respective market segments at May 2024 (*ADS January-May 2024*). *La Gazzetta dello Sport*, with the Audipress 2024/I survey, retained its position as the most-read Italian newspaper with a readership of 2.1 million. At end June, the total active customer base for *Corriere della Sera* (*digital edition, membership and m-site*) reached 633 thousand subscriptions (595 thousand at end 2023). The customer base of *Gazzetta's* pay products (which includes *G ALL*, *G+*, *GPRO* and *Fantacampionato* products) closed at end June 2024 with 227 thousand subscriptions (214 thousand at end 2023) (Internal Source).

The main digital performance indicators confirm the top market position of RCS, with the *Corriere della Sera* and *La Gazzetta dello Sport* brands which, in the period January-May 2024, counted 29.4 million and 15.6 million average monthly unique users, and in the period January-June 2024, 3.8 million and 2.1 million average daily unique users (*Audicom*). In the first five months of 2024 too, RCS ranks as the top online publisher in Italy with an aggregate figure of 31.2 million average monthly unique users (net of duplications - *Audicom*).

The main social accounts of the *Corriere System* at 30 June 2024 totaled approximately 13 million followers (considering *Facebook*, *Instagram*, *X*, *LinkedIn* and *TikTok* - Internal Source). The growth of social profiles also continues for *La Gazzetta dello Sport*, topping a total social audience of 6.3 million at end June (considering *Facebook*, *Instagram*, *X*, *TikTok* and *YouTube* - Internal Source).

In Spain, *Marca* and *Expansión* confirmed their print circulation leadership in their respective market segments at June 2024 too (*OJD*). In June, the second survey of *Estudio General de Medios* confirms Unidad Editorial's leading position in Spanish daily news reaching almost 1.6 million overall daily readers with the titles *El Mundo*, *Marca* and *Expansión*. *Marca*, with 950 thousand readers, is the most widely read newspaper in Spain, *El Mundo* the second among generalists with over 500 thousand readers and third among daily newspapers. Digital subscriptions continued to grow, exceeding at June 2024 148 thousand subscriptions (136 thousand at end 2023) for *El Mundo* and 96 thousand subscriptions for *Expansión* (82 thousand at end 2023) (Internal Source). As part of the online activities, *elmundo.es*, *marca.com* and *expansion.com* reached 39.1 million, 82.2 million and 9.1 million average monthly unique browsers in first six months 2024, comprising both domestic and foreign browsers and including apps (*Google Analytics*). The social audience of Unidad Editorial Group titles stands at 11.1 million followers for *El Mundo*, 19.4 million for *Marca* and 2.5 million for *Telva* (considering *Facebook*, *Instagram*, *X* and *TikTok*) and 1.5 million for *Expansión* (considering *Facebook*, *Instagram*, *X*, *TikTok* and *LinkedIn*) (Internal Source).



**Sundry revenue** closed at € 96.8 million, increasing by € 2.5 million versus first half 2023 (€ 94.3 million).

**EBITDA** in first half 2024 came to a positive € 77.7 million (€ 70.5 million in first half 2023). Net non-recurring expense and income came to € -0.7 million (€ -0.6 million at 30 June 2023). Versus first half 2023, the performance in first six months 2024 also benefits from lower raw material costs.

In first half 2024, 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, the new services "*Chiedi all'Esperto*" and "*Sportello Cancro*" for *Corriere della Sera* were launched, new video columns were created, the *Fast* channel "*Talks by Corriere della Sera*" was launched, podcast offerings were expanded, the new channel "*Figli & Genitori*" debuted, the *Instagram* profile was restyled, and the new *L'Economia* app was released, featuring an artificial intelligence-based virtual assistant. Important events were also organized, including *Obiettivo5*, *Italia Genera Futuro*, the *Pact4Future International Forum*, the series of meetings *Le Economie d'Italia*, *Premio Bilancio di Sostenibilità*, *Women in Food*, for the *Milan Design Week* and together with the interior decorating publications *Living* and *Abitare* a scenic installation inside the courtyard of the historic headquarters in Via Solferino, *Civil Week*, *Tech Emotion*, and *Festival Pianeta 2030*. In the six months, major sports events in the portfolio were held: *Giro d'Italia*, *Milano Sanremo*, *Tirreno Adriatico*, *Next Gen*, *Milano Torino*, *Strade Bianche*, *UAE Tour* and *Milano Marathon*. *La Gazzetta dello Sport* opened two new social channels, LinkedIn and YouTube, launched a new app that provides access to both the site's news and the newspaper's browser in digital format, opened new podcast columns, revamped the organization of the cross-platform video area (site and social channels), restyled *Sportweek*, expanded the offering for the 2024 European Football Championship, launched the new multi-platform video project "*Guida con Noi*", and organized the *Milano Football Week* event. In May, *Dove* was released on newsstands with a refreshed design and updated content.

In **Spain**, regarding the main initiatives only, in January the new version of *La Lectura* was launched, in February *Escuela de Formacion* launched a new web portal offering access to its educational offerings, and in March *Marca* revamped its print edition with a new layout and expanded content offerings. In March again, *Expansión* launched a new series of video interviews with key players in Spanish entrepreneurship, since April *El Mundo* has bolstered its weekend offerings by introducing the option to purchase the *Hola* magazine with the Sunday edition, and in late May the new *Telva Living* magazine was launched. In the six months, agreements were established with *Canela Media* and *Warner Bros Discovery* to market advertising for its titles in the United States and Latin America, respectively. Work also continued on the organization of major events, including participation with *El Mundo* and *La Lectura* in the International Contemporary Art Fair in Madrid, the *Foro Internacional de El Mundo "Europa, un año decisivo"*, which inaugurates a series of initiatives aimed at celebrating the 35th anniversary of the title, the start of the "*España está de moda*" series of meetings organized by *Telva*, and "*El foro económico internacional Expansión*".



The table below shows the trend of revenue and EBITDA in each business area.

(€ millions)	30/06/2024			30/06/2023		
	Revenue	EBITDA	% of revenue	Revenue	EBITDA	% of revenue
Newspapers Italy	178,4	20,3	11,4%	178,4	16,2	9,1%
Magazines Italy	30,2	(0,1)	(0,3)%	32,2	(1,4)	(4,3)%
Advertising and Sports	174,0	42,5	24,4%	171,2	40,7	23,8%
Unidad Editorial	105,6	17,1	16,2%	110,3	16,0	14,5%
Corporate and Other Activities	40,2	(2,1)	(5,2)%	43,9	(1,0)	(2,3)%
Other and eliminations	(94,3)	-	n.a.	(96,8)	-	n.a.
<b>Consolidated</b>	<b>434,1</b>	<b>77,7</b>	<b>17,9%</b>	<b>439,2</b>	<b>70,5</b>	<b>16,1%</b>

**EBIT** came to a positive € 51.1 million, improving by € 6.2 million versus first half 2023 (€ +44.9 million), reflecting the above phenomena commenting on EBITDA, in addition to higher amortization attributable to expenditure in digital business development.

**Group net profit** at 30 June 2024 amounted to € 33.9 million (€ 30.3 million at 30 June 2023), increasing by € 3.6 million and reflecting the above trends.

At 30 June 2024, **net financial debt** stood at € 43.8 million (€ 23.4 million at 31 December 2023). The change is explained mostly by the outlays for dividend payout of approximately € 36.3 million and for technical expenditure, and by non-recurring expense of approximately € 11.9 million, partly offset by the positive contribution of ordinary operations, affected by the dynamics of working capital also due to the seasonality of its performance. It should be noted that at 30 June 2024, projected tax receivables for the publishing activity totaling approximately € 24.3 million (including residual receivables from 2021, 2022, and 2023) are recorded in the balance sheet assets.

**Total net financial debt**, which includes financial payables from leases pursuant to IFRS 16 (mainly property leases), totaling € 138.1 million at 30 June 2024 (€ 128 million at 31 December 2023), amounted to € 181.9 million (€ 151.4 million at 31 December 2023).

### **Business outlook**

The first half of 2024 was dominated by the ongoing conflicts in Ukraine and the Middle East, with their repercussions extending to the economy and trade. These events persist in creating a state of significant overall uncertainty. The Group has no direct exposure and/or business activities towards the markets affected by the conflicts and/or sanctioned entities.

These conflicts, and their impacts, are still ongoing even at the date of approval of this Half-Year Report.

In first half 2024, the Group met the public's strong need to stay informed through its information offering, ensuring a timely service to its readers. 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 print and online information, with strong 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 conflicts in Ukraine and 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 ongoing conflicts and their developments 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 2024, up from those achieved in 2023, and of continuing with further cash generation from operations.

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

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*Under paragraph 2, Article 154-bis of the Consolidated Finance Law (TUF), Roberto Bonalumi, in his capacity as Financial Reporting Manager, attests that the financial information contained herein is consistent with the Company's document results, books and accounting records.*

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RCS MediaGroup is one of the leading multimedia publishing groups, operating primarily in Italy and Spain across all publishing areas, from newspapers to magazines, from digital to books, from TV to new media and training, as well as being one of the top players on the advertising sales market, organizing iconic events and renowned sporting formats such as the Giro d'Italia. The RCS Group publishes the daily newspapers *Corriere della Sera*, *La Gazzetta dello Sport*, *El Mundo*, *Marca* and *Expansión*, as well as numerous magazines, the most popular including *Oggi*, *Amica*, *iO Donna*, *7*, *Yo Dona* and *Telva*.

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## RCS MediaGroup Reclassified consolidated income statement

(Unaudited figures)

(€ millions)	30 June 2024		30 June 2023		Difference	
	A	%	B	%	A-B	%
<b>Net revenue</b>	<b>434,1</b>	<b>100,0</b>	<b>439,2</b>	<b>100,0</b>	<b>(5,1)</b>	<b>(1,2%)</b>
<i>Publishing and circulation revenue</i>	160,3	36,9	165,5	37,7	(5,2)	(3,1%)
<i>Advertising revenue</i>	177,0	40,8	179,4	40,8	(2,4)	(1,3%)
<i>Sundry revenue (1)</i>	96,8	22,3	94,3	21,5	2,5	2,7%
Operating costs	(229,7)	(52,9)	(241,4)	(55,0)	11,7	4,8%
Payroll costs	(124,6)	(28,7)	(125,5)	(28,6)	0,9	0,7%
Net provisions for risks	(1,2)	(0,3)	0,4	0,1	(1,6)	>100
(Write-down)/write-back of trade and sundry receivables	(0,9)	(0,2)	(2,2)	(0,5)	1,3	59,1%
<b>EBITDA (2)</b>	<b>77,7</b>	<b>17,9</b>	<b>70,5</b>	<b>16,1</b>	<b>7,2</b>	<b>10,2%</b>
Amortization of intangible fixed assets	(11,4)	(2,6)	(10,0)	(2,3)	(1,4)	
Depreciation of tangible fixed assets	(4,6)	(1,1)	(4,7)	(1,1)	0,1	
Amortization/depreciation of rights of use on leased assets	(10,5)	(2,4)	(10,8)	(2,5)	0,3	
Depreciation of investment property	(0,1)	(0,0)	(0,1)	(0,0)	0,0	
Other (write-downs)/write-backs of fixed assets	-	-	-	-	0,0	
<b>EBIT (2)</b>	<b>51,1</b>	<b>11,8</b>	<b>44,9</b>	<b>10,2</b>	<b>6,2</b>	
Financial income (expense)	(5,6)	(1,3)	(5,9)	(1,3)	0,3	
Income (expense) from equity-accounted investees	(0,3)	(0,1)	(0,1)	(0,0)	(0,2)	
Other income (expense) from financial assets/liabilities	-	-	-	-	-	
<b>Profit (loss) before tax</b>	<b>45,2</b>	<b>10,4</b>	<b>38,9</b>	<b>8,9</b>	<b>6,3</b>	
Income tax	(11,2)	(2,6)	(8,6)	(2,0)	(2,6)	
<b>Profit (loss) from continuing operations</b>	<b>34,0</b>	<b>7,8</b>	<b>30,3</b>	<b>6,9</b>	<b>3,7</b>	
Profit (loss) from assets held for sale and discontinued operation	-	-	-	-	-	
<b>Profit (loss) before non-controlling interests</b>	<b>34,0</b>	<b>7,8</b>	<b>30,3</b>	<b>6,9</b>	<b>3,7</b>	
(Profit) loss attributable to non-controlling interests	(0,1)	(0,0)	-	-	(0,1)	
<b>Profit (loss) for the period attributable to the owners of the parent</b>	<b>33,9</b>	<b>7,8</b>	<b>30,3</b>	<b>6,9</b>	<b>3,6</b>	

- (1) Sundry revenue includes primarily revenue for television activities, the organization of events and exhibitions, sales of customer lists and boxed sets, and for distribution activities.
- (2) For the definitions of EBITDA and EBIT, reference should be made to the section "Alternative Performance Measures" in this Press Release.



## RCS MediaGroup

### Reclassified consolidated statement of financial position

(Unaudited figures)

	30 June 2024	%	31 December 2023	%
(€ millions)				
Intangible fixed assets	373,3	62,6	376,5	66,2
Tangible fixed assets	95,4	16,0	98,3	17,3
Rights of use on leased assets	123,0	20,6	114,5	20,1
Investment property	6,7	1,1	6,8	1,2
Financial fixed assets and other assets	115,4	19,3	115,2	20,3
<b>Net fixed assets</b>	<b>713,8</b>	<b>119,6</b>	<b>711,3</b>	<b>125,1</b>
Inventory	18,7	3,1	19,0	3,3
Trade receivables	239,1	40,1	196,4	34,5
Trade payables	(222,6)	(37,3)	(208,5)	(36,7)
Other assets/liabilities	(32,5)	(5,4)	(29,2)	(5,1)
<b>Net working capital</b>	<b>2,7</b>	<b>0,5</b>	<b>(22,3)</b>	<b>(3,9)</b>
Provisions for risks and charges	(36,3)	(6,1)	(36,4)	(6,4)
Deferred tax liabilities	(55,2)	(9,2)	(54,6)	(9,6)
Employee benefits	(28,2)	(4,7)	(29,3)	(5,2)
<b>Net capital employed</b>	<b>596,8</b>	<b>100,0</b>	<b>568,7</b>	<b>100,0</b>
<b>Equity</b>	<b>414,9</b>	<b>69,5</b>	<b>417,3</b>	<b>73,4</b>
Non-current financial payables	36,1	6,0	30,4	5,3
Current financial payables	22,2	3,7	12,1	2,1
Current financial liabilities from derivatives	-	-	-	-
Non-current financial liabilities from derivatives	-	-	-	-
Financial assets recognized for derivatives	-	-	-	-
Cash on hand and current financial receivables	(14,5)	(2,4)	(19,1)	(3,4)
<b>Net financial debt (liquidity) (1)</b>	<b>43,8</b>	<b>7,3</b>	<b>23,4</b>	<b>4,1</b>
<b>Financial payables from leases pursuant to IFRS 16</b>	<b>138,1</b>	<b>23,1</b>	<b>128,0</b>	<b>22,5</b>
<b>Total financial sources</b>	<b>596,8</b>	<b>100,0</b>	<b>568,7</b>	<b>100,0</b>

(1) For the definition of the Group's Net Financial Position or Net Financial Debt, reference should be made to the section "Alternative Performance Measures" in this Press Release.





## RCS MediaGroup Statement of cash flows

(Unaudited figures)

(€ millions)	30 June 2024	30 June 2023
<b>A) Cash flow from operations</b>		
Profit (loss) before tax from continuing operations	45,2	38,9
Amortization, depreciation and write-downs	26,6	25,6
(Capital gains) losses and other non-monetary items	0,0	0,0
(Income) expense from equity-accounted investees	0,3	0,1
Write-downs of financial fixed assets	-	-
Net financial income (expense)	5,6	5,9
Increase (decrease) in employee benefits and provisions for risks and charges	(1,4)	(2,5)
Changes in working capital	(38,0)	(47,8)
Income tax paid	-	(0,5)
<b>Total</b>	<b>38,3</b>	<b>19,7</b>
<b>B) Cash flow from investing activities</b>		
Acquisition of investments	-	0,0
Capital expenditure in fixed assets	(9,9)	(11,0)
Changes in other non-current assets	0,8	0,1
Proceeds from the sale of investments	0,5	0,5
Dividends from equity-accounted investees	-	-
<b>Total</b>	<b>(8,6)</b>	<b>(10,4)</b>
<i>Free cash flow (A+B)</i>	<i>29,7</i>	<i>9,3</i>
<b>C) Cash flow from financing activities</b>		
Net change in financial payables and other financial assets	10,7	20,9
Net financial interest received (paid)	(5,0)	(5,0)
Dividends paid by the Parent Company	(36,2)	(31,0)
Dividends paid to third parties by subsidiaries and other movements in equity	(0,1)	(0,1)
Liabilities from leased assets	(8,9)	(10,9)
<b>Total</b>	<b>(39,5)</b>	<b>(26,1)</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(9,8)</b>	<b>(16,8)</b>
Opening cash and cash equivalents	16,2	23,5
Closing cash and cash equivalents	6,4	6,7
<b>Increase (decrease) for the period</b>	<b>(9,8)</b>	<b>(16,8)</b>

### ADDITIONAL DISCLOSURES OF THE STATEMENT OF CASH FLOWS

(€ millions)

<b>Opening cash and cash equivalents consisting of</b>	<b>16,2</b>	<b>23,5</b>
Cash and cash equivalents	18,2	23,5
Current payables to banks	(2,0)	-
<b>Closing cash and cash equivalents</b>	<b>6,4</b>	<b>6,7</b>
Cash and cash equivalents	14,1	14,8
Current payables to banks	(7,7)	(8,1)
<b>Increase (decrease) for the period</b>	<b>(9,8)</b>	<b>(16,8)</b>





## Alternative performance measures

In order to provide a clearer picture of the financial performance of the RCS 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. In accordance with CESR/05178b recommendation published on 3 November 2005, the methods used for building the main alternative performance measures that Management considers useful for monitoring the Group's performance are shown below.

**EBITDA:** to be understood as earnings before interest, tax, amortization/depreciation and write-down of fixed assets. The measure is used by the RCS Group 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 the operational performance of the RCS Group.

**EBITDA before non-recurring expense/income:** to be understood as EBITDA as specified above before components of income (positive and/or negative) deriving from events or transactions, the occurrence of which is non-recurring, or deriving from transactions or events that are unlikely to occur frequently in the normal course of business.

**EBIT:** to be understood as the Result before tax, gross of "Financial Income (Expense)", "Income (Expense) from equity-accounted investees", and "Other income (expense) from financial assets/liabilities".

**Group Net Financial Position or Group net financial debt (liquidity):** this is a valid measure of the financial structure of the RCS Group. It is calculated as the result of current and non-current financial payables, net of cash and cash equivalents and current financial assets, as well as non-current financial assets from derivative instruments, excluding financial liabilities (current and non-current) from leases.

**Total Net Financial Position or total net financial (liquidity) debt:** to be understood as the Group's Net Financial Position as defined above, it includes financial liabilities from short and/or long-term lease agreements 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, and excludes financial receivables with a maturity of over 90 days (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).