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 nine months ended 31 March 2019

Date: 30 May 2019

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%), LionRock Capital (31.05%) and other 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 TIM Cup titles and five Supercoppa TIM 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, TIM Cup 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
Alessandro Antonello	Executive Director
Yang Yang	Non-Executive Director
Zhu Qing	Non-Executive Director
Lorenzo Mauro Banfi	Non-Executive Director (Independent Director)

MediaCo Senior Management

Alessandro Antonello	Chief Executive Officer - Corporate
Giuseppe Marotta	Chief Executive Officer - Sport
Javier Zanetti	Vice President
Tim Williams	Chief Financial Officer
Robert Faulkner	Chief Communications Officer (left, effective date 30th June, 2019)
Matteo Pedinotti	Chief Communications Officer (since May 1st, 2019)
Luca Danovaro	Chief Marketing Officer
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 based on the unaudited interim financial statements of MediaCo as of and for the nine-month period ended March 31, 2019 (the “Interim Financial Statements”).

The Interim 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 Interim Financial Statements, however, MediaCo reclassified and renamed certain Italian GAAP line items in line with international format.

The items reported in the Interim 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 Interim 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.

FORWARD-LOOKING STATEMENTS

This presentation may contain forward-looking statements that are based on our current expectations, estimates and projections as well as management's beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks,” "estimates," "may,", “should”, "will," and variations of these words or similar expressions are intended to identify forward-looking statements. These statements speak only as of the date hereof. Such statements are based upon the information available to us now and are subject to change. We will not necessarily inform you of such changes. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore actual results could differ materially and adversely from those expressed in any forward-looking statements as a result of various factors.

INCOME STATEMENT

The following table sets forth Income Statement data for MediaCo for the nine months ended March 31, 2019 compared with the nine months ended March 31, 2018.

(in thousands of €)	For the nine months ended March 31 2018	For the nine months ended March 31 2019
Revenue	70,838	101,976
Other Income	37	182
Total revenue	70,875	102,158
Personnel costs	2,112	2,471
Cost of services	6,238	7,776
Other operating costs	790	624
Accruals for risks	247	-
Write-downs of trade receivables	-	2,064
Depreciation and amortization	13,630	13,636
Total operating costs	23,017	26,572
Operating profit	**47,858**	**75,586**
Net financial expenses	(13,559)	(7,099)
Profit before tax	**34,299**	**68,487**
Income taxes	(10,395)	(18,486)
Profit for the period	**23,904**	**50,001**

BALANCE SHEET

The following table sets forth the Balance Sheet data for the issuer as at 31 March 2019 compared with 30 June 2018.

	As at	
(in thousands of €)	June 30 2018	March 31 2019
Non-current assets		
Intangible assets	305,107	291,516
Property, plant and equipment	87	70
Financial assets	10,410	10,410
Loan to parent company	144,944	113,627
Prepaid expenses	9	26
Non-current Assets	**460,557**	**415,648**
Current assets		
Financial assets	43	10,395
Trade receivables	76,208	72,592
Trade receivables from parent companies and their affiliated	39,126	31,932
Tax receivables	0	27
Deferred tax assets	200	558
Other receivables	5	4
Prepaid expenses	246	85
Cash at bank and on hand	8,510	67,100
Current Assets	**124,336**	**182,694**
Total Assets	**584,893**	**598,342**

(in thousands of €)	As at June 30 2018	As at March 31 2019
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	65,571	50,001
Total Shareholders' equity	**175,255**	**159,685**
Non-current Liabilities		
Deferred tax liabilities	32,963	31,522
Provisions for employee severance indemnities	172	232
Provisions for risks	247	247
Senior Secured Notes 2022	285,630	283,230
Deferred income	11,714	11,820
Non-current Liabilities	**330,726**	**327,051**
Current Liabilities		
Senior Secured Notes 2022	6,250	10,428
Trade payables	3,073	3,062
Trade payables to parents companies and their affiliated	44,689	63,912
Dividends Payable	22,596	29,558
Tax Payables	830	2,845
Social security payables	146	203
Other payables	221	246
Accrued expenses	72	126
Deferred income	1,033	1,225
Current Liabilities	**78,912**	**111,605**
Total Liabilities and Shareholders' equity	**584,893**	**598,342**

CASH FLOW STATEMENT

The following table sets forth Cash Flow Statement data for MediaCo for the nine months ended March 31, 2019 compared with the nine months ended March 31, 2018.

(in thousands of €)	For the nine months ended March 31 2018	2019
Profit for the period	23,904	50,001
Current taxes	11,899	20,286
Net Financial Expenses	13,559	7,099
Profit for the period before taxes and interest	49,363	77,385
Depreciation and amortization	13,630	13,636
Write-downs/(release/uses) of trade receivables	-	2,064
Employee severance indemnities	18	60
Accrual for risks	247	-
Deferred tax assets and liabilities	(1,504)	(1,800)
Cash flow from operating activities before changes in working capital	61,753	91,346
Increase in trade and other receivables	(17,728)	8,719
Increase/(Decrease) in trade and other payables	44,307	(16,630)
Other variations in net working capital	(1,613)	(2,661)
Cash flow from operating activities after changes in working capital	86,719	80,774
Taxes paid	(3,317)	(1,844)
Interest and other financial expenses paid	(8,981)	(7,312)
A. Cash flow from operating activities	**74,421**	**71,618**
Investments in Intangible Assets	(60)	(28)
Investments in Property, Plant and Equipment	(58)	-
B. Cash flow from investing activities	**(118)**	**(28)**
New finance (Senior Secured Notes 2022)	300,000	-
Transaction fees paid for new finance	(8,712)	-
Repayment of bank loans/Senior Secured Notes 2022	(208,000)	(3,100)
Intercompany loans	(140,796)	36,464
Debt service account	3,745	(10,352)
Capital/dividend distributions	-	(36,013)
C. Cash flow from financing activities	**(53,764)**	**(13,001)**
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	**20,539**	**58,590**
Cash at bank and on hand at the beginning of the period	**8,982**	**8,510**
Cash at bank and on hand at the end of the period	**29,521**	**67,100**

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 nine months ended March 31, 2019 compared with the nine months ended March 31, 2018.

(in thousands of €)	For the nine months ended March 31 2018	2019
A. Direct Media Revenue	10,712	10,903
B. Other Income	37	182
C. Sponsorship Revenue	60,126	91,072
D. Total Revenue (A+B+C)	**70,875**	**102,158**
E. Serie A Indirect Media Revenue *	85,160	85,273
F. UEFA Indirect Media Revenue *	539	42,539
G. Adjusted Media Revenue (A+E+F)	**96,411**	**138,715**
B. Other Income	37	182
C. Sponsorship Revenue	60,126	91,072
Adjusted Revenue (G+B+C)	**156,574**	**229,969**

* represented based on actual cash value (incl. VAT where applicable) of Media Revenue assigned from TeamCo to MediaCo during the nine months ended 31 March

Our Adjusted Revenue increased by €73.4 million or 46.9% to €230.0 million for the nine months ended March 31, 2019 from €156.6 million for the nine months ended March 31, 2018. This increase was primarily due to (i) the participation in the UEFA Champions League ("UCL") and (ii) the increase in Sponsorship Revenue driven by Asian sponsorship agreements signed in the last quarter of prior fiscal year and contractual performance bonuses relating to progression in UEFA competitions (until Ro16 of Europa League).

The positive impact on Serie A Indirect Media Revenue of the new 3-year cycle effective from the current season and of the improved final position of the team in Serie A 2017-2018 (4th) compared to prior sporting season (7th) is not evident in the numbers above reported as (i) in Q3 of prior year there was an advance payment on 18/19 audiovisual rights amounting

€4.2 million, including 22% VAT (as we already stated in reports relating to Q4 of prior fiscal year) and (ii)) in current fiscal year VAT assigned with receivables is lower due to different VAT regime applied by broadcasters.

Sponsorship Revenue

Sponsorship Revenue increased by €30.9 million or 51.5% to €91.1 million for the nine months ended March 31, 2019 from €60.1 million for the nine months ended March 31, 2018, mainly driven by an increase in regional and naming right sponsorship packages and in the Technical and Shirt sponsorship fee. This is detailed on the following table:

(in thousands of €)	For the nine months ended March 31 2018	For the nine months ended March 31 2019
Shirt	7,526	10,012
Technical	2,813	7,500
EU/Global	10,502	8,814
Regional and naming rights	39,285	64,747
Sponsorship Revenue	**60,126**	**91,072**

- Shirt

The increase in Shirt sponsorship revenue is related to (i) the higher annual contractual base fee (from €10.1 million in the fiscal year ended June 30, 2018 to €10.5 million in the current fiscal year ending June 30, 2019) and (ii) a €2,2 million contractual performance bonus achieved for the progression until Ro16 of the UEFA Europa League.

- Technical

The increase in Technical sponsorship revenue is related to the higher annual contractual base fee (from €3.8 million in the fiscal year ended June 30, 2018 to €10.0 million in the current fiscal year ending June 30, 2019) due to the return to the UCL in the sporting season 2018/2019.

- EU/Global

The decrease in EU / Global sponsorship revenue, on a pro-rata basis, is mainly related to the exit from the marketing agreement with Infront which until the fiscal year ended June 30, 2018 ensured a contractual minimum guaranteed amount which was booked on a pro-rata basis on the value of signed underlying contracts. In the current season we account, on a pro-rata basis, only for contracts already in force at the end of the reporting period. The annual value of EU/Global sponsorship in force to date is €13.4 million (including contractual bonuses triggered for the qualification to UCL Group Stage for the season 2019/2020).

For further information on the current sponsorship agreements in Italy and the rest of Europe, please see "Update on Sponsorship agreements".

- Regional and Naming Rights

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

(in thousands of €)	For the nine months ended March 31 2018	2019
Naming Rights and Sponsorship Agreement	15,443	11,715
Other Sponsorship Agreements	23,843	53,033
Regional and naming rights	**39,285**	**64,747**

The reduction of Naming Rights and Sponsorship Agreement derives from the impact resulting from the agreement signed at the closing date of the Refinancing Transaction assigning 47% of the value of this contract to TeamCo starting from December 21st, 2017 as related to Naming Rights of the training centers (the total contractual annual base fee remains unchanged at €16.5 million).

The increase in Other regional Sponsorship Agreements (+ €29.2 million or +122.4%) is driven by contracts signed in the last quarter of the prior fiscal year:

- Full Share (Full Share Holding Limited) – an Educational Services provider: fee for the current fiscal year of €10,0 million
- Lvmama.com (King Dawn Investment Limited) – an online travel agent: fee for the current fiscal year of €10,0 million
- iMedia – a Chinese Sports Marketing Agency who have been granted selected category rights for an annual minimum guaranteed amount of €25.0 million. The increase deriving from the signing of the sponsorship agreement with iMedia was partially offset by the decrease in the annual minimum guaranteed amount under the sponsorship agreement with Beijing Yixinshijie to €25.0 million from €30.0 million as a result of the transfer of certain category rights in favor of iMedia.

Adjusted Media Revenue

Adjusted Media Revenue shows a €42.3 million increase (or 43.9%) which is related to the participation in the UCL 2018/2019 for which, in the nine months period ended 31 March 2019, Indirect Media Revenue amounted to €42.5 million relating to the Group Stage fee (€14.5 million), the coefficient based on historical results assigned to the club (€17.7 million), the performance bonuses relating to Group Stage matches (€7.8 million) and a first down-payment relating to our share of the market pool distribution awarded to teams playing in Serie A (€2.5 million).

Cash Available for Debt Service

The following table sets forth Cash Available for Debt Service for the nine months ended March 31, 2019 compared with the nine months ended March 31, 2018.

	For the nine months ended March 31	
(in thousands of €)	**2018**	**2019**
Sponsorship Revenue		
- Shirt	7,526	10,012
- Technical	2,813	7,500
- EU/Global	10,502	8,814
- Regional and naming rights	39,285	64,747
Direct Media Revenue	10,712	10,903
Other Income	37	182
Total revenue	**70,875**	**102,158**
Indirect Media Revenue		
- Serie A Indirect Media Revenue *	85,160	85,273
- UEFA Indirect Media Revenue *	539	42,539
Adjusted Revenue	156,574	229,969
Change in Current operating assets	(19,395)	11,001
Change in Non current operating assets	106	106
Cash inflow	**137,285**	**241,076**
Personnel costs	(2,112)	(2,471)
Cost of services	(6,238)	(7,776)
Other costs	(790)	(624)
Income taxes	(10,395)	(18,486)
Change in Current operating liabilities	15,710	19,108
Change in Non current operating liabilties	(1,107)	(1,398)
Cash Outflow	**(4,932)**	**(11,647)**
Cash Available for Debt Service	**132,353**	**229,429**

Cash Available for Debt Service increased by €97.1 million or 73.3% to €229.4 million for the nine months ended March 31, 2019 from €132.4 million for the nine months ended March 31, 2018, driven by (i) the described growth in Adjusted Revenues and (ii) the positive impact from Change in current operating assets due to collection timing of Asian Sponsorship contracts (as better described below).

This has been partially offset by an increase in cash outflows mainly due to the repayment of 47% fee of 2017/2018 Naming Rights contract (starting from 21 December 2017) to TeamCo (in prior year MediaCo collected the full €16.5 million annual fee) which decreased the positive balance of Change in Current Operating liabilities.

The payment of Income Taxes in the nine months ended 31 March 2019 amounted to €1.8 million (€3,3 million in the nine months ended 31 March 2018), with the value of related lines in the table above offset by an increase in the line “Change in Current Operating liabilities”

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

(in thousands of €)	Value	Outstanding at 31 March 2019	Outstanding at date of this report
Revenues booked in fiscal year ended 30 June 2017	74,808	-	-
Revenues booked in fiscal year ended 30 June 2018	87,629	11,100	11,100
Revenues booked in the nine months period ended 31 March 2019	64,747	64,747	64,747
Total	**227,185**	**75,847**	**75,847**

Based on the table, we highlight that:

- in the period 1 July 2016 – 31 March 2019, we booked cumulative revenues of €227.2 million, collecting, as at date of this report, €151.3 million, of which €84.3 million in the current fiscal year until March 31, 2019 (€49.5 million in the third quarter 1 January 2019 – 31 March 2019)
- outstanding amounts as at the date of this report decreased to €75.8 million (33% out of the total), of which €64.7 million relating to the current fiscal year (until 31 March 2019)

With regards to amounts remaining overdue, we are in regular contact with the counterparties and we anticipate further cash collections in the coming months.

RESULTS OF OPERATIONS

The following table sets forth Income Statement data for MediaCo for the nine months ended March 31, 2019 compared with the nine months ended March 31, 2018.

(in thousands of €)	For the nine months ended March 31 2018	For the nine months ended March 31 2019
Revenue	70,838	101,976
Other Income	37	182
Total revenue	70,875	102,158
Personnel costs	2,112	2,471
Cost of services	6,238	7,776
Other operating costs	790	624
Accruals for risks	247	-
Write-downs of trade receivables	-	2,064
Depreciation and amortization	13,630	13,636
Total operating costs	23,017	26,572
Operating profit	**47,858**	**75,586**
Net financial expenses	(13,559)	(7,099)
Profit before tax	**34,299**	**68,487**
Income taxes	(10,395)	(18,486)
Profit for the period	**23,904**	**50,001**

Revenue. Revenues for the nine months ended March 31, 2019 increased by €31.3 million or 44.1% to €102.2 million from €70.9 million for the nine months ended March 31, 2018. This growth was primarily due to the increase in Sponsorship Revenue as already described (refer to the Section "Adjusted Revenues" for more details).

Personnel costs. Personnel costs for the nine months ended March 31, 2019 increased by €0.4 million or 17.0% to €2.5 million from €2.1 million for the nine months ended March 31, 2018. This increase reflects the gradual strengthening of commercial and digital/TV departments implemented during the last 12 months to support the growth plan of the business. As at 31 March 2019, we had a total of 43 full time employees.

Cost of services. Cost of services for the nine months ended March 31, 2019 increased by €1.5 million or 24.7% to €7.8 million from €6.2 million for the nine months ended March 31, 2018. This increase is mainly due to the pro-rata impact of the Service Agreement in place with TeamCo for an annual fee of €5.0 million starting from the date of the Refinancing

Transaction (as described in the Offering Memorandum, TeamCo has undertaken to provide us with certain services including, inter alia, administrative and accounting services, consulting services provided by TeamCo's coaches for events planned by us, support services related to our sponsorship and media lines of business, legal assistance, including legal services to protect intellectual property and other general services necessary for the operation of the business).

Other operating costs. Other operating costs for the nine months ended March 31, 2019 are in line with the same period of prior year at €0.6 million.

Accrual for risks. No accrual for risks has been required for the nine months ended March 31, 2019. The nine months ended March 31, 2018 were affected by an accrual of €0.2 million relating to a provision made in respect of a potential liability relating to a prior year sponsorship agreement

Write-downs of trade receivables. In the nine months ended March 31, 2019 we accrued a provision of €2.1 million mainly relating to an ongoing litigation between MP Silva and Lega Nazionale Professionisti relating to the settlement of the amounts still due by MP Silva in respect of 2017/2018 Serie A international media rights.

Depreciation and amortization. Depreciation and amortization for the nine months ended March 31, 2019 was €13.6 million, in line with the nine months ended March 31, 2018.

Financial expenses. Financial expenses for the nine months ended March 31, 2019 decreased by €6.5 million or 47.6% to €7.1 million from €13.6 million for the nine months ended March 31, 2018. Most of this decrease is related to the fact that in the nine months ended March 31, 2018 we booked a non-cash €4.1 million write-off of the residual book value of transaction fees capitalized on the previous facility upon closing of refinancing on 21 December 2017. Excluding this item, the decrease amounts to €2.3 million and is mainly related to higher interest income (€5.1 million vs. €3.0 million) accrued on the Intercompany Loans granted to TeamCo at the end of the fiscal year ended June 30, 2017 and during the fiscal year ended June 30, 2018.

For the nine months ended March 31, 2019, we incurred €12.2 million interest expense on the Notes.

Income taxes. Income taxes for the nine months ended March 31, 2019 increased by €8.1 million or 77.8% to €18.5 million from €10.4 million for the nine months ended March 31, 2018. This is related to growth in Profit Before Tax driven by increase in revenues while the tax rate shows a decrease from 30.3% to 27.0%.

Profit for the period. For the reasons described above, Profit for the period for the nine months ended March 31, 2019 was €50.0 million, a €26.1 million increase (+109.2%) compared to same period of prior year.

CASH FLOW

The following table sets forth Cash Flow Statement data for MediaCo for the nine months ended March 31, 2019 compared with the nine months ended March 31, 2018.

	For the nine months ended March 31	
(in thousands of €)	2018	2019
Profit for the period	23,904	50,001
Current taxes	11,899	20,286
Net Financial Expenses	13,559	7,099
Profit for the period before taxes and interest	49,363	77,385
Depreciation and amortization	13,630	13,636
Write-downs/(release/uses) of trade receivables	-	2,064
Employee severance indemnities	18	60
Accrual for risks	247	-
Deferred tax assets and liabilities	(1,504)	(1,800)
Cash flow from operating activities before changes in working capital	61,753	91,346
Increase in trade and other receivables	(17,728)	8,719
Increase/(Decrease) in trade and other payables	44,307	(16,630)
Other variations in net working capital	(1,613)	(2,661)
Cash flow from operating activities after changes in working capital	86,719	80,774
Taxes paid	(3,317)	(1,844)
Interest and other financial expenses paid	(8,981)	(7,312)
A. Cash flow from operating activities	**74,421**	**71,618**
Investments in Intangible Assets	(60)	(28)
Investments in Property, Plant and Equipment	(58)	-
B. Cash flow from investing activities	**(118)**	**(28)**
New finance (Senior Secured Notes 2022)	300,000	-
Transaction fees paid for new finance	(8,712)	-
Repayment of bank loans/Senior Secured Notes 2022	(208,000)	(3,100)
Intercompany loans	(140,796)	36,464
Debt service account	3,745	(10,352)
Capital/dividend distributions	-	(36,013)
C. Cash flow from financing activities	**(53,764)**	**(13,001)**
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	**20,539**	**58,590**
Cash at bank and on hand at the beginning of the period	**8,982**	**8,510**
Cash at bank and on hand at the end of the period	**29,521**	**67,100**

Cash flow from operating activities. Cash flow from operating activities for the nine months ended March 31, 2019 decreased by €2.8 million or 3.8% to €71.6 million from €74.4 million for the nine months ended March 31, 2018 mainly due to the combined impact of:

- Positive: €29.6 million increase in cash inflows before working capital movements driven by growth in Operating Profit described in the paragraph "Results of Operations"
- Positive €26.4 million impact from decrease in trade and other receivables due to collection timing of Asian Sponsorship contracts (as described in the paragraph "Cash Available for Debt Service")
- Negative: €60.9 million impact from decrease in trade and other payables due to timing differences for cash up streams to TeamCo through the secured waterfall accounts.

For comments on other drivers relating to cash flow from operating activities please refer to the paragraph 'Cash Flow Available for Debt Service'.

Cash flow from investing activities. Cash flow from investing activities for the nine months ended March 31, 2019 amounted to €28 thousands (compared to €118 thousands in the same period of prior fiscal year), remaining immaterial in respect of our business.

Cash flow from financing activities. Cash flow from financing activities for the nine months ended March 31, 2019 amounted to negative €13.0 million being related to (i) the €3.1 million mandatory amortization of the Senior Secured Notes (installment paid at the end of December 2018) and (ii) cash deposited in the Debt Service Account for the payment of the installment of the Senior Secured Notes due in June 2019 (€10.4 million including interest).

Cash flow from financing activities for the nine months ended 31 March 2018 (which generated a negative net balance of €53.8 million) is not comparable due to the Refinancing Transaction occurring during that period. The dividend distribution to TeamCo for €36.0 million occurred in February 2019 has been settled through reduction of the existing Intercompany Loans.

Net change in cash and cash equivalent. Net change in cash and cash equivalent for the nine months ended March 31, 2019 increased by €38.1 million or 185.0% to €58.6 million from €20.5 million for the nine months ended March 31, 2018, for the reasons described above.

BALANCE SHEET

The following table sets forth the detail of Balance Sheet Assets for the issuer as at 31 March 2019 compared with 30 June 2018.

(in thousands of €)	As at June 30 2018	As at March 31 2019
Non-current assets		
Intangible assets	305,107	291,516
Property, plant and equipment	87	70
Financial assets	10,410	10,410
Loan to parent company	144,944	113,627
Prepaid expenses	9	26
Non-current Assets	**460,557**	**415,648**
Current assets		
Financial assets	43	10,395
Trade receivables	76,208	72,592
Trade receivables from parent companies and their affiliated	39,126	31,932
Tax receivables	0	27
Deferred tax assets	200	558
Other receivables	5	4
Prepaid expenses	246	85
Cash at bank and on hand	8,510	67,100
Current Assets	**124,336**	**182,694**
Total Assets	**584,893**	**598,342**

Non-current assets. Non-current assets decreased by €44.9 million from €460.6 million at 30 June 2018 to €415.6 million at 31 March 2019 mainly due to:

- €31.3 million reduction in Intercompany Loans as a result of the compensation made against the distribution of dividends to TeamCo (€36.0 million). This has been partially offset by the accrual of interest expense for the period (€5.1 million)
- amortization of intangible and tangible assets for a total amount of €13.6 million

Current assets. Current assets increased by €58.4 million from €124.3 million at 30 June 2018 to €182.7 million at 31 March 2019 mainly due to:

- €58.6 million increase in Cash at bank and on hand due to positive net cash flow generated in the period (as previously explained in the paragraph "Cash Flow Statement").

- € 10.4 million increase in Financial Assets due to cash deposited in the Debt Service Account for the payment of the installment of the Senior Secured Notes due in June 2019 (principle plus interest).

This has been partially offset by €10.8 million decrease in Trade Receivables (including from parent companies and their affiliated) mainly due to collection timing of Asian contracts previously explained.

The decrease in Trade receivables is summarized in the table below:

(in thousands of €)	As at June 30 2018	As at March 31 2019	Var.
Trade receivables (incl. from parent companies and affiliated)			
Naming Rights and Sponsorship Agreement	11,100	22,815	11,715
Naming Rights and Sponsorship Agreement - co-branding	22,500	-	(22,500)
Other Asian Sponsorship Agreements	61,815	52,548	(9,267)
Trade Receivables relating to Asian Sponsorship Agreements	**95,415**	**75,363**	**(20,052)**
UEFA Indirect Media Revenue (UEL performance bonus invoiced in March)	-	1,600	1,600
Other trade receivables	19,918	27,562	7,643
Total Trade receivables (incl. from parent companies and affiliated)	**115,333**	**104,524**	**(10,809)**

- Receivables relating to Asian Sponsorship Agreements

The €11.7 million increase in trade receivables relating to Naming Rights and Sponsorship Agreement refers to the revenue booked in the nine months period ended 31 March 2019.

The €9.3 million decrease in trade receivables relating to Other Asian Sponsorship Agreements relates to revenue booked in the nine months period ended 31 March 2019 (€52.5 million) less collections received in the same period (€61.8 million – i.e all receivables existing at 30 June 2018).

- UEFA Indirect Media Revenue

The €1.6 million receivable has been collected in April 2019.

- Other trade receivables

The €7.6 million increase in Other trade receivables mainly relates to the €7.4 million installment of Serie A international rights due in Q2 but fully collected in April 2019.

The following table sets forth the detail of Balance Sheet Liabilities and Shareholders' equity data for the issuer as at 31 March 2019 compared with 30 June 2018.

	As at	
(in thousands of €)	June 30 2018	March 31 2019
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	65,571	50,001
Total Shareholders' equity	**175,255**	**159,685**
Non-current Liabilities		
Deferred tax liabilities	32,963	31,522
Provisions for employee severance indemnities	172	232
Provisions for risks	247	247
Senior Secured Notes 2022	285,630	283,230
Deferred income	11,714	11,820
Non-current Liabilities	**330,726**	**327,051**
Current Liabilities		
Senior Secured Notes 2022	6,250	10,428
Trade payables	3,073	3,062
Trade payables to parents companies and their affiliated	44,689	63,912
Dividends Payable	22,596	29,558
Tax Payables	830	2,845
Social security payables	146	203
Other payables	221	246
Accrued expenses	72	126
Deferred income	1,033	1,225
Current Liabilities	**78,912**	**111,605**
Total Liabilities and Shareholders' equity	**584,893**	**598,342**

Shareholders' equity. Shareholders' equity decreased by €15.6 million from €175.3 million at 30 June 2018 to €159.7 million at 31 March 2019 as a combined opposite effect of:

- Decrease: resolution of the Shareholders' Meeting held on October 26th, 2018 for the distribution in kind as a dividend of the €65.6 million net profit recorded in the fiscal year ended 30 June 2018 to its immediate shareholders (TeamCo and BrandCo).

- Increase: Net Profit of the period of € 50.0 million

Non-current liabilities. Non-current liabilities decreased by €3.7 million from € 330.7 million at 30 June 2018 to € 327.1 million at 31 March 2019 mainly as a result of the amortization plan of the Senior Secured Notes

Current liabilities. Current liabilities increased by €32.7 million from €78.9 million at 30 June 2018 to €111.6 million at 31 March 2019 mainly due to:

- the increase in trade payables to parent companies and their affiliated (+ €19.2 million). This primarily relates to the increase (from €12.8 million to € 29.3 million) in payables due to TeamCo in respect of assignment of receivables made in the first nine months of the current fiscal year relating to Indirect Media Revenues which were not yet distributed to TeamCo at 31 March 2019 through the waterfall secured accounts. Most of these payables were settled in April 2019.

- The €7.0 million increase in Dividends payables relating to the portion due to BrandCo in cash. The outstanding amount as at March 31, 2019 (€29.6 million) relates for €29.1 million to the distribution of net profit of the fiscal year ended 30 June 2018.

CAPITAL EXPENDITURES

At €28 thousands, the level of capital expenditure was not considered material for the period under review.

NET FINANCIAL POSITION

The following table sets forth the Net Financial Position data for the issuer as at 31 March 2019 compared with 30 June 2018 and shows an improvement of €67.2 million to € 205.8 million driven by the increase in Cash at bank and on hand driven by net cash flow generated in the nine months period ended March 31, 2019

	As at	
(in thousands of €)	**June 30 2018**	**March 31 2019**
Cash at bank and on hand	**8,510**	**67,100**
Current financial assets	43	10,395
Current financial receivables	**43**	**10,395**
Bond - current portion	(6,250)	(6,400)
Accrued interest charges and other financial expenses	-	(4,028)
Current financial liabilities	**(6,250)**	**(10,428)**
Net current financial assets/(liabilties)	**2,303**	**67,067**
Senior Secured Notes 2022	(285,630)	(283,230)
Financial Assets	10,410	10,410
Non-current financial liabilties	**(275,220)**	**(272,821)**
Net financial position	**(272,917)**	**(205,753)**

RISK FACTORS

We confirm that the risk factors described in the Offering Memorandum, and not updated herein, remain applicable to the group with no material changes.

OTHER RELEVANT INFORMATION

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 (8)/signed (11) 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
Frecciarossa (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	
Keylog	Official Partner	Cleaning Service	June 2020	
Locauto	Official Partner	Car rental	June 2019	
PES (Konami)	Official Partner	Video Games	June 2020	
Eprice	Official Partner	Consumer electronic retail	June 2021	New
Invent	Official Partner	Green energy	June 2019	New
Mastercard	Official Partner	Official payment	June 2020	New
RDS	Official Partner	Radio	June 2021	New
San Gemini (Acque Minerali d'Italia)	Official Partner	Water	June 2021	New
DentalPro	Official Partner	Dental Care	June 2020	New
Peroni	Official Partner	Beer	June 2021	New
Cavit	Official Partner	Wine	June 2019	Renewed
La Gazzetta dello Sport	Official Partner	Sport newspaper	June 2019	Renewed
Esprinet (Nilox)	Official Partner	Overboard	June 2021	Renewed
Tescoma	Official Partner	Kitchenware/Home Accessories	June 2019	Renewed
Fratelli Beretta	Official Supplier	Food	June 2021	New
Gatorade	Official Supplier	Beverage	June 2020	New
Konica Minolta	Official Supplier	Consumer electronic	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 €284.8 million – i.e. €46.2 million higher than final figure recorded in the fiscal year ended 30 June 2018.

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 and, to a lesser extent, to Ro32 and Ro16 of Europa League.

(in thousands of €)	For the nine months ended 31 March 2018	Fiscal Year ending 30 June 2019	Fiscal Year ended 30 June 2018
	Actual	Contracted to date	Actual
A. Direct Media Revenue	10,903	14,572	14,427
B. Other Income	182	182	553
C. Sponsorship Revenue	91,072	127,058	122,425
D. Total Revenue (A+B+C)	**102,158**	**141,812**	**137,405**
E. Serie A Indirect Media Revenue	85,273	94,000	100,669
F. UEFA Indirect Media Revenue	42,539	49,000	539
G. Adjusted Media Revenue (A+E+F)	**138,715**	**157,572**	**115,635**
B. Other Income	182	182	553
C. Sponsorship Revenue	91,072	127,058	122,425
Adjusted Revenue (G+B+C)	**229,969**	**284,812**	**238,613**

Contracted revenue relating to Serie A and UEFA reflects the best estimate based on information available to date and is still subject to final calculations to be performed by LNP and UEFA relating to the distribution of available resources.

With regard to Serie A Indirect Media Revenue, the lower value compared to prior fiscal year depends on the fact that in Q3 of prior year there was an advance payment on 18/19 audiovisual rights amounting €4.2 million, including 22% VAT (as previously described) and on the different impact of VAT assigned with receivables.

Contracted revenues relating to sponsorship agreements include bonuses triggered for the qualification to UCL Group Stage for the season 2019/2020 which, whilst not reflected in the revenues for the third quarter to date, are nonetheless contracted and will be, where relevant, reflected in our Q4 reporting.

TEAMCO UPDATE

On 17 May 2019, the Investigatory Chamber of UEFA's Club Financial Control Body announced that after the assessment of the financial year to 30 June 2018, F.C. Internazionale Milano S.p.A had fulfilled the cumulative break-even requirements of the Financial Fair Play Settlement Agreement signed in May 2015 and accordingly can now exit the Settlement Agreement.

SPORTING PERFORMANCE

Serie A championship

The team finished the Italian Serie A championship in 4th place, achieving direct qualification to the Group Stages of the 2019/2020 UEFA Champions League (UCL). This, as occurred in the current fiscal year, will provide impacts in the next fiscal year July 1, 2019 – June 30, 2020 as follows:

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

UEFA competitions

After narrowly missing qualification for the Knock-out stages of the UEFA Champions league (finishing in 3rd position in a Group which included Barcelona and finalists Tottenham Hotspur and on equal points with the latter) we entered the UEFA Europa League knock-out stages where we were eliminated in the Ro16 by Eintracht Frankfurt in March 2019.

Domestic Cup

The Team was eliminated at the quarter-finals of the domestic Cup ("Coppa Italia") at the end of January. The impact on revenues and EBITDA of this is however minimal.

MATCH ATTENDANCE

Match attendance numbers in current sporting season 2018/2019 confirmed the positive trend of the prior season. We achieved average Serie A home game attendance of 51,185. Excluding one match played behind closed doors, the average is 61,421 putting again Inter as the 1st club in Italy and among the top ten clubs in Europe.

In the three home matches of the UCL Group Stage, the average attendance has been 66,729. In the match against FC Barcelona we established the Italian historical record for a single match with a gross income of €6.8 million.

TRANSFER MARKET SUMMARY

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

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)

Winter 2018:
- Cedric Soares (on loan from Southampton Football Club)

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

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 not executed)
- Rafinha (option to buy from Barcelona not executed)
- Lisandro Lopez (option to buy from Benfica not executed)

SHAREHOLDER LOANS AND RCF DRAW DOWN

As described in the Offering Memorandum, TeamCo received a number of shareholder loans from Suning. As of March 31, 2018, shareholder loans total outstanding amount was € 237.6M (including accrued interest for €10.5 million). No variation in capital amount has occurred since the release of our last report on the three months ended 31 December 2018.

In the first half of February 2019, TeamCo repaid a portion of the Revolving Credit Facility for an amount €8.4M reducing the cash drawdown as at 31 March 2019 (and as at the date of this report) to €25.0 million.

FURTHER EXPLANATORY NOTES AND BASIS OF PREPARATION

BASIS OF PRESENTATION

The interim financial statements as of and for the three-months period ended March 31, 2019 (hereinafter "Interim Financial Statements") have been prepared for the purposes of the preparation of the nine-months consolidated accounts of the TeamCo group as at March 31, 2019.

The Interim Financial Statements include the balance sheet, the income statement and the cash flow statement and are unaudited. These 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").

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.

In preparing these Financial Statements, however, MediaCo reclassified and renamed certain Italian GAAP line items in a format of presentation more similar to international format.

The items reported in these 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.

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

SIGNIFICANT ACCOUNTING POLICIES

The Interim Financial Statements have been prepared in accordance with the OIC 30 - Interim Financial Statements; therefore, the Interim Financial Statements do not include all the information required in the annual Financial Statements.

The Interim Financial Statements have been prepared on a going concern basis.

The accounting policies adopted in preparing the Interim Financial Statements are the same as for the previous fiscal years and therefore reference should be made to the Financial Statements for the fiscal year ended June 30, 2018, June 30, 2017, June 30, 2016 and June 30, 2015 for further considerations.

OTHER INFORMATION

Use of estimates

For 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 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 is generally carried out only when the audited Financial Statements for the fiscal year are prepared, unless there are indicators which require updates to estimates. No impairment test has been performed as of March 31, 2019 since no impairment indicators were brought to Directors’ attention.

For more information about the main accounting estimates, please refer to the annual Financial Statements.

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 MARCH 31, 2019

At the beginning of April, Full Share Holding Limited and King Dawn Investment Limited exercised their contractual right to withdraw from their respective sponsorship agreements effective from July 1st, 2019.

In mid-April, the Chief Communications Officer, Robert Faulkner, left his position in the Inter Group. Matteo Pedinotti, already in the Group as Media Content Director, has been appointed new Chief Communication Officer effective May 1st, 2019.

As already described, on 26 May 2019, the team achieved the qualification to the Group Stages of the 2019/2020 UEFA Champions League finishing the Italian Serie A championship in 4th place.

In addition to what already described in this document, there are no further matters to be highlighted occurring between 31 March 2019 and the current date.