



Inter Media and Communication S.p.A

9 Months Ended March 31st 2021 Results Presentation

May 28^h, 2021

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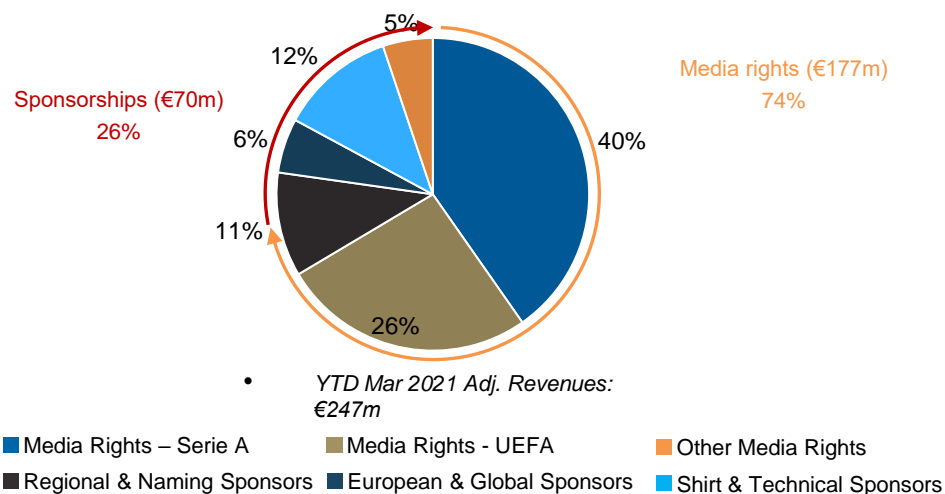
Inter MediaCo at a Glance

- **Sole manager and operator** of the **media, broadcast and sponsorship** businesses of **Inter**
- Formed in 2014 in connection with the contribution by Inter of its media, broadcast and sponsorship rights business, its historical media archives and the material IP rights relating to the Inter brand
- MediaCo main revenues lines are divided into **Media rights** and **Sponsorships**
 - Media rights mainly relate to Serie A (centrally managed by Lega Serie A on three-year cycle contracts) and European competitions (centrally managed by UEFA on three-year cycle contracts)
 - Other Media rights relate to archive content rights and distribution of thematic channel
 - Long term sponsors include Pirelli (jersey sponsor since 1995-96 season now expiring on June 30th, 2021) and Nike (technical sponsor since 1998/99 season)
 - Other sponsors include Naming Rights, European, Global and International/Regional sponsorship packages

Inter TeamCo – An Iconic Franchise

- One of the **leading European football clubs**, with a history dating back to 1908
- Only club to have **played every season in Serie A** since the league's inception in 1929 and the only **never been relegated**
 - **Won 31 domestic trophies** (including 19 Serie A championships, 7 Domestic Cups and 5 Domestic Super Cups), 3 UEFA Champions League titles, 3 UEFA Cup titles, 2 Intercontinental Cups and 1 FIFA Club World Cup
 - First Italian team to complete the **“Continental Treble”** by winning the titles in Serie A, Domestic Cup and UCL all in the same season in 2010
- During the sporting seasons 17/18, 18/19 and 19/20, Inter was the **1st club in Italy and in the top 10 clubs in Europe** in terms of average attendance.
- Participation to **UEFA Champions League (“UCL”) Group Stage for the 18-19, 19-20 and 20-21 seasons. Achievement of UEL final in 19-20 season**
- **Won 20/21 Serie A championship with qualification to 21-22 UCL**

YTD March 2021_ Adjusted Revenues¹ Breakdown



Honours

19 Serie A Titles



3 Champions League Titles



3 Europa League (UEFA Cup) Titles



7 Coppa Italia Titles



5 Italian Super Cup



2 Intercontinental Cup



1 FIFA Club World Cup



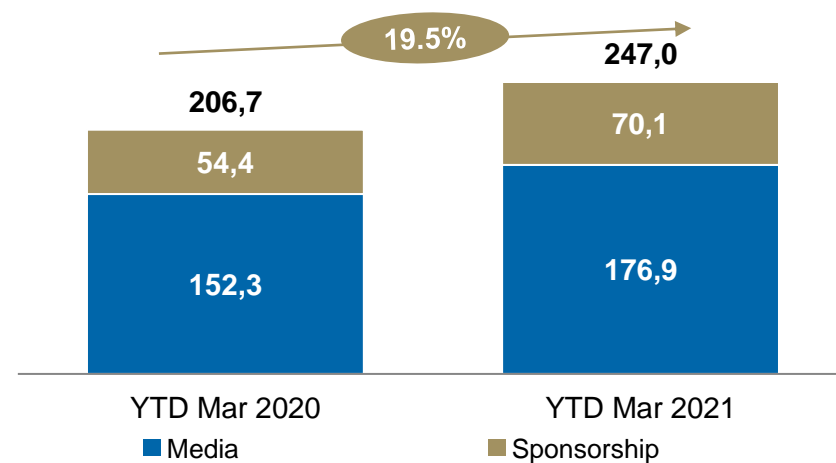
¹ Adjusted revenue is the aggregate revenue that MediaCo reports on its income statement (the “Revenue”²) and the receivables associated with Inter’s broadcasting rights the “Indirect Media Revenue” MediaCo reports on its balance sheet. ² Revenue includes the revenue that MediaCo receives from Inter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

Key Highlights

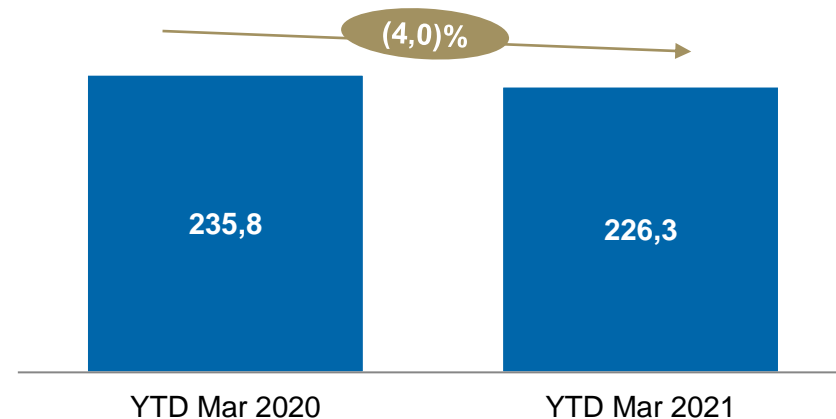
- Our **Adjusted Revenue** increased by €40.3 million or 19.5% to €247.0 million
- Single components of YTD March 2021 Adjusted Revenue are significantly affected by an accounting deferral resulting from the shift of the end of the 2019/2020 sporting season and of the beginning of the 2020/2021 sporting season
- On a pro-forma basis (and comparable basis), our Adjusted Revenue decreased by €7.9 million or 3.7% (with pro-forma Adjusted Revenue amounting to € 203.4 million vs. €211.9 million), driven by a reduction in our Shirt & Technical Sponsorship Revenue affected by compensations granted for contractual benefits not provided due to restrictions related to the pandemic
- **Cash Available for Debt Service** decreased by €9.5 million or 4.0% to €226.3 million driven by the €9.9 million decrease in cash inflows (while cash outflows are in line with prior period around €7 million).
- The decrease in cash inflows is a result of the negative impact of Change in Trade Receivables resulting from:
 - The different collection size and timing of International Sponsorship contracts (in YTD Mar 2020 we collected and recovered a significant amount of overdue receivables)
 - The general impact on the timing of collection of trade receivables resulting from the pandemic and the consequent shift of the 2019-2020 and 2020-2021 sporting seasons
 - This has been mostly offset by higher Adjusted Revenue which, as described, has been significantly affected by the shift of the last part of the 19/20 sporting season.

Key Financials

Adjusted Revenues (€m)



Cash Available for Debt Service (€m)



Already Impacting YTD Mar 2021 Results

Potential Impact on Performance of next quarters

Media Revenues

- **Participation to Group Stage of UCL** also for the **season 2020-21** which ensured **revenues** in the range of **€50 million**
- Stability given by **Serie A revenues** - the 2018-21 deal is expected to **secure revenues in the range of €102m** considering **the victory of the 20-21 championship**
- **Growing KPI's on social platforms** supported by work performed by **internal Media House**

- **Covid-19 pandemic** has generated **some reductions in UEFA media revenues** and **could also impact Serie A revenues** (with a judicial procedure in progress with Sky in respect of final settlement of 19-20 rights)
- **Assignment of 21-22 to 23-24 Serie A rights ensures revenue close to previous cycle**
- **Victory of 20/21 Serie A will ensure a growth in 21-22 UEFA media revenues** (positively affecting market pool)
- **Media Revenue growth via content delivery** through the Media House

Sponsorship Revenues

- **Some reductions affected by compensations** granted for contractual benefits not provided due to restrictions related to the **pandemic**
- **Ability to sign 7 new deals** since 1 July 2020 (plus **6 renewed**) notwithstanding the difficult market environment. This reflects investments in a **dedicated in-house team (with synergies between local and international team to develop the business at global level)**.

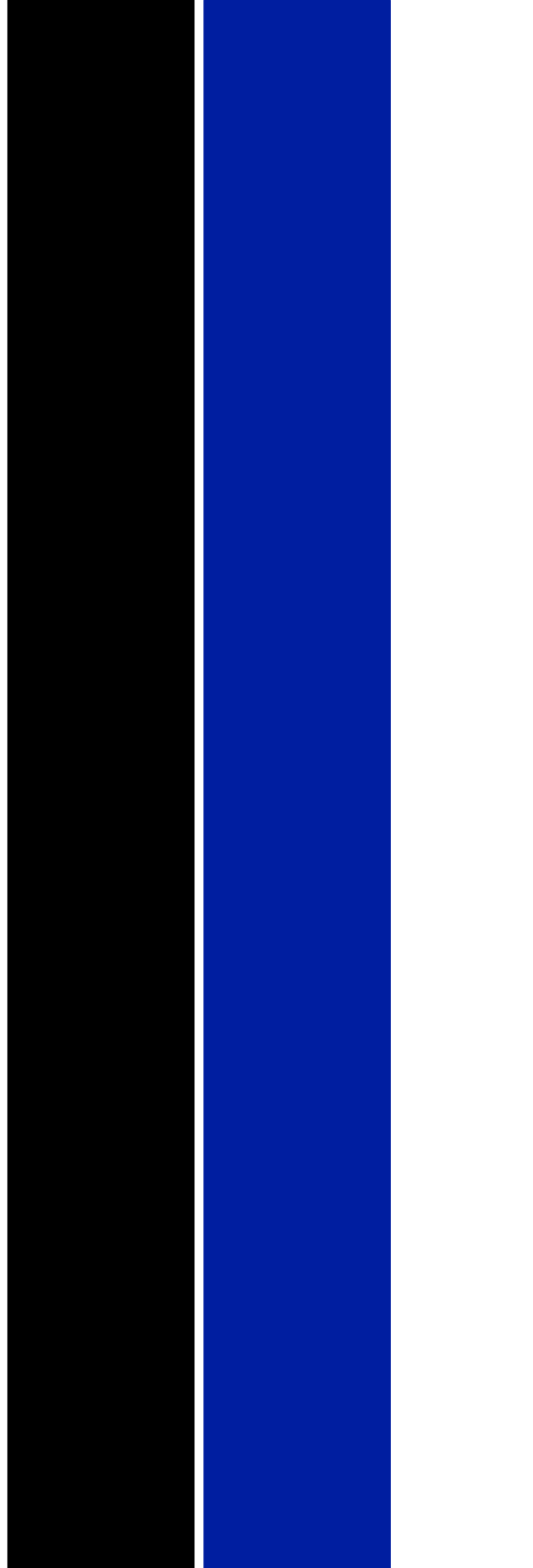
- **Covid 19 pandemic could affect future revenues**, depending on its evolution and related impacts on the sporting season, on the economy as a whole and on the specific industry of our partners
- **The increased visibility and sporting performance of the team** resulting in greater engagement and reach to a wider variety of sponsorship

TeamCo Update

- **After continuous growth in matchday revenue** in the past years, **all matches played behind closed doors since end of February 2020**. In the sporting season 20-21 we have not put for sale any season or matchday tickets. The **estimated loss** for the full FY21 is in the region of **€60m**



Appendix



Summary Cash Flow



For the nine months ended Mar 31

	2020	2021
(In Millions of €)		
Adjusted Revenue		
Sponsorship Revenue	54.4	70.1
Shirt & Technical	18.5	29.5
EU/Global	10.7	13.9
Regional and Naming Rights	25.2	26.6
Direct Media Revenue	12.6	11.9
Other Income	0.1	0.8
Revenue	67.1	82.9
Indirect Media Revenue		
Serie A Indirect Media Revenue	97.0	99.5
UEFA Indirect Media Revenue	42.5	64.6
Adjusted Revenue	206.7	247.0
Change in Current operating assets	36.7	(14.7)
Change in Non-current operating assets	(0.3)	0.9
Cash Inflow	243.1	233.2
Cash Outflow		
Personnel Costs	(2.7)	(2.3)
Cost of Services	(9.1)	(8.9)
Other Costs	(0.3)	(0.7)
Adjusted Tax Expenses	(0.7)	(1.0)
Change in Current operating liabilities	2.4	2.7
Change in Non-current operating liabilities	(1.4)	(1.4)
Adjusted Service Agreement Fees	4.6	4.6
Cash Outflow	(7.3)	(6.9)
Cash Avail. for Debt Service	235.8	226.3

	€m	Ratio
Net Total MediaCo Debt at Mar 2021	285.7	1.2x
LTM Mar 2021 Cash Available for Debt Service	243.5	

Key Comments

- Adjusted Revenue refers to both revenue that Inter MediaCo reports on its income statement (includes Direct Media Revenue and Sponsorship Revenue) as well Indirect Media Revenue that the Issuer reports on its balance sheet (Serie A Indirect Media Revenue and UEFA Indirect Media Revenue).
- Please refer to slide 4 for the explanation of main drivers of Adjusted Revenue and Cash Available for Debt Service.
- We recommend to refer to the separate document “Financial Results of Inter Media and Communication S.p.A for the nine months ended March 31, 2021” for more details (including the explanation of the impacts of the accounting deferrals resulting from the shift of the end of the 2019-2020 sporting season and of the beginning of the 2020-2021 sporting season)

Income Statement



For the nine months ended Mar, 31

	2020	2021
(In Millions of €)		
Revenue		
Revenue	67.0	82.0
Other Income	0.1	0.8
Total Revenue	67.1	82.8
Operating Costs		
Personnel Costs	(2.7)	(2.3)
Cost of Services	(9.1)	(8.9)
Other operating costs	(0.5)	(0.7)
Write-down of trade receivables	-	(0.0)
Depreciation and Amortization	(13.7)	(13.7)
Provisions for risks and charges	-	(3.1)
Total Operating Costs	(25.9)	(28.6)
Operating Profit	41.2	54.2
Net Financial Expenses	(6.4)	(8.2)
Profit Before Tax	34.8	46.0
Income Taxes	(10.1)	(13.5)
Profit for the Period	24.6	32.5

Cash Flow Statement



For the nine months ended Mar, 31

	2020	2021
(In Millions of €)		
Profit for the period	24.6	32.5
Current taxes	11.5	15.1
Net financial expenses	6.4	8.2
Profit for the period before taxes and interest	42.5	55.8
Depreciation and Amortization	13.7	13.7
Write-downs/(release/uses) of trade receivables	(0.7)	0.0
Employee severance indemnities	(0.0)	0.1
Accrual/(releases/uses) for risks and charges	-	0.9
Deferred tax assets and liabilities	(1.3)	(1.6)
Cash flow from operating activities before changes in working capital	54.1	68.9
Increase in trade and other receivables	31.1	(12.8)
Increase / (Decrease) in trade and other payables	27.9	19.6
Other variations in net working capital	7.4	(2.0)
Cash flow from operating activities after changes in Net Working Capital	120.5	73.7
Taxes paid	(1.7)	(0.3)
Interest and other financial expenses paid	(7.3)	(8.5)
A. Cash flow from operating activities	111.5	65.0
Investments in Intangible Assets	(0.0)	(0.0)
Investments in Property, Plant and Equipment	(0.1)	(0.0)
B. Cash flow from investing activities	(0.1)	(0.0)
Dividends	(48.4)	(26.0)
Intercompany loans	(30.8)	(61.4)
Debt service and reserve account	(10.3)	(16.3)
New Notes	-	66.1
Repayment Existing and New Notes	(3.3)	(4.3)
C. Cash flow from financing activities	(92.8)	(41.9)
Increase / (Decrease) cash and cash equivalents (A+B+C)	18.6	23.0
Cash at bank and on hand at the beginning of the period	15.7	16.9
Cash at bank and on hand at the end of the period	34.2	39.9