



Inter Media and Communication S.p.A

9 months ended March 31st 2018_ Results Presentation

29th May 2018

This presentation (the “Presentation”) has been prepared by Inter Media and Communication S.p.A. (“Inter Media” or “the Company”) and is its sole responsibility. For purposes hereof, the Presentation shall mean and include the slides that follow, any oral presentation by Inter Media or any person on its behalf, any question-and-answer session that may follow the oral presentation, and any materials distributed at, or in connection with, any of the above.

The information contained in the Presentation has not been independently verified and some of the information is in summary form. No representation or warranty, express or implied, is or will be made by any person as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information or opinions expressed in the Presentation. No responsibility or liability whatsoever is or will be accepted by Inter Media, its shareholders, subsidiaries or affiliates or by any of their respective officers, directors, employees or agents for any loss, howsoever arising, directly or indirectly, from any use of the Presentation or its contents or attendance at the Presentation.

Inter Media cautions that the Presentation may contain forward looking statements in relation to certain of Inter Media’s business, plans and current goals and expectations, including, but not limited to, its future financial condition, performance and results. These forward looking statements can be identified by the use of forward looking terminology, including the words “aims”, “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will”, “plans”, “predicts”, “assumes”, “shall”, “continue” or “should” or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, targets, goals, future events or intentions. By their very nature, all forward looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Inter Media’s control. Inter Media’s actual future financial condition, performance and results of operations may differ materially from the plans, goals and expectations set out in any forward looking statement made by Inter Media. All subsequent written or oral forward looking statements attributable to Inter Media or to persons acting on its behalf should be interpreted as being qualified by the cautionary statements included herein. As a result, undue reliance should not be placed on these forward looking statements.

The information and opinions contained in the Presentation have not been audited or necessarily prepared in accordance with international financial reporting standards and are subject to change without notice. The financial results in this document and the Presentation include certain financial measures and ratios, including Adjusted Media Revenue, Adjusted Revenue, Cash Available for Debt Service, Current / Non Current Operating Assets, Current / Non Current Operating Liabilities, Debt Service Coverage Ratio and certain other related measures that are not presented in accordance with IFRS or Italian GAAP and are unaudited. These measures may not be comparable to those of other companies. Reference to these non-IFRS and non-Italian GAAP measures should be considered in addition to IFRS or Italian GAAP financial measures, but should not be considered a substitute for results that are prepared in accordance with IFRS or Italian GAAP.

The information contained in the Presentation, including but not limited to any forward looking statements, is provided as of the date hereof and is not intended to give any assurance as to future results. No person is under the obligation to update, complete, revise or keep current the information contained in the Presentation, whether as a result of new information, future events or results or otherwise. The information contained in the Presentation may be subject to change without notice and will not be relied on for any purpose.

The Presentation is solely for informational purposes and does not constitute or form part of, and should not be construed as, an offer to sell or issue securities or otherwise constitute an invitation or inducement to any person to purchase, underwrite, subscribe to or otherwise acquire securities in Inter Media or any of its subsidiaries or affiliates. The Presentation does not constitute an invitation to effect any transaction with Inter Media.

The distribution of the Presentation in certain jurisdictions may be restricted by law. Recipients of the Presentation should inform themselves about and observe such restrictions. This document may not be reproduced, redistributed or passed on to any other person, nor may it be published, in whole or in part, for any purpose.

By accepting the Presentation, you agree and acknowledge (i) that the Presentation and its contents may contain proprietary information belonging to Inter Media and (ii) to be bound by the foregoing limitations, undertakings and restrictions.



Overview of Inter MediaCo

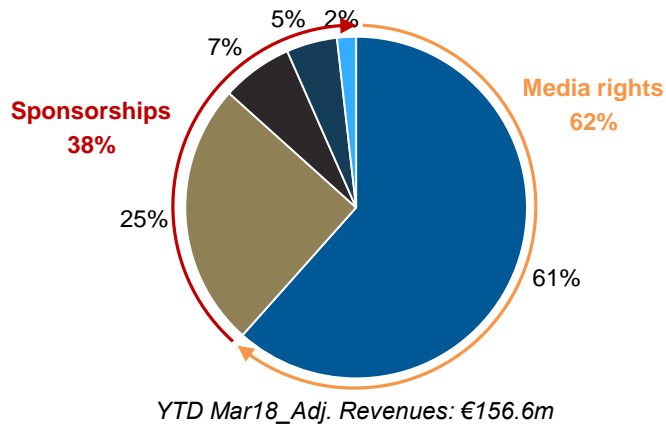
Inter MediaCo at a Glance

- **Sole manager and operator** of the **media, broadcast and sponsorship** businesses of **Inter**
- Formed in 2014 in connection with the contribution by Inter of its media, broadcast and sponsorship rights business, its historical media archives and the material IP rights relating to the Inter brand
- MediaCo main revenues lines are divided into **Media rights** and **Sponsorships**
 - Media rights for Serie A (centrally managed by Lega Serie A on three-year cycle contracts) and for European competitions (centrally managed by UEFA on three-year cycle contracts)
 - Long term sponsors include Pirelli (jersey sponsor since 1995/96 season) and Nike (technical sponsor since 1998/99 season)
 - Naming Rights

Inter TeamCo – An Iconic Franchise

- One of the **leading European football clubs**, with a history dating back to 1908
- Only club to have **played every season in Serie A** since the league’s inception in 1929 and the only **never been relegated**
 - **Won 30 domestic trophies** (including 18 Serie A championships, 7 TIM Cup titles and 5 Supercoppa TIM titles), 3 UEFA Champions League titles, 3 UEFA Cup titles, 2 Intercontinental Cups and 1 FIFA Club World Cup
 - First Italian team to complete the **“Continental Treble”** by winning the titles in Serie A, TIM Cup and UCL all in the same season in 2010
- During the first part of the sporting season 2017/2018, Inter was the **1st club in Italy and 10th placed club in Europe** in terms of average attendance

YTD Mar18_ Adjusted Revenues¹ Breakdown



- Serie A & UEFA
- Regional and Naming Sponsor
- Other Sponsors
- Shirt
- Technical

¹ Adjusted revenue is the aggregate revenue that MediaCo reports on its income statement (the “Revenue²”) and the receivables associated with Inter’s broadcasting rights the “Indirect Media Revenue” MediaCo reports on its balance sheet. ² Revenue includes the revenue that MediaCo receives from Inter TV and from licensing Inter’s archive content rights (the “Direct Media Revenue”), the revenue MediaCo receives from sponsorship agreements and other income

Honours



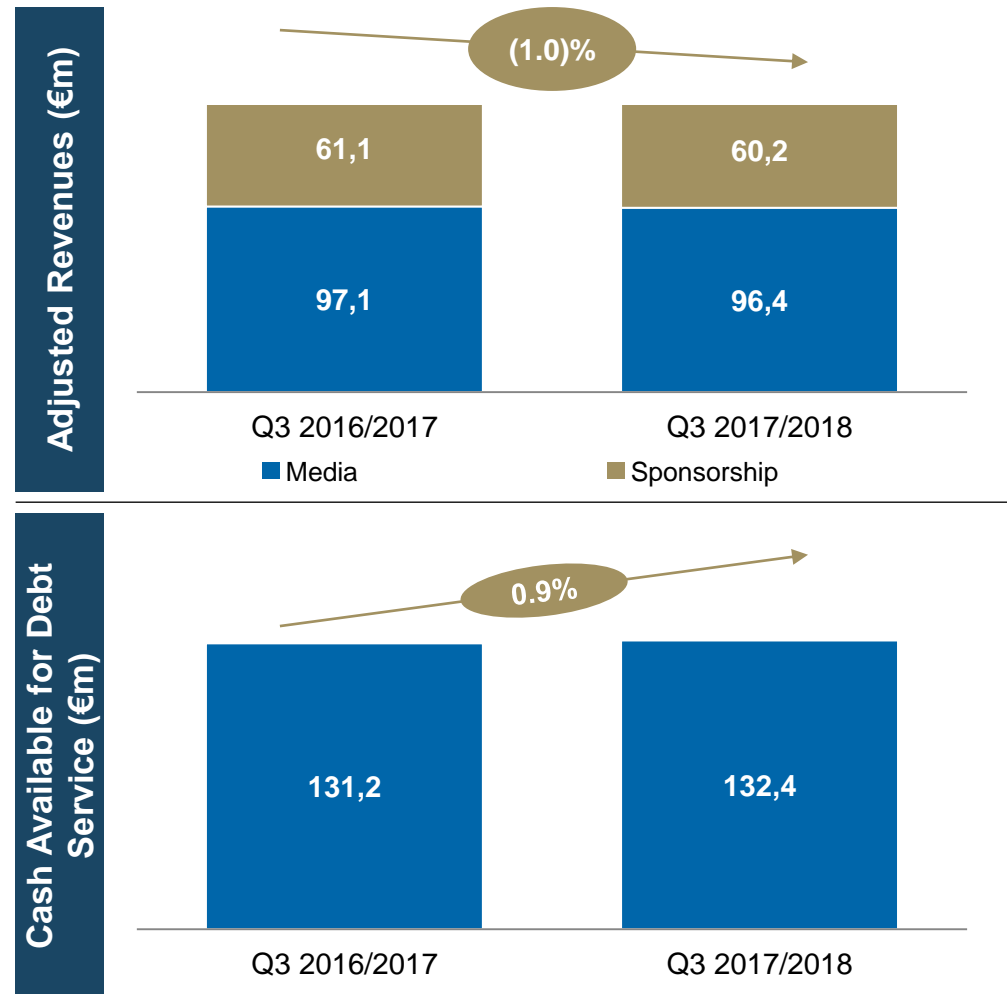


Key Financial Highlights

Key Highlights

- Adjusted Revenue decreased by €1.6m or 1.0% to €156.6m for the nine months ended March 31, 2018 from €158.2m for the nine months ended March 31, 2017.
 - Adjusted media revenue shows a €0.7m decrease which is due to the non-participation in the UEFA Europa League (“UEL”) in the current season (€ - 5.9m). This has mostly been offset by a €5.0m increase in Serie A revenues mainly due to an advance payment relating to the season 18-19
 - Sponsorship revenue shows a €0.9m decrease driven by reduction in Technical and Global/EU sponsorship fees affected by sporting performance in prior year. This has mostly been offset by an increase in Shirt sponsorship fee and regional and naming right sponsorship packages
- Cash Available for Debt Service increased by €1.2m or 0.9% to €132.4 million for the nine months ended March 31, 2018 from €131.2m
 - Primarily due to €34.5m collections relating to the contracts with Chinese counterparties (vs. €16.5m collection in same period last year)
 - Mostly offset by reduction in collections from other sponsors (€ - 11.8m of which €6.6m purely due to timing) and UEFA

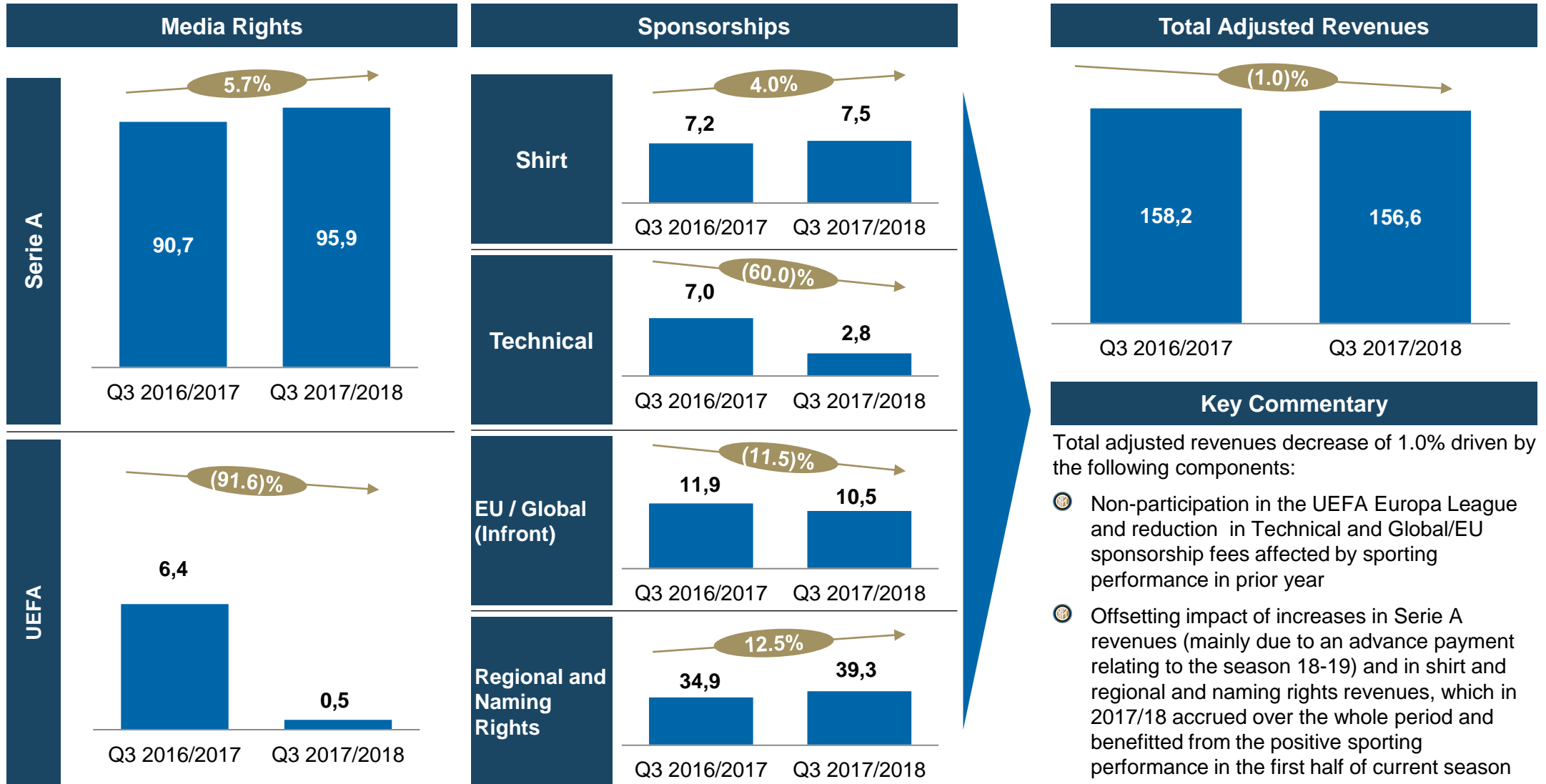
Key Financials





Revenue Breakdown Evolution

(€m)





Key Operating Performance Highlights

Already Impacting YTD Mar 18 Results

Potential Impact on Future Performance

Media Revenues

- Launch in the first months of the year of the **Media House** strategic project to improve media revenues and increase fans engagement through compelling content creation
 - **Rebranding of Inter TV** is part of the Media House project

- **Domestic Serie A broadcasting rights** for 2018-21 currently on hold pending re-tender
- **International Serie A broadcasting rights** for 2018-21 seasons **sold to IMG for €371m** per year
- **Qualification to UCL 2018/2019** which will enable us to collect **higher UEFA Indirect Media Revenues**

Sponsorship Revenues

- **Growth of the sponsorship portfolio**, with new sponsorship agreement signed with primary partners such as Bwin, Volvo, Konami and other Asian corporate brands and marketing agencies.
- **Higher contractual bonuses** accrued based on 1st team performance (3rd position in the Serie A ranking achieved at the end of first half of the season)

- **Dedicated in-house team** for marketing and negotiations of **sponsorship** replacing Infront from next season
- **Qualification to UCL 2018/2019** which **will increase payments** under many of **our existing contracts**, including the contracts with Nike and Pirelli

TeamCo Update

- The team finished the Italian Serie A championship in 4th place, achieving **the direct qualification to the Group Stages of the 2018/2019 UEFA Champions League**
- During the sporting season 2017/2018, average home game attendance has been 57,535, putting Inter as the **1st club in Italy and among the top ten clubs in Europe**



Appendix





Current Trading vs. Contracted Revenues

(€m)

		YTDMar18	Contracted FY2017/2018	Highlights	Contract Expiration
TV / Media Rights	Direct Media Revenues + Serie A		83.0 ²	● Serie A audiovisual rights managed centrally by Lega Nazionale Professionisti Serie A	June 2018
		96.0	10.6 ³	● Exclusive commercialization of Inter Milan archive rights in Italy managed by Infront	2021
			2.8 ⁴	● Inter TV: distribution of the Club Channel on Sky platform in Italy, PPTV (China), Infront (other foreign countries) and a number of technical services and sales to broadcasters	
	UEFA Competitions (UCL and UEL)	0.5 ⁵	0.5 ⁵	● Rights managed centrally by UEFA	
Sponsorships	Pirelli	7.5	10.1	● Shirt sponsor for last 22 years (renewed) through 2021	June 2021
	Nike	2.8	3.8	● Technical sponsor partner for last 19 years	June 2024
	Training Kit and Training Center	15.4 ¹	17.0 ⁶	● Signed a multiyear contract with Suning with an annual €16.5m base fee	June 2020
	Other Sponsors	34.4	75.7 ⁷	● Other sponsors of MediaCo (e.g. global and regional sponsorship agreements with Asian partners)	2018 – 2020
Total Revenues		156.6	203.5		

¹ Pro-rata value at 31 March 2018 of the €16.5 million annual contract excluding 47% attributed to TeamCo starting from the Issue Date (21 December 2017) + €5.1m contractual bonuses accrued in YTDMar18 based on 1st team performance. ² Even if Inter had finished near the bottom of the Serie A league table in any of the past three seasons, its revenue received from Serie A broadcasting rights would still have been over €70m in that season, grossed up to €83m adjusted revenue in line with the effective average VAT rate of the past two seasons. ³ €10m in accordance with Infront Archive minimum guarantee and €0.6m for RAI Archive Rights to be recognized in FY2018. ⁴ Only reflects contracted revenue from PPTV China + Infront for distribution in other foreign countries and from LNP for a number of technical services and sales to broadcasters. ⁵ €0.5m from FY2016/2017 recognised in FY2017/2018. ⁶ As of the Issue Date and going forward, we will receive approximately 53% of the €16.5 million sponsorship base fee, which represents the portion of the Naming Rights and Sponsorship Agreement relating to the naming rights of the training kit, as well as any performance bonus and Inter will receive the remaining 47%, which represents the naming rights of the training center, which will then be assigned to New Youth Training Center ("NewCo") upon its incorporation. Therefore, in FY2017/2018 we will receive a guaranteed amount €7.8 million until the Issue Date + €4.6 million from Issue Date to 30 June 2018 + €5.1 million performance bonus already achieved in YTDMar18. ⁷ This includes €13.0m contracted with various Global sponsors, €10.5m contracted with two Asian brands (FullShare and Donkey Mother) and €52.2m contracted with two agencies for marketing and negotiating sponsorship agreements in Asia (Beijing Yixinshijie for €25m and Imedia for €27.2m)



Summary Cash Flow

For the Nine Months Ended March, 31

	2017	2018
(In Millions of €)		
Adjusted Revenue <i>(Unaudited)</i>		
Sponsorship Revenue		
Shirt	7.2	7.5
Technical	7.0	2.8
Infront	11.9	10.5
Regional and Naming Rights	34.9	39.3
Direct Media Revenue	10.5	10.7
Other Income	0.1	0.0
Revenue	71.6	70.9
Indirect Media Revenue		
Serie A Indirect Media Revenue	80.2	85.2
UEFA Indirect Media Revenue	6.4	0.5
Adjusted Revenue	158.2	156.6
Cash Inflow		
Change in Current operating assets	(23.9)	(19.4)
Change in Non current operating assets	0.5	0.1
Cash Inflow	134.9	137.3
Cash Outflow		
Personnel Costs	(2.0)	(2.1)
Cost of Services	(4.8)	(6.2)
Other Costs	(1.1)	(0.8)
Income Taxes	(14.0)	(10.4)
Change in Current operating liabilities	19.8	15.7
Change in Non current operating liabilities	(1.6)	(1.1)
Cash Outflow	(3.7)	(4.9)
Cash Avail. for Debt Service	131.2	132.4

	€m	Cash available for Debt Service
Net Total MediaCo Debt	248.0	1.5x
LTM Mar-18 Cash Available for Debt Service		163.6

Key Comments

- Adjusted Revenue here refers to both revenue that Inter MediaCo reports on its income statement (includes Direct Media Revenue and Sponsorship Revenue) as well Indirect Media Revenue that the Issuer reports on its balance sheet (Serie A Indirect Media Revenue and UEFA Indirect Media Revenue). The €1.6 million decrease was driven by the non-participation in the UEFA Europa League and reduction in Technical and Global/EU sponsorship fees affected by sporting performance in prior year. Most of the negative impact from this was offset by increases in Serie A revenues (mainly due to an advance payment relating to the season 18-19) and in shirt and regional and naming rights revenues, which in 2017/18 accrued over the whole period and benefitted from the positive sporting performance in the first half of current season
- Cash Available for Debt Service is in line with the same period of prior year with increased collections relating to the contracts with Chinese counterparties (€34.5m vs. €16.5) mostly offset by reduction in collections from other sponsors (€ - 11.8m of which €6.6m purely due to timing) and UEFA and some increase in outflows for operating expenses related to sponsor activations and production/distribution of digital/TV contents



Income Statement

For the Nine Months Ended March, 31

	2017	2018
(In Millions of €)		
Adjusted Revenue	<i>(Unaudited)</i>	
Revenue		
Revenue	71.6	70.8
Other Income	0.1	0.0
Total Revenue	71.6	70.9
Operating Costs		
Personnel Costs	2.0	2.1
Cost of Services	4.8	6.2
Other operating costs	1.1	0.8
Accruals for Risks	-	0.2
Depreciation and Amortization	13.6	13.6
Total Operating Costs	21.5	23.0
Operating Profit	50.1	47.9
Net Financial Expenses	(12.4)	(13.6)
Profit Before Tax	37.8	34.3
Income Taxes	(14.0)	(10.4)
Profit for the Period	23.7	23.9



Cash Flow Statement

For the Nine Months Ended March, 31

	2017	2018
(In Millions of €)		
Adjusted Revenue	<i>(Unaudited)</i>	
Profit for the period	23.7	23.9
Current taxes	14.0	11.9
Net financial expenses	12.4	13.6
Profit for the period before taxes and interest	50.1	49.4
Depreciation and Amortization	13.6	13.6
Employee severance indemnities	0.0	0.0
Accrual for risks	-	0.2
Deferred tax assets and liabilities	(0.0)	(1.5)
Cash flow from operating activities before changes in working capital	63.8	61.8
Increase in trade and other receivables	(30.1)	(17.7)
Increase / (Decrease) in trade and other payables	(2.2)	44.3
Other variations in net working capital	6.3	(1.6)
Cash flow from operating activities after changes in Net Working Capital	37.8	86.7
Taxes paid	(0.7)	3.3
Interest and other financial expenses paid	(10.1)	(9.0)
A. Cash flow from operating activities	27.0	74.4
Investments in Intangible Assets	(0.0)	(0.1)
Investments in Property, Plant and Equipment	(0.0)	(0.1)
B. Cash flow from investing activities	(0.0)	(0.1)
New Finance (Senior Secured Notes 2022)	-	300.0
Transaction fees paid for new finance	-	(8.7)
Repayment of bank loans	(9.7)	(208.0)
Intercompany loans	-	(140.8)
Debt service account	(6.6)	3.7
C. Cash flow from financing activities	(15.6)	(53.8)
Increase / (Decrease) cash and cash equivalents (A+B+C)	11.4	20.5
Cash at bank and on hand at the beginning of the period	0.6	9.0
Cash at bank and on hand at the end of the period	12.0	29.5



Update on Inflows from Asia

Update On Inflows From Asia

(In Millions of €) Adjusted Revenue	Fiscal Year ended 30 June 2017		Fiscal Year ending 30 June 2018	
	Annual Value	Collected to date	Annual Value	Collected to date
Naming rights and sponsorship agreement ¹	19.1	19.1	21.6	16.5
Naming rights and sponsorship agreement – co- branding	25.0	2.5	-	-
Other sponsorship agreements	30.0	30.0	30.0	-
Total	74.1	51.6	51.6	16.5

Key Commentary

- Total collections amount to € 68.1 million out of a total value of € 125.7 million
- With regard to the fiscal year ended 30 June 2017 the only outstanding amount (€22.5 million) relate to the € 25 million co-branding addendum. We expect to clear this amount in the near future
- With regard to the current fiscal year ending 30 June 2018 we have already collected all the €16.5 million fee relating to the Naming Rights contract

¹ Annual value for the fiscal year ending 30 June 2018 will depend on final performance targets achieved by the team. In the nine months period ended 31 March 2018 bonuses achieved amount to €5.1m