

PRESS RELEASE

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GEDI GRUPPO EDITORIALE SETTLES A TAX DISPUTE GENERATED BY RULING N. 64/9/2012 FROM THE COMMISSIONE TRIBUTARIA REGIONALE DI ROMA FOR FACTS DATING BACK TO 1991

Rome, September 29 2017 – The Board of Directors of GEDI Gruppo Editoriale S.p.A. convened today under the chairmanship of Mr. Marco De Benedetti in order to examine the possibility to settle a tax dispute concerning the 1991 fiscal year (which was subject to the Rome Regional Tax Commission sentence n. 64/9/2012), by exercising the option provided for under article 11 of Dl n. 50/2017 converted into law n. 96/2017 (the “Decree”).

The subject of the tax dispute, as widely disclosed through the Company financial statements, were alleged tax benefits deriving from the merger of Editoriale La Repubblica S.p.A. with Cartiera di Ascoli S.p.A., which took place in 1991 within the reorganization of the Gruppo Editoriale L'Espresso. A rejection of the appeal promptly lodged by the Company to the Supreme Court of Cassation could lead to a maximum cash out amounting to euro 388.6 million.

The Board of Directors, while reaffirming its belief on the tax legitimacy of the abovementioned transactions, resolved to make use of the opportunity provided by the Decree to settle the dispute.

The settlement will entail for a payment of euro 175,3 million, of which 70,1 million to be paid on October 2, 2017, 70,1 million by November 30 and the remaining 35,1 million by June 30, 2018. The settlement profit and loss impact will be absorbed by the current amount of Company net equity reserves and will therefore have no impact on the Company share capital.

Taking into account that the Company has the equity and financial resources to properly face the settlement, also considering its current positive net financial position, the Board believes that this decision is in the Company's best interest, due to the benefits deriving from the cancellation of a possible fiscal risk which could potentially have far more damaging consequences in the medium/long term.

GEDI is the only one listed company in the Italian Media Industry which has always recorded positive results, despite the ongoing crisis originating in 2008. The Board of Directors believes that the cancellation of the fiscal risk will enable the Company to face better future challenges, in order to obtain all the benefits expected from its recent integration with the ITEDI Group, and to further strengthen its leadership in the media digital market.

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