



## **PRESS RELEASE**

---

### **MONDO TV GROUP: Board of Directors approved the three years business plan for 2014-2016**

**By the new strategy, return to profit is forecasted with dividend distribution already from 2014**

**At a consolidate level estimates provide for:**

- Value of production 2014 at around Euros 17,8 million, increasing of 42% respect to 2013, with a growth cumulate rate in the following two years period of around 41%, so to reach a value of production of around Euros 25 million in 2016;**
- EBITDA in 2014 around Euros 8 million, more than doubled compared to 2013, with a growth cumulate rate in the following two years period of around 74%, so to reach a value of around 14 million in 2016;**
- operating result (EBIT) 2014 around Euros 1,8 million (negative in 2013) with a growth cumulate rate in the following two years period higher than 200% so to reach a value of Euros 5,7 million in 2016;**
- positive NFP at the end of the three years period.**

**Rome, 25 March 2014** - The Board of Directors of Mondo TV S.p.A. – the parent company of the homonymous group operating in Europe in the production and distribution of cartoons for TV and cinema - approved the new three years business plan. The plan includes, further to the economic and financial estimates, the strategic targets of the group and the relevant action plan.

Matteo Corradi, CEO of Mondo TV S.p.A., stated: “The approval of the new business plan, jointly with the decision to effect a significant impairment on the library and the credits which are deemed no longer collectable, represents a very important step for the Company and a definitive change respect to the past. Upon the approval of the statements of account as of 31 December 2013, we had to take into account the long-lasting market crisis which has hit some of our competitors, and we have adopted the right decisions to strengthen Mondo TV, both under the accounting side and the industrial profile. We can now look at the future with composure in a project of sustainable growth. In the past years we started a review of the costs which carried to a significant improvement of the NFP; we started with success the penetration into new markets; we implemented a growth project through the production of new series having a strong appeal for licensing & merchandising, while continuing to spend efforts in the exploitation of the so called “old library”. Today we need a different approach,



made necessary by the further deterioration of the macro-economic scenario: this forced to important devaluation of the less recent products, and the undertaking of new actions aimed at the company's growth such as the strengthening of the structure deputed to sales and acquisition of new properties, both relevant to the audiovisual and merchandising sectors; a reorganization of the production process, in the view of rationalize the related costs; the strengthening of the distribution of third parties products. Through the implementation of this new plan, I expect to overcome the current difficult scenario starting from this year, with the target of generating value for the company and its stakeholders, with a return to dividend distribution already from 2014 and for the following years."

\* \* \* \* \*

### **Strategic targets**

The strategic targets of the new business plan are:

1. Re-launch of the sector of cartoon production through the acquisition of new highly marketable co-productions;
2. Expanding the offering of third parties products, both cartoons and "live action" products for youth;
3. Consolidate the foreign markets where the company is already positioning, and develop new markets like the Chinese one and more in general that of Eastern Asia, increasing the turnover deriving from such markets;
4. Optimize synergies within the sectors of the licensing & merchandising, for the acquisition of new properties and the sale of products;
5. Reorganize the internal working processes, in particular in the production department, in order to rationalize and get a major cost efficiency.

### **Action Plan**

The group intends to undertake different actions in order to reach the strategic targets and the economic results expected under the new business plan. Such actions can be synthetically resumed in the following action groups:

- a) Enlarge the panel of possible co-producers, expanding their industrial sector and/or their geographical location;
- b) Acquire new properties with a strong appeal for the correlated sectors, aiming at enlarging the so called "new library";
- c) Strengthen the structure deputed to acquire distribution rights of third parties products, paying our attention to cartoons, "live action" and products allowing the development of quality licensing & merchandising;
- d) Implement a new model of internal working process, in particular with reference to the production department.

### **Economic-financial objectives**

The economic-financial objectives of the new business plan consist of a doubling at consolidated level of the value of production in the next three years; with a percentage EBITDA



between 45% and 55% of the value of production; a percentage EBIT between 10% and 23% of the value of production; NFP turning positive. By the new strategy, return to profit is forecasted with dividend distribution already from 2014.

***Mondo TV**, listed in the Star segment of Borsa Italiana, has its registered office in Rome and is a Group made up of five 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).*

*Cod. ISIN: IT0001447785 - Sigla: MTV - Negoziata su 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)