PRESS RELEASE

As per the terms of Consob Resolution no. 11971/99 and subsequent amendments and additions

RESULTS FIRST 9 MONTHS 2017:

REVENUES: €440MN (+3.7% on 2016)

EBITDA: €34.1MN (in line with 2016)

NET FINANCIAL POSITION POSITIVE: €40.5MN
(an improvement from the €31.7mn at end of 2016)

RESULT BEFORE EXTRAORDINARY TAX CHARGE POSITIVE

EXTRAORDINARY TAX CHARGE IMPACT AT €154.5MN

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RESULTS THIRD QUARTER SIGNIFICANTLY STRONGER THANKS TO INTEGRATION WITH ITEDI
(revenues: +16.2% - ebitda: +27%)

Rome, October 25 2017 - The Board of Directors of GEDI Gruppo Editoriale S.p.A. met today in Rome under the chairmanship of Marco De Benedetti and approved the consolidated results as of September 30 2017 presented by Chief Executive Officer Monica Mondardini.

GEDI GRUPPO EDITORIALE

ECONOMIC AND FINANCIAL RESULTS OF THE GEDI GROUP AT SEPTEMBER 30 2017

Below are the main economic and financial indicators at September 30 2017. It should be noted that there is a significant difference in the consolidation perimeter between the first nine months of 2017 and the same period of 2016, due to the deconsolidation of 5 newspaper titles in the last quarter of 2016 and to the consolidation of the ITEDI Group as from July 1 2017. The comparison between the two periods does not therefore fully represent the performance of operations.

Consolidated results (€mn)	*Jan - Sept 2016*	*Jan - Sept 2017*
Revenues, of which:	424.3	440.0
• circulation	153.7	145.0
• optional products and miscellaneous	30.8	28.8
• advertising	239.8	266.1
Gross operating margin	34.1	34.1
Operating result	22.8	22.7
Taxes	(5.8)	(160.1)
Net result of operations destined to continue	13.1	(145.0)
Result of operations discontinued or held for disposal [1]	1.0	1.2
Net result	14.0	(143.9)

(€mn)	*December 31 2016*	*September 30 2017*
Net financial position	31.7	40.5
Equity of the Group and minority shareholders	598.4	537.9
• equity of the Group	597.9	537.3
• minority shareholders' equity	0.5	0.5
Employees	1,940	2,475

[1] The "Result of operations discontinued or held for disposal" includes the capital gain realized on the sale on January 30 2015 of All Music, the company of the Group that produces the mainstream national television channel *Deejay TV*, to the new producer Discovery Italia.

The results at September 30 2017 include the significant tax charge resulting from the settlement of the dispute relating to events going back to 1991. On September 29 the Board of Directors of GEDI

Gruppo Editoriale SpA, while reiterating that it was convinced of the legal and tax legitimacy of the transaction that was censured by the Tax Authority, voted to avail itself of the right set out in Art. 11 of Dl no. 50/2017 transposed into Law no. 96/2017 to settle the said tax dispute, which was the subject of ruling no. 64/9/2012 by the Rome Regional Tax Commission.

As has been disclosed to the market in the Company's various Financial Reports, the case pending in the Court of Cassation referred to disputes regarding possible tax evasion on tax benefits deriving from the corporate reorganization of Gruppo Editoriale L'Espresso carried out in 1991 through the merger by incorporation of Editoriale La Repubblica SpA into Cartiera di Ascoli SpA. An unfavourable outcome for the Company in the case pending in the Court of Cassation would have involved a charge today of €388.6mn.

The decision to settle the case means that the Company will have to pay an amount of €175.3mn, of which €70.1mn were paid on October 2 2017, €70.1mn must be paid by November 30 and the remaining €35.1mn by June 30 2018.

The loss resulting from the settlement of this dispute in the terms described above, which is recognized in the accounts on September 30 2017, amounts to €154.5mn and is covered entirely with the available reserves in shareholders' equity, without affecting the share capital in any way.

Given that the Company had the requisites and the resources to make such a disbursement financially and economically sustainable, even in the light of its current positive net financial position, the Board of Directors decided that such a settlement was in the interests of the Company, given the benefits of removing a possible tax risk that could potentially have considerable economic and financial consequences in the medium-long term and would in any case involve a much greater amount than that of the option decided upon.

ECONOMIC AND FINANCIAL RESULTS OF THE GEDI GROUP AT SEPTEMBER 30 2017, PRESENTATION OF THE FIGURES ON A LIKE-FOR-LIKE BASIS

On June 27 2017 the merger was completed of the companies Italiana Editrice SpA, Publikompass SpA and Nexta Srl ("Gruppo ITEDI") into GEDI. This transaction was carried out by means of a share capital increase reserved for subscription by Fiat Chrysler Automobiles N.V. ("FCA") and Ital Press Holding SpA ("IPH"), and was released by the latter companies with a contribution in kind of shareholdings representing the entire share capital of Italiana Editrice SpA.

As an effect of this transaction, as from June 27 2017 GEDI acquired control of the ITEDI Group. June 30 2017 was adopted as the date of consolidation and therefore the income statement of the GEDI Group for the first nine months of 2017 includes the ITEDI Group as from July 1.

In evaluating the economic results of the first nine months of 2017 and comparing them with the same period of 2016, in addition to the transaction described above, it is also necessary to take into account the deconsolidation in the fourth quarter of 2016 of 5 local newspapers belonging to the Group (Alto Adige, Il Trentino, Il Centro, La Città di Salerno, La Nuova Sardegna).

In order to guarantee that the figures are comparable, a pro-forma income statement for the first nine months of 2016 was drawn up with the same consolidation perimeter as the present one, i.e. excluding

the newspapers that were given and including the ITEDI Group for the period July 1- September 30 2016. The chart below shows the main economic parameters.

Consolidated results with the same consolidation perimeter (€mn)	*Jan - Sept 2016*	*Jan - Sept 2017*
Revenues, of which:	440.7	440.0
• circulation	154.9	145.0
• optional products and miscellaneous	34.7	28.8
• advertising	251.1	266.1
Gross operating margin	32.9	34.1
Operating result	20.5	22.7
Taxes	(6.0)	(160.1)
Net result of operations destined to continue	10.6	(145.0)
Result of operations discontinued or held for	1.0	1.2
Net result	11.5	(143.9)

(1) The “Result of operations discontinued or held for disposal” includes the capital gain realized on the sale on January 30 2015 of All Music, the company of the Group that produces the mainstream national television channel *Deejay TV*, to the new producer Discovery Italia.

PERFORMANCE OF THE MARKET

After the slight recovery in 2016, in the first eight months of 2017 advertising investment declined by 4.0% on the same period of the previous year (Nielsen Media Research figures).Radio confirmed the positive trend that began in 2015, posting growth of 3.2% compared to the same period of 2016; television was down by 3.5%; the internet (excluding search and social media) received orders that

were substantially unchanged from those of the same period of 2016 (-1.0%); the printed press fell by 9.1%, with newspapers posting -10.5% (-13.7% for national advertising and -7.8% for local advertising) and magazines -7.0%.

As for newspaper circulation, according to ADS (Accertamento Diffusione Stampa) figures, in the period from January to August 2017 sales on the newsstands and by subscription fell by 8.8%, a number that was substantially in line with that of the previous year.

PERFORMANCE OF OPERATIONS OF THE GEDI GROUP IN THE FIRST NINE MONTHS OF 2017

Consolidated revenues, amounting to €440.0mn, were up by 3.7% on the corresponding period of 2016 and remained substantially unchanged with the same consolidation perimeter (-0.2%).

Circulation revenues, totalling €145.0mn, were down by 5.6% compared to the first nine months of 2016 and by 6.3% on a like-for-like basis, in a market that, as described above, has continued to show a significant reduction in the circulation of newspapers (-8.8%).

Advertising revenue rose by 11% compared to the same period of 2016; growth on a like-for-like basis came to 6.0%, with a decline of 4.5% for the Group media but a significant improvement of third-party concessions thanks to the new concessions of Radio Italia and the newspapers La Stampa and il Secolo XIX for national advertising in the first six months of the year.

As regards the Group media, advertising orders for radio increased by 2.8%, confirming the positive evolution already seen in the previous year.

Orders for the internet showed a slight increase (+1.6%), with a performance that was better than that of the market (-1.0%).

Lastly, print orders fell sharply (-8.3%), affected by the negative trend of advertising orders in the newspaper sector, which in August declined by 10.5%.

Costs, excluding optional products and third-party concessions, were down by 4.5% and by 6.1% on a like-for-like basis; both fixed personnel costs and other costs were also lower (-4.4% and -7.4% respectively).

The **consolidated gross operating margin** came in at €34.1mn, a figure that was in line with that reported in the same period of 2016 and an improvement on the figure on a like-for-like basis (€32.9mn), despite the adverse evolution of the sector.

The **consolidated operating result** came to €22.7mn and was in line with the result for the same period of 2016 (€22.8mn) but higher than the result on a like-for-like basis (€20.5mn).

Overall tax expense came to €160.1mn because of the extraordinary charge incurred for the settlement of the dispute described above, for an amount of €154.5mn.

The **consolidated net result** because of the tax change mentioned above was a loss of €143.9mn, which compares to net income of €11.5mn in the first nine months of 2016 on a like-for-like basis.

The **net financial position** at the end of September 2017 was a positive €40.5mn and showed an improvement compared to the end of 2016 (€31.7mn) in spite of the fact that the merger during the period of the ITEDI Group had involved consolidating the latter's negative net financial position of €8.4mn. Taking into account the settlement of the tax dispute, as illustrated above, during the fourth quarter and more precisely on October 2 and November 30 the Company will make total disbursements of €140.2mn, after which it will have net debt of around €100mn.

The **Group** had 2,475 **employees**, including temporary contracts, at the end of September, after the entry of 532 persons from the ITEDI Group.

MAIN ECONOMIC RESULTS OF THIRD QUARTER 2017

Consolidated results (€mn)	*3rd Quarter 2016*	*3rd Quarter 2016 like-for-like basis*	*3rd Quarter 2017*
Revenues	131.4	158.0	152.7
Gross operating margin	8.9	10.0	11.3
Operating result	5.1	4.9	6.8
Taxes	(1.7)	(2.0)	(156.0)
Net result of operations destined to continue	1.9	1.2	(151.4)
Result of discontinued operations	-	-	0.2
Net result	1.9	1.2	(151.2)

The results for the third quarter of 2017 show how the Group, with its new consolidation perimeter, is significantly stronger than it was previously.

Its **Consolidated net revenues** were 16.2% higher than those of the equivalent quarter of 2016, and the **operating result** was up from €5.1mn to €6.8mn; the **consolidated net result** was a loss of €151.2mn, taking into account the fact that the extraordinary tax charge was recognized in the accounts during the third quarter.

As already noted, to evaluate the performance of operations more accurately, given the change in the consolidation perimeter, pro-forma accounts were drawn up for 2016 using the current consolidation perimeter.

On the like-for-like basis **consolidated net revenues** declined by 3.3% as a result of the continuing negative trend of the sector, both in terms of circulation and of advertising orders. The **consolidated operating result**, however, rose to €6.8mn from €4.9mn in 2016.

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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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MAIN EVENTS THAT HAVE OCCURRED SINCE THE CLOSE OF THE FIRST NINE MONTHS AND OUTLOOK FOR THE REST OF THE YEAR

On October 9 GEDI Gruppo Editoriale acquired 10% of Radio Italia from Mario Volanti, the majority shareholder of the Company. Radio Italia is one of the top 5 radio stations in Italy, with almost 4.4 million listeners on an average day. Its format is based on Italian music, it owns the television channel

Radio Italia TV and organizes important events such as concerts and music tours. Its editorial content and its audience profile complement those of GEDI's radio stations extremely well. With the acquisition of this shareholding GEDI aims to develop its collaboration with Radio Italia, strengthening its position in a sector where advertising revenues have been increasing for years, unlike those of the traditional media.

Regarding the outlook for the year 2017, based on the performance reported in the first nine months of the year, there are no signs of an improvement in the negative trends that have been affecting the newspaper and magazine sector for years, while the positive evolution of radio is consolidating. In this context the Group continues to be committed, in particular, to the radio sector, to the development of its digital businesses, in which it is a market leader, and to cutting costs, and is of the opinion that, in the absence of any events that cannot at the moment be foreseen and without considering the impact of the settlement of the tax dispute, it will report a positive result and the merger with ITEDI will bring new opportunities.

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GEDI Gruppo Editoriale
Consolidated Income Statement

(€ million)	Jan - Sept 2016	Jan - Sept 2016 equivalent consolidation area	Jan - Sept 2017
Revenues	424,3	440,7	440,0
Change in inventories	0,2	0,2	0,3
Other operating income	6,2	6,2	8,0
Purchases	(41,9)	(42,8)	(38,0)
Services received	(191,1)	(208,9)	(220,4)
Other operating charges	(7,0)	(7,7)	(6,7)
Personnel costs	(156,6)	(154,7)	(149,1)
Depreciation, amortization and write-downs	(11,3)	(12,3)	(11,4)
Operating profit	**22,8**	**20,5**	**22,7**
Financial income (expense)	(6,8)	(6,9)	(6,8)
Investments valued at equity	3,0	3,0	(0,7)
Pre-tax profit	**18,9**	**16,6**	**15,1**
Income taxes	(5,8)	(6,0)	(160,1)
Net profit from continuing operations	**13,1**	**10,6**	**(145,0)**
Net profit (loss) from discontinued operations	1,0	1,0	1,2
Net profit	**14,1**	**11,6**	**(143,8)**
Minority interests	(0,1)	(0,1)	(0,1)
GROUP NET PROFIT	**14,0**	**11,5**	**(143,9)**
Earnings per share, basic	0,036	0,030	(0,347)
Earnings per share, diluted	0,031	0,025	(0,302)

Consolidated Comprehensive Income Statement

(€ million)	Jan - Sept 2016	Jan - Sept 2016 equivalent consolidation area	Jan - Sept 2017
NET PROFIT	**14,1**	**11,6**	**(143,8)**
Other components of comprehensive income statement:			
Administrative expenses	-	-	(0,7)
Taxes on other components of comprehensive income statement	-	-	0,2
Other components of comprehensive income statement, after taxes	**-**	**-**	**(0,6)**
TOTAL COMPREHENSIVE INCOME STATEMENT	**14,1**	**11,6**	**(144,4)**

Total comprehensive income statement, of which:			
Parent Company's shareholders	14,0	11,5	(144,4)
Minority Interests	0,1	0,1	0,1

Not audited data

GEDI Gruppo Editoriale

Consolidated Income Statement - 3rd Quarter

(€ million)	3rd Quarter 2016	3rd Quarter 2016 equivalent consolidation area	3rd Quarter 2017
Revenues	131,4	158,0	152,7
Change in inventories	0,3	0,3	0,2
Other operating income	1,2	1,3	2,0
Purchases	(13,4)	(16,2)	(14,9)
Services received	(61,2)	(75,1)	(74,3)
Other operating charges	(2,3)	(3,2)	(1,9)
Personnel costs	(47,1)	(55,0)	(52,5)
Depreciation, amortization and write-downs	(3,8)	(5,1)	(4,5)
Operating profit	**5,1**	**4,9**	**6,8**
Financial income (expense)	(2,3)	(2,5)	(2,2)
Investments valued at equity	0,8	0,8	(0,0)
Pre-tax profit	**3,6**	**3,2**	**4,6**
Income taxes	(1,7)	(2,0)	(156,0)
Net profit from continuing operations	**1,9**	**1,2**	**(151,4)**
Net profit (loss) from discontinued operations	-	-	0,2
Net profit	**1,9**	**1,2**	**(151,2)**
Minority interests	-	-	(0,0)
GROUP NET PROFIT	**1,9**	**1,2**	**(151,2)**

Consolidated Comprehensive Income Statement

(€ million)	3rd Quarter 2016	3rd Quarter 2016 equivalent consolidation area	3rd Quarter 2017
NET PROFIT	**1,9**	**1,2**	**(151,2)**
Other components of comprehensive income statement:			
Administrative expenses	-	-	-
Taxes on other components of comprehensive income statement	-	-	-
Other components of comprehensive income statement, after taxes	**-**	**-**	**-**
TOTAL COMPREHENSIVE INCOME STATEMENT	**1,9**	**1,2**	**(151,2)**
Total comprehensive income statement, of which:			
Parent Company's shareholders	1,9	1,2	(151,2)
Minority Interests	-	-	0,0

Not audited data

GEDI Gruppo Editoriale
Consolidated Balance Sheet

ASSETS (€ million)	December, 31 2016	September, 30 2017
Intangible assets with an indefinite useful life	466,4	591,0
Other intangible assets	3,7	5,2
Intangible assets	470,1	596,2
Property, plant and equipment	83,9	99,6
Investments valued at equity	129,1	124,1
Other investments	3,3	4,6
Non-current receivables	2,0	2,2
Deferred tax assets	16,0	22,1
NON-CURRENT ASSETS	**704,4**	**848,7**
Inventories	10,2	14,2
Trade receivables	174,5	161,4
Marketable securities and other financial assets	0,2	0,1
Tax receivables	15,5	17,1
Other receivables	23,4	32,4
Cash and cash equivalents	148,5	170,3
CURRENT ASSETS	**372,3**	**395,5**
TOTAL ASSETS	**1.076,7**	**1.244,3**

LIABILITIES AND SHAREHOLDERS' EQUITY (€ million)	December, 31 2016	September, 30 2017
Share capital	61,8	76,3
Reserves	174,7	237,6
Retained earnings (loss carry-forwards)	351,0	367,3
Net profit (loss) for the period	10,4	(143,9)
Group Shareholders' Equity	**597,9**	**537,3**
Minority interests	0,5	0,5
SHAREHOLDERS' EQUITY	**598,4**	**537,9**
Financial debt	83,5	94,8
Provisions for risks and charges	46,8	26,6
Employee termination indemnity and other retirement benefits	47,8	60,3
Deferred tax liabilities	89,1	121,1
NON-CURRENT LIABILITIES	**267,3**	**302,9**
Financial debt	33,6	35,0
Provisions for risks and charges	20,6	34,4
Trade payables	96,0	90,2
Tax payables	10,0	187,2
Other payables	50,8	56,8
CURRENT LIABILITIES	**211,1**	**403,5**
TOTAL LIABILITIES	**478,4**	**706,4**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1.076,7**	**1.244,3**

Not audited data

GEDI Gruppo Editoriale

Changes in the Consolidated Net Financial Position

(€ million)	Jan - Sept 2016	Jan - Sept 2017
SOURCES OF FUNDS		
Net profit (loss) for the period, including minority interests	13,1	(145,0)
Net profit (loss) from discontinued operations	1,0	1,2
Depreciation, amortization and write-downs	11,3	11,4
Accruals to provisions for stock option costs	1,0	0,5
Net change in provisions for personnel costs	(2,1)	(1,5)
Net change in provisions for risks and charges	(6,3)	(24,8)
Losses (gains) on disposal of fixed assets	0,0	(0,5)
Losses (gains) on disposal of equity investments	(1,0)	(1,2)
Adjustments for investments valued at equity	0,2	5,0
Cash flow from operating activities	**17,2**	**(154,9)**
Decrease (Increase) in non-current receivables	0,3	0,0
Increase in liabilities/Decrease in deferred tax assets	6,9	2,2
Increase in payables/Decrease in tax receivables	(4,4)	174,1
Decrease (Increase) in inventories	(0,0)	0,4
Decrease (Increase) in trade and other receivables	53,1	24,7
Increase (Decrease) in trade and other payables	(12,2)	(26,9)
Change in current assets	**43,6**	**174,6**
CASH FLOW FROM OPERATING ACTIVITIES	**60,8**	**19,6**
Net equity divestments	-	3,2
Increases in share capital and reserves	-	83,7
Other changes	0,7	-
Cash flow from discontinued operations	1,0	2,0
TOTAL SOURCES OF FUNDS	**62,5**	**108,5**
USES OF FUNDS		
Net investments in fixed assets	(8,7)	(7,4)
Net equity investments	(0,9)	(91,5)
(Acquisition) sale of treasury stocks	0,0	0,3
Other changes	(0,8)	(1,1)
TOTAL USES OF FUNDS	**(10,4)**	**(99,7)**
Financial surplus (deficit)	**52,0**	**8,8**
BEGINNIG NET FINANCIAL POSITION	**(10,7)**	**31,7**
ENDING NET FINANCIAL POSITION	**41,3**	**40,5**

Not audited data

GEDI Gruppo Editoriale

Statement of Consolidated Cash Flows

(€ million)	Jan - Sept 2016	Jan - Sept 2017
OPERATING ACTIVITIES		
Net profit (loss) for the period, including minority interests	13,1	(145,0)
Adjustments:		
- Depreciation, amortization and write-downs	11,3	11,4
- Accruals to provisions for stock option costs	1,0	0,5
- Net change in provisions for personnel costs	(2,1)	(1,5)
- Net change in provisions for risks and charges	(6,3)	(24,8)
- Losses (gains) on disposal of fixed assets	0,0	(0,5)
- Losses (gains) on disposal of equity investments and marketable sec	(1,0)	(1,2)
- Adjustments for investments valued at equity	0,2	5,0
- Profit (loss) from discontinued operations	1,0	1,2
Cash flow from operating activities	**17,2**	**(154,9)**
Change in current assets and other flows	**47,6**	**178,8**
CASH FLOW FROM OPERATING ACTIVITIES	**64,7**	**23,8**
of which:		
Interest received (paid) through banks	(0,1)	(1,5)
Received (outlay) for income taxes	2,8	(2,3)
INVESTING ACTIVITIES		
Outlay for purchase of fixed assets	(8,8)	(8,1)
Outlay for purchase of equity investments	(0,9)	(0,0)
Received on disposals of fixed assets	0,1	3,9
(Increase) Decrease in financial receivables, available-for-sale assets	0,6	0,2
Cash flow from ITEDI	-	9,0
Cash flow from discontinued operations	1,0	2,0
CASH FLOW FROM INVESTING ACTIVITIES	**(8,1)**	**7,0**
FINANCING ACTIVITIES		
(Acquisition) sale of treasury stocks	0,0	0,3
Issue (repayment) of other financial debt	(8,1)	(8,4)
(Dividends paid)	-	-
Other changes	(0,8)	(1,1)
CASH FLOW FROM FINANCING ACTIVITIES	**(8,9)**	**(9,2)**
Increase (decrease) in cash and cash equivalents	**47,7**	**21,6**
Cash and cash equivalents at beginning of the period	**110,5**	**148,5**
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**158,2**	**170,1**

Not audited data

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Consolidated Net Financial Position

(€ million)	September, 30 2016	December, 31 2016	September, 30 2017
Financial receivables from Group companies	0,2	0,2	0,2
Financial payables to Group companies	(1,6)	-	-
Cash and bank deposits	155,7	148,4	170,1
Current account overdrafts	(0,1)	(0,0)	(0,1)
Net cash and cash equivalents	**154,1**	**148,5**	**170,1**
Marketable securities and other financial assets	-	0,2	0,1
Bond issue	(88,5)	(88,9)	(93,1)
Other bank debt	-	-	(9,1)
Other financial debt	(28,5)	(28,1)	(27,5)
Other financial assets (liabilities)	**(116,9)**	**(116,8)**	**(129,7)**
NET FINANCIAL POSITION	**37,2**	**31,7**	**40,5**

Not audited data