

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

Update to 31 July 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)	31.07.2018	31.12.2017
A. Cash in hand	60	616
B. Other cash and cash equivalents (bank and post office accounts)	22,143	32,419
C. Securities held for trading	-	-
D. Liquidity (A) + (B) + (C)	22,202	33,035
E. Current loan assets	183	558
F. Current portion of amounts due to banks	(18,604)	(17,603)
G. Current portion of non-current loans	(570)	(553)
H. Other current loans and borrowings	(4,951)	(3,236)
I. Current debt (F)+(G)+(H)	(24,126)	(21,393)
J. Net current debt (I) – (E) – (D)	(1,740)	12,200
K. Non-current bank loans and borrowings	(5,274)	(5,610)
L. Bonds issued	-	-
M Other non-current borrowings	-	-
N. Non-current debt (K) + (L) + (M)	(5,274)	(5,610)
O. Net financial position (J) + (N)	(7,014)	(6,590)

Group net financial position amounts to -7.0 million euro at 31 July 2018.

The net financial position deteriorates by € 13.6 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 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 cashed in the consideration of € 1.6 million for the disposal of a further 2% interest in the share capital of Business School24 S.p.A..

The group current net financial debt amounts to € 1.7 million. 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.

NET DEBT OF IL SOLE 24 ORE SPA		
(in thousands of euro)	31.07.2018	31.12.2017
A. Cash in hand	29	531
B. Other cash and cash equivalents (bank and post office accounts)	19,113	27,138
C. Securities held for trading	-	-
D. Liquidity (A) + (B) + (C)	19,142	27,669
E. Current loan assets	433	3,828
F. Current portion of amounts due to banks	(18,604)	(17,603)
G. Current portion of non-current loans	(570)	(553)
H. Other current loans and borrowings	(6,741)	(4,024)
I. Current debt (F)+(G)+(H)	(25,915)	(22,180)
J. Net current debt (I) – (E) – (D)	(6,340)	9,318
K. Non-current bank loans and borrowings	(5,274)	(5,610)
L. Bonds issued	-	-
M Other non-current borrowings	-	-
N. Non-current debt (K) + (L) + (M)	(5,274)	(5,610)
O. Net debt (J) + (N)	(11,613)	3,707

The net financial position of the Company amounts to -11.6 million euro at 31 July 2018 versus a positive € 3.7 million at 31 December 2017, deteriorating by 15.3 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 cashed in the consideration of € 1.6 million for the disposal of a further 2% interest in the share capital of Business School24 S.p.A..

The company's current net financial debt amounts to € 6.3 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

AMOUNTS DUE FROM THE 24 ORE GROUP									
(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	2,642	1.604	484	219	237	436	807	2,717	9,145
Social security institutions	-	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-	-
Tax liabilities	-	-	-	-	-	-	-	-	-

Amounts due from Il Sole 24 Ore S.p.A. split up by nature

AMOUNTS DUE FROM IL SOLE 24 ORE SPA									
(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	2,128	1.616	391	198	134	472	286	1,321	6,545
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 € 1,777 thousand, of which € 611 thousand on the Parent Company and € 1,166 thousand on the subsidiary 24 ORE Cultura S.r.l..

Regarding action by creditors, mention should be made that the reminders received fall into the ordinary administrative activities. In March, a payment order of €29,702 was served; the Company filed an objection notified in April and the case on the substance was registered. In July, a payment order of €10,370 was served.

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									
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)	12	-	-	-	43	-	-	-	
Total Ultimate Parent	12	-	-	-	43	-	-	-	
Business School24 S.p.A.	3,362	-	(665)	-	2,521	(135)	-	-	
Total joint venture companies	3,362	-	(665)	-	2,521	(135)	-	-	
Key management personnel	-	-	(54)	-	-	(825)	-	-	
Other managers	-	-	(405)	-	-	(1,617)	-	-	
Board of Directors	-	-	(192)	-	-	(868)	-	-	
Board of Statutory Auditors	-	-	(123)	-	-	(149)	-	-	
Other related party persons	733	-	(91)	-	885	(789)	-	-	
Total other related parties	733	-	(865)	-	885	(4,248)	-	-	
Total related parties	4,107	-	(1,530)	-	3,449	(4,383)	--	-	

Trade and other receivables refer mainly to:

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

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 .

Key management personnel are one head of business and two central unit manager. From the latest Half - Year Financial Report approved they are unchanged.

No 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									
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)	12	-	-	-	36	-	-	-	-
Total Ultimate Parent	12	-	-	-	36	-	-	-	-
Il Sole 24 ORE - Trading Network S.p.A.	579	164	(1,983)	-	292	(6,188)	48	-	-
24 Ore Cultura S.r.l.	703	-	(372)	(1,450)	219	(332)	5	-	-
Ticket 24 ORE S.r.l.	128	-	-	(340)	21	-	-	-	-
Il Sole 24 Ore Uk Ltd	-	-	(186)	-	-	(212)	-	-	-
Next 24 S.r.l.	-	89	-	-	-	-	2	-	-
Il Sole 24 ORE U.S.A. Inc	-	-	(173)	-	-	(372)	-	-	-
NewsWire S.r.l.	-	-	-	-	-	-	-	-	-
Total subsidiaries	1,410	253	(2,714)	(1,790)	532	(7,103)	54	-	-
Business School24 S.p.A.	3,217	-	(665)	-	1,755	(135)	-	-	-
Total joint venture companies	3,217	-	(665)	-	1,755	(135)	-	-	-
Key management personnel	-	-	(54)	-	-	(825)	-	-	-
Other managers	-	-	(405)	-	-	(1,617)	-	-	-
Board of Directors	-	-	(192)	-	-	(868)	-	-	-
Board of Statutory Auditors	-	-	(95)	-	-	(113)	-	-	-
Other related party persons	732	-	(91)	-	662	(789)	-	-	-
Total other related parties	732	-	(837)	-	662	(4,212)	-	-	-
Total related parties	5,370	253	(4,216)	(1,790)	2,984	(11,450)	54	-	-

Financial receivables refer to current accounts with the subsidiaries Il Sole 24 ORE Trading Network S.p.A. and Next 24 S.r.l. 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;

Trade and other receivables refer mainly to:

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

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.

Financial income refers to interest income on the financial receivables.

Key management personnel are one head of business and two central unit heads. From the latest Half - Year Financial Report approved they are unchanged.

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

Under paragraph 2, article 154-bis of the Consolidated Finance Law (TUF), Alberto Ferrari, pending the appointment of the 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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