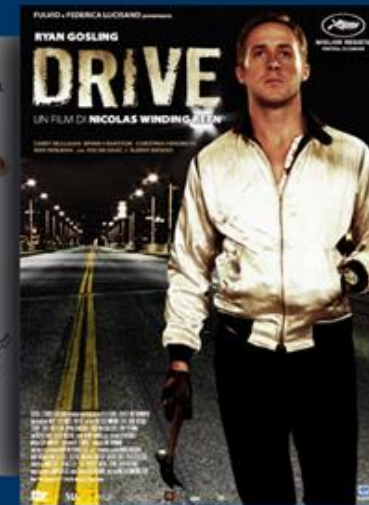
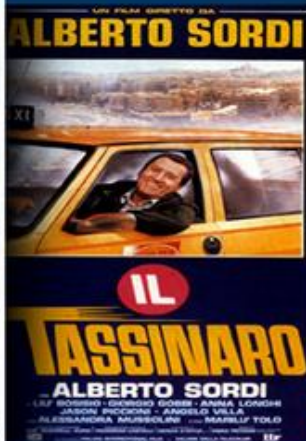


# Lucisano Media Group S.p.A.



INVESTOR PRESENTATION

1<sup>st</sup> October 2015

**LMG** LUCISANO  
MEDIA  
GROUP

*This presentation has been prepared by Lucisano Media Group S.p.A. (“LMG” or the “Company”) in order to provide the financial community with an updating of its current situation. It does not constitute an offer or solicitation for the sale, purchase or acquisition of securities.*

*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 publicly 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.*

*With respect to the 2014 full year results, it is specified that they are based on public data yet to be approved by the company general assembly and that they have been reclassified for representation purposes.*



**GROUP OVERVIEW**



**INDUSTRY**



**BUSINESS MODEL**



**INVESTMENT OPPORTUNITIES**



**FINANCIAL HIGHLIGHTS**



**APPENDIX**



The oldest integrated Italian player active in production, acquisition and distribution of movie and television products and in management of multiplexes\*



LMG made history in the Italian movie industry

LGM brand contributed to the development of the entire sector and to the success in the global scenario



Listed on the AIM Italia/MAC in July 2014 with a market cap of € 52 Mln

**COVERS ALL PHASES OF A FILM'S VALUE CHAIN**

**HISTORY**

**POWER**

**MARKET**

\* through Stella Film S.r.l., started in 2006 with Stella Film acquisition

2



ACADEMY AWARDS

12

ACADEMY AWARDS  
NOMINATIONS

9

DAVID  
DONATELLO \*\*

8

NASTRI  
D'ARGENTO \*\*

2



TELEGATTO \*\*\*

1



GOLDEN TICKET

## A 50-YEAR OLD, MULTIPLE PRIZE-WINNING TRACK RECORD

Ricomincio da Tre (1981)

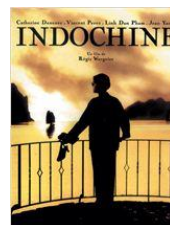
David Donatello  
Nastro d'Argento

Thelma &amp; Louise (1991)



Academy Award Winner

Indochine (1992)



Academy Award Winner

Il Grande Cocomero (1993)

David Donatello  
Nastro d'Argento  
Academy Award Candidate

Four Weddings and a Funeral (1994)



Academy Award Nominee

David Donatello  
Academy Award Nominee

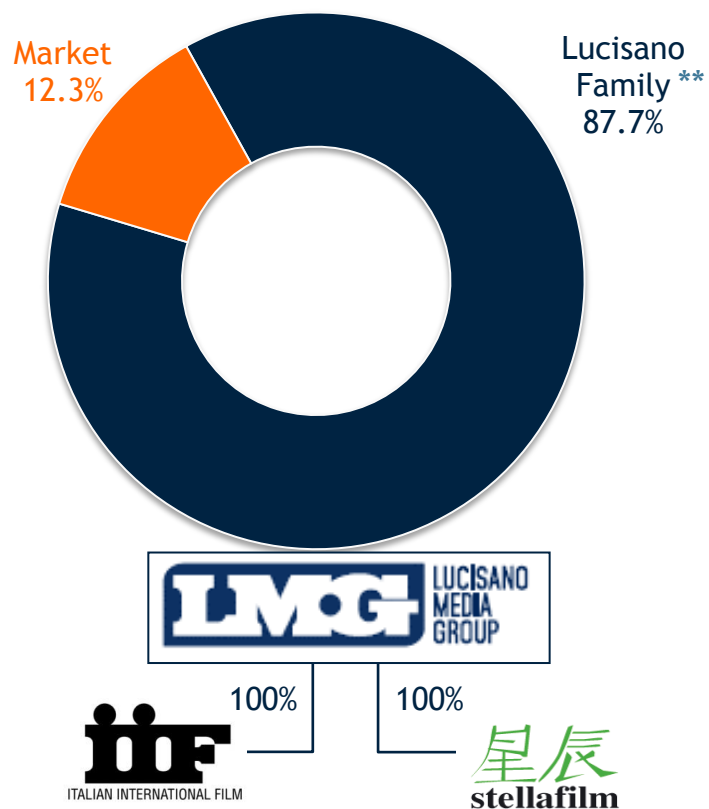
Farinelli (1995)

David Donatello  
TelegattoNotte Prima degli Esami  
(2006)Academy Award Nominee  
Golden Globe Nominee,  
Winner of the 2011 Cannes Film Festival  
(Best Director)

Drive (2011)

David Donatello  
Nastro d'Argento  
Globo d'OroNessuno Mi Può Giudicare  
(2011)Globo d'Oro  
David Giovani  
Nastro d'ArgentoNoi e la Giulia  
(2015)

\* 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



## BOARD OF DIRECTORS

**FULVIO LUCISANO**  
Chairman

**FEDERICA LUCISANO**  
CEO

**PAOLA LUCISANO**  
Executive Director

**ROBERTO CAPPELLI**  
Independent Director

## PARTNERS

**BANCA POPOLARE DI VICENZA S.C.P.A.**  
NOMAD

**INTERMONTE SIM S.P.A.**  
Specialist

**BDO S.P.A.**  
Auditors



**COMPANY AT A GLANCE**



**INDUSTRY**



**BUSINESS MODEL**



**INVESTMENT OPPORTUNITIES**



**FINANCIAL HIGHLIGHTS**



**APPENDIX**











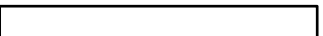



















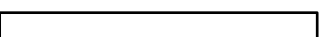




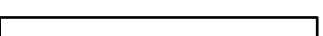



Cinema production

TV production

Distribution

Multiplex

				
 LUCISANO MEDIA GROUP				
				
 OI DISTRIBUTION UNA DIVISIONE DI RAI CINEMA S.p.A.				
				
				
				
				
				
				
				
				



## THE MOVIE INDUSTRY FEATURES

### PRODUCERS

#### DEVELOPMENT

- Development
- Organization
- Financing
- Pre-sale of rights

#### PRODUCTION (TV and Cinema)

- Pre-production
- Shooting
- Product Placement
- Post-production

### DISTRIBUTORS

#### PROMOTION

- Definition of Printing & Advertising investments ("P&A")
- Marketing campaign
- Press activities

#### DISTRIBUTION

- Theatrical
- DVD
- VoD/SVoD - EST
- Pay TV
- Free TV



**COMPANY AT A GLANCE**



**INDUSTRY**



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**APPENDIX**

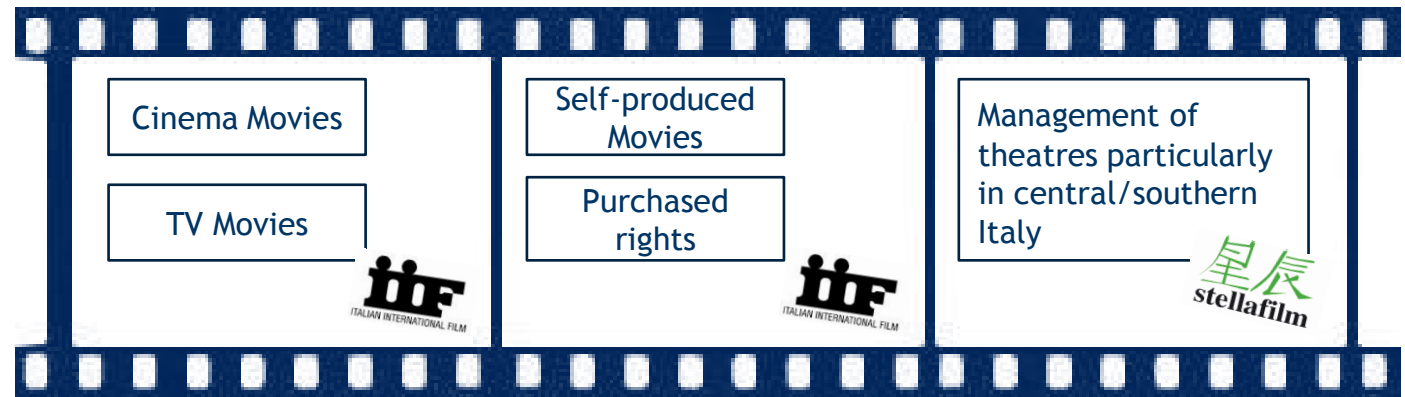
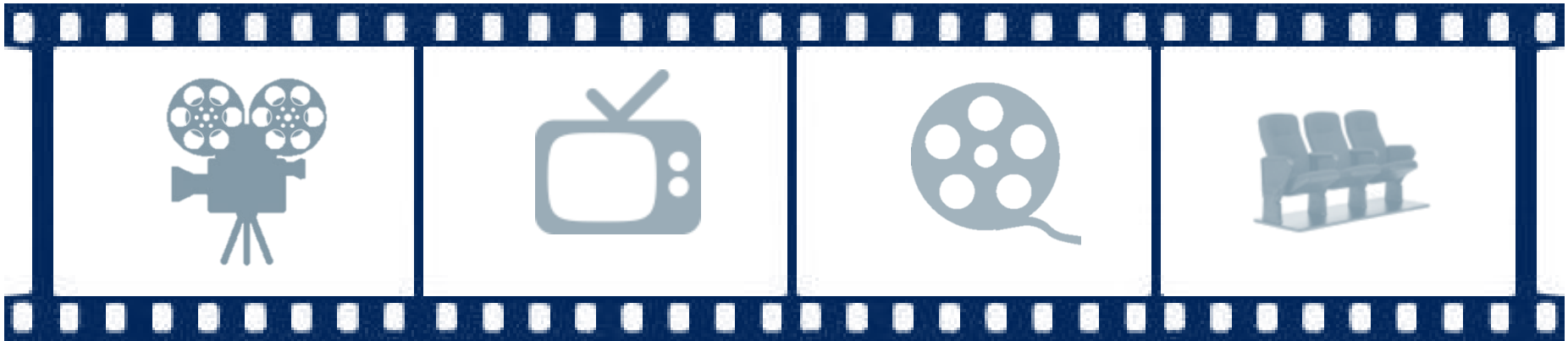
## THE OLDEST INTEGRATED ITALIAN PLAYER

Cinema production

TV production

Distribution

Multiplex



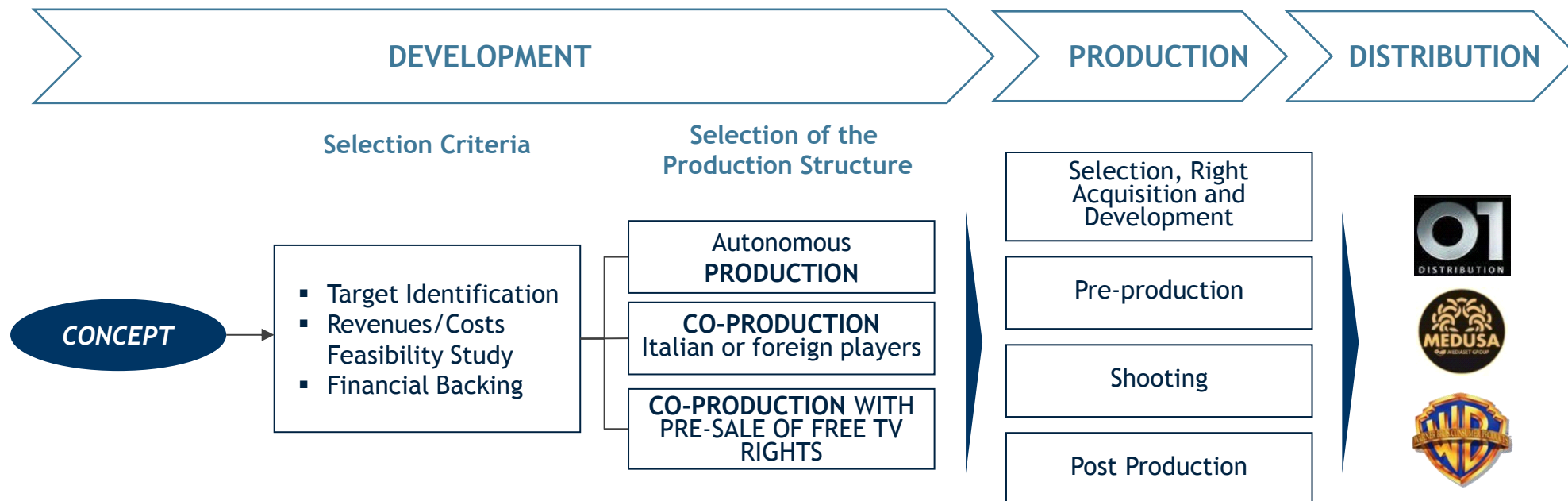
BUSINESS UNITS

Production

Distribution

Multiplex

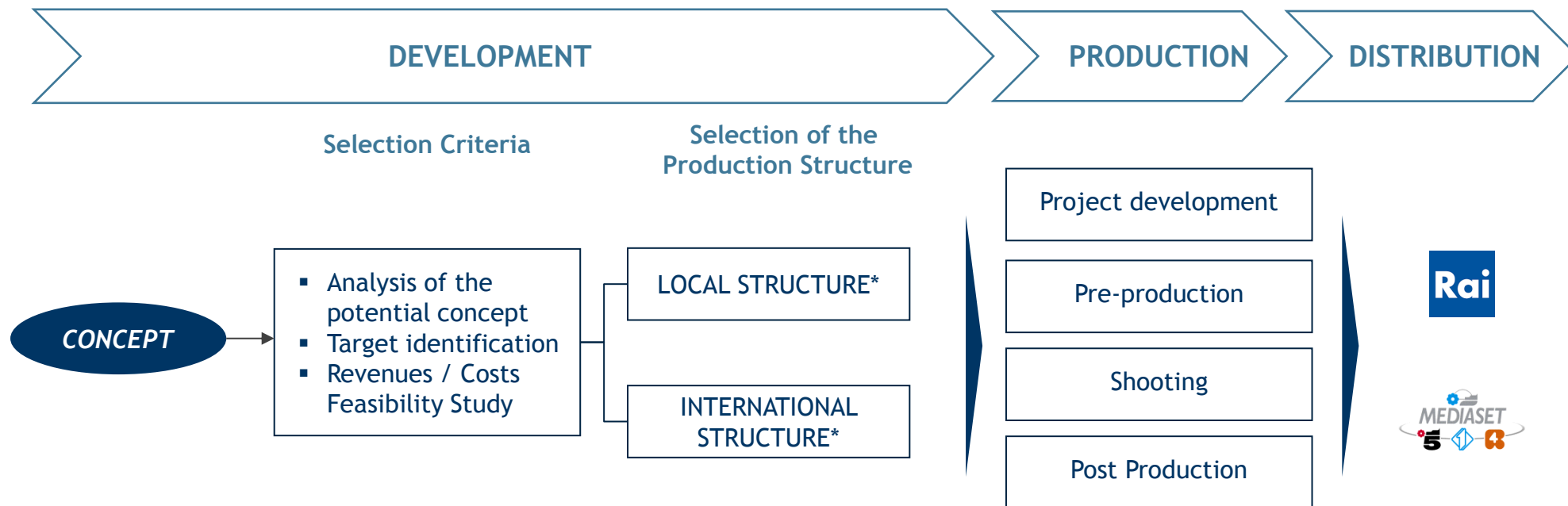
## HIGH COORDINATION AMONG ALL THE PARTIES INVOLVED



Production costs are fully covered before production starts through a combination of the following:

- Pre-sale of free TV rights (the partner participates in the budget and it pre-acquires Free TV rights)
- Distribution agreements with guaranteed minimum income
- Different government incentives

## BASED ON A PRIOR AGREEMENT WITH A TV BROADCASTER



- TV movies are produced for third parties which bear the whole production costs
- LMG usually owns part of the movie rights (usually Home Video and Foreign rights) in addition to receiving a production fee

## MAIN FEATURES OF LMG TV PRODUCTION POLICY

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- Long-time relationships with foreign production companies
- No-risk production thanks to agreements with broadcasters
  - ✓ Production costs are completely funded by TV broadcasters which reimburse IIF during the shooting
- LMG is an independent producer\*
  - ✓ Independent producers are eligible to receive **tax credit and public grants**

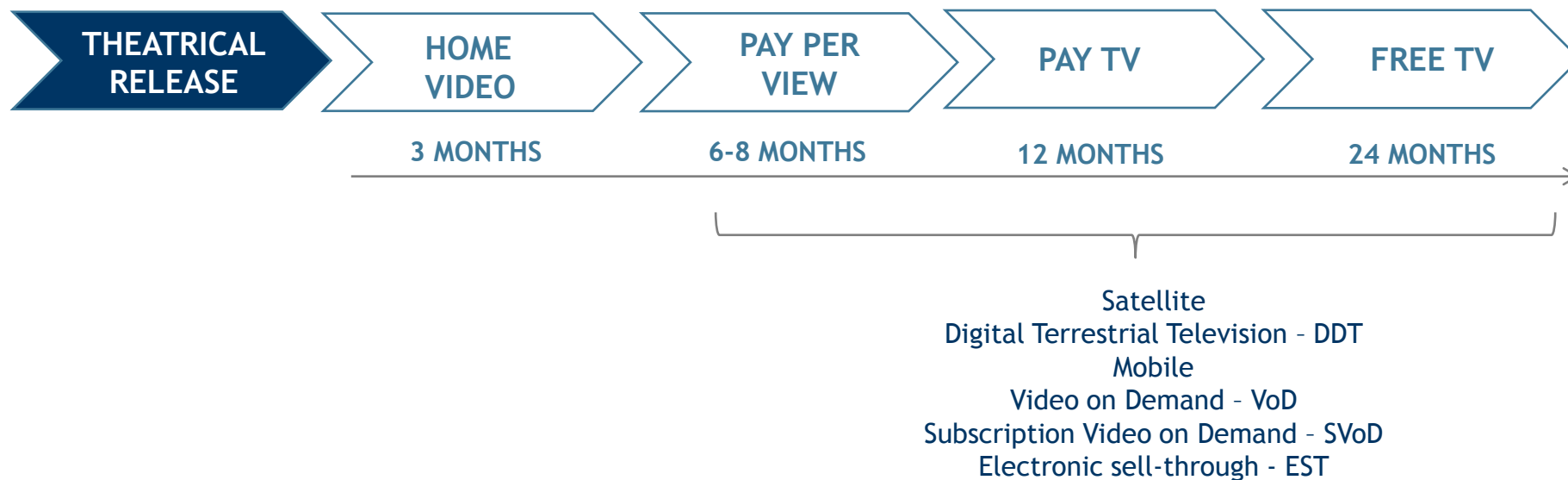
## LMG TV PRODUCTION PARTNERS

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- LMG network is highly differentiated. Rai and Mediaset are the main partners: while Rai has a cinematographic approach, Mediaset is more oriented to TV-specific comedies
-

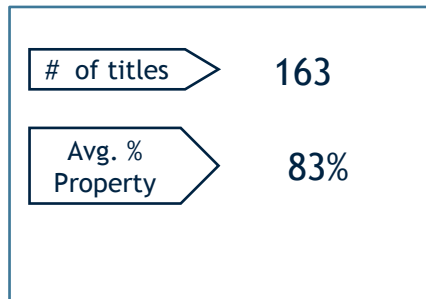
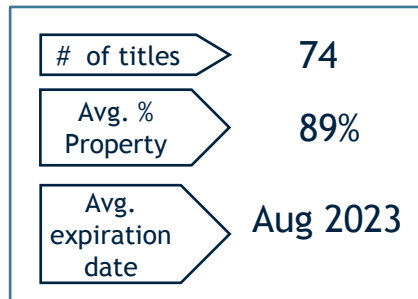
## FIRST SALE CYCLE



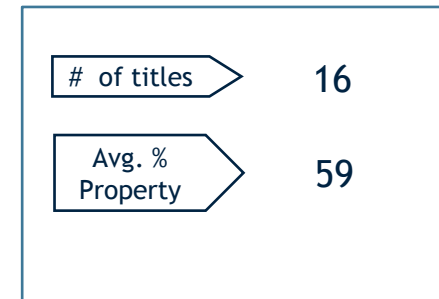
- The distribution covers films produced in-house by LMG and also those LMG purchases on the market
- For its own productions LMG can exploit more rights than for those purchased
- A film's distribution cycle needs a lot of promotional activity



## VALUABLE ITALIAN LIBRARY IN TERMS OF SIZE AND QUALITY

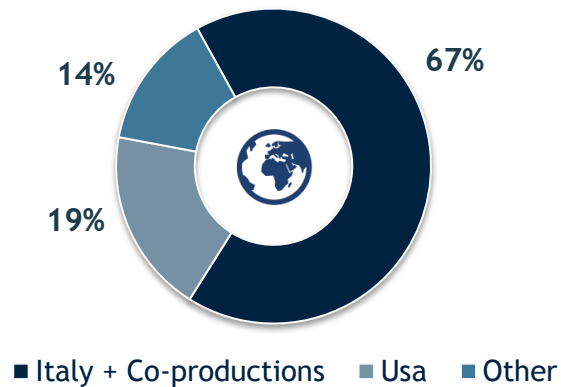
PRODUCED  
PERPETUAL RIGHTSPURCHASED  
TEMPORARY RIGHTS

## TV FILMS

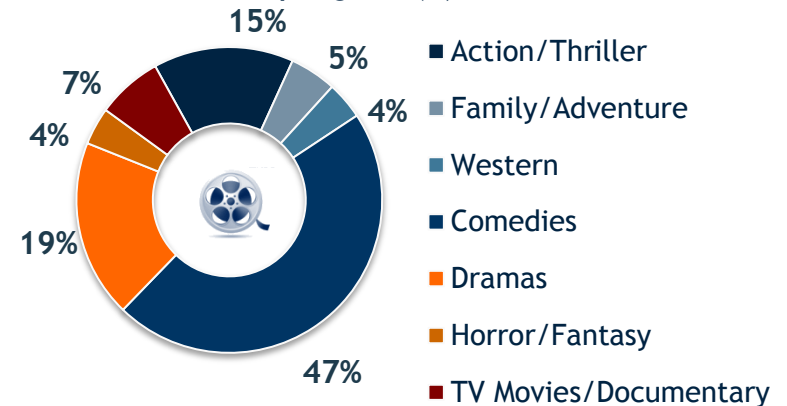


253  
films

Breakdown per nationality (%)



Breakdown per genre (%)



## MAXIMUM FLEXIBILITY VS HOME VIDEO AND TV MARKET DEMAND

## 70 SCREENS IN SOUTHERN ITALY

- LMG operates in the direct management of multiplexes and in the programming of movie contents in other multiplexes through its subsidiary **Stella Film**
- Currently Stella Film directly manages a **total of 55 screens and 9,766 seats**
- On March 12, 2015 the Company announced the agreement for the opening of the first **IMAX** theater in the south of Italy (only 2 screens are today present in the north of Italy) in partnership with IMAX
- Moreover, Stella Film programs 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)

**Andromeda - Rome**

Screens: 8

Seats: 1,024

Notes: LMG owns the building

**Andromeda - Brindisi**

Screens: 7

Seats: 1,248

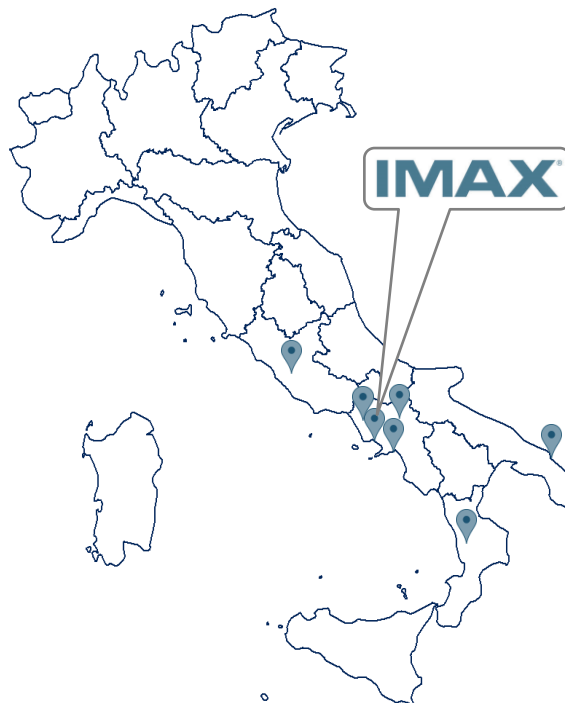
Notes: Part of a financial leasing contract

**Modernissimo - Naples**

Screens: 4

Seats: 695

Notes: the first multiplex in Southern Italy

**Happy Maxicinema - Afragola (NA)**

Screens: 13

Seats: 2,500

Notes: 3 "Golden Ticket" award as the best multiplex in Southern Italy

**Andromeda River - Zumpano (CS)**

Screens: 5

Seats: 756

**BIG Maxicinema - Marcianise (CE)**

Screens: 13

Seats: 2,586

Notes: the first multiplex in Campania

**Gaveli Multisala - Benevento**

Screens: 5

Seats: 957

## Exclusive contracts with two of the most successful Italian film-makers

**MASSIMILIANO BRUNO**  
(Director, Writer and Actor)DIRECTION

- *Nessuno Mi Può Giudicare*, 2011
- *Viva L'Italia*, 2012
- *Confusi e felici* 2014

MOVIE SCREENPLAY

- *Confusi e felici*
- *Buongiorno Papà*
- *Viva l'Italia*
- *Notte Prima degli Esami*
- *Ex*
- *Maschi Contro Femmine*
- *Questa Notte è Ancora Nostra*

TV SCREENPLAY

- *I Cesaroni*
- *Quelli Che il Calcio*
- *Non ho l'età*

NOMINATIONS FOR DAVID DI DONATELLO

- 5 Nominations for *Nessuno Mi Può Giudicare*, 2011
- 2 Nominations for *Viva L'Italia*, 2012
- Best Screenplay for *Notte Prima degli Esami*
- Best Screenplay for *Maschi Contro Femmine*

AWARDS

- Nastro d'argento for *Nessuno Mi Può Giudicare*, best comedy category

**EDOARDO LEO**  
(Director, Writer and Actor)DIRECTION

- *Buongiorno Papà*, 2013
- *18 Anni Dopo*, 2010
- *Ne Parliamo A Cena*, 2007 (TV movie)
- *Noi e la Giulia*, 2015

MOST IMPORTANT CINEMA AND TV MOVIES

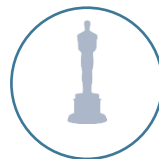
- |                                    |                                     |
|------------------------------------|-------------------------------------|
| ▪ <i>Titanic - Blood and steel</i> | ▪ <i>Fratelli Detective</i>         |
| ▪ <i>Baciati all'Amore</i>         | ▪ <i>Romanzo Criminale</i>          |
| ▪ <i>Dov'è mia Figlia</i>          | ▪ <i>Crimini</i>                    |
| ▪ <i>Il Signore della Truffa</i>   | ▪ <i>Medicina Generale</i>          |
| ▪ <i>I Cesaroni</i>                | ▪ <i>Lo Zio d'America 2</i>         |
| ▪ <i>Liberi di Giocare</i>         | ▪ <i>Caterina e Le Sue Figlie 2</i> |

THEATRE

- |  |   |
|--|---|
| ▪ <i>Ti Ricordi di Me</i>              | ▪ <i>Amici</i>                              |
| ▪ <i>Tieste</i>                        | ▪ <i>Troilo E Cressida</i>                  |
| ▪ <i>Dramma Della Gelosia</i>          | ▪ <i>Birdy</i>                              |
| ▪ <i>Domani Notte A Mezzanotte Qui</i> | ▪ <i>I Cavalieri Della Tavola Rotonda</i>   |
| ▪ <i>Amici</i>                         | ▪ <i>Corruzione Al Palazzo Di Giustizia</i> |

AWARDS

- Worldwide awards for *18 Anni Dopo*
- Nastro d'argento for *Noi e la Giulia* best comedy





## February Noi e La Giulia

**Directed by** Edoardo Leo  
**Starring** Luca Argentero,  
Edoardo Leo, Claudio  
Amendola, S. Fresi, C.  
Buccirosso, Anna Foglietta



## September Tutte lo vogliono

**Directed by** Alessio M. Federici  
**Starring** Enrico Brignano  
Vanessa Incontrada, Giulio Berruti,  
Ilaria Spada



## October Io che amo solo te

**Directed by** Marco Ponti  
**Starring** Riccardo Scamarcio,  
Laura Chiatti, Michele Placido,  
Maria Pia Calzone, Luciana  
Littizzetto



## November Gli ultimi saranno gli ultimi

**Directed by** Massimiliano Bruno  
**Starring** Paola Cortellesi, Alessandro  
Gassmann, Fabrizio Bentivoglio



## Anna e Yusef (2 episodes)

**Directed by** Cinzia TH Torrini  
**Starring** V. Incontrada



## Il Sistema

**Directed by** Carmine Elia  
**Starring** Claudio Gioè, Gabriella Pession,  
Valeria Bilello

**EXISTING PIPELINE PROVIDES GOOD VISIBILITY ON 2015**



## FEBRUARY 2015

## Non sposate le mie figlie

Directed by Philippe de Chauveron  
 Starring: Christian Clavier, Chantal Lauby,  
 Frederique Bel, Julia Piaton, Emile Caen,  
 Elodie Fontan



## MARCH 2015



## Samba

Directed by Eric  
 Toledano & Olivier  
 Nakache



## I sette Nani

Directed by Herald  
 Siepermann, Boris  
 Aljinovic

Lo straordinario viaggio di  
T.S.SPIVET

Directed by Jean-Pierre  
 Jeunet







**COMPANY AT A GLANCE**



**INDUSTRY**



**BUSINESS MODEL**



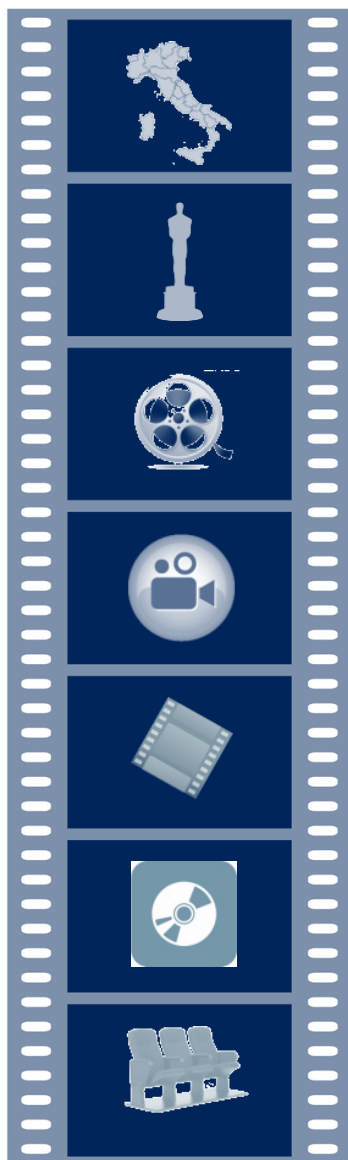
**INVESTMENT OPPORTUNITIES**



**FINANCIAL HIGHLIGHTS**



**APPENDIX**



- Unique fully vertically integrated group in the Italian audio-visual sector
- Strong track record in Italian comedy films
- A 50-year award-winning track record of productions and distributions
- Distinctive production know-how
- Capability to attract talents
- Library composed by top-quality Italian and international films
- Diversification of risk through operations in several branches
- Relationships with foreign distributors
- Very committed management
- Next 3 years of positive net results
- Increasing Cash-flow
- Movie Industry growth
- Strong market price upside potential





**COMPANY AT A GLANCE**



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**APPENDIX**

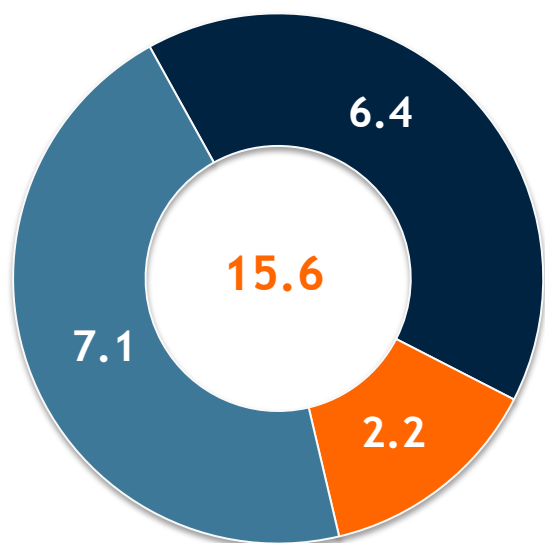
€/000	1H 2015	1H 2014	FY 2014
<b>Total Revenues</b>	<b>15,640</b>	<b>15,724</b>	<b>44,082</b>
<b>EBITDA</b>	<b>5,844</b>	<b>6,785</b>	<b>18,942</b>
<i>EBITDA Margin</i>	37%	43%	43%
<b>EBIT</b>	<b>2,600</b>	<b>2,390</b>	<b>4,212</b>
<i>EBIT Margin</i>	17%	15%	10%
<b>Financial Income &amp; Expenses</b>	<b>(892)</b>	<b>(739)</b>	<b>(1,709)</b>
<b>EBT</b>	<b>1,708</b>	<b>1,651</b>	<b>2,503</b>
<b>NET RESULT</b>	<b>1,801</b>	<b>1,335</b>	<b>2,242</b>

The major part of operating revenues planned for the whole 2015, will be realized in the second half, thanks to the release of three important films produced by Italian International Film Ltd. in the first half of 2015.

Borrowing costs are basically in line with the previous years, reflecting the careful policy adopted by the Group in the management of financial resources, despite significant investments made for the production of the films that will be released in the second half of the year.

## REVENUES BREAKDOWN

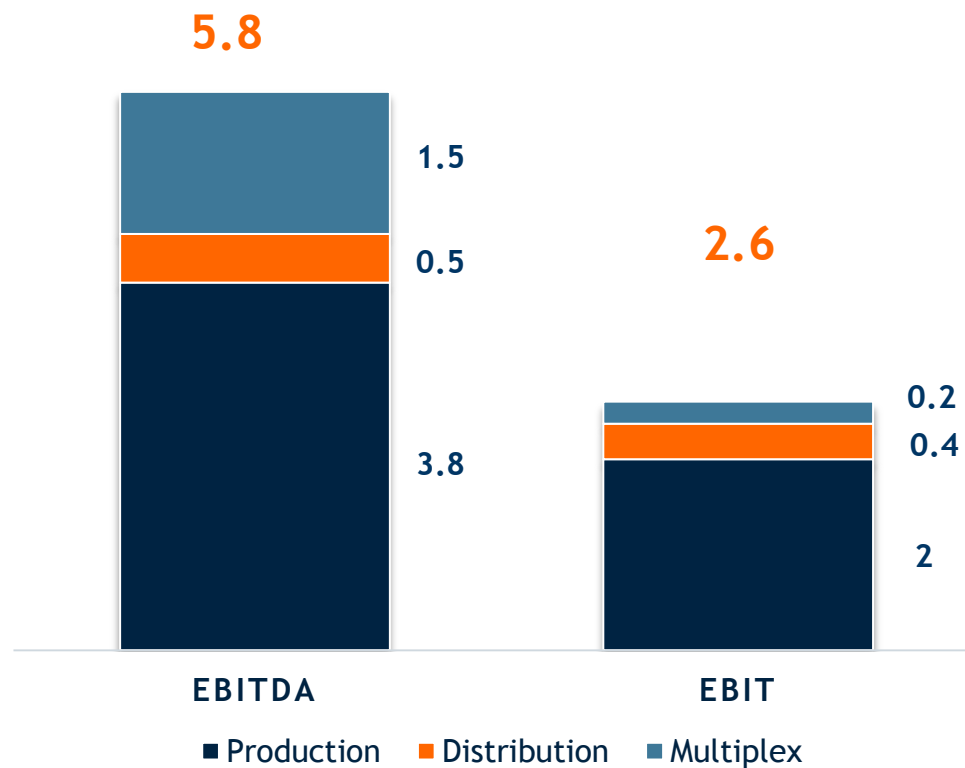
Values in €/mln



■ Production ■ Distribution ■ Multiplex

## EBITDA &amp; EBIT BREAKDOWN

Values in €/mln



EBITDA

EBIT

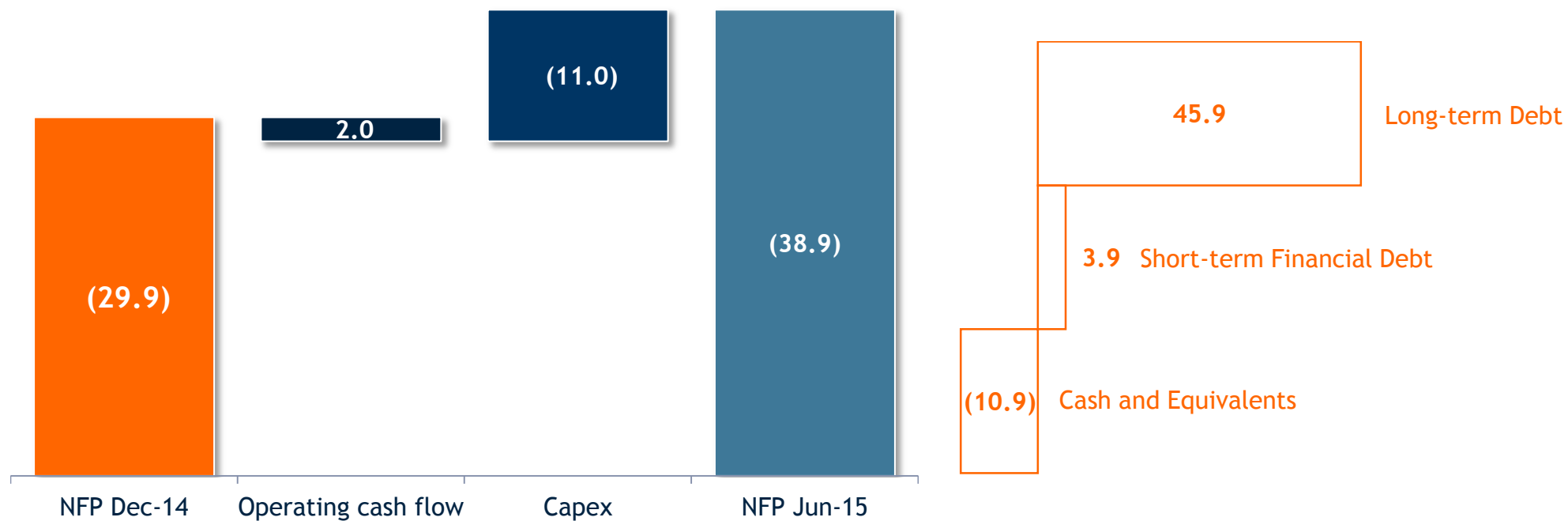
■ Production ■ Distribution ■ Multiplex

€/000	1H 2015	FY 2014
Total fixed Assets	54,319	46,412
Working Capital	11,152	8,740
Account Receivables	21,018	18,865
Account Payables	(12,456)	(11,552)
Other Net Assets (Debt)	2,590	1,427
Funds	(3,794)	(4,255)
<b>USES</b>	<b>61,677</b>	<b>50,897</b>
Shareholders' Equity	22,785	20,947
Net Financial Debts	38,892	29,950
ST Financial Debts	3,993	3,995
LT Financial Debts	45,898	41,509
Cash & Cash Equivalents	(10,959)	(15,554)
<b>SOURCES</b>	<b>61,677</b>	<b>50,897</b>

The Group's capital structure is characterized by a prevalence of Fixed Assets mainly attributable to the film library of IIF and the properties owned for the projection of film.

The increase in the net financial position compared December 31, 2014, is related to the considerable investments made in the first half of 2015, amounting to about € 11 million, for the production of film works such as "Tutti lo vogliono", "Gli ultimi saranno gli ultimi" and "Io che amo solo te" which will come out in the second half of 2015, and the continued production of the TV series "Il sistema", which will be delivered again in the second half of 2015.

€/000





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**APPENDIX**

## 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”, “Il Giovane Toscanini” directed by Franco Zeffirelli and several 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”

## 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 Member of the LGM and IIF Board



## FABRIZIO DE SANTIS CFO



EnrGraduated in Economics at Università La Sapienza in Rome

olled 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

## 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

## INVESTOR RELATIONS

### CFO & IR MANAGER

**Fabrizio De Santis**

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Tel. 06 3611377  
Fax 06 3225965  
[investorrelations@lucisanomediagroup.com](mailto:investorrelations@lucisanomediagroup.com)

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Skype: silviadirosa159

## LMG ON-LINE

<http://www.lucisanomediagroup.com/>

<http://www.lucisanomediagroup.com/iif/>

