

## Supplements required by Consob pursuant to art. 114 of Legislative Decree 58/1998

Update to 31 December 2018

### *Net financial position of Il Sole 24 ORE S.p.A. and the 24 ORE Group, with separate disclosure of current and non-current components*

#### Consolidated net debt

NET DEBT OF THE 24 ORE GROUP		
(in thousands of euro)	31.12.2018	31.12.2017
A. Cash in hand	269	616
B. Other cash and cash equivalents (bank and post office accounts)	22,362	32,419
C. Securities held for trading	-	-
<b>D. Liquidity (A) + (B) + (C)</b>	<b>22,631</b>	<b>33,035</b>
<b>E. Current loan assets</b>	<b>-</b>	<b>558</b>
F. Current portion of amounts due to banks	(17,891)	(17,603)
G. Current portion of non-current loans	(576)	(553)
H. Other current loans and borrowings	(5,077)	(3,236)
<b>I. Current debt (F)+(G)+(H)</b>	<b>(23,545)</b>	<b>(21,393)</b>
<b>J. Net current debt (I) – (E) – (D)</b>	<b>(914)</b>	<b>12,200</b>
K. Non-current bank loans and borrowings	(4,982)	(5,610)
L. Bonds issued	-	-
M Other non-current borrowings	-	-
<b>N. Non-current debt (K) + (L) + (M)</b>	<b>(4,982)</b>	<b>(5,610)</b>
<b>O. Net financial position (J) + (N)</b>	<b>(5,895)</b>	<b>(6,590)</b>

Group net financial position amounts to -5.9 million euro at 31 December 2018.

The net financial position deteriorates by € 12.5 million versus a positive € 6.6 million at 31 December 2017.

The change in the net financial position is attributable mainly to the payment of non-recurring expense from voluntary redundancies made in the first few months of 2018, to consideration for the early termination of the agreement with Infront on FIGC sponsorship gathering, in addition to cash flows from operations.

In February, the Parent Company cashed in the consideration of € 3.0 million as compensation from Di Source for pecuniary damage and in May and in July cashed in the

consideration of € 1.7 million for the disposal of the 2% interest in the share capital of Business School24 S.p.A..

In September, the Company cashed in a consideration of € 2.6 million from the factoring without recourse of IRES receivables on non-deductible IRAP, and the balance of € 0.5 million from the sale price of the investment in Newton Management Innovation S.p.A., disposed of in December 2017.

The group current net financial position amounts to -0.9 million euro. The company also has revolving credit facilities for € 30.0 million not drawn down and totally available to date.

Net debt of the Parent Il Sole 24 ORE S.p.A. is shown below, with separate disclosure of current and non-current components:

**Net debt of the Parent Il Sole 24 ORE S.p.A.**

<b>NET DEBT OF IL SOLE 24 ORE SPA</b>		
(in thousands of euro)	31.12.2018	31.12.2017
A. Cash in hand	25	531
B. Other cash and cash equivalents (bank and post office accounts)	19,782	27,138
C. Securities held for trading	-	-
<b>D. Liquidity (A) + (B) + (C)</b>	<b>19,806</b>	<b>27,669</b>
<b>E. Current loan assets</b>	<b>-</b>	<b>3,828</b>
F. Current portion of amounts due to banks	(17,891)	(17,603)
G. Current portion of non-current loans	(576)	(553)
H. Other current loans and borrowings	(8,643)	(4,024)
<b>I. Current debt (F)+(G)+(H)</b>	<b>(27,110)</b>	<b>(22,180)</b>
<b>J. Net current debt (I) – (E) – (D)</b>	<b>(7,304)</b>	<b>9,318</b>
K. Non-current bank loans and borrowings	(4,982)	(5,610)
L. Bonds issued	-	-
M Other non-current borrowings	-	-
<b>N. Non-current debt (K) + (L) + (M)</b>	<b>(4,982)</b>	<b>(5,610)</b>
<b>O. Net debt (J) + (N)</b>	<b>(12,286)</b>	<b>3,707</b>

The net financial position of the Company amounts to -12.3 million euro at 31 December 2018 versus a positive € 3.7 million at 31 December 2017, deteriorating by 16.0 million euro.

The change in the net financial position is attributable mainly to the payment of non-recurring expense from voluntary redundancies made in the first few months of 2018, to consideration for the early termination of the agreement with Infront on FIGC sponsorship gathering, in addition to cash flows from operations as a result of the seasonal nature of business.

In February, the Company cashed in the consideration of € 3.0 million as compensation from Di Source for pecuniary damage and in May and in July cashed in the consideration of € 1.7 million for the disposal of the 2% interest in the share capital of Business School24 S.p.A..

In September, the Company cashed in a consideration of € 2.6 million from the factoring without recourse of IRES receivables on non-deductible IRAP, and the balance of € 0.5 million from the sale price of the investment in Newton Management Innovation S.p.A., disposed of in December 2017.

The company's current net financial debt amounts to € 7.3 million. The company also has revolving credit facilities for € 30.0 million not drawn down and totally available to date.

**Amounts due from the Company and its Group, split up by nature (financial, trade, tax, social security and to employees) and any associated action by creditors (reminders, orders for payment, suspended deliveries, etc.)**

**Amounts due from the 24 ORE Group split up by nature at 31 December 2018**

<b>AMOUNTS DUE FROM THE 24 ORE GROUP</b>									
(in thousands of euro)	Dues split up by days overdue							By more than 210 days	total due
	0-30	31-60	61-90	91-120	121-150	151-180	181-210		
Loans and borrowings	-	-	-	-	-	-	-	-	-
Trade payables	3,521	1,508	176	58	94	121	164	3,166	8,809
Social security institutions	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax liabilities	-	-	-	-	-	-	-	-	-

**Amounts due from Il Sole 24 Ore S.p.A. split up by nature at 31 December 2018**

<b>AMOUNTS DUE FROM IL SOLE 24 ORE SPA</b>									
(in thousands of euro)	Dues split up by days overdue							By more than 210 days	total due
	0-30	31-60	61-90	91-120	121-150	151-180	181-210		
Loans and borrowings	-	-	-	-	-	-	-	-	-
Trade payables	3,015	1,442	126	44	71	102	164	1,428	6,393
Social security institutions	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax liabilities	-	-	-	-	-	-	-	-	-

Amounts due from the 24 ORE Group and the parent company Il Sole 24 ORE S.p.A. refer solely to trade payables.

Regarding past due over 210 days, it should be noted that the amount includes suppliers blocked for items in dispute for a total of € 1,742 thousand, of which € 576 thousand on the Parent Company and € 1,166 thousand on the subsidiary 24 ORE Cultura S.r.l.. The Parent Company received a payment order for € 296 thousand on the disputed amounts, filing its objection. In December, the Company received a payment order for € 6 thousand, settled in January 2019.

Regarding action by creditors, mention should be made that the reminders received fall into the ordinary administrative activities. At the date of this press release, we have no evidence of further payment orders served referring to the above amounts due; no suspended delivery has been made such as to affect normal business operations.

## Main changes in related party transactions of the Company and its Group since the latest Annual or Half-Year Financial Report approved, pursuant to art. 154-ter of the TUF

### Related parties of the Group

RELATED PARTY TRANSACTIONS – CONSOLIDATED AT 31 DECEMBER 2018								
Company	Trade and other receivables	Loan assets	Trade and other payables	Loans and borrowings	Revenue and operating income	Costs	Financial income	Financial expense
Confederazione Generale dell'Industria Italiana (Confederation of Italian Industry)	66	-	-	-	113	-	-	-
<b>Total Ultimate Parent</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113</b>	<b>-</b>	<b>-</b>	<b>-</b>
Business School24 S.p.A.	789	-	(444)	(7)	4,511	(560)	-	-
<b>Total joint venture companies</b>	<b>789</b>	<b>-</b>	<b>(444)</b>	<b>(7)</b>	<b>4,511</b>	<b>(560)</b>	<b>-</b>	<b>-</b>
Key management personnel	-	-	(74)	-	-	(1,718)	-	-
Other managers	-	-	(324)	-	-	(2,847)	-	-
Board of Directors	-	-	(311)	-	-	(1,452)	-	-
Board of Statutory Auditors	-	-	(226)	-	-	(260)	-	-
Other related party persons	552	-	(115)	-	1,484	(1,283)	-	-
<b>Total other related parties</b>	<b>552</b>	<b>-</b>	<b>(1,050)</b>	<b>-</b>	<b>1,484</b>	<b>(7,560)</b>	<b>-</b>	<b>-</b>
<b>Total related parties</b>	<b>1,407</b>	<b>-</b>	<b>(1,493)</b>	<b>(7)</b>	<b>6,108</b>	<b>(8,119)</b>	<b>--</b>	<b>-</b>

Receivables and other assets from Business School24 S.p.A. refer to service agreements and subletting of classrooms and spaces.

Trade and other receivables from other related parties refer mainly to:

- sale of daily newspapers, books and magazines;
- sale of computer-based products by subscription;
- sale of advertising space;

Revenue refers mainly to the sale of advertising space in the Group's titles and subscriptions to the Daily Newspaper and to the charges for services and subleases to Business School24 S.p.A.. The costs for the Board of Directors include the charges for terminating the contract with the former Chief Executive Officer. On 1 August 2018, Giuseppe Cerbone took office as Chief Executive Officer.

Key management personnel include a business manager and three central department managers, including the CFO who took office on 15 October 2018. On 25 January 2019, two key management personnel left the Company.

No further changes were reported in existing contractual relations from the latest Half - Year Financial Report approved.

## Related parties of Il Sole 24 Ore S.p.A.

RELATED PARTY TRANSACTIONS - PARENT COMPANY AT 31 DECEMBER 2018								
Company	Trade and other receivables	Loan assets	Trade and other payables	Loans and borrowings	Revenue and operating income	Costs	Financial income	Financial expense
Confederazione Generale dell'Industria Italiana (Confederation of Italian Industry)	66	-	-	-	113	-	-	-
<b>Total Ultimate Parent</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113</b>	<b>-</b>	<b>-</b>	<b>-</b>
Il Sole 24 ORE - Trading Network S.p.A.	171	-	(1,003)	(1,231)	591	(10,365)	49	-
24 Ore Cultura S.r.l.	288	-	(309)	(1,516)	626	(853)	5	-
Ticket 24 ORE S.r.l.	-	-	-	(765)	50	-	-	-
Il Sole 24 Ore Uk Ltd	-	-	(303)	-	-	(469)	-	-
Il Sole 24 ORE U.S.A. Inc	1	-	(314)	-	-	(652)	-	-
<b>Total subsidiaries</b>	<b>460</b>	<b>-</b>	<b>(1,929)</b>	<b>(3,511)</b>	<b>1,267</b>	<b>(12,339)</b>	<b>54</b>	<b>-</b>
Business School24 S.p.A.	776	-	(444)	(7)	4,266	(560)	-	-
<b>Total joint venture companies</b>	<b>776</b>	<b>-</b>	<b>(444)</b>	<b>(7)</b>	<b>4,266</b>	<b>(560)</b>	<b>-</b>	<b>-</b>
Key management personnel	-	-	(74)	-	-	(1,718)	-	-
Other managers	-	-	(324)	-	-	(2,847)	-	-
Board of Directors	-	-	(311)	-	-	(1,452)	-	-
Board of Statutory Auditors	-	-	(181)	-	-	(200)	-	-
Other related party persons	525	-	(115)	-	1,481	(1,281)	-	-
<b>Total other related parties</b>	<b>525</b>	<b>-</b>	<b>(1,005)</b>	<b>-</b>	<b>1,481</b>	<b>(7,498)</b>	<b>-</b>	<b>-</b>
<b>Total related parties</b>	<b>1,826</b>	<b>-</b>	<b>(3,378)</b>	<b>(3,518)</b>	<b>7,126</b>	<b>(20,396)</b>	<b>54</b>	<b>-</b>

Receivables and other assets from Business School24 S.p.A. refer to service agreements and subletting of classrooms and spaces.

Trade and other receivables from other related parties refer mainly to:

- sale of daily newspapers, books and magazines;
- sale of computer-based products by subscription;
- sale of advertising space in Group titles;
- tax and VAT consolidation receivables.

Trade and other payables refer mainly to:

- payables to the subsidiary Il Sole 24 ORE UK Ltd., for the commercial intermediation activity relating to the sale of advertising space in the UK;
- trade payables for services from 24 ORE USA Inc.;
- payables for the provision of services and editorial work;
- payables for the purchase of information;
- payables for business services with subsidiaries and with Business School24 S.p.A.;
- tax and VAT consolidation payables.

Financial payables refer to the current accounts with the subsidiaries Ticket 24 ORE S.r.l., 24 Ore Cultura S.r.l. and Il Sole 24 ORE Trading Network S.p.A..

Financial receivables refer to current intercompany accounts opened to maximize the yield of cash deposits of the Group. To its credit balances, the Parent applies a one-month Euribor interest rate at a 365 basis +5.0%. To its debit balances, the Parent applies a one-month Euribor interest rate at a 365 basis.

Revenue and operating income refer mainly to:

- sale of daily newspapers, books and magazines;
- sale of computer-based products by subscription;
- sale of advertising space in Group titles.
- charge of centralized services and subleases to Group companies;
- charges for services and subleases to Business School24 S.p.A..

Costs refer mainly to:

- a contractual agreement with the subsidiary Il Sole 24 ORE UK Ltd. for brokerage relating to the sale of advertising space in the UK;
- a contractual agreement with the subsidiary Il Sole 24 ORE USA Inc. for services rendered;
- a contractual agreement with the subsidiary Il Sole 24 ORE Trading Network S.p.A. for business activities relating to the sale of products of Il Sole 24 Ore S.p.A.;
- a contractual agreement with Business School 24 S.p.A. for its share of the sponsorship of events.

On 19 December 2018, Next24 S.r.l. in liquidation approved the final liquidation financial statements for the period ended 30 November 2018 and the distribution plan.

On 19 December 2018, Newswire S.r.l. in liquidation approved the final liquidation financial statements for the period ended 10 December 2018 and the distribution plan.

The costs for the Board of Directors include the charges for terminating the contract with the former Chief Executive Officer. On 1 August 2018, Giuseppe Cerbone took office as Chief Executive Officer.

Key management personnel include a business manager and three central department managers, including the CFO who took office on 15 October 2018. On 25 January 2019, two key management personnel left the Company.

No changes were reported in existing contractual relations from the latest Half - Year Financial Report approved.

At the date of this press release, the closing activities of the financial statements for the year ended 31 December 2018 were still in progress.

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Under paragraph 2, article 154-bis of the Consolidated Finance Law (TUF), Paolo Fietta, in his capacity as corporate financial reporting manager, attests that the accounting information contained herein is consistent with the Company's document results, books and accounting records.

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