

## **“PRICE SENSITIVE” PRESS RELEASE IN COMPLIANCE WITH THE FINANCE ACT AND THE CONSOB REGULATIONS**

**The Espresso Group: The Shareholders Meeting approves the 2004 financial statements, the distribution of the dividend (+18% on the prior year) and renews the authorization to buy own shares to the Board of Directors.**

### **SUMMARY**

#### **Consolidated financial statement 2004**

The Meeting of the Shareholders of the Gruppo Editoriale L'Espresso S.p.A. met today in Rome under the Chairmanship of Carlo Caracciolo and approved the financial statement for 2004. These are, in synthesis, the main consolidated results, in comparison with the previous year:

(€millions) consolidated data	2003	2004	Δ %
Revenues	1,051.1	1,079.8	+2.7%
Of which:			
• Circulation	482.8	496.4	+2.8%
• Advertising	534.0	546.1	+2.3%
Gross Operating Profit	231.5	231.5	
Operating Profit	175.1	177.4	+1.3%
Financial Income (Expenses)	(28.6)	(12.9)	
Net Profit	67.8	87.7	
Net Shareholders' Equity	332.0	375.2	
Net Financial Position	(149.5)	(131.1)	
Employees	3.166	3.271	

#### **Dividends**

The Meeting of the Shareholders deliberated the distribution of a dividend, gross of legal deductions, amounting to €0.13 per share, increasing by 18% in comparison with €0.11 per share in the previous year. The dividend will be paid on May 26, 2005, upon the clipping of coupon n. 9 on May 23, 2005.

## **PRESS RELEASE**

### **Consolidated Financial Statement**

The Espresso Group closed 2004 with a consolidated net profit amounting to €87.7 millions (equal to €0.20 per share) increasing from €67.8 millions (€0.16 per share) in 2003, against consolidated revenues increased from €1,051.1 millions to €1,079.8 millions. The consolidated operating profit amounted to €177.4 millions, with a margin on revenues equal to 16.4% (€175.1 millions in the previous year, equal to 16.7% on revenues).

Net financial debts as of December 31, 2004 decreased from €149.5 millions in the previous year to €131.1 millions, thanks to the cash generated from operating activities, which has more than compensated the expenses due to investments (€99 millions) and dividends (€47 millions).

The net shareholders' equity increased from €332 millions at the end of 2003 to €375.2 millions as of December 31, 2004.

### **Financial Statement of the Parents' Company**

The Parents' Company closed the year with a net profit amounting to €70.4 millions, increasing in comparison with €57.7 millions in the previous year. Revenues amounted to €656.4 millions, + 1.2% in comparison with € 648.5 millions in 2003. The operating profit decreased from €125.7 millions to €98.5 millions, mainly because of the higher industrial costs and the depreciation relevant to the full colour project of la Repubblica.

### **Revocation and award of a new authorization to buy own shares**

The Meeting of the Shareholders revoked the previous proxy to buy own shares for the remaining period and for the part not yet used, and contextually awarded a new proxy with the following characteristics: a) duration: 18 months; b) maximum number of ordinary shares purchasable: 6,250,000 equal to about 1.5% of the share capital; c) price range: €0.15 (nominal value) - €8.00.

### **Appointment of a Member of the Board**

The Meeting has appointed as a member of the Board of Directors Mr. Francesco Dini, Direttore affari generali (Director of General Affairs) of CIR SpA, already co-opted by the Board on April 21, 2004, in substitution of Mr. Antonio Grigolini, who had resigned because of personal reasons.

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### **Company's contacts**

The text of this press release is also readable on the Company's site [www.gruppoespresso.it](http://www.gruppoespresso.it).

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