



Gruppo Editoriale L'Espresso

April 2011



Gruppo Editoriale L'Espresso at a glance

Gruppo Editoriale L'Espresso is one of the leading media groups in Italy with interests in **NEWSPAPERS, MAGAZINES, RADIO, TV, INTERNET, and DIGITAL RADIO AND TV**

- **No. 1 READERSHIP**
- **18.4% MARKET SHARE**



NATIONAL DAILY **la Repubblica**

- Circ. 449,240
- Read. 3,290,000

MAGAZINE **L'Espresso**

- Circ. 313,400
- Read. 2,494,000
- + 5 OTHER TITLES



CO-LEADER IN NEWSMAGAZINES

LOCAL NEWSPAPERS

- 18 NEWSPAPERS
- Circ. 441,800
- Read. 3,331,000



CONSOLIDATED RESULTS

	2010
REVENUES	885
EBITDA	147
NET DEBT	135

INTERNET

- GROUP'S NETWORK WEBSITES:
- 836 millions monthly page views
 - 27 millions unique users



ADVERTISING

SALES FOR GROUP'S TITLES & THIRD PARTIES

**LEADER ADVERTISING
"REGIE" FOR PRINT MEDIA**

RADIO

GRUPPO ESPRESSO IS THE ONLY COMPANY WITH A LONG LIVED STRATEGY IN THE RADIO SECTOR:

- 3 NAT'L RADIO
- 7.8 MLN COMB DAILY LISTENERS



TELEVISION

DEEJAY TV A NATIONAL TV NETWORK AIMED AT A VERY YOUNG PUBLIC



DEEJAY TV

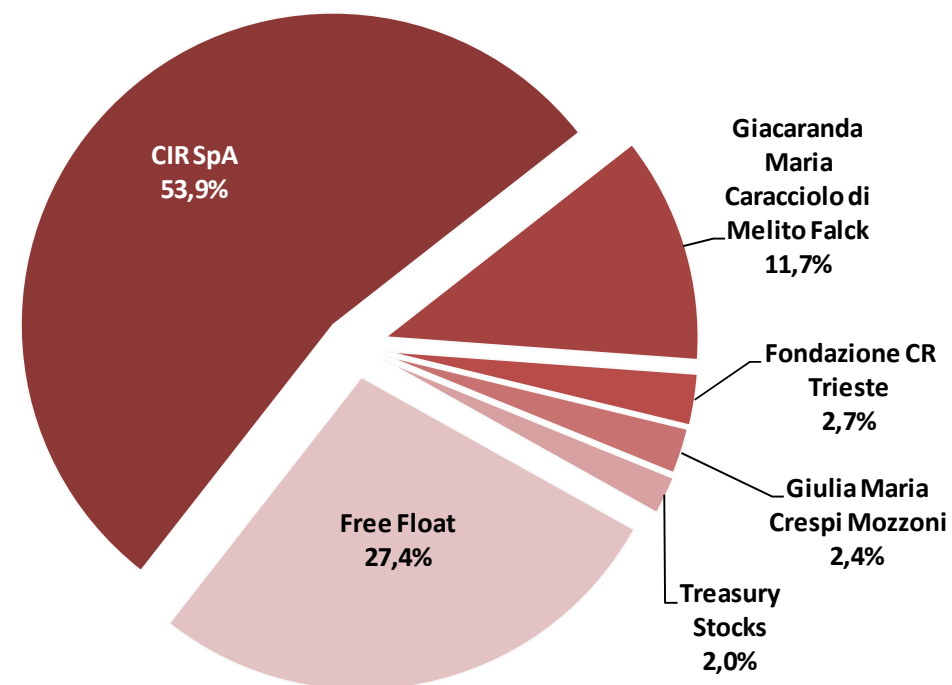
Sources: Audiradio 2009 (radio)
 Audipress 2010/III (readership)
 ADS december 2010 / Company's Data 2010 (circulation)
 AC Nielsen/FCP 2010 (advertising)
 Nielsen NetRatings – Site Census December 2010 (internet)

Gruppo Editoriale L'Espresso - ownership structure



At 31 december 2010	NO. OF SHARES	%
Compagnie Industriali Riunite SpA	220,776,235	53.9%
Giacaranda Maria Caracciolo di Melito Falck	48,009,720	11.7%
Fondazione Cassa di risparmio di Trieste	10,858,798	2.7%
Giulia Maria Crespi Mozzoni	9,654,423	2.4%
Treasury Stocks	8,020,000	2.0%
Total number of shares	409,755,388	100.0%

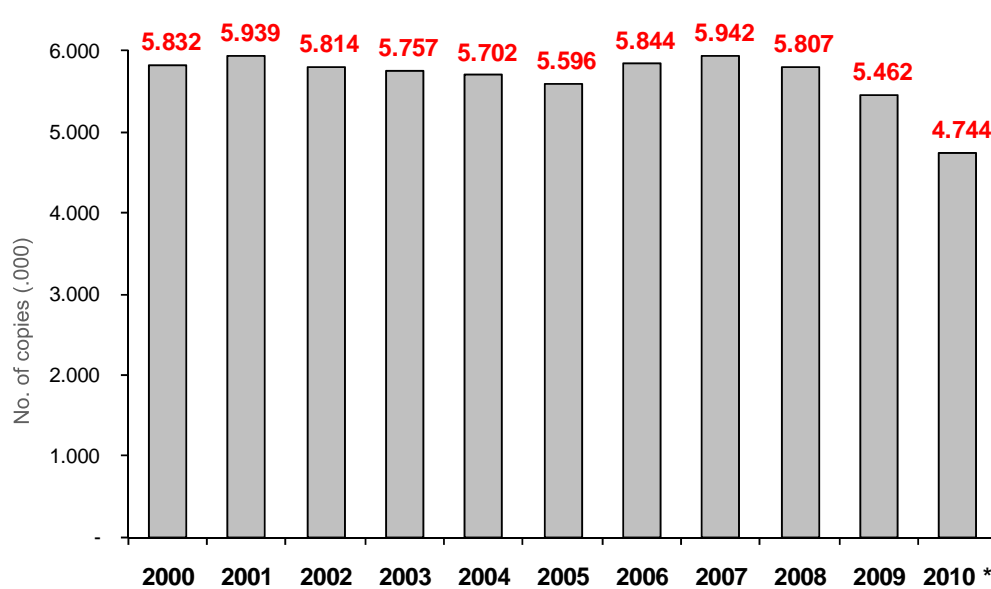
Source: Company's Data



Gruppo Editoriale L'Espresso - market share and positioning: circulation



ITALIAN NEWSPAPER CIRCULATION AND MARKET SHARE 2010



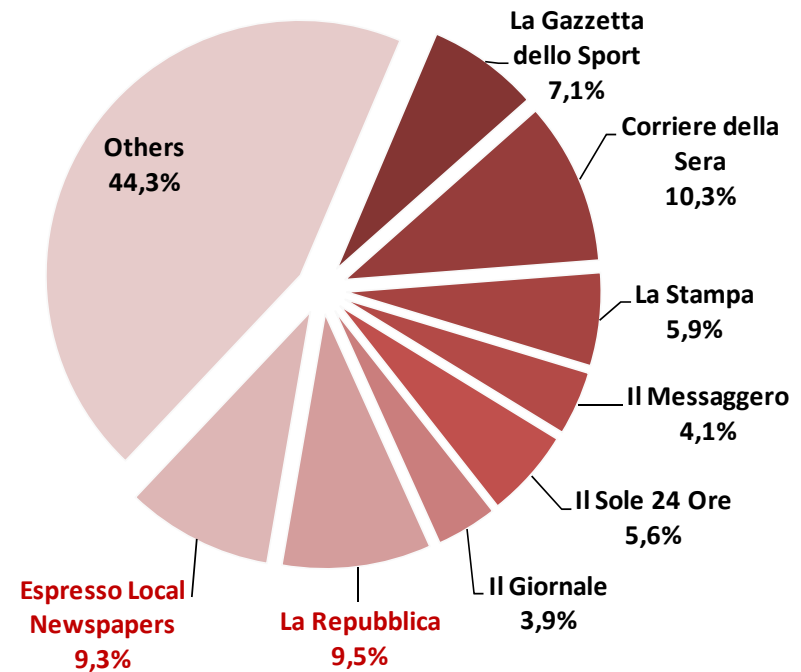
Source: ADS Total Circulation

*

2010 vs 2009

Total Circulation -13.1%

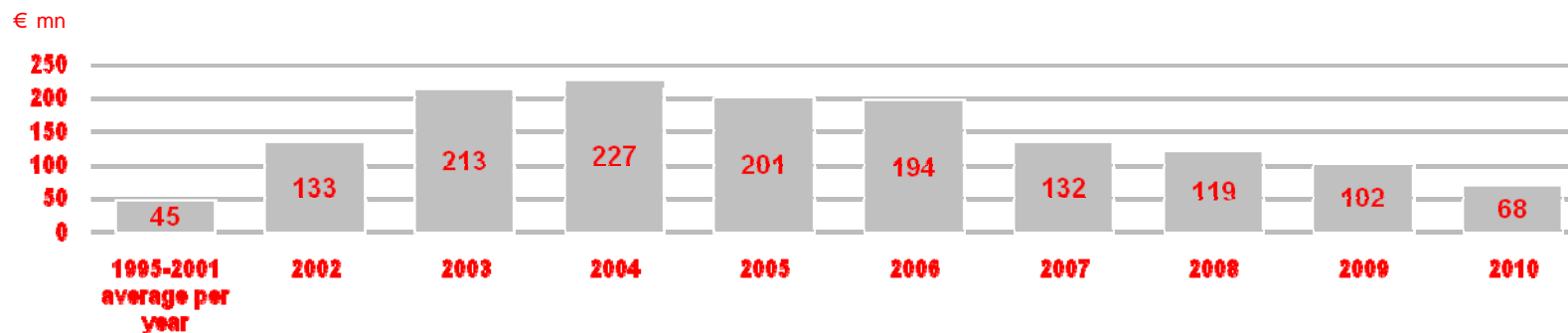
Paid Circulation -4.3%



Espresso
Group 18.8%
 Market Share of
 Total Circulation

Gruppo Editoriale L'Espresso - Press: add-ons

Add-ons have ensured an additional stream of revenues



Source: Company's data

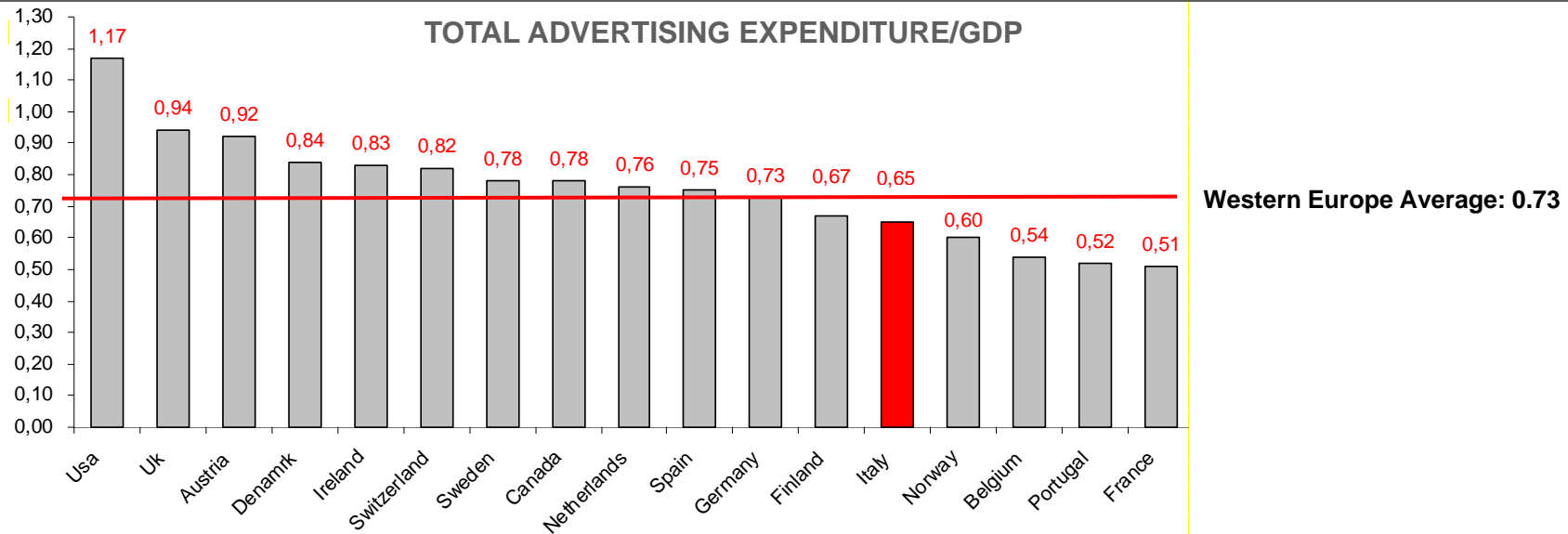


- The sale of products sold optionally with the Group's publications met strong success, not only in the case of products sold in conjunction with la Repubblica and L'Espresso, but also those distributed with local newspapers, and it maintained a high profitability (2009 = 26,0% 2010 = 27,9% Ebit margin).



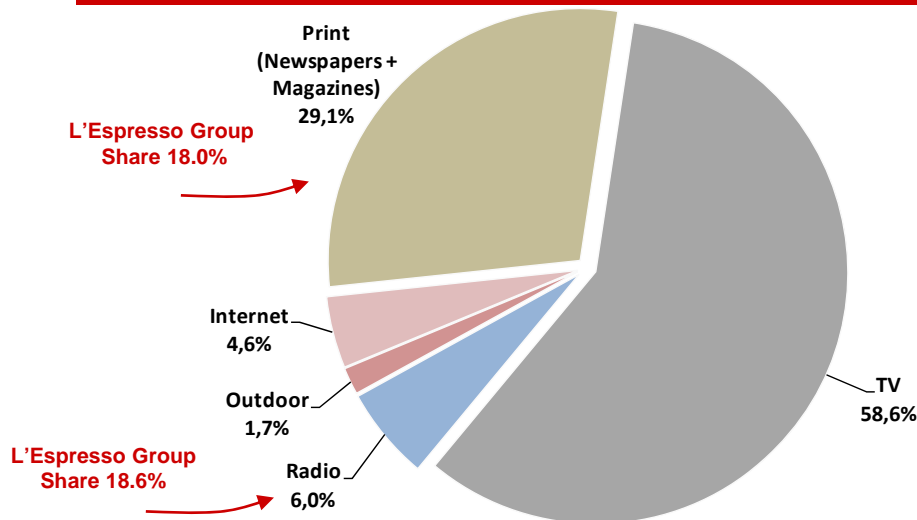
- In 2010 revenues from the sale of add-on products declined on the previous year (down 34%). In a market characterized by a strong contraction, the Group decided to focus on a smaller number of initiatives, achieving in any case high margins, in line with the previous year.

Gruppo Editoriale L'Espresso - market share and positioning: advertising



Source: GroupM 2008 Worldwide media and marketing forecasts

ITALIAN ADVERTISING MARKET AND L'ESPRESSO GROUP'S SHARE 2010



- » L'Espresso Group, through its subsidiary Manzoni, sells advertising space for Gruppo L'Espresso's newspaper and magazine titles and for its radio and television stations and internet sites
- » Manzoni also generates a small amount of revenues through selling advertising on behalf of third-party media

Sources: AC Nielsen / FCP 2010 (for Newspaper and Magazines)

Market Overview: advertising revenues



BREAKDOWN OF ITALIAN ADVERTISING MARKET

(in millions of euro)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Newspapers	2,005.9	1,861.4	1,690.5	1,629.1	1,665.9	1,705.5	1,716.4	1,782.8	1,676.2	1,411.2	1,382.8
Free Press ⁽¹⁾	3.7	31.9	38.0	49.5	54.4	63.9	70.3	120.1	140.2	102.9	77.0
Magazines	1,201.3	1,254.2	1,153.3	1,165.3	1,171.5	1,222.5	1,296.0	1,328.5	1,231.5	877.6	829.9
Total print	3,210.9	3,147.5	2,881.8	2,843.9	2,891.8	2,991.9	3,082.7	3,231.4	3,047.9	2,391.7	2,289.6
Public TV	1,389.5	1,229.1	1,242.8	1,203.2	1,343.8	1,346.3	1,368.5	1,371.0	1,321.3	1,098.0	1,128.8
Commercial TV	2,705.0	2,703.0	2,687.0	2,920.4	3,207.4	3,322.5	3,230.3	3,215.7	3,274.8	3,002.7	3,158.0
Sat TV								66.8	255.2	258.3	332.6
Total TV	4,094.5	3,932.1	3,929.7	4,123.6	4,551.2	4,668.8	4,598.8	4,653.5	4,851.4	4,358.9	4,619.3
Radio	361.5	319.2	284.0	328.8	400.2	408.6	440.7	476.8	472.9	436.3	470.0
Outdoor	199.7	205.6	181.4	187.2	192.1	198.7	197.0	233.7	227.2	135.1	136.9
Internet ⁽²⁾						137.1	197.6	281.9	556.5	302.2	363.0
TOTAL ADVERTISING *	7,866.6	7,604.3	7,276.8	7,483.5	8,035.4	8,405.1	8,516.8	8,877.3	9,155.9	7,624.3	7,878.8
*Excluding Cinema, Cards, Direct mail, Out of home TV and Transit (744,6 €mns 2010)											
Newspapers	+39.6%	-7.2%	-9.2%	-3.6%	+2.3%	+2.4%	+0.6%	+3.9%	-6.0%	-15.8%	-2.0%
Free Press		n.s.	+19.1%	+30.3%	+9.9%	+17.5%	+10.0%	+70.8%	+16.8%	-26.6%	-25.2%
Magazines	+14.2%	+4.4%	-8.0%	+1.0%	+0.5%	+4.4%	+6.0%	+2.5%	-7.3%	-28.7%	-5.4%
Public TV	+12.0%	-11.5%	+1.1%	-3.2%	+11.7%	+0.2%	+1.6%	+0.2%	-3.6%	-16.9%	+2.8%
Commercial TV	+14.7%	-0.1%	-0.6%	+8.7%	+9.8%	+3.6%	-2.8%	-0.5%	+1.8%	-8.3%	+5.2%
Sat TV									n.s.	+1.2%	+28.8%
Total TV	+13.8%	-4.0%	-0.1%	+4.9%	+10.4%	+2.6%	-1.5%	+1.2%	+4.3%	-10.2%	+6.0%
Radio	+32.6%	-11.7%	-11.0%	+15.8%	+21.7%	+2.1%	+7.9%	+8.2%	-0.8%	-7.7%	+7.7%
Outdoor	+27.2%	+2.9%	-11.8%	+3.2%	+2.6%	+3.4%	-0.9%	+18.6%	-2.8%	-40.5%	+1.4%
Internet							+44.1%	+42.7%	+97.4%	-45.7%	+20.1%
TOTAL ADVERTISING	+20.7%	-3.3%	-4.3%	+2.8%	+7.4%	+4.6%	+1.3%	+4.2%	+3.1%	-16.7%	+3.3%

Source: AC Nielsen 2010; FCP 2010

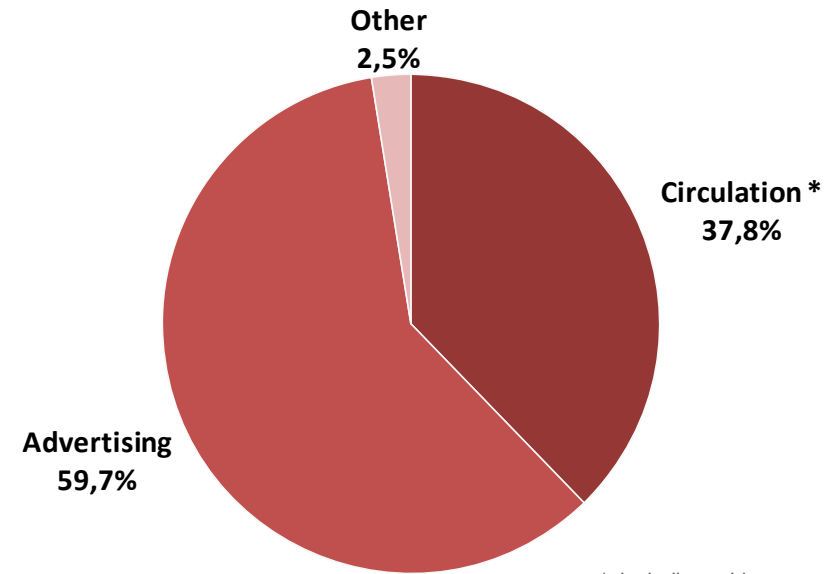
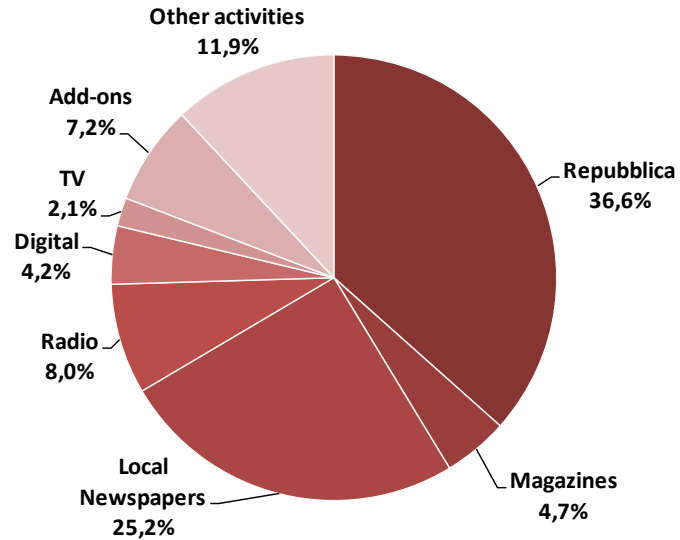
⁽¹⁾ Free press data are based on FCP survey, and therefore they are net of agency fees. All other data are based on AC Nielsen survey, and therefore they are gross of agency fees.

⁽²⁾ In 2008 Internet includes Google estimates

Gruppo Editoriale L'Espresso - contribution to year 2010 consolidated results

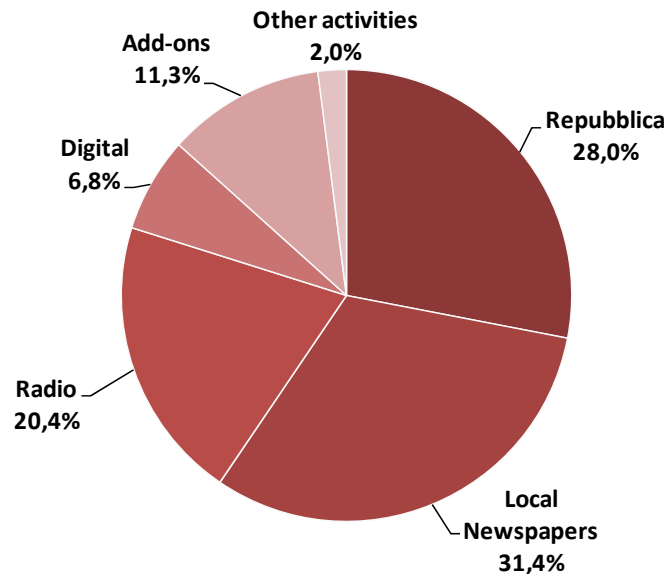


REVENUES SPLIT (€885.0 million)



* including add-ons

EBITDA SPLIT (€147.2 million)



EBITDA MARGINS

Repubblica	13,4%
Local Newspapers	21,8%
Radio	44,5%
Digital	28,1%
EBITDA margin	16,6%

Source: Company's Data

Gruppo Editoriale L'Espresso - cost reduction



Gruppo Editoriale L'Espresso S.p.A. approved the plans of intervention aimed at cost reduction.

The expected overall savings are equal to €140 million approximately, that is 17% of the costs recorded in 2008; this amount encompasses the measures started in 2008, as well as the new initiatives formulated in 2009 and finalised in 2010.

The effects of the plan will reach an almost steady state by 2011.

The 2010 decline in costs is in line with the objectives of the restructuring plan implemented; this result was achieved without reducing the scope of operations and the range of products offered by the Group, and without compromising their quality.

In order to recover efficiency, the plan entailed structural and permanent interventions addressed to all Group's areas and functions:

- Industrial costs were supposed to decrease by 22% with respect to 2008 thanks to the suppression of the circulation initiatives that proved to be uneconomic, to the interventions made on the number of pages and formats of the Group's titles and to an overall reorganization aimed at rationalizing the existing printing capacity and fully exploiting the industrial synergies between local dailies and la Repubblica.
- The other costs as a whole (editorial, commercial, distribution, management and administration costs) were supposed to generate savings equal to about 15%.

(€mn)	2008	2009	2010	Δ % 10 vs 09	Δ % 09 vs 08	STEADY STATE	STEADY vs 08	Δ % 10 vs STEADY
Industrial costs	222,1	191,4	166,6	(13,0%)	(13,8%)	173,5	(21,9%)	4,1%
<i>% on total costs</i>	27%	26%	24%			25%		
Editorial costs	223,2	203,4	204,4	0,5%	(8,9%)	188,6	(15,5%)	(7,7%)
<i>% on total costs</i>	27%	28%	30%			28%		
Commercial costs	120,6	110,9	111,0	0,1%	(8,0%)	107,5	(12,3%)	(3,1%)
<i>% on total costs</i>	15%	15%	16%			16%		
Management & Administration costs	254,7	217,2	206,5	(4,9%)	(14,7%)	213,0	(16,4%)	3,1%
<i>% on total costs</i>	31%	30%	30%			31%		
TOTAL GROUP'S COSTS ⁽¹⁾	820,6	722,9	688,5	(4,7%)	(11,9%)	682,6	(16,8%)	(0,9%)

(1) Net of optional products' cost of goods sold and new advertising concessions for third parties media



- The Group has adopted a corporate governance system in line with the new guidelines established by the Self Discipline Code for Companies Listed on the Italian Stock Exchange (Borsa Italiana) issued in March 2006
- The Board of Directors is composed by 11 members, 5 of which are independent. Their independence complies with the independence criteria formally established by the Company, which evaluates their correct application on a yearly basis
- The Board of Directors has established a Remuneration Committee and an Internal Audit Committee. The majority of the members of the former one is represented by non executive/independent directors, while the latter is composed only by independent directors



- In accordance with the Code, the Company has designated a *Lead Independent Director* who represents a reference and a coordination for the requests and contributions of non executive directors, in particular the independent ones, in order to promote the effective and efficient management of the Company
- Procedures involving directors interests and transactions with related parties have been established, as well as a procedure for the internal handling and disclosure to third parties of documents and information concerning the Company, having a special regard to price sensitive information
- Transparency procedures have been followed in the appointment of directors and statutory auditors



Gruppo Editoriale L'Espresso



la Repubblica

3,290,000

DAILY READERS

OVER 31% ARE UNDER 34 YEARS OLD

THE MAJORITY OF READERS CONSISTS OF:

- COLLEGE AND UNIVERSITY GRADUATES
- MEMBERS OF UPPER SOCIO-ECONOMIC CLASSES
- HIGH RANKING PROFESSIONALS

OVER 42% OF READERS ARE ALSO DECISION MAKERS IN PURCHASES

SUPPLEMENTS

- Il Venerdì (family, tv programming)
- Affari&Finanza (business and finance)
- Velvet (fashion monthly)
- D (women's supplement)
- XL (lifestyle monthly for young people)

→ Circulation
449,240

CONTRIBUTION TO RESULTS

la Repubblica

in millions of €	2009	2010
REVENUES	329,2	323,7
-circulation	131,3	127,8
-advertising	196,3	193,0
EBITDA	15,1	43,4
EBIT	2,0	31,9
EBITDA margin %	4,6%	13,4%
EBIT margin %	0,6%	9,9%

Source: Company's Data; Divisional data do not include add-ons

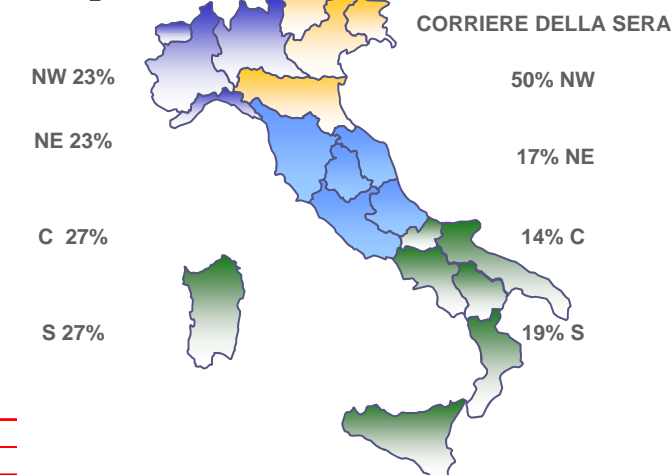
MAJOR NEWSPAPERS SOLD IN ITALY

	Average daily readers '000	Average circ. n.copies '000
La Repubblica	3.290	449,2
Espresso Local Newspapers	3.331	441,8 *
La Gazzetta dello Sport	4.320	335,1
Corriere della Sera	2.971	490,0
La Stampa	2.093	279,9
Il Messaggero	1.410	193,0
Il Sole 24 Ore	1.143	267,4
Il Mattino	838	74,2
Il Giornale	767	183,7
Il Gazzettino	650	79,5
La Gazzetta del Mezzogiorno	741	38,8
Il Secolo XIX	479	78,8
Unione Sarda	460	63,6
Il Giornale di Sicilia	429	64,0
L'Unità	363	44,5
Avenire	339	107,0
Il Tempo	186	43,9
Others	9.900	1.509,8
Total n° copies read/circulated	33.710	4.744,2
Total n° unique readers	24.072	

Our Share (total unique readers) 27,5%
Our Share 18,8%

THE ONLY NEWSPAPER READ THROUGH ITALY

la Repubblica



Source: Audipress 2010/III

Source: Audipress 2010/III ; ADS 2010 ; * Company's data

Source: Audipress 2010/III

Gruppo Editoriale L'Espresso - la Repubblica: a system



10 Local Edition



Magazines





Mobile+Tablet

Online



Gruppo Editoriale L'Espresso - Local newspapers



 **Combined circulation 441,800**
 **3,331,000 readers per day**

Source: Company's data 2010 (Circulation)
Readership Audipress 2010/III

LOCAL NEWSPAPERS



CONTRIBUTION TO RESULTS

LOCAL NEWSPAPERS

in millions of €	2009	2010
REVENUES	228,3	223,0
-circulation	126,1	121,4
-advertising	98,9	98,9
EBITDA	43,7	48,6
EBIT	34,1	38,8
EBITDA margin %	19,1%	21,8%
EBIT margin %	15,0%	17,4%

Source: Company's Data

Gruppo Editoriale L'Espresso - Local newspapers: a network at work



Average daily circulation 2010 (Company data)



CONTRIBUTION TO RESULTS



MAGAZINES

in millions of €	2009	2010
REVENUES	43,1	41,9
-circulation	24,1	24,2
-advertising	18,3	17,1
EBITDA	(3,6)	(3,3)
EBIT	(4,4)	(4,1)

Source: Company's Data; Divisional data do not include add-ons



2,494,000

READERS PER ISSUE

34% ARE UNDER 34 YEARS OLD

OVER 45% ARE FROM UPPER SOCIO-ECONOMIC CLASSES

OVER 66% ARE COLLEGE AND UNIVERSITY GRADUATES

➔ Circulation 313,400



Circulation 103,560

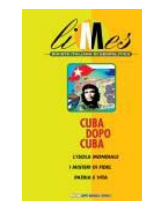


Circulation 12,130 *



Circulation 66,360

Circulation 14,910 *



Circulation 12,930 *

Source:
ADS december 2010
* Company's data 2010



Age-group target: young people
 ➔ 5.0 mln daily listeners
 • Over 65% are under 34 years old
 • Near 30% are students



Age-group target: 24 – 40 years old
 ➔ 1.5 mln daily listeners
 • Near 55% are 24-44 years old
 • Over 70% are employees



Age-group target: teenagers
 ➔ 1.3 mln daily listeners
 • Over 70% are under 24 years old

Source: Audiradio 6th bi-monthly 2009

MARKET OVERVIEW MAIN PRIVATE RADIO STATIONS

Station	Listeners (,000)		Station	Listeners (,000)	
	Daily	Weekly		Daily	Weekly
Radio DeeJay	5,037	12,741	Rai 1	6,250	14,336
Rtl 102,5	5,291	12,549	Rai 2	3,781	11,321
Radio Italia	3,662	11,944	Rai 3	1,868	5,470
Dimensione Suono	5,034	11,602	Isoradio	969	4,051
Radio 105	4,507	9,835			
Kiss Kiss	2,290	7,291			
R101	1,990	6,184			
Radio Montecarlo	1,571	5,316			
Radio Capital	1,520	5,182			
Radio 24 Il Sole 24 ore	1,885	4,602			
Radio Maria	1,608	4,143			
Virgin Radio	1,786	3,839			
m2o	1,292	2,524			
Radio Radicale	448	1,593			

Source: Audiradio 2009

CONTRIBUTION TO RESULTS

in millions of €	2009	2010
REVENUES	66,1	71,0
-advertising	63,6	68,5
-other	2,5	2,5
EBITDA	25,2	31,5
EBIT	20,9	27,6
EBITDA margin %	38,1%	44,5%
EBIT margin %	31,7%	38,9%

Source: Company's data



The Digital Divison’s mission is to ensure that the Group’s great brands can rely at all times on digital services of absolute excellence across the entire range of high-potential platforms, from today’s personal computers through to new products for mobile, tablet and Net TV platforms. The distribution strategy is tailored for each platform and covers both free and premium models, the choice of which is made to satisfy the reader’s individual information-technology requirements and to maximise value over the long term.

On December 2010 the Group’s sites network recorded:

- 27 million unique users
- 836 million page views

CONTRIBUTION TO RESULTS

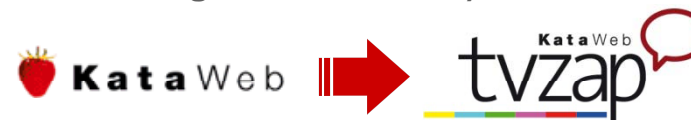
in millions of €	2009	2010
REVENUES	30,2	37,3
-advertising	25,4	31,7
-other	4,7	5,6
EBITDA	9,8	10,5
EBIT	9,2	10,0
EBITDA margin %	32,5%	28,1%
EBIT margin %	30,5%	26,9%

Source: Company's data



la Repubblica.it

leading site for news in Italy, registered 22,386,000 monthly unique users on December 2010 (Nielsen NetRatings – Site Census)



TVZAP, a new vertical entertainment site devoted to television, to personalities in the world of entertainment and to the community that revolves around them.

the best known site for young people

RepubblicaTV broadcastings are visible via the Internet: news, commentaries and interviews which, thanks to the online connection, are enabling a high level of interactivity with the public and which, thanks to podcasting, can be downloaded and enjoyed in 'time shift' viewing



DEEJAY.TV

➤ The division includes the activities of Rete A, owner of an analog channel and of two digital multiplex licences, and the publishing activity of DeeJay TV, the television channel that replaced All Music.

➤ The transition to digital terrestrial transmission continued in 2010 with the switch-off of the analog signal in the regions of Emilia-Romagna, Lombardy, Western Piedmont, Veneto and Friuli-Venezia Giulia.

➤ In 2010, Rete A started the enhancement of its asset by stipulating contracts for the lease to third parties of 4 DTT channels.

➤ In 2010, DeeJay TV completed the launch of the new programming schedule and format with artists already associated with Radio DeeJay and, in terms of production, of external services

The new broadcasting channel “DeeJay TV” was born in November 2009. The brand of the leading Espresso Group “Radio DeeJay” - already available on the Internet, podcast, mobile, and satellite TV - has thus been strengthened.

CONTRIBUTION TO RESULTS

in millions of €	2009	2010
REVENUES	8,6	18,3
-advertising	6,9	10,7
-other	1,7	7,6
EBITDA	(7,9)	(4,1)
EBIT	(11,7)	(7,9)

Source: Company's data

Adoption of IFRS: main effects



- » Starting with 2005, the Espresso Group adopted international financial reporting standard (IFRS) in the preparation of its financial statements.
- » The adoption of IFRS had a positive impact on the results of the Group. The most relevant one was represented by the book value of titles and radio and television frequencies, that were no longer amortized but subject annually to an impairment test. In the opening Balance Sheet at January 1, 2004, the historical cost of such items was restored and accumulated amortization was reversed, resulting in an increase in the Shareholders' Equity.

Gruppo Editoriale L'Espresso - Financial Highlights (Year-end)



(€mn)	2004	2005 ⁽¹⁾	2006	2007 ⁽²⁾	2008 ⁽³⁾	2009 ⁽⁴⁾	2010 ⁽⁵⁾
Revenues	1,081	1,080	1,103	1,098	1,026	887	885
- Circulation	269	266	266	277	276	274	268
- Add-Ons	227	201	193	128	115	101	66
- Advertising	546	586	616	657	608	497	528
- Other	38	28	28	36	26	15	22
EBITDA	234	222	204	223	143	107	147
EBIT	192	177	163	181	95	64	109
Profit before Taxes	175	152	144	163	76	44	95
Net Profit	99	116	104	96	21	6	50
Net Debt	(143)	(253)	(263)	(265)	(279)	(208)	(135)
Capital Employed	638	813	836	811	768	704	678
Shareholders' Equity	484	550	563	535	478	486	539
Minority Interests	11	11	11	11	11	10	4
Dividends	47	56	62	67	69	-	-
Capex	94	64	36	41	53	25	25
RATIOS							
EBITDA margin	21.7%	20.6%	18.5%	20.3%	13.9%	12.0%	16.6%
EBIT margin	17.8%	16.4%	14.8%	16.4%	9.3%	7.2%	12.3%
Net Debt/EBITDA	0.6x	1.1x	1.3x	1.2x	2.0x	2.0x	0.9x
ROCE	30.1%	21.8%	19.5%	22.3%	12.4%	9.1%	16.1%
EPS	0.23	0.27	0.24	0.23	0.05	0.02	0.13
Dividends per share	0.13	0.15	0.16	0.17	-	-	0.07
Net Debt/Shareholders' Equity	29.6%	45.9%	46.7%	49.5%	58.3%	42.9%	25.0%

Source: Company's data; Italian Accounting Principles (when not specified)

- (1) In 2005, the income statement includes the impact of paper contributions (€15.1 millions), no longer available in 2006
- (2) In 2007 Financial results have benefited from two extraordinary effects produced by new regulatory provisions: the different accounting applied to the employee termination indemnity (TFR) entailed a €7.8 millions positive impact on net profit (€11.6 millions on operating profit); the reduction of both regional tax (IRAP) and income tax (IRES) entailed a recalculation of deferred taxes and subsequent €10.3 millions positive impact on net profit
- (3) In 2008 EBIT includes €25.6 millions of extraordinary charges (€22.1 millions on EBITDA)
- (4) In 2009 EBIT includes €32.8 millions of extraordinary charges (€31.7 millions on EBITDA)
- (5) In 2010 EBIT includes €20.2 millions of extraordinary charges (€18.9 millions on EBITDA)

Gruppo Editoriale L'Espresso - Financial Highlights (Year-end)



(€mn)	December, 31 2009	December, 31 2010
Intangible assets	659.5	658.6
Tangible assets	203.6	181.7
Investments valued at equity	30.8	31.1
Inventories	23.2	17.0
Trade receivables	229.9	234.7
Tax receivables and Deferred tax assets	69.2	44.8
Cash and cash equivalents	135.0	135.0
Marketable securities and other financial assets	25.2	60.4
Other assets	18.6	20.1
Total Assets	1,395.2	1,383.5
Shareholders' Equity	485.6	539.4
Minority interests	9.8	3.9
Trade payables	147.6	143.9
Tax payables and Deferred tax liabilities	123.7	136.4
Employee termination indemnity and other retirement benefits	83.9	72.0
Provisions for risks and charges	89.3	75.7
Financial payables ⁽¹⁾	368.4	330.4
Other payables	86.9	81.9
Total Liabilities and Shareholders' Equity	1,395.2	1,383.5

(1) of which €300mn outstanding bonds, expiring october, 2014, with no covenants

Source: Company's data

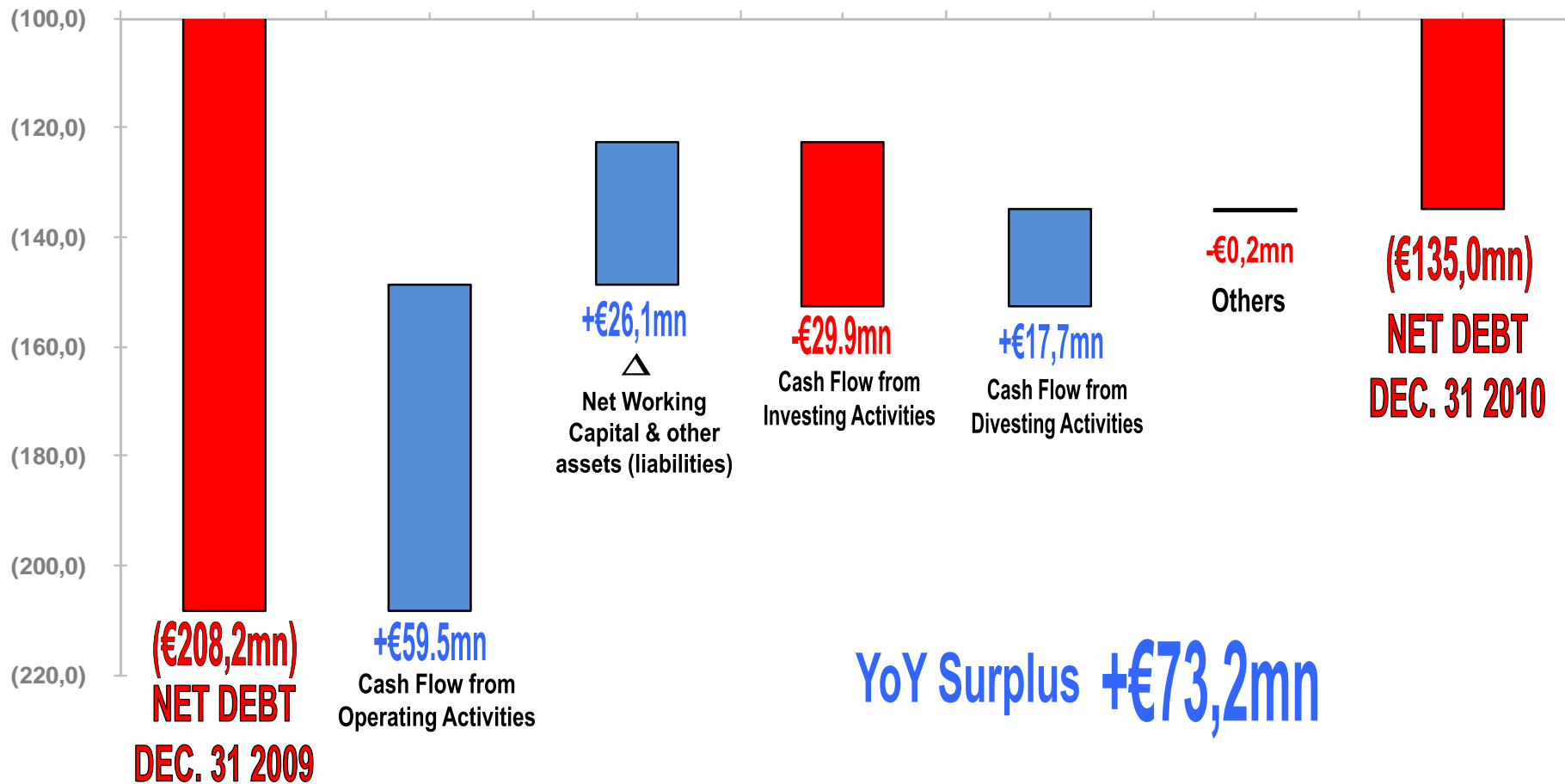
Gruppo Editoriale L'Espresso - Financial Highlights (Year-end)



€ million	DEC. 31, 2009	DEC. 31, 2010	YoY
Intangible assets	659,5	658,6	(0,9)
Property, plant and equipment	203,6	181,7	(21,9)
Investments in equity	30,8	31,1	0,3
Provisions for risk, charges and personnel costs	(173,2)	(147,6)	25,5
Net Working Capital and other asset (liabilities)	(6,8)	(32,8)	(26,1)
Other receivables / (payables)	(10,4)	(12,7)	(2,3)
NET CAPITAL EMPLOYED	703,6	678,3	(25,3)
Group Shareholders' Equity	485,6	539,4	53,8
Minority interests	9,8	3,9	(5,9)
NET FINANCIAL POSITION	(208,2)	(135,0)	73,2
<i>of which: Bond</i>	<i>(291,7)</i>	<i>(278,0)</i>	<i>13,7</i>
<i>Bank loans</i>	<i>(76,1)</i>	<i>(51,8)</i>	<i>24,2</i>
<i>Marketable securities</i>	<i>25,2</i>	<i>60,4</i>	<i>35,2</i>
<i>Cash and cash equivalents</i>	<i>134,4</i>	<i>134,5</i>	<i>0,0</i>

Source: Company's data

Gruppo Editoriale L'Espresso – Net Debt



Source: Company's data

Standard & Poor's rating: BB with Stable Outlook

- » Rating first published on September 30th 2004 and last updated on July 28th 2010
- » Dividend policy:
 - Ordinary dividend policy has been established reflecting general conditions of the financial market
 - Extraordinary dividends have been considered only when consistent with an efficient capital structure



Milestones in Gruppo Editoriale L'Espresso history

1956-1995

1956 Carlo Caracciolo acquires a majority stake in NER

1975 The publishing company changes its corporate title to Editoriale L'Espresso

1976-79 In 1976 *la Repubblica* daily newspaper begins to be published with Arnoldo Mondadori Editore

1977-80 Editoriale L'Espresso acquires several Italian local newspapers (*Il Tirreno*, *Il Mattino di Padova*, *La Nuova Sardegna*) and a 50% share of the advertising company A.Manzoni&C.

1984 Editoriale L'Espresso SpA is listed on the Italian stock exchange. The local newspaper *La Nuova Venezia* is founded. Incorporation of Finegil, a holding company controlling the various local newspapers

1985-89 The local daily *Il Centro* is launched. *La Repubblica's* supplements *Affari&Finanza* and *Il Venerdì* started. Acquisition of 50% of Radio DeeJay (1989)

1989 Arnoldo Mondadori Editore takes a controlling share in Editoriale L'Espresso

1991 Break-up of Mondadori's assets leading to the creation of the Espresso Group in its current form, with the CIR Group as majority shareholder

1992 Acquisition of the entire capital stock of A.Manzoni&C.. The shareholding in Radio DeeJay is increased to 86%

1993 Reorganization in printing plant and videopaginations technologies are implemented in Rome facilities with big savings on labour costs. Launch of the first multimedia products

1994 The Monday edition of *la Repubblica* is released on 10 January with no additional personnel

1995 *La Repubblica* launches the supplements *Musica* and *Salute* and introduces colour printing technology for the front page and adverts

1996-2003

1996 *La Repubblica* presents *D-la Repubblica delle Donne* and launched the website www.repubblica.it. Eugenio Scalfari, founder of *la Repubblica*, relinquishes the editorship in favour of Ezio Mauro

1997 Launch of *la Repubblica's* weekly supplement *Viaggi*. Acquisition of Radio Capital and Italia Radio, total control of Radio DeeJay, and of La Città

1998 Merger between Editoriale L'Espresso SpA and Editoriale La Repubblica SpA into Gruppo Editoriale L'Espresso SpA. Majority shareholding acquired in the publishing company controlling the local titles *Il Piccolo* and *Il Messaggero Veneto*. Italian edition of *National Geographic* starts. The 3 broadcasting companies are merged into a single organization named Elemedia SpA

1999 Kataweb, the Group's Internet Company, is created

2000 A strategic agreement is signed between Unicredito Group and Kataweb, providing the banking group entrance in the company capital of the Espresso Internet Company with a 5% share. EleTV is founded for the realization and development of the satellite Television channel branded DeeJayTV

2001 The Group intervenes in the internet sector, by closing all the activities abroad, defocusing from e-commerce progressively, focusing its effort on the development of contents, services on Group's websites and the offerings of web-solutions

2002 Exploitation of the strength and the credibility of *la Repubblica* and *L'espresso* brands. Acquisition of two radio stations in Eastern Europe

2003 Acquisition of the 5% share of Kataweb SpA which had been underwritten by Gruppo Unicredito

2004-2009

2004 The full colour investment of *la Repubblica* was finalized. At the end of the year, an important agreement was reached for the purchase of All Music, the national television network addressed to young people. All the Roman premises of the Group moved into a new headquarter

2005 In April, the Group has finalized the acquisition of the television broadcasting network All Music, having received all the authorizations required by the competent Authorities

2006 The Group keeps developing its activity towards a multimedia system. The offer of contents on different platforms is strengthening. The market of young people is steadily kept by the 3 radio stations, by the monthly XL, by the Internet and by the TV network All Music. *Repubblica* is available 24 hours a day, 7 days a week, on every media: the newspaper, the website and *RepubblicaTV*.

2007 *la Repubblica* launched R2, the new section of the newspaper with inquiries, dossier, reportages, whereas *L'espresso* magazine renewed its cover and graphics. Radio DeeJay increased its multimedia offer, with Radio DeeJay Club, new website for cellular phones, and a new peer-to-peer connection for a wide social network. The editorial staff of *la Repubblica* signed an agreement through which journalists engage themselves in delivering written and audio-video contents both for the website and for the printed paper.

2008 *la Repubblica* proves again, for the eighth time in a row, number one in terms of readership among newspapers. A new website of *Repubblica Parma* has been started out. It is the tenth local edition of the newspaper, though the only one exclusively online. An official Radio DeeJay channel has been created on YouTube.

2009 The new broadcasting channel "DeeJay TV" was born in November 2009. The brand of the leading Espresso Group "Radio DeeJay" - already available on the Internet, podcast, mobile, and satellite TV - has thus been strengthened.

Disclaimer



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