Press Release: RCS MediaGroup Board of Directors

Results at 30 June 2018 approved[1]

POSITIVE RESULTS AND STRONG GROWTH IN THE FIRST HALF[2]

Consolidated revenue totalling EUR 503.6 million[3]
Stable consolidated revenue compared to 30 June 2017 on a like-for-like basis (net of IFRS 15)
EBITDA of EUR 83.1 million
Net profit stands at EUR 45.4 million.

Net financial debt decreased to EUR 245.9 million (EUR -41.5 million compared to 31 December 2017)

2018 TARGETS CONFIRMED

EBITDA AND NET CASH FLOW GROWTH
NET FINANCIAL DEBT YEAR END BELOW EUR 200 MILLION

Milan, 3 August 2018 – The Board of Directors of RCS MediaGroup met today under the chairmanship of Urbano Cairo to examine and approve the consolidated results at 30 June 2018.

Consolidated Figures (EUR million)	30/06/2018	30/06/2017
Consolidated revenue[2,3]	503.6	471.7
EBITDA	83.1	69.0
EBIT	65.8	44.0
Net profit (loss)	45.4	24.0

Equity Figures (EUR million)	30/06/2018	31/12/2017
Net financial debt	245.9	287.4

[1] For EBITDA, EBIT and Net financial debt definitions, please refer to the paragraph "Alternative performance ratios" of this press release.
[2] The figures as at 30 June 2018 include the adoption of the new IFRS 15 and IFRS 9 accounting standards, which came into force from 1 January 2018. For both said principles, the Group has availed itself of the right not to recalculate the comparative data compared: the economic values of 2018, in particular for revenues linked to the new IFRS 15 accounting standard, are therefore not immediately comparable with the corresponding values of the same period of the previous financial year. The adoption of the new accounting standards did not have any significant effect on EBITDA and the subsequent items in the Income Statement.
[3] Consolidated revenues at 30 June 2018, net of the implementation of the new IFRS 15 accounting standard, would amount to EUR 471.7 million (EUR 471.7 million at 30 June 2017).

The Group's consolidated net revenue at 30 June 2018 was **EUR 503.6 million**. On a like-for-like basis, therefore excluding the comparison with the data for the first half of 2017 the effects deriving from the adoption of the new accounting standard IFRS 15 (EUR +31.9 million, attributable to publishing revenues of EUR +49.9 million, to advertising revenues for EUR -7.7 million and other revenues of EUR -10.3 million), **consolidated revenues would be stable** compared to the first half of 2017.

Advertising revenue totalled EUR 206.1 million compared to EUR 212.5 million for the same 2017 period. On a like-for-like basis (net of IFRS 15 effects of -7,7 million), **they increased by EUR 1.3 million** compared to the first half of 2017, thanks in particular to the higher advertising revenues generated by Unidad Editorial due to the driving effect of online advertising revenues. These revenues are up 24.9% compared to the first half of 2017 and account for 43% of the Division's advertising revenue in Spain.

Publishing revenue amounted to EUR 212.5 million, compared to publishing revenue for the first six months of 2017 of EUR 172.8 million. On a like-for-like basis (net of IFRS 15 effects of +49,9 million), there would be a total decrease of EUR 10.2 million (6.1 million in Spain and 4.1 million in Italy), mainly due to the decline in the reference markets in both Italy and in Spain, which led to a fall in the paper circulation of newspapers. In terms of circulation, leadership was confirmed in the respective reference sectors for the daily newspapers *Corriere della Sera*, *La Gazzetta dello Sport*, *Marca* and *Expansión*, while *El Mundo* confirmed its second place among Spanish general newspapers. In particular, in Italy, on the newsstand channel (channels provided by law), the circulation of *Corriere della Sera* decreased by 3.7% against 7.7% recorded by the market and the circulation of *La Gazzetta dello Sport* decreased by 5.1 % against 10.7% of the market (Source: ADS January - May). In June, *Corriere della Sera* circulation on the same channel increased compared to the same month of the previous year (Source: internal estimates). In Spain, the data published by EGM (Estudio General de Medios) in June confirm the leadership in the newspaper sector of Unidad Editorial, which through its brands reaches about 2.6 million readers daily, distancing about 500 thousand readers the main competitors. **The digital performance ratios of the websites of the Group's daily newspapers significantly grows** and active *consumer* subscribers at the end of June in Italy increases by 31%, with around 92,000 paying subscribers between the *digital edition*, *membership* and *m-site*.

Other revenues amount to EUR 85 million and are compared with EUR 86.4 million in the first six months of 2017. On a like-for-like basis (net of IFRS 15 effects of -10,3 million), other revenues **increased by EUR 8.9 million,** due in particular to the contribution of sporting events from the RCS Sport Division.

Alongside the ongoing success of initiatives launched last year (the new ***L'Economia*** and ***7,*** the free weekly insert ***Buone Notizie – L'impresa del Bene***, the new local edition ***Corriere Torino***), in 2018 the Group has continued its focus on enriching and enhancing editorial contents, with a positive effect on revenue. On **23 February**, the new monthly attached to *Corriere della Sera*, ***Corriere Innovazione***, was launched, focusing on various aspects of innovation such as science, technology, culture, research and development. On **19 April** came the launch of ***Solferino- books from Corriere della Sera***, a publishing initiative with an offering of fiction, non-fiction, poetry and books for children, both Italian and foreign. On **18 May** came the debut of ***Liberi Tutti***, the new free weekly supplement of *Corriere della Sera* released on Friday, dedicated to the pleasure of living. The Friday release allows completion of the offering of the six *Corriere della Sera* supplements already on sale at the newsstand on the remaining days of the week.

The offering for readers of *La Gazzetta dello Sport* continues to be enriched with the system of back pages with daily spaces dedicated to **Genoa,** following the addition of **Turin** and **Cagliari** in the first quarter. There are also the new initiatives ***Gazza Mondo***, a free international football insert available at newsstands on Tuesdays, and ***Time Out***, a free weekly insight on the Italian basketball championship, available at newsstands on Wednesdays. From **1 July**, ***Fuorigioco*** is on sale, the new free weekly Sunday publication in conjunction with *La Gazzetta dello Sport*, focused on the sporting environment, its celebrities and its myths and legends.

From **23 February** this year, the newspaper *El Mundo* has renewed the supplement ***Su Vivienda***, a reference point for the real estate market, distributed every Friday along with the local Madrid edition of the newspaper. From **5 March** of this year, the main publication by Unidad Editorial in economic and financial matters, ***Actualidad Económica***, has become *El Mundo*'s reference economic weekly. On **19 April**, ***Marca Motor*** has renewed its format to respond to the new demands of the market, investing in innovation through a new, fresher, more dynamic and orderly design and the aim for a more modern style. Please note the launch of the **MarcaClaro** portals in **Colombia** and **Argentina** respectively in January and June 2018 following the launch of MarcaClaro in Mexico in 2017. These portals have made it possible to record significant growth in the average monthly traffic of unique users in Latin America.

EBITDA for the first six months of 2018 **improved by EUR 14.1 million** compared to EUR 69 million in the first half of 2017, reaching EUR 83.1 million. The change is mainly due to the positive results deriving **from the investment activity on the editorial content**, the continuous enrichment of the offering and the **enhancement of the portfolio of sporting events**, in addition to the continuous commitment to the **pursuit of efficiency, which allowed to obtain relative benefits operating costs for EUR 11.1 million**, of which EUR 5.5 million in Italy and EUR 5.6 million in Spain. It should be noted that in the first half of 2018 the total net effect of non-recurring charges was essentially equal to zero.

The table below shows the breakdown of EBITDA and revenue performance for the individual business areas.

(EUR million)	Figures at 30/06/2018 (1)			Figures at 30/06/2017		
	Revenue	**EBITDA**	**% of revenue**	**Revenue**	**EBITDA**	**% of revenue**
Italian Daily Newspapers	220,5	33,3	15,1%	188,2	34,5	18,3%
Italian Magazines	45,4	3,3	7,3%	45,6	5,8	12,7%
Advertising and Sport	172,5	33,6	19,5%	182,3	22,5	12,3%
Unidad Editorial	155,2	22,2	14,3%	147,2	16,4	11,1%
Other corporate activities	10,8	(9,3)	n/a	11,9	(10,2)	n/a
Sundry and eliminations	(100,8)	0,0	n/a	(103,5)	0,0	n/a
Consolidated	**503,6**	**83,1**	**16,5%**	**471,7**	**69,0**	**14,6%**

[1] The adoption of the IFRS 15 accounting standard starting from 1 January 2018, without restating the balances as at 30 June 2017, involved an overall increase in revenues of EUR 31.9 million in the first half, made up of higher revenues of Newspapers Italy for EUR 35.4 million, Magazines Italy for EUR 3.9 million, Unidad Editorial for EUR 8.4 million and a decrease in Advertising and Sports for EUR 15.8 million.

EBIT was positive for EUR 65.8 million and compares with EUR 44 million in the first half of 2017. In addition to the improvement in EBITDA, operating income also decreased by EUR 7.7 million (of which EUR 4.4 million was due to the shift from finite useful life to indefinite useful life of the daily titles *Marca* and *Expansión*, already included in the 2017 consolidated financial statements in the last quarter).

The **net result for the first half is also positive for EUR 45.4 million** (EUR 24 million in the first half of 2017) and reflects the trends described above.

Net financial debt stood at EUR 245.9 million (EUR -41.5 million compared to 31 December 2017), thanks to the contribution of over EUR 50 million of the positive cash flows from operations.
At the end of June 2018 RCS made a voluntary early repayment of EUR 30 million of the outstanding loan (i) for approximately EUR 10 million on the instalment due on 31 December 2018; (ii) for EUR 5 million on the instalment due on 30 June 2019 and (iii) for the remaining approximately EUR 15 million on the remaining 9 instalments. Overall, in the period between the end of July 2016 and June 2018, RCS recorded a significant improvement in net debt of over EUR 180 million.

Outlook and perspectives for the current year

In a context still characterised by uncertainty, with reference markets falling (circulation and advertising in Italy and circulation in Spain) in the first half of 2018 as well, the Group's performance showed a strong improvement in results compared to the same period of the previous year and achieved its margin targets and a progressive reduction of its financial debt.

In consideration of the actions already implemented and those envisaged, for the maintenance and development of revenues as well as for the continued pursuit of operating efficiency, as well as the positive results from the first half-year, in the absence of events that are currently unforeseeable, the Group confirms that it considers an increase achievable in EBITDA and cash flow from current operations compared to the 2017 financial year, such as to allow the reduction of financial debt at the end of 2018 to less than EUR 200 million.

The evolution of the general economic situation and reference sectors could however affect the complete achievement of these objectives.

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Roberto Bonalumi, the Director responsible for drawing up the company's statements, hereby declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Law on Finance (Testo Unico della Finanza, TUF), that the information contained in this press release accurately represents the figures contained in the Group's accounting records.

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RCS MediaGroup is a major multimedia publishing groups operating mainly in Italy and Spain in all media segments, from newspapers to magazines, from web to books, from TV to new media. It is also a major pèlayer in the advertising sales market and organises iconic events and leading sports races, such as the Giro d'Italia.
The RCS Group publishes the *Corriere della Sera*, *La Gazzetta dello Sport*, *El Mundo*, *Marca* and *Expansion* newspapers, as well as numerous periodicals, including the main ones *Oggi*, *Amica*, *Io Donna*, *7*, *Yo Dona* and *Telva*.
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RCS MediaGroup
Reclassified consolidated income statement
(tables not subject to audit)

(EUR million)	30 June 2018 A	%	30 June 2017 B	%	Difference A-B	Difference %
Net revenue	**503,6**	**100,0**	**471,7**	**100,0**	**31,9**	***6,8%***
Publishing revenue	*212,5*	*42,2*	*172,8*	*36,6*	*39,7*	*23,0%*
Advertising revenue	*206,1*	*40,9*	*212,5*	*45,0*	*(6,4)*	*(3,0%)*
Other revenue (1)	*85,0*	*16,9*	*86,4*	*18,3*	*(1,4)*	*(1,6%)*
Operating costs	*(281,8)*	*(56,0)*	*(266,8)*	*(56,6)*	*(15,0)*	*(5,6%)*
Cost of labour	*(135,1)*	*(26,8)*	*(131,7)*	*(27,9)*	*(3,4)*	*(2,6%)*
Provisions for risks	*(2,9)*	*(0,6)*	*(2,7)*	*(0,6)*	*(0,2)*	*(7,4%)*
Receivable impairment	*(1,3)*	*(0,3)*	*(1,9)*	*(0,4)*	*0,6*	*31,6%*
Income (expense) from equity investments equity method	*0,6*	*0,1*	*0,4*	*0,1*	*0,2*	*50,0%*
EBITDA (2)	**83,1**	**16,5**	**69,0**	**14,6**	**14,1**	*20,4%*
Intangible asset amortisation	*(11,2)*	*(2,2)*	*(17,3)*	*(3,7)*	*6,1*	
Property, plant and equipment depreciation	*(5,8)*	*(1,2)*	*(7,4)*	*(1,6)*	*1,6*	
Real estate investment depreciation	*(0,3)*	*(0,1)*	*(0,3)*	*(0,1)*	*0,0*	
Other asset impairment	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	
EBIT (2)	**65,8**	**13,1**	**44,0**	**9,3**	**21,8**	
Net financial income (expense)	*(10,6)*	*(2,1)*	*(13,0)*	*(2,8)*	*2,4*	
Income (expense) from financial assets/liabilities	*1,5*	*0,3*	*1,2*	*0,3*	*0,3*	
EBT	**56,7**	**11,3**	**32,2**	**6,8**	**24,5**	
Income taxes	*(11,2)*	*(2,2)*	*(8,2)*	*(1,7)*	*(3,0)*	
Profit (loss) from continuing operations	**45,5**	**9,0**	**24,0**	**5,1**	**21,5**	
Profit (loss) from discontinued operations	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	
Profit (loss) before non-controlling interests	**45,5**	**9,0**	**24,0**	**5,1**	**21,5**	
(Profit) loss pertaining to non-controlling interests	*(0,1)*	*(0,0)*	*0,0*	*0,0*	*(0,1)*	
Group's profit (loss) for the period	**45,4**	**9,0**	**24,0**	**5,1**	**21,4**	

(1) Other revenue mainly contains revenue from television businesses, from event organisation, *e-commerce* activities, sale of customer lists and book sets, as well as in Spain for betting activities.

(2) For EBITDA and EBIT definitions, please refer to the paragraph "Alternative performance ratios" of this press release.

RCS MediaGroup

Reclassified consolidated balance sheet

(tables not subject to audit)

(EUR million)	30 June 2018	%	31 December 2017	%
Intangible Assets	377,5	81,5	383,9	83,7
Property, plant and equipment	69,6	15,0	73,8	16,1
Real Estate Investments	20,4	4,4	20,7	4,5
Financial Assets and other Assets	164,6	35,5	171,4	37,4
Net Non-current Assets	**632,1**	**136,4**	**649,8**	**141,6**
Inventories	18,0	3,9	15,9	3,5
Trade receivables	247,6	53,4	240,3	52,4
Trade payables	(244,3)	(52,7)	(236,3)	(51,5)
Other assets/liabilities	(50,1)	(10,8)	(66,6)	(14,5)
Net Working Capital	**(28,8)**	**(6,2)**	**(46,7)**	**(10,2)**
Provisions for risks and charges	(46,2)	(10,0)	(50,4)	(11,0)
Deferred tax liabilities	(56,3)	(12,2)	(55,4)	(12,1)
Employee benefits	(37,5)	(8,1)	(38,4)	(8,4)
Net invested capital	**463,3**	**100,0**	**458,9**	**100,0**
Shareholders' equity	**217,4**	**46,9**	**171,5**	**37,4**
Medium-long term financial payables	207,7	44,8	235,8	51,4
Short-term financial payables	55,0	11,9	67,0	14,6
Current financial liabilities for derivatives	-	-	1,0	0,2
Non-current financial liabilities for derivatives	0,8	0,2	0,1	0,0
Cash and short-term financial receivables	(17,6)	(3,8)	(16,5)	(3,6)
Net financial debt (1)	**245,9**	**53,1**	**287,4**	**62,6**
Total sources of financing	**463,3**	**100,0**	**458,9**	**100,0**

(1) For Net financial debt definition¸ please refer to the paragraph "Alternative performance ratios" of this press release.

RCS MediaGroup
Consolidated statement of cash flows

(EUR million)		30 June 2018	30 June 2017
A)	**Cash flow from operations**		
	Profit (loss) from continuing operations before taxes	56,7	32,2
	Profit (loss) from discontinued operations	-	-
	Amortisation, depreciation and write-downs	17,3	25,0
	(Capital gains) capital losses and other non-cash items	(1,5)	(3,5)
	Expense (income) from investments accounted for using the equity method.	(0,6)	(0,4)
	Dividends from investee companies accounted for using the equity method.	1,6	1,7
	Result of net financial management (including dividends received from equity instruments)	10,6	12,9
	Increase (decrease) of personnel benefits and provisions for risks and charges	(4,2)	(1,7)
	Changes in working capital	(22,0)	(42,2)
	Income taxes paid	-	-
	Changes on discontinued operations	-	-
	Total	**57,9**	**24,0**
B)	**Cash flow from investing activities**		
	Investments in equity investments (net of dividends from equity instruments)		-
	Investments in non-current assets	(8,9)	(10,5)
	(Acquisitions) disposals of other non-current financial assets	-	0,1
	Payments for disposal of equity investments	0,2	(1,0)
	Payments from sale of non-current assets	-	-
	Changes on discontinued operations	-	-
	Total	**(8,7)**	**(11,4)**
	Free cash flow (A+B)	*49,2*	*12,6*
C)	**Cash flow from financing activities**		
	Net change in financial debts and other financial assets	(44,4)	5,5
	Net financial interest collected (paid)	(8,0)	(13,5)
	Dividends paid	-	-
	Change in shareholders' equity reserves	-	(1,4)
	Changes on discontinued operations	-	-
	Total	**(52,4)**	**(9,4)**
	Net increase (decrease) in cash and cash equivalents (A+B+C)	**(3,2)**	**3,2**
	Cash and cash equivalents at the beginning of the period	(1,2)	(20,2)
	Cash and cash equivalents at the end of the period	(4,4)	(17,0)
	Increase (decrease) for the period	**(3,2)**	**3,2**

ADDITIONAL DISCLOSURES FOR THE STATEMENT OF CASH FLOWS

(EUR million)

Cash and cash equivalents at the beginning of the period as detailed	**(1,2)**	**(20,2)**
Cash and cash equivalents	15,6	18,7
Current payables due to banks	(16,8)	(38,9)
Cash and cash equivalents at the end of the period	**(4,4)**	**(17,0)**
Cash and cash equivalents	10,6	6,2
Current payables due to banks	(15,0)	(23,2)
Increase (decrease) for the period	**(3,2)**	**3,2**

Alternative performance ratios

In order to allow a better assessment of the Group's economic and financial performance, some alternative performance ratios are presented in addition to the conventional ones required by the IFRS. These ratios must not, however, be considered as replacement of the conventional ones required by IFRS.

The alternative performance ratios used are shown below:

EBITDA – means operating income before depreciation and amortization. This includes income and expenses from investments accounted for using the equity method as the associated companies and joint ventures are considered operational in nature with respect to the activities of the RCS Group. This ratio is used by the Group as a target for internal management control and in external presentations and represents the operating performance unit of measurement of the Group and of RCS MediaGroup S.p.A.

EBIT - Operating Result: to be intended as a result before taxes, gross of "Financial income and charges" and "Other income and charges from financial assets and liabilities".

Net Financial Position (or Net Financial Debt) – represents a valid ratio of the Group's financial structure and is determined as the result of current and non-current financial payables net of cash and cash equivalents, as well as current financial assets and non-current financial assets relative to derivatives. The net financial position defined by the CONSOB communication DEM / 6064293 of 28 July 2006, excludes non-current financial assets. Non-current financial assets relating to derivative instruments at 30 June 2018 and at 31 December 2017 are zero and therefore the financial indicator of the RCS Group at 30 June 2018 and at 31 December 2017, overlaps with the net financial position as defined from the aforementioned CONSOB communication.

INTEGRATIONS REQUIRED BY CONSOB ON 27 MAY 2013, IN ACCORDANCE WITH ARTICLE 114, SUBSECTION 5 OF LEGISLATIVE DECREE 58/1998

a) The net financial position of the RCS Group and its subsidiary, highlighting short-term elements separately from medium-and long-term components

(EUR million)	Carrying amount		Delta
	30/06/2018	**31/12/2017**	
Cash and cash equivalents	10,6	15,6	(5,0)
Financial receivables	7,0	0,9	6,1
Securities	-	-	-
Current financial assets for derivatives	-	-	
A) TOTAL CURRENT FINANCIAL ASSETS	**17,6**	**16,5**	**1,1**
Current financial payables and liabilities	(55,0)	(67,0)	12,0
Current financial liabilities for derivatives	-	(1,0)	1,0
B) TOTAL CURRENT FINANCIAL LIABILITIES	**(55,0)**	**(68,0)**	**13,0**
(A+B) Net current financial (debt)	**(37,4)**	**(51,5)**	**14,1**
Non-current financial liabilities recognised for derivatives	-	-	-
C) TOTAL NON-CURRENT FINANCIAL ASSETS	-	-	-
Non-current financial payables and liabilities	(207,7)	(235,8)	28,1
Non-current financial liabilities for derivatives	(0,8)	(0,1)	(0,7)
D) TOTAL NON-CURRENT FINANCIAL LIABILITIES	**(208,5)**	**(235,9)**	**27,4**
(C+D) Total net non-current financial (debt)	**(208,5)**	**(235,9)**	**27,4**
Net financial debt (1)	**(245,9)**	**(287,4)**	**41,5**

(1) For Net financial debt definition, please refer to the paragraph "Alternative performance ratios" of this press release

Net financial debt stood at EUR 245.9 million (EUR 287.4 million at 31 December 2017) and showed a reduction of EUR 41.5 million compared to 31 December 2017 and EUR 117.3 million compared to 30 June 2017. The improvement is attributable to the positive contribution from typical operations (including the collection of dividends for EUR 1.6 million) for approximately EUR 50.6 million, only partly offset by outlays for investments and net non-recurring charges.
In consideration of the cash flow generated during the period, at the end of June 2018 RCS, in addition to the repayment of the six-monthly instalment of the maturing loan of EUR 11.6 million, it also made a voluntary early repayment of EUR 30 million to cover (i) around EUR 10 million of the instalment due on 31 December 2018; (ii) EUR 5 million of the instalment due on 30 June 2019 and (iii) the remaining approximately EUR 15 million on the remaining 9 instalments.

Below is the net financial debt of RCS MediaGroup S.p.A., highlighting short-term elements separately from long-term components.

	Carrying amount		
(EUR million)	**30/06/2018**	**31/12/2017**	**Delta**
Cash and cash equivalents	0,4	0,7	(0,3)
Current financial receivables	273,2	270,3	2,9
A) TOTAL CURRENT FINANCIAL ASSETS	**273,6**	**271,0**	**2,6**
Payables due to bank a/c	(15,0)	(16,8)	1,8
Current financial payables	(103,0)	(110,0)	7,0
Current financial liabilities for derivatives		(1,0)	1,0
B) TOTAL CURRENT FINANCIAL LIABILITIES	**(118,0)**	**(127,8)**	**9,8**
(A+B) Total net current financial (debt)	**155,6**	**143,2**	**12,4**
Financial assets for derivatives	-	-	-
C) TOTAL NON-CURRENT FINANCIAL ASSETS	**-**	**-**	**-**
Non-current financial payables	(206,3)	(233,3)	27,0
Non-current financial liabilities for derivatives	(0,8)	(0,1)	(0,7)
D) TOTAL NON-CURRENT FINANCIAL LIABILITIES	**(207,1)**	**(233,4)**	**26,3**
(C+D) Total net non-current financial (debt)	**(207,1)**	**(233,4)**	**26,3**
Net financial debt	**(51,5)**	**(90,2)**	**38,7**

The net financial debt of RCS MediaGroup S.p.A. at 30 June 2018 was EUR 51.5 million, an improvement of EUR 38.7 million, compared to 31 December 2017. The significant contribution from typical operations (including the collection of dividends) for around EUR 46 million is shown, partly offset by outlays for non-recurring charges and investments.

b) Mature debt positions distributed by category (financial, commercial, tax and social security) and connected to potential reactions from Group creditors (reminders, injunctions, suspensions of supplies)

(EUR million)

Analysis overdue debt positions								
30/06/2018	30 days	31 - 90 days	91-180 days	181-360 days	> 360 days	Total Due	Total maturing	Total
Trade Debt Positions	10,4	9,1	11,3	6,0	13,2	50,0	194,3	244,3
Financial Debt Positions							55,0	55,0
Tax debt positions							13,1	13,1
Social security debt positions							8,9	8,9
Other debt positions		0,1	0,1		0,1	0,3	56,2	56,5
Total short-term debt positions	**10,4**	**9,2**	**11,4**	**6,0**	**13,3**	**50,3**	**327,5**	**377,8**

All of the debt positions with no contractual deadlines are eliminated, such as the short-term portion of provisions for risks and charges.
Short-term debt positions at 30 June 2018 totalled EUR 377.8 million, and show an overall decrease of EUR 3.8 million compared to 31 March 2018. This decrease is due to lower other payables for EUR 10.9 million, partially offset by higher tax, financial, social security and commercial payables (EUR +7.1 million). Non-overdue positions, totalling EUR 327.5 million represent approximately 86.7% of the total (at 31 March 2018 they came to EUR 329 million and equalled 86.2% of the total). As of 30 June 2018 there were no overdue accounts on financial, tax or social security debt positions.

Overdue debt positions totalled EUR 50.3 million, down by EUR 2.3 million compared to March 2018 (EUR 52.6 million). The comparison with 31 March 2018 shows a decrease in the debt positions expired in almost all the ranges, in particular: from 31 to 90 days for EUR 8.6 million and over 360 days for EUR 1.2 million. There were increases in debit positions expiring in the less than 30 days range for EUR 2.1 million, in the range from 91 to 180 days for EUR 3.6 million and in the range between 181 and 360 days for EUR 1.8 million.

Overdue debt positions include EUR 10.4 million in accounts less than 30 days overdue (EUR 8.3 million at 31 March 2018), which essentially relate to the company’s operations. The remainder, of EUR 39,9 million, includes accounts payable to agents, totalling EUR 9.3 million (18.5% of the total overdue amount). In relations with agents, industry practice requires the payment of a monthly advance on their activities which is reported under other receivables on the balance sheet. Advances to agents, which refer to overdue debts, totalled EUR 9.6 million, an amount that is greater than the specific overdue amount. It should be noted that payables due to agents overdue more than 360 days represent approximately 47.7% of this category of overdue accounts.
It should also be noted that the positions expiring on 30 June 2018 were conventionally classified among the debts due for payment, and amount to approximately EUR 15.4 million.
The overdue trade amount of EUR 50 million (EUR 52.1 million at 31 March 2018) refers to RCS MediaGroup SpA. for EUR 25.1 million.

As part of its usual activities, the Company received some reminders, warnings to comply, injunctions (for non-significant amounts to the state entirely restated), from suppliers regarding trade accounts, which have been restated when applicable.

c) Transactions with the Company and RCS Group related parties

For the details regarding transactions with Company and RCS MediaGroup S.p.A. related parties, see the specific note in the Half-Year Financial Report.

d) Any non-compliance with Covenants, negative pledges and other clauses in the Group's borrowing commitments which could limit the use of financial resources, together with up-to-date details of the level of compliance

On 4 August 2017, RCS MediaGroup S.p.A. signed a New Financing Agreement with a Pool of Banks for EUR 332 million maturing on 31 December 2022 and aimed at the total refinancing of the previous Loan originally signed on 14 June 2013 and renegotiated several times, the last of which was on 16 June 2016. The Banks participating in the New Loan Agreement are: Banca IMI as Organising Bank, Agent and coordinator, Intesa Sanpaolo as Financier and Banco BPM, Mediobanca, UBI Banca and Unicredit as Organizing and Financing Banks.

The main terms and conditions of the New Financing Agreement are as follows:

a. the subdivision of the Financing into an *Term amortising* Line of Credit of EUR 232 million and a Revolving Line of Credit of EUR 100 million;

b. an annual interest rate equal to the reference Euribor plus a variable margin depending on the *Leverage Ratio*, (NFP/EBITDA) which is more favourable than the previous agreements; As envisaged by the Contract, in relation to the improvement of the *Leverage Ratio* (NFP/EBITDA) as at 31 December 2017, following the approval of the Annual Financial Report at the recent Shareholders' Meeting, a reduction of the spread of 40 bps will be applied for the *Term* line with effect from 1 July 2018 and 50 bps for the Revolving line with effect from 30 April 2018.

c. the provision of a single covenant represented by the *Leverage Ratio*. This covenant at 31 December 2017 was forecast at 3.45x and was equal to 2.05x, and for subsequent periods should not exceed:
   - 3.25x at 31 December 2018
   - 3.00x at 31 December of each subsequent year;

d. a repayment plan for the *Term amortizing* Line, which provided for a repayment of EUR 15 million at 31 December 2017 and thereafter six-monthly instalments of EUR 12.5 million.
   In December 2017, the *Term amortizing* line decreased to EUR 208 million following both the expected repayment and a mandatory early repayment of EUR 10 million as a portion of the proceeds deriving from the sale of the investment in IEO (European Institute of Oncology). This reimbursement also resulted in the review pursuant to the Financing Agreement of the amortisation plan, reducing the expected six-monthly instalment from EUR 12.5 million to EUR 11.6 million. At the end of June 2018, the *Term amortizing* line decreased further to EUR 166.3 million, following both the expected six-monthly repayment and an optional early repayment of EUR 30 million occurred concurrently with the end of the first half. Also in this case the aforementioned repayment led to the revision of the amortization plan, eliminating the instalment expected in December 2018, reducing the instalment of June 2019 to EUR 4.8 million and the subsequent instalments of EUR 11.6 million to EUR 9.9 million, as well as the final reimbursement from EUR 103.6 million to EUR 101.9 million.
   From the date of signing up to 30 June 2018, approximately EUR 66 million has been repaid.

The New Financing Agreement contains provisions relating to mandatory early repayment events, declarations, obligations, revocation events and materiality thresholds more favourable overall to RCS than was the previous Financing Agreement. These clauses apply, by way of example, to the provisions relating to treasury agreements and intragroup loans and guarantees, acquisitions, *joint ventures*, permitted investments and reorganisations, assumption of financial debt, provisions for disposal and reduction of capital.

e) Progress of the business plan, showing any discrepancies between the forecast and actual data

For the comment on the Group's performance in the first half of 2018, please refer to the comments in the Half Year Financial Report, while for the 2018 forecasts please refer to the "Outlook and perspectives for the current year" section.