



## **PRESS RELEASE**

---

**MONDO TV S.p.A.: interim financial statement as of 30 June 2014:**

- increase for 773% of EBIT which goes to EUR 0,8 million,
- improvement for EUR 0,7 million of the NFP to EUR -2,9 million,
- increase of the net equity for EUR 1,1 million to EUR 28,5 million.

Here below, the summary of the main results of the group and the company

**- Consolidated results:**

- Value of production EUR 9,0 million (+14%)
- EBITDA at EUR 3,5 million (+10%)
- EBIT at EUR 0,8 million (+773%)
- Positive net result of EUR 334 thousands (loss of EUR 154 thousands as of 30 June 2013)
- Net equity EUR 28,2 million (EUR 26,8 million as of 31 December 2013)
- NFP negative of EUR 2,9 million (3,6 million as of 31 December 2013)

**- Results of the holding company**

- Value of production EUR 4,2 million (+12%)
- EBITDA at EUR 1,3 million (+11%)
- EBIT at EUR 0,7 million (+473%)
- Positive net result of EUR 271 thousands (EUR -134 thousands as of 30 June 2013)
- Net equity EUR 28 million (EUR 26,6 million as of 31 December 2013)
- NFP negative of EUR 1,9 million (EUR -3,0 million as of 31 December 2013)

**Rome, August 8, 2014.** The Board of Directors of Mondo TV S.p.A. – holding company of a Group working in the production and distribution of cartoons for TV and the cinema – today approved the interim financial statement of the Group as of 30 June 2014.

### **Consolidated results for Mondo TV Group**

The value of production in the first semester 2014, given by the sum of consolidated revenues and capitalizations of series of cartoons produced internally, was EUR 9,0 million, 14% more compared with approximately EUR 7,9 million in the first semester 2013. The increase is



mainly due to the production activities of the group which has acquired in the semester some important productions; furthermore, it has to be noted the progression by Mondo TV France in the production of the third season of Lulu Vroumette and Marcus Level for EUR 2,2 million.

Consolidated EBITDA passed from EUR 3,2 million in the first semester 2013 to EUR 3,5 with a total increase of around EUR 0,3 million: the increase of around 10% was due to the larger volume of productions acquired and worked in the period.

As an effect, EBIT - after amortizations, devaluation and reserves for EUR 2,7 million respect to EUR 3,1 million in the same period 2013 - came out positive for EUR 0,8 million respect to EUR 0,1 million in the first semester 2013.

In the referenced period, financial charges amounted to EUR 0,2 million, compared with EUR 0,24 million in the first semester 2013.

Net profit was positive for EUR 0,33 million, compared to the negative result for EUR 0,15 million in the first semester 2013.

The Group's Net Financial Position is equal to minus EUR 2,9 million, compared to minus EUR 3,6 million as of 31 December 2013, improving of EUR 0,7 million.

### **Results of the Parent Company**

The parent company Mondo TV S.p.A. closed the first semester 2014 with a value of production of around EUR 4,2 million with an increase of 12%, compared to around EUR 3,8 million in the same period in 2013. Such result is the effect of the acquisition in the semester of important productions.

EBIT was approximately EUR 0,7 million, in increase compared to EUR 0,1 million in the first semester 2013.

Net financial charges were approximately EUR 0,2 million (EUR 0,2 million on 30 June 2013)

Net income for the period was positive by EUR 0,27 million compared to the loss of EUR 0,15 million in the first semester 2013.

NFP passed from minus EUR 3,0 million on 31 December 2013 to EUR 1,9.

### **Business Outlook and related main risks**



Pursuant to section 154-ter, 4<sup>th</sup> paragraph, of the Italian Consolidated Finance Act, the following main risks are reported:

- **Key manager**

The competitiveness of the Group could be negatively affected in the event that the professional work by some members of the Corradi family and Eve Baron Charlton, Managing Director of Mondo TV France (whose revenues have a significant effect on the revenues of the Group): such events could result in negative effects on the economic and financial position of the Group.

Some members of the Corradi family play a key role for the business of the company and in respect to development of its products.

Eve Baron Charlton plays a key role in the management of Mondo TV France, thanks to her high skills and proved expertise in the business, deriving from her long lasting experience as director in national French TV broadcasters. Such experience gained in the TV sector, and her professional networking allowed and is allowing Mondo TV France to produce TV animated series with a highly educational content of high quality level. Such programs enrich the range of programs offered by Mondo TV Group.

No members of the Corradi family or Eve Baron are bound by non-competitive agreements or exclusivity clauses.

- **Commercial exploitation of third parties IP rights**

The revenues of the Group may be subject to circumstances which are not depending on the Group companies and which can affect the availability and the commercial exploitation of third parties properties. Negative circumstances in this respect could cause the reduction of the income expectations with negative effects on the economic and financial position of the Company.

- **Contentious matters**

Negative effects on the activity and/or economic and financial position of the Group could derive by a condemnation of Mondo TV in the trial against the companies RG Holding S.r.l. Unipersonale and Finanziaria Cinema S.r.l. Unipersonale (hereafter the "Claimants").

The Claimants are acting against Mondo TV pursuant to section 2497 of the Italian Civil Code in their quality of former minority shareholders of the company Moviemax S.r.l., which was controlled by Mondo Home Entertainment which was subject to the control and direction of Mondo TV up to April 2009. Claimants are claiming for purported damages in a range between EUR 17 million and EUR around 30 million. Due to the fact that the risk of condemnation is considered only with degree "possible", also based to the independent legal counsels who assist the company in the trial, no funds have been set aside for this claim. Furthermore, along



the technical verification by an independent auditor, it is emerging that the damages that could be possible to be recovered would be a fraction of the counterparty's claim.

- **Tax position**

On 31 July 2014 through an inspection on financial years 2010, 2011 and 2012, and on the basis of a mere inductive method, without revealing substantial irregularities and based only on presumption, the Tax police has excepted higher direct and indirect taxes due for an amount of around EUR 3,6 million, which taking into account the fiscal losses, would result in an amount to be paid of around EUR 2.2 million, before interest and sanctions.

The company is elaborating its briefs within 60 days in order to reply and claim against the result of the inspection, as such results are considered by the company's directors completely wrong in the merit, as well as in the presumption and conclusions, since these are based on assumptions, premises and contents which do not represent the factual reality and are incomplete and incoherent also in the light of the verified documents. The directors, being sure of the correctness of their actions, and also based on the opinion of their tax consultants, consider the risk of a condemnation in the possible future trial by the Tax authorities very low.

### **Declaration of the executive responsible for financial reporting**

The executive responsible for corporate financial reporting, Carlo Marchetti, declares, pursuant to paragraph 2 of section 154-bis of the Italian Consolidated Finance Act, that the information in this press release corresponds to the data in the accounting documents, records and books.

This interim financial statement relating to the first semester 2014 is filed at the Company's registered office in Rome and with Borsa Italiana S.p.A., and is available for anybody requesting for it. It is also published on the website [www.mondotv.it](http://www.mondotv.it).

\* \* \* \* \*

Attached to this press release are the key financial figures tables included in the interim financial statement relating to the first semester 2014 approved by the Board of Directors.

**Mondo TV**, listed in the Star segment of Borsa Italiana, has its registered office in Rome and is a Group made up of four companies; the Group is a leader in Italy and among the primary European operators in the production and distribution of television series and cartoon films for TV and the cinema, and is active in the related sectors (audiovisual and musical distribution, licensing, media, publishing and merchandising). For further information on Mondo TV, visit [www.mondotv.it](http://www.mondotv.it).

ISIN code: IT0001447785 - Acronym: MTV – Negotiated on MTA - Reuters: MTV.MI - Bloomberg: MTV.IM

Contact: Mondo TV



Matteo Corradi  
Investor Relator  
+39.06.86323293  
[matteo.corradi@mondotv.it](mailto:matteo.corradi@mondotv.it)



**MONDO TV GROUP**  
(Thousands of Euros)

**Consolidated income statement**

	1st half 2014	1st half 2013
Revenue from sales and services	5.376	4.498
Other revenue	1.028	1.244
Capitalisation of internally produced cartoon series	2.563	2.123
Raw materials, consumables and goods used	(40)	(35)
Payroll costs	(1.591)	(1.576)
Amortisation and impairment of intangible assets	(2.592)	(2.853)
Depreciation and impairment of property, plant and equipment	(82)	(71)
Allowances against receivables	(75)	(200)
Other operating costs	(3.811)	(3.041)
<b>EBIT</b>	<b>776</b>	<b>89</b>
<b>Financial profit</b>	<b>9</b>	<b>26</b>
<b>Financial income</b>	<b>(235)</b>	<b>(269)</b>
<b>Profit (loss) before tax</b>	<b>550</b>	<b>(154)</b>
Income taxes	(216)	(85)
<b>Profit (loss) for the period</b>	<b>334</b>	<b>(239)</b>
Profit attributable to non-controlling interests	1	(87)
<b>Profit attributable to the Group</b>	<b>333</b>	<b>(152)</b>
 <b>Earnings per share (base and diluted)</b>	 <b>0,01</b>	 <b>(0,01)</b>

**MONDO TV GROUP**  
(Thousands of Euros)

**Consolidated statement of financial position**

	30.06.2014	31.12.2013
<b>Non-current assets</b>		
- <i>Intangible rights</i>	7.761	6.984
- <i>Other intangible assets</i>	45	52
Intangible assets	7.806	7.036
Property, plant and equipment	339	404
Equity investments	54	54
Deferred tax assets	10.802	10.938
Receivables	175	105
	<b>19.176</b>	<b>18.537</b>
<b>Current assets</b>		
Trade receivables	14.092	13.218
Tax credits	7.670	8.225
Other assets	118	207
Cash and cash equivalents	1.441	1.017
	<b>23.321</b>	<b>22.667</b>
<b>Total assets</b>	<b>42.497</b>	<b>41.204</b>
<b>Non-current liabilities</b>		
Employee severance indemnity	275	252
Provisions for risks and charges	91	65
Deferred tax liabilities	212	212
Financial payables	328	573
	<b>906</b>	<b>1.102</b>
<b>Current liabilities</b>		
Provisions for risks and charges	32	281
Trade payables	8.651	8.606
Financial payables	4.153	4.153
Tax payables	38	38
Other liabilities	1.129	1.036
	<b>14.003</b>	<b>14.114</b>
<b>Total liabilities</b>	<b>14.909</b>	<b>15.216</b>
- <i>Share capital</i>	13.212	13.212
- <i>Share premium reserve</i>	13.599	19.232
- <i>Legal reserve</i>	2.642	2.642
- <i>Other reserves</i>	1.097	44
- <i>Accumulated losses</i>	(2.725)	(1.276)
- <i>Profit (loss) for the period</i>	333	(7.082)
Equity attributable to the Group	28.158	26.772
Equity attributable to non-controlling interests	(570)	(784)
<b>Total equity</b>	<b>27.588</b>	<b>25.988</b>
<b>Total liabilities + equity</b>	<b>42.497</b>	<b>41.204</b>



**MONDO TV GROUP**  
(Thousands of Euros)

**Consolidated net financial position**

	<b>30.06.2014</b>	<b>31.12.2013</b>	<b>Change</b>
Cash and cash equivalents	1.441	1.017	424
Current financial payables towards banks	(2.954)	(3.224)	270
Current payables to COFILOISIR	(1.199)	(929)	(270)
<b>Current net financial (indebtedness) cash</b>	<b>(2.712)</b>	<b>(3.136)</b>	<b>424</b>
Non-current bank payables	(328)	(573)	245
<b>Non-current net indebtedness</b>	<b>(328)</b>	<b>(573)</b>	<b>245</b>
<b>Net financial indebtedness as per CONSOB communication DEM/6064293</b>	<b>(3.040)</b>	<b>(3.709)</b>	<b>669</b>
Non-current other receivables	145	75	70
<b>Consolidated net financial position</b>	<b>(2.895)</b>	<b>(3.634)</b>	<b>739</b>





**MONDO TV GROUP**  
(Thousands of Euros)

**Consolidated statement of cash flows**

	1st half 2014	1st half 2013
<b>A. OPENING CASH AND CASH EQUIVALENTS</b>	<b>1.017</b>	<b>1.486</b>
Profit (loss) of the Group for the period	333	(152)
Profit (loss) of third parties interests	1	(87)
Total profit (loss) for the period	334	(239)
Amortisation, depreciation and impairment	2.749	3.124
Net change in provisions	(200)	29
<b>Cash flows from (used in) operating activities before changes in working capital</b>	<b>2.883</b>	<b>2.914</b>
(Increase) decrease in trade and other receivables	(949)	(153)
(Increase) decrease in tax assets	691	908
(Increase) decrease in other assets	89	175
Increase (decrease) in trade payables	45	(1.293)
Increase (decrease) in other liabilities	93	279
<b>B. NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>2.852</b>	<b>2.830</b>
(Purchase) disposal of fixed assets		
- Intangible assets	(3.362)	(2.087)
- Property, plant and equipment	(17)	(27)
<b>C. NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>(3.379)</b>	<b>(2.114)</b>
Capital movements	1.266	120
(Increase) decrease in financial receivables and securities	(70)	-
Increase (decrease) in financial payables	(85)	(724)
Interest paid	(160)	(223)
<b>D. NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>951</b>	<b>(827)</b>
<b>E. NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)</b>	<b>424</b>	<b>(111)</b>
<b>F. CLOSING CASH AND CASH EQUIVALENTS</b>	<b>1.441</b>	<b>1.375</b>



**MONDO TV S.p.A.**  
**(Thousands of Euros)**

**Income statement of Mondo TV S.p.A.**

	1st half 2014	1st half 2013
Revenue from sales and services	3.670	3.214
Other revenue	168	101
Capitalisation of internally produced cartoon series	401	479
Raw materials, consumables and goods used	(37)	(32)
Payroll costs	(542)	(689)
Amortisation and impairment of intangible assets	(521)	(800)
Depreciation and impairment of property, plant and equipment	(67)	(67)
Allowances against receivables	(75)	(200)
Other operating costs	(2.344)	(1.892)
<b>EBIT</b>	<b>653</b>	<b>114</b>
<b>Financial income (charges)</b>	<b>(203)</b>	<b>(195)</b>
<b>Profit before tax</b>	<b>450</b>	<b>(81)</b>
Income taxes	(179)	(53)
<b>Profit (loss) for the period</b>	<b>271</b>	<b>(134)</b>
<b>Profit (loss) per share (base and diluted)</b>	<b>0,010</b>	<b>(0,005)</b>



**MONDO TV S.p.A.**  
**(Thousands of Euros)**

**Statement of financial position of Mondo TV S.p.A.**

	30.06.2014	31.12.2013
<b>Non-current assets</b>		
- <i>Intangible rights</i>	6.457	5.498
- <i>Other intangible assets</i>	43	50
Intangible assets	6.500	5.548
Property, plant and equipment	283	347
Equity investments	1.304	1.338
Deferred tax assets	10.424	10.523
Receivables	145	75
	<b>18.656</b>	<b>17.831</b>
<b>Current assets</b>		
Trade receivables	13.860	12.976
Financial receivables	-	-
Tax credits	7.671	8.224
Other assets	117	207
Cash and cash equivalents	1.250	673
	<b>22.898</b>	<b>22.080</b>
<b>Total assets</b>	<b>41.554</b>	<b>39.911</b>
<b>Non-current liabilities</b>		
Employee severance indemnity	275	252
Provisions for risks and charges	685	685
Deferred tax liabilities	212	212
Financial payables	327	573
	<b>1.499</b>	<b>1.722</b>
<b>Current liabilities</b>		
Provisions for risks and charges	27	276
Trade payables	7.909	7.031
Financial payables	2.948	3.224
Tax payables	38	38
Other liabilities	1.129	1.036
	<b>12.051</b>	<b>11.605</b>
<b>Total liabilities</b>	<b>13.550</b>	<b>13.327</b>
- <i>Share capital</i>	13.212	13.212
- <i>Share premium reserve</i>	13.599	19.232
- <i>Legal reserve</i>	2.642	2.642
- <i>Other reserves</i>	(1.720)	(2.869)
- <i>Renewed profit</i>	-	1.976
- <i>Profit (loss) for the period</i>	271	(7.609)
<b>Total equity</b>	<b>28.004</b>	<b>26.584</b>
<b>Total liabilities + equity</b>	<b>41.554</b>	<b>39.911</b>



**MONDO TV S.p.A.**  
**(Thousands of Euros)**

**Net financial position of Mondo TV S.p.A.**

	<b>30.06.2014</b>	<b>31.12.2013</b>
Cash and cash equivalents	1.250	673
Short term financial payables	(2.948)	(3.224)
<b>Current net financial (indebtedness) cash</b>	<b>(1.698)</b>	<b>(2.551)</b>
Long term financial payables	145	75
Mid-long term shareholder payables	(327)	(573)
<b>Mid-long term net indebtedness</b>	<b>(182)</b>	<b>(498)</b>
<b>Negative net financial position</b>	<b>(1.880)</b>	<b>(3.049)</b>
	1.250	673



**MONDO TV S.p.A.**  
**(Thousands of Euros)**

**Statement of cash flows of Mondo TV S.p.A.**

	1st half 2014	1st half 2013
<b>A. OPENING CASH AND CASH EQUIVALENTS</b>	673	1.331
Profit (loss) for the period	271	(134)
Amortisation, depreciation and impairment	663	1.067
Net change in provisions	(226)	(76)
<b>Cash flows from (used in) operating activities before changes in working capital</b>	708	857
(Increase) decrease in trade and other receivables	(959)	589
(Increase) decrease in tax assets	652	850
(Increase) decrease in other assets	90	192
Increase (decrease) in trade payables	878	(45)
Increase (decrease) in tax liabilities	-	3
Increase (decrease) in other liabilities	93	280
<b>B. NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	1.462	2.726
(Purchase) disposal of fixed assets		
- Intangible assets	(1.473)	(3.889)
- Property, plant and equipment	(3)	(35)
- Financial assets	34	648
<b>C. NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	(1.442)	(3.276)
Capital movements	1.149	(144)
(Increase) decrease in financial receivables and securities	(70)	884
Increase (decrease) in financial payables	(386)	(156)
Interest paid	(136)	(180)
<b>D. NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	557	404
<b>E. NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)</b>	577	(146)
<b>F. CLOSING CASH AND CASH EQUIVALENTS</b>	1.250	1.185