

## **PRESS RELEASE**

As per the terms of Consob Resolution 11971/99 and subsequent amendments and additions

Milan, February 27 2017 – Today in Milan the Board of Directors of Gruppo Editoriale L'Espresso S.p.A. met and approved the consolidated results for the year ended December 31 2016 as presented by Chief Executive Officer Monica Mondardini and the proposal for a capital increase to service the contribution of Italiana Editrice SpA's entire share capital in Gruppo Editoriale L'Espresso SpA.

### **ECONOMIC AND FINANCIAL RESULTS OF THE ESPRESSO GROUP AS OF DECEMBER 31 2016**

#### **POSITIVE NET RESULT AND A SIGNIFICANT FINANCIAL SURPLUS, DESPITE THE CRISIS IN THE PUBLISHING SECTOR**

**REVENUES AT €85.5MN (-2.7% WITH SAME BASIS OF CONSOLIDATION, WITH DECREASE IN  
ATTENUATION COMPARED TO PREVIOUS YEARS)**

**NET INCOME: €10.4MN (€17.0MN IN 2015 INCLUDING A CAPITAL GAIN OF €10.3MN)**

**FINANCIAL POSITION POSITIVE FOR €31.7MN (DEBT OF €10.7MN AT 31/12/2015)**

Consolidated results (€nn)	Year 2015	Year 2016
Revenues, of which:	605.1	585.5
□ Circulation and sundry revenues	259.1	242.5
□ Advertising	346.0	343.0
Gross operating margin	47.5	44.7
Net result of businesses destined to continue	6.8	8.5
Result of discontinued operations and destined for disposal <sup>(1)</sup> dismissione <sup>(1)</sup>	10.3	2.0
Net result	17.0	10.4

  

(€nn)	December 31 2015	December 31 2016
Net financial position	(10.7)	31.7
Equity of the Group and third party interests	590.4	598.4
□ Equity of the Group	588.4	597.9
□ Minority shareholders' equity	2.0	0.5
No. of employees <sup>(2)</sup>	2,222	1,940

<sup>(1)</sup> On January 30 2015 the transfer of ownership was completed of All Music, the company of the Group that produces the mainstream national television channel *Deejay TV*, to the new producer Discovery Italia. The "Result of operations discontinued or held for disposal" therefore includes the results of the company until the date of completion as well as the capital gain realized on the sale.

<sup>(2)</sup> The no. of employees at December 31 2015 has been restated to include the hire on January 1 2016 of 39 people previously employed by a cooperative that operated in the printing and preparation sector on behalf of Finetil Editoriale.

## **PERFORMANCE OF THE MARKET**

In 2016 total advertising investment (Nielsen Media Research figures) showed growth of 1.7% compared to 2015.

The recovery in investment involved television and radio, which grew by 5.4% and 2.3% respectively.

Internet, excluding search and social, reported a decline in advertising orders of 2.3% compared to 2015.

Lastly, as far as advertising in the printed press is concerned, the trend was negative (-5.6%), with national and local advertising posting a similar decline.

As for newspaper circulation, according to ADS figures (Accertamento Diffusione Stampa) in 2016 there was a fall in sales on the newsstands and by subscription of 8.0%.

## **PERFORMANCE OF OPERATIONS OF THE ESPRESSO GROUP OPERATIONS IN THE YEAR 2016**

### **Foreword**

The General Agreement signed by Gruppo Espresso and ITEDI and announced to the public on August 1 2016 involves the integration of the two companies with the aim of creating the leading publishing Group in Italy as well as one of the most important groups in Europe in the sector of daily and digital news.

Within the scope of the deconsolidation plan to guarantee compliance with the print run thresholds laid down in current regulations, with a view to the future integration with La Stampa and Il Secolo XIX, during 2016 the Espresso Group completed the following transactions:

- ☐ The sale on November 1 2016 of the business arm including the newspaper titles Il Centro, plus its printing centre, and La Città di Salerno;
- ☐ The sale on October 28 2016 of the 71% interest in Seta SpA, publisher of the newspapers Alto Adige and Il Trentino;
- ☐ The lease from December 1 2016 of the business arm including the newspaper “La Nuova Sardegna” to the company DB Information SpA.

For all the newspapers advertising orders continue to be channelled through the concessionaire A.Manzoni&C.

## **Results of the Group**

The Group closed 2016 with a positive net result of €10.4mn.

The **consolidated revenues** of the Group, amounting to €585.5mn, underwent a decline of 3.2% compared to 2015 (-2.7% with the same consolidation basis).

**Circulation revenues (including sundry revenues)**, totalling €242.5mn, were down by 6.4% on the previous year (-5.5% with the same consolidation basis), in a market that, as stated above, has continued to report a significant fall in the sale of newspapers.

**Advertising revenues** remained substantially in line with those of the previous year (-0.9%).

Orders for radio and the internet showed a slight increase compared to 2015, while the printed press was affected by the critical performance of the market.

**Costs** fell by 2.4%, a decline substantially in line with the decline in sales; in particular, industrial fixed costs were down (-11.9%), thanks to the ongoing reorganization of the production structure of the Group, as were logistics and distribution costs (-5.2%), due to the rationalization of transportation. Editorial costs and management and administration costs were also down (by -5.4% overall), thanks to the measures adopted to contain labour costs and general expenses.

The **consolidated gross operating margin** was €44.7mn (€47.5mn in 2015), and included €7.7mn of reorganization costs. It should also be noted that as from the year 2016 the Espresso Group's share of the result of Persidera includes the amortization of the fair value of the digital terrestrial frequencies recognized when the equity interest was acquired, for an amount of €4.3mn.

The **consolidated operating result** came in at €23.4mn (€30.5mn in 2015), including €4.4mn from the writedown of the goodwill of the published titles after application of the impairment test. Profitability by business area showed a decline in the results of the daily newspapers and an increase in radio, the internet and the concessionaire.

The sale at the end of January 2015 of the television channel DeeJayTV to Discovery Italia generated capital gains, classified under discontinued operations, amounting respectively to €10.3mn in 2015 and €2.0mn in 2016.

The **consolidated net result** was income of €10.4mn, down from €17.0mn in the previous year; the difference was due to the above-mentioned capital gain recognized in 2015.

The **net financial position** was positive for €31.7mn at December 31 2016 as there was a financial surplus in the year of €42.4mn.

The **Group** had 1,940 **employees**, including temporary contracts, at the end of 2016, posting a reduction of 282 persons from December 31 2015, of whom 223 were due to the deconsolidation of the businesses described above. The average number of employees in 2016 was 5.1% lower than in the previous year.

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The Company's Director of Administration and Accounts, Mr Gabriele Acquistapace, the Executive responsible for the preparation of the company's financial statements, hereby attests in compliance with the terms of paragraph 2 of Art. 154-*bis* of the "Testo Unico delle Finanze" (Finance Consolidation Act) that the figures contained in this press release correspond to the results documented in the company's accounts and general ledger.

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#### **THE FINANCIAL STATEMENTS FOR 2016 OF THE PARENT COMPANY**

The revenues of the Parent Company of the Group came in at €263.3mn (€283.2mn in 2015). The operating result was negative for €6.5mn (-€0.7mn in 2015). The net result was income of €17.4mn (a loss of €4.0mn in 2015).

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The Board of Directors will propose to the Annual General Meeting of the Shareholders convened for April 27 2017 that no dividend be distributed for the year 2016 and that the earnings for the year of Euro 17,402,406.63 be posted to retained earnings as the legal reserve has already reached 20% of the share capital.

At the Annual General Meeting it will also be proposed that the AGM cancel and renew its authorization of the Board of Directors, for a period of 18 months, to buy back a maximum of 20 million of the company's own shares at a unit price that cannot be more than 10% higher or lower than the official price of the shares recorded in the trading session on the regulated market prior to that of each individual transaction or the date on which the price is fixed, and in any case when the buybacks are effected on the regulated market, at a price no higher than the higher of the price of the last independent transaction and the highest current independent bid price on the same market, in accordance with what is laid down in EU Delegated Regulation no.2016/1052.

The main reasons why this authorization is being renewed are the following: to fulfill obligations from possible stock option plans or other awards of the Company's shares to employees or members of the board of directors or the board of statutory auditors of GELE or any of its subsidiaries companies; to fulfill any obligations resulting from debt instruments that are convertible into or exchangeable with equity instruments; to have a portfolio of shares to use as consideration in extraordinary transactions, even those involving share exchanges, with other entities in deals of interest to the Company (as treasury stock); to engage in activities supporting the liquidity of the market; to take advantage of any opportunities to create value and to invest liquidity efficiently in relation to the market trend; for any other purposes that the competent Authorities should qualify as market practices permitted as per the terms of applicable European and domestic regulations, and following the procedures established therein.

#### **VERIFICATION THAT THE DIRECTORS AND STATUTORY AUDITORS HAVE THE REQUISITES OF INDEPENDENCE**

The Board of Directors verified the existence of the requisites of independence of the Directors, confirming that Mr Massimo Belcredi, Ms Agar Brugiavini, Mr Alberto Clò, Ms Silvia Merlo, Ms Elisabetta Oliveri, Mr Luca Paravicini Crespi and Mr Michael Zaoui can indeed be qualified as independent. The Board also verified the requisites of independence and integrity of the members of the Board of Statutory Auditors.

## **MAIN EVENTS THAT HAVE OCCURRED SINCE THE CLOSE OF THE YEAR AND OUTLOOK FOR THIS YEAR**

In 2016 the evolution of the sector remained critical: the circulation of newspapers and magazines once again reported a significant decline (-8.0%) and advertising orders for the printed press were down by 5.6% even though there was a slight recovery at global level.

In this still difficult climate, the Group obtained a decidedly positive result, maintaining its profitability in line with that of the previous year, once non-recurring items were excluded.

The Group has also continued to develop in the digital sector, confirming the leadership of *Repubblica.it* and launching the new website Business Insider on the Italian market in a joint venture.

The agreement reached with FCA and Ital Press and cited above will make it possible to unite the strength of respected historic newspapers such as la Repubblica, La Stampa and Il Secolo XIX and the numerous local newspapers of the Espresso Group.

As far as the evolution of the early months of 2017 is concerned, evidence available to date does not make it possible to forecast any market developments that are significantly different from those that characterized the year 2016.

## **CAPITAL INCREASE TO SERVICE CAPITAL CONTRIBUTION**

The Board of Directors further resolved to submit the proposal for a capital increase –with the exclusion of the option right, pursuant to Article 2441, paragraph 4, of the Italian Civil Code - (the “Capital Increase”), to the Shareholders’ meeting. The Capital Increase will be paid in by means of the contribution in kind of shares representing the entire share capital of Italiana Editrice S.p.A. (“ITEDI”) by its shareholders, *i.e.* Fiat Chrysler Automobiles N.V. (“FCA”) and Ital Press Holding S.p.A. (“Ital Press”), insofar as each of them is concerned.

The ITEDI Group, one of the main Italian operators in the publishing and news sector, closed the year 2016 reporting a value of production of €31.3mn, an EBITDA of €3.0mn and a net financial position of €5.4mn.

By virtue of the Capital Increase, the proposed integration of the activities of GELE and ITEDI, contemplated by the framework agreement announced on 1 August 2016 (the “Framework Agreement”), will be implemented..

Completion of the merger, which is subject to authorization by the competent authorities and to conditions precedent typical of deals of this kind (such as obtaining the necessary corporate authorizations), is scheduled to take place in the first half of 2017.

By virtue of the Capital Increase – to be approved by the shareholders’ meeting – GELE’s share capital will be increased by the aggregate amount of Euro 79,969,000.00, of which Euro 14,497,678.65 will be attributed to nominal share capital and Euro 65,471,321.35 will be attributed to share premium. The Capital Increase will be executed by means of the issuance of No. 96,651,191 GELE ordinary shares, having a nominal value of Euro 0.15 (the “New GELE Shares”), No. 74,421,417 GELE New Shares will be allotted to FCA and No. 22,229,774 GELE New Shares will be allotted to Ital Press.

Upon completion of the transaction CIR - Compagnie Industriali Riunite S.p.A. will hold 43.40% of GELE’s share capital; FCA will hold 14.63% and Ital Press will hold 4.37%.

GELE New Shares will be listed on the “Mercato Telematico Azionario” organized and managed by Borsa Italiana S.p.A. and will carry the same rights embodied in GELE outstanding shares.

The Board of Directors further resolved to convene the Extraordinary Meeting of Shareholders - for the approval of the Capital Increase - by means of a subsequent resolution, to be adopted upon the satisfaction of the conditions precedent set out in the Framework Agreement. Such conditions precedent include (i) clearance by the Italian antitrust authorities, and (ii) the assessment – excluding that a dominant position in the editorial and publishing sector will be achieved by GELE upon completion of the transaction pursuant to Art. 3 of Law 25 February 1987, No. 67 or, alternatively, the evidence – with reasonable certainty - of GELE’s compliance with the concentration’s according to the abovementioned provision.



For further information about the merger transaction described in this press release, reference should be made to what was announced by the company to the public on August 1 2016.

The documentation required by applicable laws - including, *inter alia*, the report prepared in accordance with Article 2441, paragraph 6, of the Italian Civil Code and Article 70, paragraph 4, of Consob resolution no. 11971/99, will be made available to the public within the time limits prescribed by law.

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# Gruppo Espresso

## Consolidated Income Statement

(€ million)	Year 2015	Year 2016
Revenues	605,1	585,5
Change in inventories	0,0	(0,4)
Other operating income	8,0	8,6
Purchases	(57,8)	(55,5)
Services received	(268,0)	(265,7)
Other operating charges	(14,8)	(14,6)
Investments valued at equity	3,4	1,0
Personnel costs	(228,4)	(214,2)
Depreciation, amortization and write-downs	(17,0)	(21,3)
<b>Operating profit</b>	<b>30,5</b>	<b>23,4</b>
Financial income (expense)	(26,0)	(6,8)
<b>Pre-tax profit</b>	<b>4,5</b>	<b>16,6</b>
Income taxes	2,3	(8,1)
<b>Net profit from continuing operations</b>	<b>6,8</b>	<b>8,5</b>
Net profit (loss) from discontinued operations	10,3	2,0
<b>Net profit</b>	<b>17,1</b>	<b>10,5</b>
Minority interests	(0,2)	(0,1)
<b>GROUP NET PROFIT</b>	<b>17,0</b>	<b>10,4</b>

*Not completely audited data*

# Gruppo Espresso

## Consolidated Balance Sheet

<b>ASSETS</b> (€ million)	December, 31 2015	December, 31 2016
Intangible assets with an indefinite useful life	478,0	466,4
Other intangible assets	3,2	3,7
Intangible assets	481,2	470,1
Property, plant and equipment	93,2	83,9
Investments valued at equity	131,1	129,1
Other investments	3,4	3,3
Non-current receivables	2,2	2,0
Deferred tax assets	19,2	16,0
<b>NON-CURRENT ASSETS</b>	<b>730,3</b>	<b>704,4</b>
Inventories	10,4	10,2
Trade receivables	195,6	174,5
Marketable securities and other financial assets	0,6	0,2
Tax receivables	15,9	15,5
Other receivables	25,0	23,4
Cash and cash equivalents	110,5	148,5
<b>CURRENT ASSETS</b>	<b>358,0</b>	<b>372,3</b>
<b>TOTAL ASSETS</b>	<b>1.088,3</b>	<b>1.076,7</b>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b> (€ million)	December, 31 2015	December, 31 2016
Share capital	61,8	61,8
Reserves	154,0	174,7
Retained earnings (loss carry-forwards)	355,6	351,0
Net profit (loss) for the period	17,0	10,4
<b>Group Shareholders' Equity</b>	<b>588,4</b>	<b>597,9</b>
Minority interests	2,0	0,5
<b>SHAREHOLDERS' EQUITY</b>	<b>590,4</b>	<b>598,4</b>
Financial debt	79,5	83,5
Provisions for risks and charges	45,5	46,8
Employee termination indemnity and other retirement	53,8	47,8
Deferred tax liabilities	86,0	89,1
<b>NON-CURRENT LIABILITIES</b>	<b>264,9</b>	<b>267,3</b>
Financial debt	42,3	33,6
Provisions for risks and charges	24,4	20,6
Trade payables	99,3	96,0
Tax payables	10,0	10,0
Other payables	57,0	50,8
<b>CURRENT LIABILITIES</b>	<b>233,0</b>	<b>211,1</b>
<b>TOTAL LIABILITIES</b>	<b>497,9</b>	<b>478,4</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1.088,3</b>	<b>1.076,7</b>

*Not completely audited data*

# Gruppo Espresso

## Changes in the Consolidated Net Financial Position

(€ million)	Year 2015	Year 2016
<b>SOURCES OF FUNDS</b>		
Net profit (loss) for the period, including minority interests	6,8	8,5
Net profit (loss) from discontinued operations	10,3	2,0
Depreciation, amortization and write-downs	17,0	21,3
Accruals to provisions for stock option costs	1,7	1,1
Net change in provisions for personnel costs	(11,2)	(2,8)
Net change in provisions for risks and charges	(10,7)	(3,3)
Losses (gains) on disposal of fixed assets	(0,0)	(1,0)
Losses (gains) on disposal of equity investments	(10,4)	(4,5)
Write-down (revaluation) of investments	17,1	0,1
Adjustments for investments valued at equity	(0,1)	2,2
<b>Cash flow from operating activities</b>	<b>20,5</b>	<b>23,7</b>
Decrease (Increase) in non-current receivables	22,0	0,1
Increase in liabilities/Decrease in deferred tax assets	(1,9)	6,3
Increase in payables/Decrease in tax receivables	(2,9)	0,4
Decrease (Increase) in inventories	0,7	0,0
Decrease (Increase) in trade and other receivables	(11,7)	24,3
Increase (Decrease) in trade and other payables	(10,8)	(7,1)
<b>Change in current assets</b>	<b>(4,5)</b>	<b>24,0</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>16,0</b>	<b>47,7</b>
Net equity divestments	-	6,1
Increases in share capital and reserves	4,3	-
Other changes	4,4	0,7
Cash flow from discontinued operations	12,3	2,0
<b>TOTAL SOURCES OF FUNDS</b>	<b>37,0</b>	<b>56,4</b>
<b>USES OF FUNDS</b>		
Net investments in fixed assets	(8,2)	(10,5)
Net equity investments	(1,3)	(1,3)
(Acquisition) sale of treasury stocks	(2,2)	0,1
Other changes	(1,7)	(2,3)
<b>TOTAL USES OF FUNDS</b>	<b>(13,5)</b>	<b>(14,0)</b>
<b>Financial surplus (deficit)</b>	<b>23,5</b>	<b>42,4</b>
<b>BEGINNIG NET FINANCIAL POSITION</b>	<b>(34,2)</b>	<b>(10,7)</b>
<b>ENDING NET FINANCIAL POSITION</b>	<b>(10,7)</b>	<b>31,7</b>

*Not completely audited data*

# Gruppo Espresso

## Statement of Consolidated Cash Flows

(€ million)	Year 2015	Year 2016
<b>OPERATING ACTIVITIES</b>		
Net profit (loss) for the period, including minority interests	6,8	8,5
Adjustments:		
- Depreciation, amortization and write-downs	17,0	21,3
- Accruals to provisions for stock option costs	1,7	1,1
- Net change in provisions for personnel costs	(11,2)	(2,8)
- Net change in provisions for risks and charges	(10,7)	(3,3)
- Losses (gains) on disposal of fixed assets	(0,0)	(1,0)
- Losses (gains) on disposal of equity investments and marketable securities	(10,4)	(4,5)
- Adjustments in value of financial assets	17,1	0,1
- Adjustments for investments valued at equity	(0,1)	2,2
- Dividends (received)	(0,0)	-
- Profit (loss) from discontinued operations	10,3	2,0
<b>Cash flow from operating activities</b>	<b>20,5</b>	<b>23,7</b>
<b>Change in current assets and other flows</b>	<b>3,3</b>	<b>28,4</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>23,8</b>	<b>52,1</b>
of which:		
Interest received (paid) through banks	(2,9)	(2,8)
Received (outlay) for income taxes	(0,2)	3,2
<b>INVESTING ACTIVITIES</b>		
Outlay for purchase of fixed assets	(8,4)	(11,7)
Outlay for purchase of equity investments	(1,3)	(1,3)
Received on disposals of fixed assets	0,2	7,3
(Acquisition) sale of marketable securities and available-for-sale assets	(0,5)	0,3
Dividends received	0,0	-
Cash flow from discontinued operations	12,3	2,0
Other changes	0,0	-
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>2,3</b>	<b>(3,4)</b>
<b>FINANCING ACTIVITIES</b>		
(Acquisition) sale of treasury stocks	(2,2)	0,1
Issue (repayment) of other financial debt	9,6	(8,5)
Other changes	(1,7)	(2,3)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>5,7</b>	<b>(10,7)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>31,8</b>	<b>38,0</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>78,7</b>	<b>110,5</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>110,5</b>	<b>148,5</b>

*Not completely audited data*

## Gruppo Espresso

### Consolidated Net Financial Position

(€ million)	December, 31 2015	December, 31 2016
Financial receivables from Group companies	0,2	0,2
Financial payables to Group companies	-	-
Cash and bank deposits	110,4	148,4
Current account overdrafts	(0,0)	(0,0)
<b>Net cash and cash equivalents</b>	<b>110,5</b>	<b>148,5</b>
Marketable securities and other financial assets	0,6	0,2
Bond issue	(84,5)	(88,9)
Other bank debt	-	-
Other financial debt	(37,3)	(28,1)
<b>Other financial assets (liabilities)</b>	<b>(121,2)</b>	<b>(116,8)</b>
<b>NET FINANCIAL POSITION</b>	<b>(10,7)</b>	<b>31,7</b>

*Not completely audited data*

# Gruppo Editoriale L'Espresso SpA

## Income Statement

(€ million)	Year 2015	Year 2016
Revenues	283,2	263,3
Change in inventories	0,0	(0,4)
Other operating income	3,9	4,9
Purchases	(33,9)	(30,9)
Services received	(148,6)	(139,6)
Other operating charges	(5,4)	(5,2)
Personnel costs	(96,5)	(95,2)
Depreciation, amortization and write-downs	(3,5)	(3,5)
<b>Operating profit</b>	<b>(0,7)</b>	<b>(6,5)</b>
Financial income (expense)	(32,1)	(5,2)
Dividends	20,2	25,3
<b>Pre-tax profit</b>	<b>(12,6)</b>	<b>13,7</b>
Income taxes	8,6	3,7
<b>NET PROFIT</b>	<b>(4,0)</b>	<b>17,4</b>

*Not completely audited data*

# Gruppo Editoriale L'Espresso SpA

## Balance Sheet

<b>ASSETS</b> (€ million)	December, 31 2015	December, 31 2016
Intangible assets with an indefinite useful life	220,7	220,7
Other intangible assets	2,3	2,7
Intangible assets	222,9	223,3
Property, plant and equipment	7,5	10,4
Other investments	354,3	355,9
Non-current receivables	1,5	1,4
Deferred tax assets	9,3	7,0
<b>NON-CURRENT ASSETS</b>	<b>595,4</b>	<b>598,0</b>
Inventories	6,4	6,3
Trade receivables	77,5	80,3
Tax receivables	15,1	18,3
Other receivables	18,5	14,4
Cash and cash equivalents	111,3	128,3
<b>CURRENT ASSETS</b>	<b>228,7</b>	<b>247,6</b>
<b>TOTAL ASSETS</b>	<b>824,1</b>	<b>845,6</b>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b> (€ million)	December, 31 2015	December, 31 2016
Share capital	61,8	61,8
Reserves	83,9	84,4
Retained earnings (loss carry-forwards)	355,6	351,0
Net profit (loss) for the period	(4,0)	17,4
<b>SHAREHOLDERS' EQUITY</b>	<b>497,3</b>	<b>514,6</b>
Financial debt	79,5	83,5
Provisions for risks and charges	37,9	38,5
Employee termination indemnity and other retirement	22,8	20,4
Deferred tax liabilities	58,4	61,0
<b>NON-CURRENT LIABILITIES</b>	<b>198,6</b>	<b>203,4</b>
Financial debt	22,6	27,4
Provisions for risks and charges	11,6	10,4
Trade payables	59,7	59,7
Tax payables	5,8	5,1
Other payables	28,5	25,0
<b>CURRENT LIABILITIES</b>	<b>128,2</b>	<b>127,6</b>
<b>TOTAL LIABILITIES</b>	<b>326,8</b>	<b>331,0</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>824,1</b>	<b>845,6</b>

*Not completely audited data*

# Gruppo Editoriale L'Espresso SpA

## Statement of Cash Flows

(€ million)	Year 2015	Year 2016
<b>OPERATING ACTIVITIES</b>		
Net profit (loss) for the period, including minority interests	(4,0)	17,4
Adjustments:		
- Depreciation, amortization and write-downs	3,5	3,5
- Accruals to provisions for stock option costs	1,7	1,1
- Net change in provisions for personnel costs	(5,1)	(2,5)
- Net change in provisions for risks and charges	(7,2)	(0,6)
- Losses (gains) on disposal of fixed assets	0,2	-
- Losses (gains) on disposal of equity investments and market	(0,8)	(2,0)
- Adjustments in value of financial assets	26,0	-
- Dividends (received)	(20,2)	(25,3)
<b>Cash flow from operating activities</b>	<b>(6,1)</b>	<b>(8,4)</b>
<b>Change in current assets and other flows</b>	<b>15,0</b>	<b>3,0</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>8,8</b>	<b>(5,4)</b>
of which:		
Interest received (paid) through banks	(1,8)	(2,1)
Received (outlay) for income taxes	0,9	5,9
<b>INVESTING ACTIVITIES</b>		
Outlay for purchase of fixed assets	(3,1)	(6,3)
Outlay for purchase of equity investments	(3,0)	(1,8)
Received on disposals of fixed assets	39,1	2,0
Dividends received	20,2	25,3
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>53,3</b>	<b>19,2</b>
<b>FINANCING ACTIVITIES</b>		
(Acquisition) sale of treasury stocks	(2,2)	(0,8)
Issue (repayment) of other financial debt	(1,2)	-
Other changes	(1,5)	(0,4)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(5,0)</b>	<b>(1,2)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>57,1</b>	<b>12,7</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>36,6</b>	<b>93,7</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>93,7</b>	<b>106,3</b>

*Not completely audited data*