INTER

Inter Media and Communication S.p.A

As the issuer of

€300,000,000 4.875% Senior Secured Notes due 2022

Financial Results of Inter Media and Communication S.p.A

For the fiscal year ended 30 June 2018

Date: 29 October 2018

Honours

SERIE A CHAMPIONSHIP 18

1909/10 1919/20 1929/30 1937/38 1939/40 1952/53
1953/54 1962/63 1964/65 1965/66 1970/71 1979/80
1988/89 2005/06 2006/07 2007/08 2008/09
2009/10

ITALIAN CUP 7

1938/39 1977/78 1981/82 2004/05 2005/06
2009/10 2010/11

ITALIAN SUPER CUP 5

1989/90 2005/06 2006/07 2008/09 2010/11

UEFA CHAMPIONS LEAGUE 3

1963/64 1964/65 2009/10

UEFA CUP 3

1990/91 1993/94 1997/98

INTERCONTINENTAL CUP 2

1964/65 1965/66

FIFA CLUB WORLD CUP 1

2010/11

Contents

GENERAL INFORMATION

INTRODUCTION

We, Inter Media and Communication S.p.A ("MediaCo"), are the sole manager and operator of the media, broadcast and sponsorship business of our parent company F.C. Internazionale Milano S.p.A. ("TeamCo"). We were formed in 2014 in connection with the contribution to us by TeamCo (55.6% stake) and Inter Brand S.r.l. ("BrandCo") (44,4% stake) of their business relating to media, broadcast and sponsorship rights, TeamCo's historical media archives, the intellectual property rights relating to the TeamCo brand and certain employees.

TeamCo is owned by Great Horizon S.à r.l. ("Great Horizon") (68.55%), International Sports Capital S.p.A. ("ISC") (31.05%) and minority shareholders (0.40%). Our majority shareholder Great Horizon is part of the Suning Group ("Suning"), a Chinese corporate group with businesses in a variety of sectors, including entertainment, media and sports investment.

TeamCo, with a history dating back to 1908, is one of the leading European football clubs and one of the top football clubs in Italy. TeamCo is the only club to have played every season in Italy's top football league, known as Serie A, since the league's inception in 1929, and is the only club in Serie A that has never been relegated to a league with a lower standing. Inter has won 30 domestic trophies (including eighteen Serie A championships, seven Domestic Cups ("Coppa Italia") titles and five Domestic Supercup ("Supercoppa") titles), three UEFA Champions League titles, three UEFA Cup titles, two Intercontinental Cups and one FIFA Club World Cup. In 2010 Inter became the first Italian team to complete the "Continental Treble" by winning the titles in Serie A, Coppa Italia and UEFA Champions League all in the same season. Since 2000, Inter has won the Serie A championship five consecutive times, from 2005/2006 to 2009/2010.

CORPORATE BOARDS, MANAGEMENT AND AUDITORS

MediaCo Board of Directors

Zhang Kangyang	President & Director (appointed 26 October 2018)
Erick Thohir	Executive Director (office terminated 26 October 2018)
Alessandro Antonello	Executive Director
Yang Yang	Non-Executive Director
Zhu Qing	Non-Executive Director (appointed 26 October 2018)
Liu Jun	Non-Executive Director (office terminated 26 October 2018)
Emilio Petrone	Non-Executive Director (Independent Director) (office terminated 26 October 2018)
Lorenzo Mauro Banfi	Non-Executive Director (Independent Director) (appointed 26 October 2018)

MediaCo Senior Management

Alessandro Antonello	Chief Executive Officer
Javier Zanetti	Vice President
Tim Williams	Chief Financial Officer
Michael Williamson	Chief Strategy Officer (resigned 31 August 2018)
Michael Gandler	Chief Revenue Officer
Robert Faulkner	Chief Communications Officer
Luca Danovaro	Chief Marketing Officer (appointed 1 July 2018)
Piero Ausilio	Chief Sport Officer
Giovanni Gardini	Chief Football Operations Officer

MediaCo Board of Statutory Auditors

Luca Nicodemi	Chairman
Giacomo Perrone	Auditor
Luca Alessandro Padula	Auditor
Fabrizio Piercarlo Bonelli	Alternate Auditor
Nicola Cameli	Alternate Auditor

MediaCo Independent Auditors

Deloitte & Touche S.p.A.

REFINANCING TRANSACTION

On December 14th, 2017, MediaCo priced its offering of €300.0 million in aggregate principal amount of 4.875% Senior Secured Notes due 2022 (the "Notes").

The Notes represent the first MediaCo high yield bond placed with the international capital markets to a broad base of institutional investors by an Italian football group.

Purpose of this transaction (the "Refinancing Transaction"), closed on December 21st, 2017, was to use the €300 million proceeds, net of fees and expenses in respect of the Refinancing Transaction, together with certain excess cash included in secured accounts associated with the previous bank facility (i) to repay all amounts outstanding under the previous bank facility, (ii) to repay all amounts outstanding under a bank facility used by TeamCo, and (iii) for TeamCo's general corporate purposes

Through the Refinancing Transaction we have extended the maturity profile of the TeamCo group's debt, while enhancing the group's financial flexibility with a financing structure enabling the group to pursue its long-term strategic goals.

FINANCIAL INFORMATION

INTRODUCTION

The financial information presented in this section is sourced from and based on the audited financial statements of MediaCo for the fiscal year ended June 30, 2018 (the "Annual Financial Statements").

The Annual Financial Statements and related Audit Opinion are attached to this document under Appendix 1.

The Annual Financial Statements have been prepared in accordance with the accounting standards of the Italian Accountants Profession Board (Consiglio Nazionale dei Dottori Commercialisti ed Esperti Contabili), revised and supplemented by the Italian Accounting Organization (Organismo Italiano di Contabilità, O.I.C.) ("Italian GAAP").

In preparing the financial information presented in this document, however, MediaCo reclassified and renamed certain Italian GAAP line items in line with international format.

The items reported in the Financial Statements are stated in accordance with the general principles of prudence and accruals and using the going concern assumption as well as considering the economic function of the assets and liabilities.

The Financial Statements are shown in Euro, which is the functional currency of the TeamCo group. All amounts shown in this document are expressed in thousands of Euro, unless otherwise specified.

Please note that all percentage variances are calculated using the exact data presented in the tables and not to the numbers quoted in the narrative which have been subject to rounding.

INCOME STATEMENT

The following table sets forth Income Statement data for MediaCo for the fiscal year ended June 30, 2018 compared with the fiscal year ended June 30, 2017. The Income Statements data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with Generally Accepted Accounting principles (GAAP) in other countries and International Financial Reporting Standards (IFRS).

	For the fiscal year ended June 30,	
(in thousands of €)	2017	2018
Revenue	123.000	136.852
Other Income	95	553
Total revenue	123.095	137.405
Personnel costs	2.674	2.866
Cost of services	6.854	9.628
Other operating costs	1.298	915
Accruals for risks	-	247
Depreciation and amortization	18.149	18.157
Total operating costs	28.975	31.812
Operating profit	**94.120**	**105.593**
Net financial expenses	(16.339)	(15.640)
Profit before tax	**77.781**	**89.953**
Income taxes	(26.877)	(24.382)
Profit for the period	**50.904**	**65.571**

BALANCE SHEET

The following table sets forth the Balance Sheet data for the issuer as at 30 June 2018 compared with 3 June 2017. The Balance Sheet data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with GAAP in other countries and IFRS.

(in thousands of €)	As at June 30 2017	As at June 30 2018
Non-current assets		
Intangible assets	328.610	305.107
Property, plant and equipment	47	87
Financial assets	15.501	10.410
Loan to parent company	27.209	144.944
Trade receivables	-	-
Prepaid expenses	112	9
Non-current Assets	**371.479**	**460.557**
Current assets		
Financial assets	6.372	43
Loan to parent company	221	-
Trade receivables	32.971	76.208
Trade receivables from parent companies and their affiliated	29.977	39.126
Tax receivables	-	0
Deferred tax assets	154	200
Other receivables	138	5
Prepaid expenses	674	246
Cash at bank and on hand	8.982	8.510
Current Assets	**79.490**	**124.336**
Total Assets	**450.968**	**584.893**

	As at	
(in thousands of €)	June 30 2017	June 30 2018
Liabilities and Shareholders' equity		
Shareholders' equity		
Share capital	500	500
Reserve	105.097	105.097
Retained earnings	4.088	4.088
Profit for the period	50.904	65.571
Total Shareholders' equity	**160.588**	**175.255**
Non-current Liabilities		
Deferred tax liabilities	34.886	32.963
Provisions for employee severance indemnities	131	172
Provisions for risks	-	247
Senior Secured Notes 2022	-	285.630
Bank loans	196.000	-
Deferred income	12.137	11.714
Non-current Liabilities	**243.154**	**330.726**
Current Liabilities		
Senior Secured Notes 2022	-	6.250
Bank loans	12.000	-
Trade payables	2.698	3.073
Trade payables to parents companies and their affiliated	22.772	44.689
Dividends Payable	-	22.596
Tax Payables	2.840	830
Social security payables	135	146
Other payables	234	221
Accrued expenses	3.123	72
Deferred income	3.423	1.033
Current Liabilities	**47.226**	**78.912**
Total Liabilities and Shareholders' equity	**450.968**	**584.893**

CASH FLOW STATEMENT

The following table sets forth Cash Flow Statement data for MediaCo for the fiscal year ended June 30, 2018 compared with the fiscal year ended June 30, 2017. The Cash Flow data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with GAAP in other countries and IFRS.

	For the nine months ended March 31	
(in thousands of €)	2017	2018
Profit for the period	50.904	65.571
Current taxes	27.256	26.351
Net Financial Expenses	16.339	15.640
Profit for the period before taxes and interest	94.499	107.562
Depreciation and amortization	18.149	18.157
Employee severance indemnities	43	41
Accrual for risks	-	247
Deferred tax assets and liabilities	(379)	(1.969)
Cash flow from operating activities before changes in working capital	112.312	124.038
Increase in trade and other receivables	(44.773)	(52.251)
Increase/(Decrease) in trade and other payables	2.484	615
Other variations in net working capital	(852)	(3.315)
Cash flow from operating activities after changes in working capital	69.171	69.087
Taxes paid	(1.778)	(6.685)
Interest and other financial expenses paid	(14.240)	(16.659)
A. Cash flow from operating activities	**53.153**	**45.743**
Investments in Intangible Assets	(78)	(68)
Investments in Property, Plant and Equipment	(27)	(58)
B. Cash flow from investing activities	**(105)**	**(126)**
New finance (Senior Secured Notes 2022)	-	300.000
Transaction fees paid for new finance	-	(8.712)
Repayment of bank loans	(12.000)	(208.000)
Intercompany loans	(27.209)	(112.489)
Debt service account	(306)	11.420
Capital/dividend distributions	(5.163)	(28.308)
C. Cash flow from financing activities	**(44.678)**	**(46.089)**
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	**8.370**	**(471)**
Cash at bank and on hand at the beginning of the period	**612**	**8.982**
Cash at bank and on hand at the end of the period	**8.982**	**8.510**

MANAGEMENT'S DISCUSSION AND ANALYSIS

KEY PERFORMANCE INDICATORS

As described in the Offering Memorandum, in assessing the performance of our business, the key financial measures we use are 'Adjusted Revenue' and 'Cash Available for Debt Service'.

Adjusted Revenue

The following table details Adjusted Revenue for the fiscal ended June 30, 2018 compared with the fiscal year ended June 30, 2017.

(in thousands of €)	For the fiscal year ended June 30, 2017	2018
A. Direct Media Revenue	14.688	14.427
B. Other Income	95	553
C. Sponsorship Revenue	108.312	122.425
D. Total Revenue (A+B+C)	**123.095**	**137.405**
E. Serie A Indirect Media Revenue *	89.995	100.669
F. UEFA Indirect Media Revenue *	7.647	539
G. Adjusted Media Revenue (A+E+F)	**112.330**	**115.635**
B. Other Income	95	553
C. Sponsorship Revenue	108.312	122.425
Adjusted Revenue (G+B+C)	**220.737**	**238.613**

Our Adjusted Revenue increased by €17.9 million or 8.1% to €238.6 million for the fiscal year ended June 30, 2018 from €220.7 million for the fiscal year ended June 30, 2017. This increase was primarily due to the growth of:

- Sponsorship Revenue generated by new Asian contracts signed in May 2018 and by the recognition of performance bonuses relating to the qualification to 18/19 UCL achieved by the team (mainly with regard to Shirt and Naming Rights sponsors); and
- Serie A Indirect Media Revenue mainly resulting from the improved final position of the team in Serie A (4^{th} vs 7^{th}) and by an advance payment collected on 18/19 audiovisual rights of €4.2 million (including 22% VAT).

These positive impacts have more than offset lower UEFA Indirect Media Revenues due to the non-participation in the UEFA Europa League ("UEL") in the season 17/18.

Sponsorship Revenue

Sponsorship Revenue increased by €14.1 million or 13.0% to €122.4 million for the fiscal year ended June 30, 2018 from €108.3 million for the fiscal year ended June 30, 2017, driven by an increase in the fee from shirt sponsor and in regional and naming right sponsorship packages which more than offset the reduction in the Technical sponsorship fee. This is detailed on the following table:

	For the fiscal year ended June 30,	
(in thousands of €)	2017	2018
Shirt	9.167	16.293
Technical	9.375	4.250
EU/Global (under agreement with Infront)	14.962	14.253
Regional and naming rights	74.808	87.629
Sponsorship Revenue	**108.312**	**122.425**

- Shirt

The increase in Shirt sponsorship revenue is related to a €6.2M contractual performance bonus recognized in respect of the qualification of the team to the 18/19 UCL and, to a lesser extent, to the higher annual contractual base fee (from €9.7 million in the fiscal year ended June 30, 2017 to €10.1 million in the fiscal year ending June 30, 2018).

- Technical

The decrease in Technical sponsorship revenue is related to the lower annual contractual base fee (from €9.5 million in the fiscal year ended June 30, 2017 to €3.8 million in the current fiscal year ending June 30, 2018) due to contractual reductions associated with our past 5 years sporting performance. The fiscal year ended 30 June 2018 has benefited from a €0.5M one-off contractual bonus recognized in respect of the first qualification to UCL since the beginning of the contract in the season 13/14.

We noticed that, due to qualification to UCL Group Stage, in the season 2018/2019 the annual contractual base fee is increased to €10.0 million.

- EU/Global

The decrease in EU / Global sponsorship revenue is mainly related to a lower contractual minimum amount guaranteed by the marketing agreement with Infront due to non-participation in European competition in the current season (€20.1 million including corporate hospitality packages under TeamCo vs €20.7 million last year). Excluding the impact of contractual minimum guaranteed amount, value of EU/Global sponsorship fees increased to approximately €13.0 million in the fiscal year ended 30 June 2018.

- Regional and Naming Rights

The increase in regional and naming right sponsorship packages is detailed in the following table:

(in thousands of €)	For the fiscal year ended June 30, 2017	2018
Naming Rights and Sponsorship Agreement	19.050	23.550
Naming Rights and Sponsorship Agreement - co-branding	25.000	-
Other Sponsorship Agreements	30.758	64.079
Regional and naming rights	**74.808**	**87.629**

- *Naming Rights and Sponsorship Agreement*

The increase in Naming Rights and Sponsorship Agreement with Jiangsu Suning Sports Industry Co. Ltd is related to higher contractual bonuses accrued based on 1st team performance (from €2.6 million to €11.1 million, the latter favorably affected by the 3rd position in the Serie A ranking achieved at the end of first half of the season and by the qualification to 18/19 UCL achieved at the end of the season). This has been partially offset by a €4.1 million reduction in the base fee (from €16.5 million to €12.4 million) resulting from the agreement signed at the closing date of the Refinancing Transaction setting forth that 47% of the value of this contract is assigned to TeamCo starting from December 21st, 2017 as related to Naming Rights of the training centers.

In respect of this contract we highlight that, in May 2018, we signed an amendment providing for, *inter alia*, (i) the change of the relevant areas for different brand sectors, and (ii) a procedure for the yearly re-evaluation of the services rendered under the agreement, to update the consideration due to the market value of such services

- *Naming Rights and Sponsorship Agreement – co-branding addendum*

The fiscal year ended 30 June 2017 benefited from one-off revenue of €25.0 million related to an amendment to the contract signed in June 2017 granting Jiangsu Suning certain additional sponsorship and co-branding rights in Asia allowing to enter into arrangements to sell Inter-branded electronics in Asia.

- *Other sponsorship agreements*

The impact of the co-branding amendment in fiscal year ended 30 June 2017 has been more than offset by a € 33.3 million growth (+108.3%) in other regional sponsorship fees mainly due to a number of new contracts/amendments signed in May 2018. In particular:

- The signing of new sponsorship contracts with two Asian brands, Full Share (Full Share Holding Limited) – an Educational Services provider - and Lvmama.com (King Dawn Investment Limited) – an online travel agent - with total consideration in FY18 (including signing bonus) of €10.5 million and total contract value (excluding signing bonus) until expiration on 30 June 2020 of €43.3 million

- The buy back of a number of sponsorship categories from the Beijing Yixinshijie agreement for a total consideration in FY18 of €5M and a revision to the annual consideration under this contract of €25M from €30M, with the aim to sign the agency contract below with a Chinese Sports Marketing Agency

- The signing of a new third-party agency agreement with a significant Chinese Sports Marketing Agency, iMedia who have been granted selected category rights already purchased back from Beijing as noted above. Total FY18 consideration (including signing bonus) is €27.2M with total contract value (excluding signing bonus) of €154.2M

Adjusted Media Revenue

Adjusted Media Revenue shows a €3.3 million increase (+2.9%) which is due to the combined opposite effect of:

- a €10.7 million increase (+11.9%) in Serie A Indirect Revenue driven by;
    - better final position of the team in Serie A (4th vs 7th) resulting in approximately €4M more audiovisual rights distributed by LNP to TeamCo (and then €5 million more assigned by TeamCo to MediaCo including VAT)
    - €4.2 million relating to a payment in advance made by LNP on 18/19 Serie A media rights (upon agreement on the new three year-cycle)
    - €1.3 million relating to redistribution to clubs of part of the amount previously allocated to parachute for relegated clubs upon LNP resolution at the end of the season 16/17

- a €7.1 million reduction in UEFA Indirect Media Revenue as a result of non-participation in the UEL in the current season (in the fiscal year ended 30 June 2018 we recognized €0.5 million as a result of a settlement payment made by UEFA relating to the prior year, while in the fiscal year ended 30 June 2017 we recognized €7.6 million distributed by UEFA in respect of the performance in the competition).

Cash Available for Debt Service

The following table sets forth Cash Available for Debt Service for the fiscal year ended June 30, 2018 compared with the fiscal year ended June 30, 2017.

(in thousands of €)	For the fiscal year ended June 30, 2017	2018
Sponsorship Revenue		
- Shirt	9.167	16.293
- Technical	9.375	4.250
- Infront	14.962	14.253
- Regional and naming rights	74.808	87.629
Direct Media Revenue	14.688	14.427
Other Income	95	553
Total revenue	**123.095**	**137.405**
Indirect Media Revenue		
- Serie A Indirect Media Revenue *	89.995	100.669
- UEFA Indirect Media Revenue *	7.647	539
Adjusted Revenue	220.737	238.613
Change in Current operating assets	(38.101)	(54.642)
Change in Non current operating assets	(624)	(423)
Cash inflow	**182.012**	**183.549**
Personnel costs	(2.674)	(2.866)
Cost of services	(6.854)	(9.628)
Other costs	(533)	(915)
Income taxes	(26.877)	(24.382)
Change in Current operating liabilities	19.360	13.838
Change in Non current operating liabilties	(2.002)	(1.532)
Cash Outflow	**(19.580)**	**(25.483)**
Exclusion cash outflow for Service Agrement (incl. VAT)**	-	3.195
Cash Available for Debt Service	**162.432**	**161.260**

** represented based on actual cash value (incl. VAT where applicable) of Media Revenue assigned from TeamCo to MediaCo during the six months*
*** under Cost of services but not included in the definition of Cash Available for Debt Service*

In the fiscal year ended June 30, 2018, our Cash Available for Debt Service remained in line with prior fiscal year at around € 162 million.

➢ Cash Inflows

The growth in Adjusted Revenues previously described has been offset by the increase in working capital movements driven by:

- collection timing of Asian Sponsorship contracts
- different timing year on year relating to certain sponsorship contracts (e.g. in the fiscal year ended 30 June 2017 we also collected the last installment of the former shirt sponsorship contract relating to season 15/16)

With regard to collection timing of Asian Sponsorship contracts, we present the following table:

(in thousands of €)	Value	Collected in the fiscal year ended June 30, 2017	2018	Outstanding at 30 June 2018	Outstanding at date of this report
Revenues booked in fiscal year ended 30 June 2017					
Naming Rights and Sponsorship Agreement	19.050	16.500	2.550	-	-
Naming Rights and Sponsorship Agreement - co-branding	25.000	-	2.500	22.500	22.500
Other Sponsorship Agreements	30.758	18.300	12.458	-	-
	74.808	**34.800**	**17.508**	**22.500**	**22.500**
Revenues booked in fiscal year ended 30 June 2018					
Naming Rights and Sponsorship Agreement	23.550		12.450	11.100	11.100
Naming Rights and Sponsorship Agreement - co-branding	-		-	-	-
Other Sponsorship Agreements	64.079		2.264	61.815	52.291
	87.629		**14.714**	**72.915**	**63.391**
Total	**162.437**	**34.800**	**32.222**	**95.415**	**85.891**

In the table above, collections of the fiscal year ended 30 June 2018 do not include the amount of €4.1 million relating to the 47% of the Naming Rights and Sponsorship Agreement assigned to TeamCO effective the closing date of the Refinancing Transaction (this amount has been already paid by the client).

The table highlights that:

- we collected €34.8 million and €32.2 million in the fiscal year ended 30 June 2017 and in the fiscal year ended 30 June 2018, respectively
- outstanding amounts at 30 June 2018 amounted to €95.4 million
- outstanding amounts have decreased to €85.9 million at the date of this report after collections of €9.5 million starting from 1 July 2018 which relate to the contracts with Full Share and Lvmama.com.

Following discussions with our Asian counterparties, including related parties, we have entered into agreements which confirmed a revised deadline for the payments of 31

December 2018. Therefore, these amounts will fall into the Cash Available for Debt Service during the fiscal year 2019.

- Cash Outflows

Excluding the cash outflow for the Service Agreement in place with TeamCo, which is not included in the definition of Cash Available for Debt Service, in the fiscal year ended 30 June 2018 total cash outflows amounted to € 22.3 million, i.e. €2.7 million higher than prior year (+13.8%). This increase has been mainly driven by higher payments for the corporate tax due to growing results of the business (this refers to IRAP only, as IRES is offset in the tax group consolidation regime by prior year losses carried forward by TeamCo).

We remind that, as described in the Offering Memorandum, based on the Service Agreement, effective the closing date of the Refinancing Transaction, TeamCo has undertaken to provide us, for an annual fee of €5.0 million, with certain services including, inter alia, administrative and accounting services, consulting services provided by TeamCo's coaches for events planned by us, web support services related to our sponsorship and media lines of business, legal assistance, including legal services to protect our intellectual property and other general services necessary for the operation of the business. In the fiscal year ended 30 June 2018, the pro-rata fee starting from 21 December 2017 amounted to €2.6 million resulting in a cash outflow of €3.2 million including 22% VAT

Debt Service Coverage Ratio ("DSCR")

Due to the timing of the bond issue, we do not consider the presentation of a 6-month DSCR to be reflective of the ongoing position therefore we feel it more relevant to calculate this on a pro-forma basis. On a full year pro-forma basis, in the fiscal year ended 30 June 2018 restated payments for Debt Service amount to €20.8 million (the same amount due in the fiscal year ending 30 June 2019): based on this, a pro-forma DSCR is 7.75.

We would expect that this ratio will materially improve during the current fiscal year as a result of additional inflows from contracted sponsors and inflows generated by the qualification to 18/19 UCL (with a minimum guaranteed amount for the participation to Group Stage estimated in approximately € 40 million).

RESULTS OF OPERATIONS

The following table sets forth Income Statement data for MediaCo for the fiscal year ended June 30, 2018 compared with the fiscal year ended June 30, 2017. The Income Statements data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with GAAP in other countries and IFRS.

(in thousands of €)	For the fiscal year ended June 30, 2017	2018
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Profit before tax	**77.781**	**89.953**
Income taxes	(26.877)	(24.382)
Profit for the period	**50.904**	**65.571**

Revenue. Revenues for the fiscal year ended June 30, 2018 increased by €14.3 million or 11.6% to €137,4 million from €123.1 million in the fiscal year ended June 30, 2017. This increase has been driven by €14.1 million growth in Sponsorship Revenue (+ 13.0%). For a detailed explanation of the drivers of revenue movement, please refer to the Section "Adjusted Revenues".

Personnel costs. Personnel costs for the fiscal year ended June 30, 2018 increased by €0.2 million or 7.1% to €2.9 million from €2.7 million for the fiscal year ended June 30, 2017. This increase reflects the strengthening of commercial and digital/TV departments implemented during the last 12 months to support the growth plan of the group. As at 30 June 2018, we had a total of 40 employees, comprising 25 permanent employees, 13 temporary employees and two interns.

Cost of services. Cost of services for the fiscal year ended June 30, 2018 increased by €2.8 million or 40.5% to €9.6 million from €6.9 million for the fiscal year ended June 30, 2017. This increase has been driven by the pro-rata cost (€2.6 million) relating to the Service Agreement in place for an annual fee of €5.0 million starting from the date of the Refinancing Transaction. The remaining portion of the increase (€0.2 million) is immaterial and is mainly due to a growth in ancillary production costs of Inter TV (in the context of the launch of the Media House strategic project in the first months of the current financial year) and in fulfillment costs related to sponsorship contracts (reflecting the growth of sponsorship portfolio).

Other operating costs. Other operating costs for the fiscal year ended June 30, 2018 decreased by €0.4 million to €0.9 million from €1.3 million for the fiscal year ended June 30, 2017 which was impacted by the confirmation of a prior year commercial liability amounting to €0.5 million. Net of this non-recurring expense, other operating costs grew immaterially by € 0.1 million.

Accrual for risks. Accrual for risks booked for €0.2 million in the fiscal year ended June 30, 2018 relate to a prudent provision made in respect of a potential liability relating to a prior year sponsorship agreement.

Depreciation and amortization. Depreciation and amortization for the fiscal year ended June 30, 2018 was €18.2 million, in line with the fiscal year ended June 30, 2017.

Financial expenses. Financial expenses for the fiscal year ended June 30, 2018 decreased by €0.7 million or 4.3% to €15.6 million from €16.3 million for the fiscal year ended June 30, 2017. This increase was mainly due to the combined effects of:

- Positive effect:
    - €5.0 million (vs. €0.2 million) interest income accrued on the Intercompany Loans granted to TeamCo at the end of the fiscal year ended June 30, 2017 and over the fiscal year ended June 30, 2018.
    - lower ancillary costs and commissions relating to loans of €0.4 million
- Negative effect:
    - higher costs of € 2.7 million charged to Income Statement relating to transaction fees capitalized on the previous facility. This was a result of the closing of refinancing on 21 December 2017 which required a full write-off of their residual net book value at the same date (€4.1 million non-cash cost)
    - higher total interest expense of €1.7 million on third party loans (as a sum of previous facility until 21 December 2017 and current Notes).

Income taxes. Income taxes for the fiscal year ended June 30, 2018 decreased by €2.5 million or 9.3% to €24.4 million from €26.9 million for the fiscal year ended June 30, 2017. The decrease was mainly related to the decrease of the applicable tax rate for IRES starting from the fiscal year ended June 30, 2018 (from 27.5% to 24%). This affected both current and deferred taxes. Accordingly, our effective tax rate was 27.1% for the fiscal year ended June 30, 2018 compared to 34.6% for the fiscal year ended June 30, 2017.

Profit for the period. For the reasons described above, for the fiscal year ended June 30, 2018, Profit for the period increased by €14.7 million or 28.8% to €65.6 million from €50.9 million for the fiscal year ended June 30, 2017

CASH FLOW STATEMENT

The following table sets forth Cash Flow Statement data for MediaCo for the fiscal year ended June 30, 2018, compared with the fiscal year ended June 30, 2017. The Cash Flow data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with GAAP in other countries and IFRS.

	For the nine months ended March 31	
(in thousands of €)	2017	2018
Profit for the period	50.904	65.571
Current taxes	27.256	26.351
Net Financial Expenses	16.339	15.640
Profit for the period before taxes and interest	94.499	107.562
Depreciation and amortization	18.149	18.157
Employee severance indemnities	43	41
Accrual for risks	-	247
Deferred tax assets and liabilities	(379)	(1.969)
Cash flow from operating activities before changes in working capital	112.312	124.038
Increase in trade and other receivables	(44.773)	(52.251)
Increase/(Decrease) in trade and other payables	2.484	615
Other variations in net working capital	(852)	(3.315)
Cash flow from operating activities after changes in working capital	69.171	69.087
Taxes paid	(1.778)	(6.685)
Interest and other financial expenses paid	(14.240)	(16.659)
A. Cash flow from operating activities	**53.153**	**45.743**
Investments in Intangible Assets	(78)	(68)
Investments in Property, Plant and Equipment	(27)	(58)
B. Cash flow from investing activities	**(105)**	**(126)**
New finance (Senior Secured Notes 2022)	-	300.000
Transaction fees paid for new finance	-	(8.712)
Repayment of bank loans	(12.000)	(208.000)
Intercompany loans	(27.209)	(112.489)
Debt service account	(306)	11.420
Capital/dividend distributions	(5.163)	(28.308)
C. Cash flow from financing activities	**(44.678)**	**(46.089)**
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	**8.370**	**(471)**
Cash at bank and on hand at the beginning of the period	**612**	**8.982**
Cash at bank and on hand at the end of the period	**8.982**	**8.510**

Cash flow from operating activities. Cash flow from operating activities for the fiscal year ended June 30, 2018 decreased by €7.4 million or 13.9% to €45.7 million from €53.2 million for the fiscal year ended June 30, 2017. This was a result of:

- working capital growth of €55.0 million which fully offset the increase in profit for the period; most of this growth results from increase in trade receivables (€52.4 million), of which €55.4 million relating to Asian contracts. The increase in receivables relating to Asian contracts (which is detailed in the "Balance Sheet" paragraph on the next pages) is mainly related:
    - for € 36.8 million to the contracts signed close to the end of the fiscal year (May 2018) with Full Share, Lvmama and IMedia
    - for €8.6 million to performance bonuses relating to Naming Rights contract accrued based on sporting achievements of the season 2017/2018
    - for €7.3 million to the contract with the Agency Beijing Yixinshijie which, as previously described, has been revised in May 2018 due to the need of buying back a number of sponsorship categories

- higher payments of €4.9 million for the corporate tax due to growing results of the business (this refers to IRAP only, as IRES is offset in the tax group consolidation regime by prior year losses carried forward by TeamCo).

- Higher payments of €2.4 million for interest expense (which, in the fiscal year ended 30 June 2018, related to both the previous facility until 21 December 2017 and the current Notes with the first payment made at 30 June 2018)

For more comments on drivers relating to cash flow from operating activities and on the updated status of collection of Asian contracts, please refer to the paragraph 'Cash Flow Available for Debt Service' on the previous pages.

Cash flow from investing activities. Cash flow from investing activities for the fiscal year ended June 30, 2018 amounted to €126 thousands, remaining immaterial in respect of our business.

Cash flow from financing activities. Cash flow from financing activities for the fiscal year ended June 30, 2018 showed a negative balance of € 46.1 million compared to a negative balance of €44.7 million in the same period of prior year. As shown by the table, the two periods are not comparable due to the impact of the Refinancing Transaction, size of dividend payments (€28.3 million paid to the parent company TeamCo) and loans provided to TeamCo (part of which - €76.5 million - upon the Refinancing Transaction) in the current fiscal year. We remind that loans are provided to TeamCo to upstream cash in excess of the value of assigned media rights as governed by the waterfall rules defined by the Refinancing Transaction.

Net change in cash and cash equivalent. For the reasons described above, Net change in cash and cash equivalent for the fiscal year ended June 30, 2018 decreased to €0.5 million negative compared to €8.4 million positive for the fiscal year ended 30 June 2017.

BALANCE SHEET

The following table sets forth the detail of Balance Sheet data for the issuer as at 30 June 2018 compared with 30 June 2017. The Balance Sheet data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). Annual Financial Statements do not conform with GAAP in other countries and IFRS.

	As at June 30 2017	As at June 30 2018
(in thousands of €)		
Non-current assets		
Intangible assets	328.610	305.107
Property, plant and equipment	47	87
Financial assets	15.501	10.410
Loan to parent company	27.209	144.944
Trade receivables	-	-
Prepaid expenses	112	9
Non-current Assets	**371.479**	**460.557**
Current assets		
Financial assets	6.372	43
Loan to parent company	221	-
Trade receivables	32.971	76.208
Trade receivables from parent companies and their affiliated	29.977	39.126
Tax receivables	-	0
Deferred tax assets	154	200
Other receivables	138	5
Prepaid expenses	674	246
Cash at bank and on hand	8.982	8.510
Current Assets	**79.490**	**124.336**
Total Assets	**450.968**	**584.893**

Non-current assets. Non-current assets increased by €89.1 million from €371.5 million at 30 June 2017 to €460.6 million at 30 June 2018 mainly due to a €117.7 million increase in receivables for Intercompany Loans to TeamCo (€76.5 million of which were made on closing of the refinancing). This increase has been partially offset by impact of depreciation and amortization of intangible and tangible assets (€16.9 million plus €1.3 million relating to transaction fees capitalized on the previous facility until their write-off), €4.1 million write-off of the residual book value of transaction fees capitalized on the previous facility and a

€5.1 million reduction of the cash requirements in Debt Service Reserve Account upon closing of the refinancing transaction.

Current assets. Current assets increased by €44.8 million from €79.5 million at 30 June 2017 to €124.3 million at 30 June 2018 mainly due to a €52.4 million increase in Trade receivables (as explained below). This increase has been partially offset by a decrease of €6.3 million in cash restricted in Debt Service Account (under Financial Assets) which is a result of the different timing of the payment of the last installment of the fiscal year relating to the Notes (30 June) compared to the previous facility (1 July).

The increase in Trade receivables is mainly related to Asian sponsorship contracts; as detailed in the table below:

(in thousands of €)	As at June 30 2017	As at June 30 2018	Var.
Trade receivables (incl. from parent companies and affiliated)			
Naming Rights and Sponsorship Agreement	2.550	11.100	8.550
Naming Rights and Sponsorship Agreement - co-branding	25.000	22.500	(2.500)
Other Asian Sponsorship Agreements	12.458	61.815	49.357
Trade Receivables relating to Asian Sponsorship Agreements	**40.008**	**95.415**	**55.407**
Other trade receivables	22.940	19.918	(3.022)
Total Trade receivables (incl. from parent companies and affiliated)	**62.949**	**115.333**	**52.385**

The increase in trade receivables relating to Naming Rights and Sponsorship Agreement refer to €11.1 million contractual performance bonuses accrued in the fiscal year ended 30 June 2018 (while €2.6 million bonuses accrued in the fiscal year ended 30 June 2017 were fully collected during the fiscal year ended 30 June 2018).

Receivables relating to co-branding addendum of the Naming Rights and Sponsorship Agreement decreased by €2.5 million due to collection of such amount occurred during the fiscal year ended 30 June 2018.

Receivables relating to Other Asian Sponsorship agreements increased by €49.4 million as fees booked in the fiscal year ended 30 June 2018 relating to the contracts signed in the fiscal year ended 30 June 2017 with the Agency Beijing Yixinshijie and in May 2018 with the Agency iMedia and with the corporate brands Full Share and Lvmama.com were substantially uncollected at 30 June 2018 due to the timing of contract signing.

For an update on amounts collected under these contracts since 30 June 2018 to the date of this document, please refer to the paragraph ‘Cash Flow Available for Debt Service’ on the previous pages.

The following table sets forth the detail of Balance Sheet Liabilities and Shareholders' equity data for the issuer as at 30 June 2018 compared with 30 June 2017.

(in thousands of €)	As at June 30 2017	As at June 30 2018
Liabilities and Shareholders' equity		
Shareholders' equity		
Share capital	500	500
Reserve	105.097	105.097
Retained earnings	4.088	4.088
Profit for the period	50.904	65.571
Total Shareholders' equity	**160.588**	**175.255**
Non-current Liabilities		
Deferred tax liabilities	34.886	32.963
Provisions for employee severance indemnities	131	172
Provisions for risks	-	247
Senior Secured Notes 2022	-	285.630
Bank loans	196.000	-
Deferred income	12.137	11.714
Non-current Liabilities	**243.154**	**330.726**
Current Liabilities		
Senior Secured Notes 2022	-	6.250
Bank loans	12.000	-
Trade payables	2.698	3.073
Trade payables to parents companies and their affiliated	22.772	44.689
Dividends Payable	-	22.596
Tax Payables	2.840	830
Social security payables	135	146
Other payables	234	221
Accrued expenses	3.123	72
Deferred income	3.423	1.033
Current Liabilities	**47.226**	**78.912**
Total Liabilities and Shareholders' equity	**450.968**	**584.893**

Shareholders' equity. Shareholders' equity increased by €14.7 million from €160.6 million at 30 June 2017 to €175.3 million at 30 June 2018 as a net result of:

- reduction for distribution to our immediate holding companies through dividends of the entire Net Profit recorded in the fiscal year ended 30 June 2017 (€50.9 million).

At 30 June 2018, dividends due to TeamCo (€28.3 million) have been paid through voluntary compensation with the Intercompany Loan Agreement, while dividends due to BrandCo remain unsettled and are recognized as payables (€22.6 million)

- increase for the Net Profit recorded in fiscal year ended 30 June 2018 (€65.6 million).

Non-current liabilities. Non-current liabilities increased by €87.6 million from €243.2 million at 30 June 2017 to €330.7 million at 30 June 2018 mainly due to the impact of the refinancing transaction which involved the repayment, in full, of the previous facility and the recognition of the new Senior Secured Notes.

Current liabilities. Current liabilities increased by €31.7 million from €47.2 million at 30 June 2017 to €78.9 million at 30 June 2018 mainly due to increase in payables due to immediate parent companies (TeamCo and BrandCo). In particular:

- dividends payable for €22.6 million due to BrandCo as previously described;
- payables due to TeamCo in respect of assignment of receivables made in the fiscal year ended 30 June 2018 relating to Indirect Media Revenues which were not yet distributed to TeamCo at 30 June 2018 through the waterfall rules (€12.8 million);
- €10.0 million increase in payables due to TeamCo relating to the consolidation tax regime

Increases in Current Liabilities generated by items above described have been partially offset by a net reduction in the current element of the Senior Secured Notes of €8.8 million when compared to the previous facility as a result of a more favorable amortization requirement in the first year and of a different timing of the payment of the last installment of the fiscal year relating to the Notes (30 June) compared to the previous facility (1 July – which generated a €3.1 million accrual under the line Accrued Expenses at 30 June 2017).

CAPITAL EXPENDITURES

At €126 thousands, the level of capital expenditure remains immaterial for the period under review.

NET FINANCIAL POSITION

The following table sets forth the Net Financial position data for the issuer as at 30 June 2018 compared with 30 June 2017.

(in thousands of €)	As at June 30 2017	June 30 2018
Cash at bank and on hand	**8.982**	**8.510**
Current financial assets	6.372	43
Loan to parent company - current portion	221	-
Current financial receivables	**6.593**	**43**
Bond - current portion	-	(6.250)
Bank loans - current portion	(12.000)	-
Accrued interest charges and other financial expenses	(3.050)	-
Current financial liabilities	**(15.050)**	**(6.250)**
Net current financial assets/(liabilties)	**525**	**2.303**
Senior Secured Notes 2022	-	(285.630)
Bank loans	(196.000)	-
Financial Assets	15.501	10.410
Non-current financial liabilties	**(180.499)**	**(275.220)**
Net financial position	**(179.974)**	**(272.917)**

Net negative Financial Position at 30 June 2018 increased by €92.9 million to € 272.9 million affected by the Refinancing Transaction which also resulted in a € 8.8 million reduction of Current Financial Liabilities to €6.3 million.

The €6.6 million reduction in Current Financial Receivables relates for €6.3 million to the decrease in cash restricted in Debt Service Account resulting from the different timing of the payment of the last installment of the fiscal year relating to the Notes (30 June) compared to the previous facility (1 July). The remaining portion of the decrease is due to the fact that all the balance of the Intercompany Loans to TeamCO is due over 12 months at 30 June 2018.

RISK FACTORS

We confirm that the risk factors described in the Offering Memorandum, and not updated herein, including in respect of the financial statements provided herewith, remain applicable to the group with no material changes.

OTHER RELEVANT INFORMATION

Update on Serie A Media Rights

For Serie A, Media rights are divided between domestic and international rights. Both set of rights follow 3-year cycles, with the previous cycle expired at the end of the 2017-2018 season and the new cycle set for 2018-2021.

On October 10, 2017, LNP announced that International Serie A broadcasting rights for the 2018-2021 seasons had been sold to IMG for €371.0 million per season, approximately double the annual amount paid for the previous season. Serie A international broadcast revenues have increased from €91.0 million per season for the 2010/2011 and 2011/2012 seasons to €371.0 million per season for the 2018/2019 through 2020/2021 seasons, a CAGR of approximately 15%.

On June 13, 2018, LNP announced that domestic Serie A broadcasting rights for the 2018-2021 seasons had been sold to Sky Sport Italia and the Media British Group Perform for €973.0 million per year plus conditioned performance bonuses of approx. €150.0 million related to number of subscribers and revenues recorded by the two broadcasters. The final fixed figure represents an increase on the previous three years (€943m).

Update on Sponsorships agreements

As described in the Offering Memorandum, starting from 1 July 2018 we took over the marketing and negotiation of our sponsorship agreements in Italy and the rest of Europe (as well as corporate hospitality packages, whose revenues and cash is booked by TeamCo) from Infront and brought these functions in-house. Upon this decision we will no longer receive the minimum revenue contractually guaranteed under the agreement with Infront but we believe that we will be more effective in securing sponsorships from flagship brands and managing our global sponsorship rights by the creation of a dedicated in-house team for our sponsorship marketing efforts.

The table below summarizes our current sponsorship agreements in Italy and the rest of Europe. The table also highlights those contracts renewed/signed starting from 1 July 2018:

Sponsor	Type of sponsorhips	Product Category	Expiration Date	New/ Renewed since 1 July 2018
Pirelli	Global Main Sponsor	Tyres	June 2021	
Nike	Technical Sponsor	Apparel	June 2024	
Sky/Dazn	Top Partner	Media partners	June 2021	
Bwin	Top Partner	Betting	June 2020	
Crédit Agricole	Top Partner	Bank	June 2021	New
Trenitalia	Premium Partner	Train	June 2019	
Brooks Brothers	Premium Partner	Formalwear	June 2019	
Lyoness/Cashback	Premium Partner	Affinity Card	June 2021	
Manpower	Premium Partner	Staffing	June 2019	
Volvo	Premium Partner	Cars	June 2020	
Suning	Premium Partner	Electronics	June 2020	
Cavit	Official Partner	Wine	June 2019	Renewed
Eprice	Official Partner	Consumer electronic retail	June 2021	New
Keylog	Official Partner	Cleaning Service	June 2020	
La Gazzetta dello Sport	Official Partner	Sport newspaper	June 2019	Renewed
Invent	Official Partner	Green energy	June 2019	New
Locauto	Official Partner	Car rental	June 2019	
Mastercard	Official Partner	Official payment	June 2020	New
Esprinet (Nilox)	Official Partner	Overboard	June 2021	Renew
Peroni	Official Partner	Beer	June 2021	New
Konami	Official Partner	Video Games	June 2020	
RDS	Official Partner	Radio	June 2021	New
Acque Minerali d'Italia	Official Partner	Water	June 2021	New
Fratelli Beretta	Official Supplier	Food	June 2021	New
Gattinoni	Official Supplier	Travel	June 2019	Renewed
GR Group	Official Supplier	Agency	June 2020	Renewed
Sixtus	Official Supplier	Medical Equipment	June 2019	Renewed
Technogym	Official Supplier	Gym	June 2019	Renewed

Update on contracted revenue for the fiscal year ending 30 June 2019

Contracted revenue for the fiscal year ending 30 June 2019 (according to the definition of Adjusted Revenue used in the Offering Memorandum and this document) to the date of this report amounts to €250.7 million – i.e. €12.1 million higher than final figure recorded in the fiscal year ended 30 June 2018.

The calculation of contracted revenue is prudently made and excludes any item related to the expected performance of the team and, in particular:

- with regard to Serie A Indirect Media Revenue, it has been calculated assuming the team will finish in the last position of the Serie A league (in order to include a minimum guaranteed amount, only).

- With regard to UCL, it has been calculated assuming the team will finish in the last position of the Group Stage with consequent elimination from any European competition to ensure we present the minimum guaranteed amount only.

As detailed in the table below, the increase vs. prior fiscal year is driven by UEFA Indirect Media Revenue generated by the participation to the UCL Group Stage

(in thousands of €)	**Fiscal Year ended 30 June 2018**	**Fiscal Year ending 30 June 2019**
	Actual	**Contracted to date**
A. Direct Media Revenue	14.427	13.572
B. Other Income	553	-
C. Sponsorship Revenue	122.425	109.720
D. Total Revenue (A+B+C)	**137.405**	**123.292**
E. Serie A Indirect Media Revenue	100.669	86.793
F. UEFA Indirect Media Revenue	539	40.581
G. Adjusted Media Revenue (A+E+F)	**115.635**	**140.946**
B. Other Income	553	-
C. Sponsorship Revenue	122.425	109.720
Adjusted Revenue (G+B+C)	**238.613**	**250.666**

TEAMCO UPDATE

SPORTING PERFORMANCE

Season 2017/2018
The team finished the Italian Serie A championship in 4th place, achieving direct qualification to the Group Stages of the 2018/2019 UEFA Champions League (UCL). This provides impacts in the current 2018/2019 season as follows:

- increased payments under many of MediaCo's existing sponsorship contracts, including the contracts with Nike and Pirelli;
- enables MediaCo to collect the higher UEFA Indirect Media Revenues associated with UCL revenues.

We were eliminated at the quarter-finals of the Italian Tim Cup at the end of December 2017.

Season 2018/2019
After the most recent matches played as of October 26th, 2018, the team is currently:

- 3rd in the Serie A table (after 9 matches)
- 2nd in the UCL Group Stage (after 3 matches), five points ahead of the team sit in 3rd position. We remind that UCL Group stage is composed 32 clubs in 8 Groups of 4 clubs: the top two teams in each Group will qualify to Round of 16 and with third place being admitted to the Round of 32 of the UEFA Europa League.

The team will start to play the domestic Cup ("Coppa Italia") in January 2019 starting from the Round of 16.

MATCH ATTENDANCE

Match attendance numbers have been extremely positive both in the sporting season 2017/2018 and in the first matches of the current sporting season 2018/2019.

Season 2017/2018
During the sporting season 2017/2018, we achieved average home game attendance of 57,535 putting Inter as the 1st club in Italy and among the top ten clubs in Europe.

During the season we also established two consecutive Serie A historical revenue record (matches vs AC Milan and FC Juventus generated €4.9 million and €5.2 million total including VAT, respectively)

Season 2018/2019

The season ticket campaign shows significant increases vs. prior season with revenues amounting to €11.0 million (+38% vs. prior season) plus €6.0 million relating to corporate hospitality packages (+ 52% vs. prior season).

In the five Serie A home matches of the season 2018/2019 played to the date of the current document, the average attendance has been 61,677.

In the only UCL home match played to date against Tottenham Hotspur, the attendance was 64,123.

TRANSFER MARKET SUMMARY

The main players signed in the transfer market windows affecting the fiscal year ended 30 June 2018 and the current fiscal year ending 30 June 2019 are:

Summer 2017:
- Skriniar (from Sampdoria)
- Dalbert (from Nice)
- Vecino (from Fiorentina)
- Valero (from Fiorentina)
- Cancelo (on loan from Valencia)
- Karamoh (on loan from Caen)

Winter 2018:
- Rafinha (on loan from Barcelona)
- Lisandro Lopez (on loan from Benfica)

Summer 2018:
- De Vrij (free agent)
- Asamoah (free agent)
- Nainggolan (from AS Roma)
- Martinez (from Racing Club)
- Politano (on loan from Sassuolo)
- Vrsaliko (on loan from Atletico de Madrid)
- Keita Balde (on loan from AS Monaco)

The main players who left TeamCo in the transfer market windows affecting the fiscal year ended 30 June 2018 and the current fiscal year ending 30 June 2019 are:

Summer 2017:

- Jovetic (sold to Monaco)
- Medel (sold to Besiktas)
- Dodò (sold to Sampdoria)
- Ansaldi (loaned to Torino)
- Murillo (loaned to Valencia)
- Kondogbia (loaned to Valencia)
- Gabriel Barbosa (loaned to Benfica and now to Santos)
- Biabiany (loaned to Sparta Prague)

Winter 2018:

- Nagatomo (loaned to Galatasaray)
- Joao Mario (loaned to West Ham)

Summer 2018:

- Kondogbia (sold to Valencia after the loan in Summer 2017)
- Murillo (sold to Valencia after the loan in Summer 2017)
- Nagatomo (sold to Galatasaray after the loan in Winter 2018)
- Santon (sold to AS Roma)
- Zaniolo (sold to AS Roma)
- Eder (sold to Jiangsu Suning)
- Radu (sold to Genoa)
- Valietti (sold to Genoa)
- Odgaard (sold to Sassuolo)
- Bettella (sold to Atalanta)
- Carraro (sold to Atalanta)
- Manaj (sold to Albacete)
- Biabiany (sold to Parma)
- Puscas (sold to Palermo)
- Cancelo (option to buy from Valencia after the loan not executed)
- Rafinha (option to buy from Barcelona after the loan not executed)
- Lisandro Lopez (option to buy from Benfica after the loan not executed)

SHAREHOLDER LOANS and RCF Drawdown

As described in the Offering Memorandum, TeamCo received a number of shareholder loans from Suning. As of June 30, 2018, shareholder loans total outstanding amount was € 229.4M (including accrued interest).

This after that, in April 2018, TeamCo (through excess cash flow generated by revenues from commercial agreements) repaid an amount of €15.0 million, being €11.2 million of outstanding interest due on certain shareholder loans and €3.8 million of outstanding principal on a shareholder loan due on November 15, 2017.

As at 30 June 2018, we had no cash drawn down under our Revolving Credit Facility.

FURTHER EXPLANATORY NOTES

BASIS OF PRESENTATION

The financial information presented in this document is sourced from and based on the audited financial statements of MediaCo for the fiscal year ended June 30, 2018 (the "Annual Financial Statements"). The independent auditor is Deloitte & Touche S.p.A..

Accordingly, information presented in this document should be read in conjunction with Annual Financial Statements and related notes (which are attached in this document under Appendix 1).

SIGNIFICANT ACCOUNTING POLICIES

The Annual Financial Statements were prepared in accordance with the accounting standards of the Italian Accountants Profession Board (Consiglio Nazionale dei Dottori Commercialisti ed Esperti Contabili), revised and supplemented by the Italian Accounting Organization (Organismo Italiano di Contabilità, O.I.C.) ("Italian GAAP").

The items reported in the Annual Financial Statements are stated in accordance with the general principles of prudence and accruals and using the going concern assumption as well as considering the economic function of the assets and liabilities.

The accounting policies adopted in preparing the Financial Statements are the same as for the previous fiscal year and therefore reference should be made to the Financial Statements for the fiscal year ended June 30, 2017, June 30, 2016 and June 30, 2015 for further considerations.

Italian GAAP differs in certain aspects from IFRS. For a discussion of the differences between Italian GAAP and IFRS, please refer to the Offering Memorandum in "Annex A: Summary of Certain Differences between Italian GAAP and IFRS."
Here, we notice that:

- In preparing the financial information presented in this document, MediaCo reclassified and renamed certain Italian GAAP line items in line with international format.
- Italian GAAP has recently been modified in order to take into account changes introduced in the Italian law governing financial statements by Decree No. 139 of August 18, 2015, which implemented Directive 34/2013/UE of the European Parliament and of the European Council on annual financial statements, consolidated financial statements and related reports of certain types of undertakings, with the aim, among other things, to align certain differences between Italian GAAP and IFRS. Such

provisions were adopted in the Annual Financial Statements retrospectively beginning in the fiscal year ended June 30, 2015.

Use of estimates

For Annual Financial Statements preparation, it is necessary that the Management make estimates and assumptions which have effects on the values of assets and liabilities accounted for the Balance Sheet and even on potential assets and liabilities at the Annual Financial Statements date. The estimates and assumptions used are based on experience and on other relevant factors. For this reason, the final results could therefore differ from these estimates. The estimates and assumptions are reviewed periodically and the effects of each of their variation are reflected on the income statement in the year when the estimate is revised (if this review has effects only in the current year), or also in subsequent years (if the review has effects on both the current and future years). The Balance Sheet items that are affected by these assumptions, are the bad debt reserve, the provisions for risks and charges and the evaluation of the recoverable value of property, plant and equipment and intangible assets (impairment test). The impairment test carried out as of June 30, 2018 did not highlight any requirement of impairment.

GUARANTEES, COMMITMENTS AND CONTINGENT LIABILITIES

The Company, throughout the periods, does not have any additional guarantees, commitments or liabilities other than which have already been disclosed in the financial information presented.

SUBSEQUENT EVENTS OCCURRED AFTER JUNE 30, 2018

The Shareholders' Meeting of MediaCO held on October 26th, 2018 has approved the Annual Financial Statements of the fiscal year ended 30 June 2018 and the distribution in kind as a dividend of the €65.6 million net profit to its immediate shareholders (TeamCO and BrandCo).

The Shareholders' Meeting of TeamCO held on October 26th, 2018 has approved its annual audited financial statements of the fiscal year ended 30 June 2018 and the carrying-forward of the €63.3 million net losses resulting from such annual financial statements.

We would draw your attention to the changes in the composition of the Board Members and Senior Management team in this report. In addition to what already described in this document, there are no other matters to be highlighted occurring between 1 July 2018 and the current date.

APPENDIX 1- ANNUAL FINANCIAL STATEMENTS

Please refer to separate file provided together with this document.