



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

The Board of Directors of Gruppo Editoriale L'Espresso S.p.A. met today in Rome at 10:30 a.m. under the chairmanship of Mr. Carlo De Benedetti and, following the relevant examination, approved the plans of intervention aimed at cost reduction, adjusting them to the current market situation and, in particular, to the decrease in revenues following the drastic decline in advertising investments linked to the worsening of the macro-economic framework.

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

The effects of the plan will be significant since the current year, and will reach an almost steady state by 2010.

The plan doesn't impact in general on the features and quality of the products, in a framework of significant journalistic engagement, supported by growing sales. The plan also envisages a high level of investment in resources and technologies, aimed at developing the Group's leadership - in particular as regards *Repubblica.it* – among news websites.

Nonetheless, in order to recover efficiency, the plan entails structural and permanent interventions addressed to all Company's areas and functions, as well as to every single expenditure item. In particular,

- Industrial costs will decrease by 22% with respect to 2008 thanks to the suppression of the circulation initiatives that proved to be uneconomic, and to the interventions already made on the number of pages and formats of the Group's titles; moreover, an overall reorganization of the productive structure will be implemented, aimed at rationalizing the existing 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) are expected to generate savings equal to about 15%.

As to the effects of this plan on employment, regarding the non-journalist staff all the labor procedures - required by both the contractual and legal regulations - have been started and have partly already led to the definition of specific implementation agreements.



As regards the journalists of “*la Repubblica*” and “*L’espresso*”, today, in a meeting held to introduce the beginning of the labor procedures, the Company Management illustrated to the respective editorial committees the interventions described in the plan.

Company contacts

Director of External Relations
Stefano Mignanego
Tel.: +390684787434
e-mail: pressoffice@gruppoespresso.it
www.gruppoespresso.it

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