

Joint press release

## **GRUPPO ESPRESSO AND ITEDI: AGREEMENT TO INTEGRATE THE TWO GROUPS**

*The aim of the merger is to create a group that will be a leader in Italy and be among the most important in Europe in daily and digital news with la Repubblica, La Stampa, Il Secolo XIX plus the numerous local newspapers of Gruppo Espresso*

Gruppo Editoriale L'Espresso and ITEDI announce their signing of a memorandum of understanding aimed at creating the leading publishing group in Italy that will also be one of the main European groups in the sector of daily and digital news through the merger by incorporation of ITEDI with Gruppo Editoriale L'Espresso. The memorandum has also been signed by CIR, controlling shareholder of Gruppo Editoriale L'Espresso, FCA and Ital Press Holding S.p.A. (Perrone family), the shareholders of ITEDI.

The two publishing companies in 2015 reported total revenues of approximately €750 million, with the highest profitability in the sector, and have no debt burden.

The deal would make it possible to combine the strength of historic and authoritative titles such as la Repubblica, La Stampa, Il Secolo XIX and the numerous local papers of Gruppo Espresso, all of which in 2015 reached approximately 5.8 million readers and over 2.5 million unique users per day of their news websites.

The deal has significant business value as its objective is to integrate two groups with complementary businesses and it aims to achieve growing economies of scale. Thanks to a complete range of multimedia content and news services on paper and in digital form, the new group will have the patrimonial strength and will be of a sufficient size to respond to the challenges of the sector, promoting innovative and original projects developed for multiple distribution platforms.

The merger will take place according to an exchange of shares that will be established precisely in the final agreements, subject to due diligence and other conditions. On the outcome of the deal, CIR will remain the controlling shareholder, with an interest of over 40% in Gruppo Editoriale L'Espresso. The company resulting from the merger will continue to be listed on Borsa Italiana. The various titles will maintain their full editorial independence.

Completion of the merger, which is subject to authorization by the competent authorities and by the respective shareholder meetings, is expected to take place in the first quarter of 2017.

Rome-Turin, March 2 2016.

## Gruppo Editoriale L'Espresso

Gruppo Editoriale L'Espresso is one of the most important publishing groups in Italy and operates in all sectors of communication. The Group publishes the national daily newspaper *la Repubblica* and the weekly magazine *l'Espresso*. Through its subsidiaries, the Group also publishes 18 local newspapers, has 3 national radio broadcasters (including Radio DeeJay) and various national television networks. It also operates in the internet sector and collects advertising for the Group media and for other publishers. The company is listed on the Stock Exchange and is subject to management and coordination by CIR S.p.A. ([www.gruppoespresso.it](http://www.gruppoespresso.it))

## ITEDI

Italiana Editrice, the company controlled for 77% by Fiat Chrysler Automobiles and for 23% by Italtel Holding (Perrone family), publishes the daily newspapers *La Stampa* and *Il Secolo XIX*, historic titles on the Italian publishing scene which will in the next few months be celebrating the 150th and 130th anniversary respectively of their foundation. ITEDI also controls the concessionaire Publikompass, leader in the collection of advertising in the North West and the company Nexta specializing in digital publishing.

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