Lucisano Media Group _{S.p.A.}





INVESTOR PRESENTATION

November 2014



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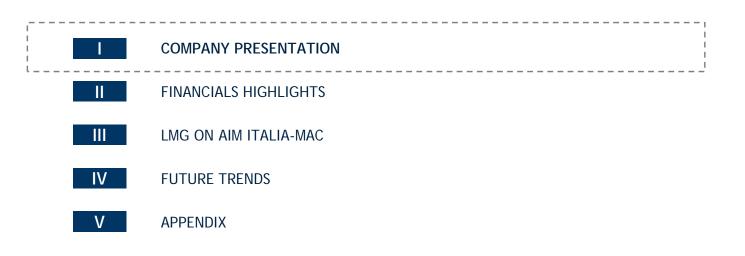
The forward-looking information contained herein is based on the intent, belief or current expectations of the customer base, estimates regarding future growth in the different business lines and the global business, market share, financial results and other aspects of the activities and situations relating to the Company. Such forward-looking information involve risks and uncertainties, and future actual results may differ materially from those expressed in or implied by these forward-looking information as a result of various factors, many of which are beyond the ability of LMG to control or estimate precisely. Consequently it is recommended that such kind of information is viewed as indicative only.

Analysts are cautioned not to place undue reliance on those forward looking information, which speak only as of the date of this presentation.

LMG undertakes no obligation to release publicity the results of any changes or revisions to the forward looking information, which may be made to reflect events and circumstances after the date of this presentation, including, without limitations, changes in LMG business or acquisition strategy or to reflect the occurrence of unanticipated events.

With respect to the interim financial statements, it is specified that while the interim data regarding fiscal year 2014 has been audited, the interim data regarding fiscal year 2013 has not been subject to audit.







AT A GLANCE

- The Group, established in 1958 by Fulvio Lucisano through Italian International Film ("IIF"), is today controlled by Lucisano Media Group ("LMG") and is the oldest integrated Italian player active in production, acquisition and distribution of movie and television products and in management of multiplexes, through Stella Film S.r.I. ("Stella Film")
- LMG made history in the Italian movie industry and its brand contributed to the development of the sector and in its success on the global scenario. During its history, LMG produced around 150 films and it distributed nearly 500 foreign movies. The library is today composed by around 230 Italian and international films
- LMG entered in the management of multiplex with the 2006 acquisition of Stella Film
- LMG was listed on the AIM Italia/MAC in July 2014 and today has a market capitalization of € 45 MIn



DIFFERENTIATING FACTORS

UNIQUE KNOW-HOW AND BACKGROUND ON THE ITALIAN SCENARIO

A 50-YEAR AWARD-WINNING TRACK RECORD OF PRODUCTIONS AND DISTRIBUTIONS (2 ACADEMY AWARDS, 12 ACADEMY NOMINATIONS)



FAVOURABLE MARKET MOMENTUM IN ITALY

DIVERSIFICATION OF RISK THROUGH OPERATIONS IN SEVERAL BRANCHES, SYNERGIES AMONG THE BUSINESS UNITS AND RELATIONSHIPS WITH FOREIGN DISTRIBUTORS



EXCLUSIVE CONTRACTS WITH TWO RAISING STARS OF THE ITALIAN FILM INDUSTRY



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LIBRARY COMPOSED BY TOP-QUALITY ITALIAN AND INTERNATIONAL FILMS

PRESENCE IN THE MULTIPLEX MANAGEMENT BUSINESS (LEADERSHIP POSITION ESPECIALLY IN SOUTHERN ITALY)

Track record



2 ACADEMY AWARDS (Thelma & Louise, 1991 - Indocina, 1992)

AWARDS



12 NOMINATIONS

ACADEMY



9 DAVID DONATELLO **

8 NASTRI D'ARGENTO **



2 TELEGATTO ***







Arena

Awards:





Ricomincio da Tre (1981)

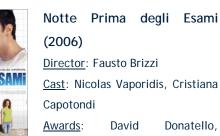
Director: Massimo Troisi

Cast: Massimo Troisi,

David

Lello

Donatello,





MAIN AWARD WINNERS



Farinelli (1995) Director: Gerard Corbiau Cast: S. Dionisi, E. Lo Verso Awards: David Donatello, Academy Award Nominee

Thelma & Louise (1991)

Cast: Susan Sarandon, Geena

Academy Award

David Donatello,

Cocomero

Director: Ridley Scott

Grande

Director: F. Archibugi

Cast: S. Castellitto, A.Galiena

Nastro d'Argento, Academy

Davis

Awards:

Winner

(1993)

Awards:

Award Candidate

Ex (2009) Director: Fausto Brizzi Cast: Nancy Brilli, Silvio Orlando, Claudio Bisio David Donatello Awards: Nominee



Drive (2011) Director: FN.W. Refn Cast: Ryan Gosling Awards: Academy Award Nominee, Golden Globe Nominee, Winner of the 2011 Cannes Film Festival (Best Director)



Nessuno Mi Può Giudicare (2011)Director: M. Bruno Cast: P. Cortellesi, R. Bova Awards: David Donatello, Nastro d'Argento, Globo d'Oro****

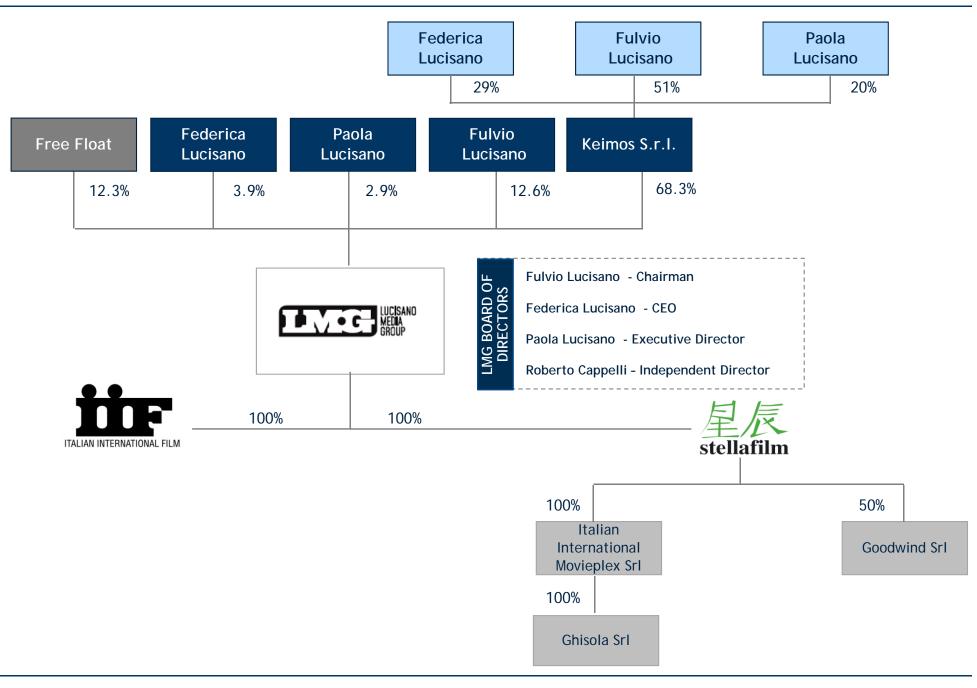
The company boasts a 50-year old, multiple prize-winning track record

Italian film award presented each year for cinematic performances and production by the Academy of Italian Cinema (ACI) Assigned each year by the association of Italian film critics since 1946 Italian television award first given out in 1971 Italian annual film award

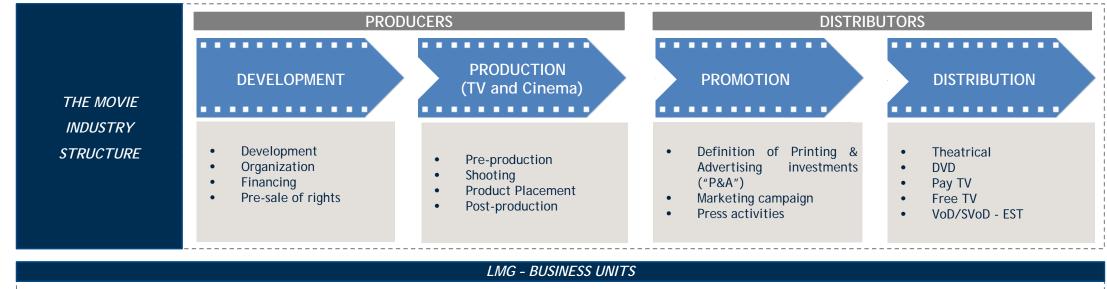
Telegatto



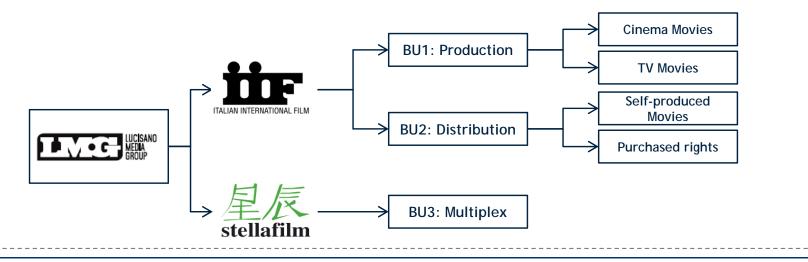
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Industry Structure and LMG's Business



- The Group is currently structured in 3 Business Units:
 - o Production: production of Cinema and TV Movies;
 - o Distribution: exploitation of movie rights (both self-produced or acquired) in different channels;
 - Multiplex: management of theatres particularly in central/southern Italy.



category

□ LMG has exclusive contracts with two of the major exponents of the Italian film industry:

	MASSIMILIANO BRUNO (Director, Writer and Actor)		EDOARDO LEO (Director, W	riter and Actor)
	<u>DIRECTION</u> • <i>Nessuno Mi Può Giudicare</i> , 2011 • <i>Viva L'Italia</i> , 2012		DIRECTION • Buongiorno Papà, 2013 • 18 Anni Dopo, 2010 • Ne Parliamo A Cena, 2007 (TV m	novie)
	MOVIE SCREENPLAY• Tutti Contro Tutti• Ex• Buongiorno Papà• Maschi Contro Femmine• Viva I'Italia• Questa Notte è Ancora Nostra• Notte Prima degli Esami		MOST IMPORTANT CINEMA AND TV • Titanic - Blood and steel • Baciati all'Amore • Dov'è mia Figlia • Il Signore della Truffa	 Fratelli Detective Romanzo Criminale Crimini
	<u>TV SCREENPLAY</u> • <i>I Cesaroni</i> • <i>Quelli Che il Calcio</i> • <i>Non ho l'età</i>		 I Cesaroni Liberi di Giocare <u>THEATRE</u> 	 Medicina Generale Lo Zio d'America 2 Caterina e Le Sue Figlie 2 Amini
	NOMINATIONS FOR DAVID DI DONATELLO • 5 Nominations for <i>Nessuno Mi Può Giudicare</i> , 2011 • 2 Nominations for <i>Viva L'Italia</i> , 2012 • Best Screenplay for <i>Notte Prima degli Esami</i> • Best Screenplay for <i>Maschi Contro Femmine</i>	Fo	 Ti Ricordi di Me Tieste Dramma Della Gelosia Domani Notte A Mezzanotte Qui Amici 	 Amici Troilo E Cressida Birdy I Cavalieri Della Tavola Rotonda Corruzione Al Plazzo Di Giustizia
	<u>AWARDS</u> • Nastro d'argento for <i>Nessuno Mi Può Giudicare,</i> best comedy		<u>AWARDS</u> Worldwide awards for 18 Anni L 	Ооро

Rights Management - LMG's library

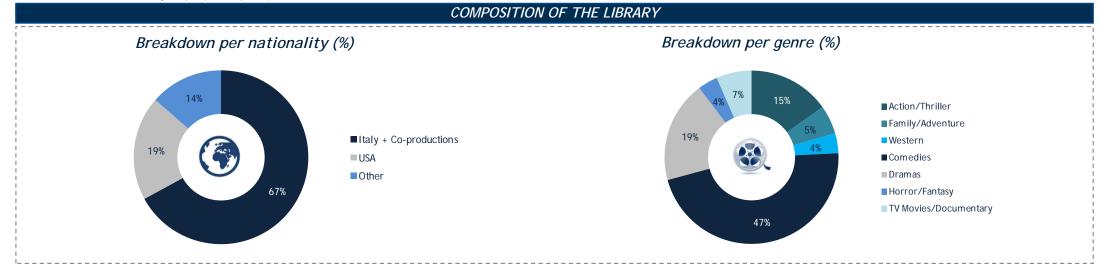
• The half-century activity of the Group leads to one of the most valuable Italian libraries, both from a dimension and a quality standpoint



* Based on Free TV rights. The figure includes also "Bollenti Spiriti", "L'inchiesta", "Inchiesta A.D.XXXIII", "II ladrone", "Prima notte del Dott. Danieli...", "Scandalo Perbene" and "Scusa se è poco" for which only Home Video or foreign rights are available

** Based on Free TV rights. The figure includes also "Incontriamoci a Las Vegas" whose rights are only for Home Video

*** Based on Home Video rights. The figure includes also "Due Imbroglioni e Mezzo" and "Due Imbroglioni e Mezzo 2" whose rights have been sold but LMG retains rights for 50% of the proceeds and "Agata e Ulisse" for which LMG retains rights for 30% of the proceeds. Besides, the figure takes into consideration "L'Uomo della Carità" (100%), "Ricomincio da Me" (100%) and "Anna e Yusuf" (50%) for which only foreign rights are owned and "Impazienti" for which LMG owns derivative rights (prequel, sequel, spin-off, etc...)



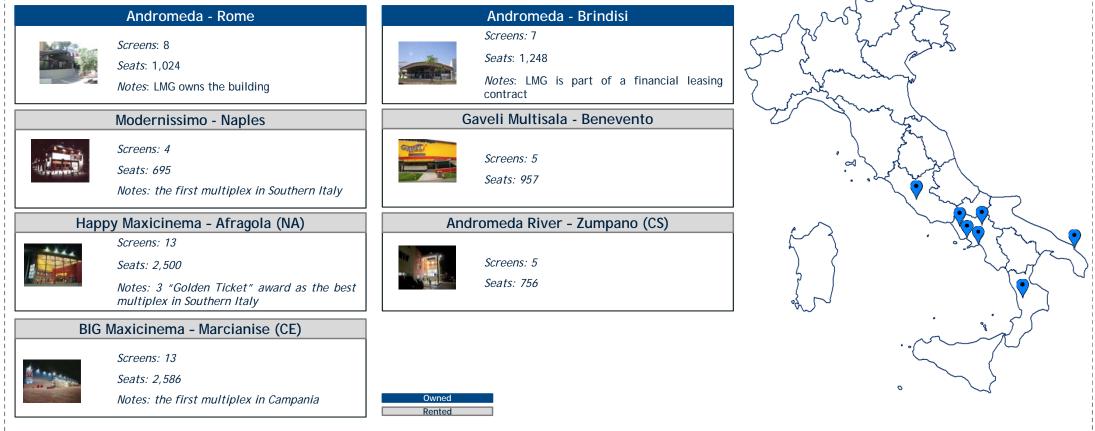
The heterogeneous composition of the library leads to maximum flexibility in matching the Home Video and the TV market demand

Multiplex Management



OVERVIEW

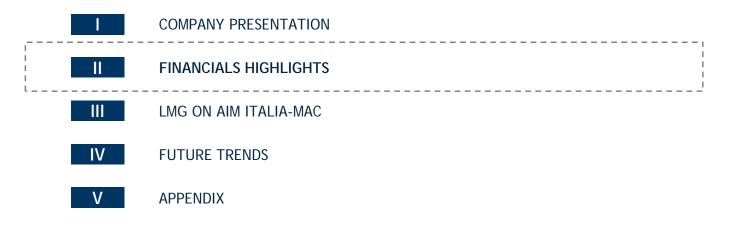
- Stella Film is the subsidiary of LMG active in the direct management of multiplexes and in the management of movie contents in other multiplexes
- Currently, Stella Film directly manages the following multiplexes, for a total of 55 screens and 9,766 seats:



• Moreover, Stella Film manages the movie contents in the Duel Village cinemas (Caserta and Salerno, for a total of 12 screens), Citrigno cinema (Cosenza, 1 screen), Supercinema (Cosenza, 1 screen), San Nicola (Cosenza, 1 screen)

Stella Film manages 70 screens in Southern Italy





Financials - IAS IFRS Income Statement

Income Statement (€/MIn)		2012	2013 *	
Revenues		39,9	35,2	
Pi	roduction	25,6	18,9	
Dis	tribution	1,5	2,4	
Ι	Multiplex	12,8	13,9	
Operating Costs		-19,7	-17,9	
Value Added		20,2	17,4	
PersonnelCost		-2,7	-2,7	
EBITDA		17,5	14,6	
EBITD	A <i>Margin</i>	44%	42%	
Amortization & Depreciation		-14,7	-13,1	
EBIT		2,8	1,6	
Financial Income and Expenses		-1,6	-1,2	-
Gross Profit		1,2	0,4	
Taxes		-0,2	0,1	_
Net Profit		1,0	0,5	

• The film production activity is referred to IIF. The 20% increase in production revenues recorded in H1 2014 is mainly connected to the increase recorded in the sale of movie rights partially offset by the box office results of the movies released in the first half of 2014: "Un Matrimonio da Favola" and "Pane e Burlesque".

• Distribution revenues, totaling € 1.1 MIn in H1 2014, are in line with H1 2013.

• In H1 2014 the multiplex management recorded a low decrease (5%) in attendance box office proceeds. The result is substantially in line with the market trend in the same period but when compared with Central-Southern Italy (where IIH is focused), the Group performed better than the market.

• Major operating costs recorded in H1 2014 are represented by services costs (totaling € 14.2 MIn) which include film production** and distribution expenses (pertaining to IIF) for € 7.2 MIn and the multiplex outlays (including rental of films and theatres) for € 3.7 MIn. Movie production expenses are related to the completion of the 2 films released in the period and to initial investments for "Confusi e felici", "Scusate se esisto" and "Noi e la Giulia" which are expected to be released in H2 2014 and H1 2015.

• Personnel costs remained substantially unchanged. The number of employees as of 30/06/2014 is 79 increasing of 1 unit when compared to 78 as of 31/12/2013.

• The financial expenses recorded in H1 2014 are in line with those of the same period of 2013.

Financials - IAS IFRS Balance Sheet

Balance Sheet (€/MIn)	2012	2013	H1-2014
Total Fixed Assets	56,5	48,5	50,3
Net Working Capital	0,7	5,3	2,5
Inventories	0,1	0,1	0,1
Account Receivables	19,8	11,7	9,7
Account Payables	-15,7	-12,4	-10,0
Other Net Assets (Liabilities)	-3,5	6,0	2,7
Funds	-1,1 -1,0		-1,1
Uses	56,2	52,9	51,7
Shareholders' Equity	13,2	13,6	14,1
Net Financial Debt	43,0	39,2	37,5
Cash and equivalents	-8,0	-6,7	-7,5
ST Financial Debt	7,4	4,5	3,8
LT Financial Debt	43,7	41,4	41,2
Sources	56,2	52,9	51,7

• Intangible assets (totaling € 22.9 MIn at the end of the first half 2014, versus € 20.1 MIn at the end of 2013, are mostly attributable to IIF) mainly encompass library rights (€ 6.4 MIn for self-produced movies, € 6.7 MIn for purchased temporary rights and € 8.8 MIn for productions not completed within the year and capitalized costs for future projects). The increase is attributable to the investments completed during the period net of related amortization

• H1 2014 Tangible assets, totaling € 29.8 MIn, are substantially represented by Stella Film Group multiplex properties (Rome and Brindisi) for a total of € 20.0 MIn. The decrease when compared to FY 2013 (€ 30.8 MIn) is attributable to the amortization of the period

• Account receivables are principally referred to IIF, which claims major credits with Rai Cinema, RAI - Radiotelevisione Italiana and Telecom Italia Media

• Account payables are referred for the largest part to IIF (almost € 5.1 MIn) and Stella Film (€ 3.1 MIn)

• Other net assets decreased as of June 30, 2014 when compared to 2013 due to the increase of other current liabilities mainly attributable to deferred incomes of movies released in previous years. The largest entry is represented by receivables towards the Mibac for a total of € 7.3 MIn for public grants on past box office proceeds

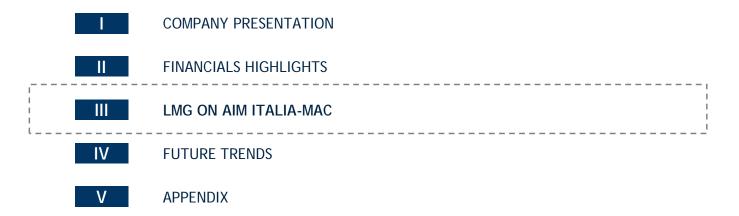
• Despite the considerable investments (€ 8.3 MIn of which € 7.7 MIn for movie production and € 0.6 MIn for theatres) completed in H1 2014, the Net Financial Debt decreased from € 39.2 MIn at the end of FY 2013 to € 37.5 MIn at the end of H1 2014. The most relevant amount (€ 26.5 MIn) is referred to a financing received from a Pool of banks including Mediocredito Italiano S.p.A, Unicredit Corporate Banking S.p.A. and Intesa Sanpaolo S.p.A.

LUCISANO MEDIA GROUP	
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Net Financial Debt Breakdown (€/Mln)	2012	2013	H1 2014	
Cash & Equivalents	-8,0	-6,7	-7,5	
Short-term Financial Debt	7,4	4,5	3,8	
Pool financing	0,1	0,1	0,2	
Loans	0,8	0,9	0,9	
Financial Lease	1,1	1,0	0,9	
Shareholders' Ioan	1,9	1,8	1,6	
Other	3,5	0,7	0,2	
Long-term Debt	43,7	41,4	41,2	
Pool financing	26,4	25,5	26,3	
Loans	7,2	6,3	5,8	
Financial Lease	8,5	7,8	7,4	
Other	1,5	1,7	1,6	
Net Financial Debt	43,0	39,2	37,5	
Debt to EBITDA	2,5	2,3	NM	
Debt to Equity	3,3	2,9	2,7	

	POOL FINANCING		
a poo	06 (renewed in 2013) LMG received a € 40 million financing from I of financial institutions: Mediocredito Italiano S.p.A, Unicredi rate Banking S.p.A. and Intesa Sanpaolo S.p.A.		
• Purpo	ses of the financing are:		
0	Up to € 25 MIn for the acquisition of new film rights and financing of movie production costs. The amount can be drawn up to October 2016 and shall be fully reimbursed by October 2019;		
0	Up to € 15 MIn for credit discounting in relation to movie production and distribution. The amount can be drawn up to April 2019 and shall be fully reimbursed by October 2019		
	ariable interest rate is calculated as the six-month Euribor rate 3.75% spread.		
• The financing is secured by a mortgage on the "Andromeda Maxicinema" property			





LMG on AIM Italia - MAC

IPO Key Facts	Perfor	
IPO Date	7/16/2014	Price @ 11/11/2014
IPO Price	\$ 3.50	
ISIN Code	IT0004522162	Change in Price
Shares underwritten in IPO	1,814,400	Weighted average Pric
Raised amount	\$ 6,350,400.00	0 0
		Average daily volume
Total Shares Outstanding after IPO	14,814,400	
		Average daily turnover
Mkt Cap at IPO	\$ 51,850,400.00	
Free Float	12.3%	

	nce IPO	
rice @ 11/11/2014	\$	2.75
hange in Price		-21%
leighted average Price	\$	3.47
verage daily volume		7,467
verage daily turnover	\$	11,089.76

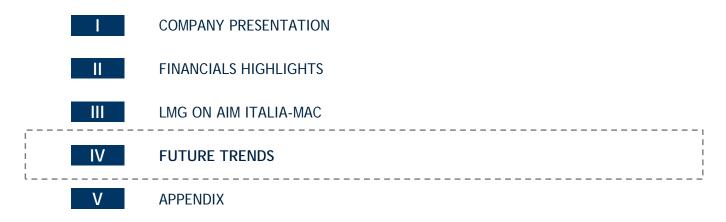


	P/E	P/E	EV/Ebitda	EV/Ebitda	EV/Ebit	EV/Ebit
Peer	2014 E	2015 E	2014E	2015E	2014E	2015E
LIONS GATE ENTERTAINMENT CORP	20.7x	18.5x	13.8x	12.8x	20.9x	17.0x
BONA FILM GROUP LTD	28.8x	21.5x	14.0x	10.4x	27.0x	16.8x
MONDO TV SPA	nr	13.0x	5.3x	3.9x	nr	8.9x
ENTERTAINMENT ONE LTD	14.1x	12.7x	8.1x	7.4x	8.4x	7.8x
DREAMWORKS ANIMATION SKG Inc	-	24.9x	nr	nr	nr	18.0x
EUROPACORP	nr	nr	3.7x	3.5x	-	-
SPLENDID MEDIEN AG	nr	nr	2.4x	1.7x	16.1x	4.7x
CONSTANTIN MEDIEN AG	-	24.3x	3.2x	2.3x	nr	12.1x
EROS INTERNATIONAL PLC	-	-	11.8x	10.8x	13.7x	12.0x
Average	21.2x	19.1x	7.8x	6.6x	17.2x	12.2x
Median	20.7x	20.0x	6.7x	5.7x	16.1x	12.0x

Source: Bloomberg @ 11/11/2014

LMG share price shows a negative trend despite the good results and appears to be highly undervalued when compared to its peer group





Production: Releases 2014-2015



The exixting pipeline provides good visibility on 2015 results





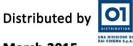
I SETTE NANI (The Seventh Dwarf) Directed by Herald Siepermann, Boris Aljinovic

Distributed by MICTOCINE

February 2015



From the directors and actor of "The Intouchables" SAMBA (Samba) Directed by Eric Toledano & Olivier Nakache Starring Omar Sy, Charlotte Gainsbourg, Tahar Rahim, Izïa Higelin



March 2015

From the director of "Amélie" LO STRAORDINARIO VIAGGIO DI T.S. SPIVET

(The young and prodigious T.S. Spivet)



Directed by: Jean-Pierre Jeunet Starring Helena Bonham Carter, Judi Davis , Kyle Cattlet

Distributed by W DISTRIBUZIONE

March 2015

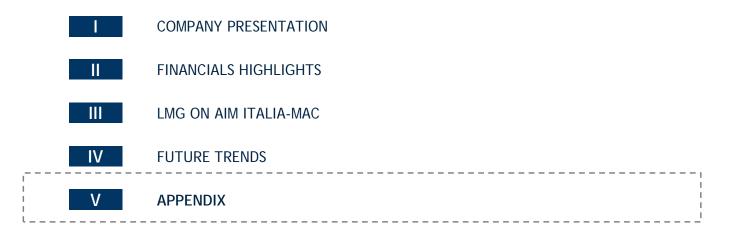


French boxoffice: \$ 110.000.000 NON SPOSATE LE MIE FIGLIE!

(Qu'est ce-qu'on a fait au bon Dieu?) Directed by Philippe de Chauveron Starring Christian Clavier, Chantal Lauby, Frederique Bel, Julia Piaton, Emilie Caen, Elodie Fontan







Longstanding Track-record and Committed Management

KEY PERSON	ROLE	BACKGROUND
Federica Lucisano	CEO	 Federica entered IIF (now LMG), immediately after graduation (1992) focusing in the "foreign acquisitions" area ("Four Weddings and a Funeral", "Sleepers") As well as continuing her efforts in the distribution of foreign films ("Mona Lisa Smile", "Lord of War", "John Rambo", "Drive"), progressively increased her commitment in the production activity, producing Italian blockbusters such as "Notte Prima degli Esami", "Ex", "Maschi Contro Femmine", "Nessuno Mi Può Giudicare" In 2003 she became CEO of IIF
Fulvio Lucisano	Chairman	 Fulvio's interest in the movie industry started in the 1950's when he collaborated in the shooting of several documentaries In 1958 he founded IIF and in 50 years its company revolutionized the Italian film scenario (quality national productions such as, "Ricomincio da Tre", "II Giovane Toscanini" directed by Franco Zeffirelli and sevaral movies with Alberto Sordi) Fulvio represented the Italian movie industry by serving two terms as Chairman of Anica(1998-199 and 2000-2001) During its career he obtained several awards, including 3 Nastro d'Argento and 4 David di Donatello and he has been recently named "Cavaliere del Lavoro"
Luciano Stella	CEO Stella Film	 Luciano is the founder of Stella Film (1996). He started with the restoration of the Modernissimo movie-theatre in Naples (first multiplex in Southern Italy) and since then he has opened multiplex all over Southern Italy From 1985 to 2004 he also worked as Warner Bros' Southern-Italy-Distribution Manager of, 20th Century Fox, Cecchi Gori, Buena Vista Int. Italia

HEDIA GROUP

Longstanding Track-record and Committed Management

KEY PERSON	ROLE	BACKGROUND
Paola Lucisano	Executive Director	 She had her first experience in the movie business in 1996 when she founded Film Trust. She started off producing 10 short-movies ("Senza Parole" won the David di Donatello, a Golden Globe and was nominated to the Academy Awards) In 2000, Paola expanded IIF's business to the TV productions with excellent results (agreements with the premiere broadcasters such as Rai, Mediaset, Sky) Currently, she is the CEO of IIF
Fabrizio De Santis	Administration & Control	 Graduated in Economics at Università La Sapienza in Rome Enrolled in the Register of Accounting Auditors, he has a 25-year experience in the Guardia di Finanza where he took care of the entertainment business Currently he is in charge of the Administration & Control department of LMG
Giuseppe Pasetti	Finance & Planning	 A long standing career in Venture Capital and Private Equity Funds were he managed and realized investments in US, Israel, Europe and Asia Helped and followed several companies growing from zero/small/medium size to over 100mln revenues During his professional experience he worked in funds, financial firms and companies like Management Resources of America, Lazard, DeA Capital SpA, CDB Web Tech and Montezemolo & Partners, performing executive roles MBA at Stern University of New York in 1998

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