

Caltagirone Editore: Board of Directors approves results for the first half-year 2007

- Revenues: 168.3 millions, +14.3%
- Ebitda: 31.2 millions, +7.3%
- Group net profit: 17.1 millions, +1.5%

Rome, September 12th, 2007 - The Board of Directors of Caltagirone Editore, chaired by Francesco Gaetano Caltagirone, today approved the results for the first half-year of 2007.

Financial highlights (millions of Euro)

	1st Half 2007*	1st Half 2006	Change %
Revenues	168.3	147.2	+14.3 %
EBITDA	31.2	29.1	+7.3 %
EBIT	23.8	23.3	+2.2 %
Group net profit	17.1	16.8	+1.5 %

* includes the results of Gazzettino – purchased in July 2006

Caltagirone Editore recorded growth in all financial results for the first six months of 2007. The inclusion of Gazzettino in the consolidation area contributed to the increase in **revenues** of 14.3% (Euro 168.3 millions compared to Euro 147.2 millions in the first half of 2006). In particular, **circulation revenues** increased by 35.1% (Euro 45.2 millions compared to Euro 33.4 millions in the first half of 2006) and **advertising revenues** increased by 14.8% (Euro 108.1 millions compared to Euro 94.1 millions in the first half of 2006).

This good performance in revenues is reflected in **Ebitda** growth of 7.3% (Euro 31.2 millions compared to Euro 29.1 millions in the first six months of 2006), in the **Ebit** which increased by 2.2% (Euro 23.8 millions compared to Euro 23.3 millions in the first six months of 2006) and in the **net profit** which rose by 1.5% to Euro 17.1 millions from Euro 16.8 millions in the same period of last year. It should be noted that Ebitda of Euro 31.2 millions is net of the effect of the complementary pension reforms carried out in Italy. This legislative change had a negative impact on the income statement in the period of approximately Euro 1.6 millions.

Performance in the first half of 2007 at constant perimeter

Excluding Il Gazzettino, the results for the first half of this year are the following: total revenues from Euro 147.2 millions at H1 2006 to Euro 137.9 millions; advertising revenues from Euro 94.1 millions at H1 2006 to Euro 92.7 millions as effect, in both cases, to lower promotion activities and the decision to exit the advertising sector for radio broadcasters; sales revenues remained stable at Euro 33.3 millions (Euro 33.4 millions in H1 2006). Ebitda, was virtually unchanged compared to the previous year (Euro 29.1 millions compared to Euro 28.1 millions), as was the Ebit (Euro 22.3 millions compared to Euro 23.3 millions in 2006). The net profit also remained stable at Euro 16.9 millions (Euro 16.8 millions in H1 2006).

Net financial position

The **net financial position** at June 30th, 2007 was Euro 242.4 millions, a decrease compared to Euro 288.6 million at December 31st, 2006 and due to the purchase of listed shares and the distribution of dividends.

The Board of Directors also appointed Roberto Di Muzio as the executive responsible for the preparation of the corporate accounting documents.

Attached is the balance sheet and income statement, currently being examined by the independent audit firm and by the Board of Statutory Auditors.

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CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET
(in thousands of Euro)

A S S E T S

	30/6/2007	31/12/2006	30/6/2006
<i>Non-current assets</i>			
Intangible assets with finite life	3.758	3.972	660
Goodwill and other infinite intangible assets	477.219	477.220	274.954
Property, plant and equipment	110.884	110.409	82.592
Equity investments valued at cost	4.743	4.750	4.319
Equity investments valued at equity	391	391	-
Equity investments and non-current securities	91.175	53.966	51.699
Non-current financial assets	28	28	48
Other non-current assets	1.676	1.789	900
Deferred tax assets	21.578	26.674	13.222
TOTAL NON-CURRENT ASSETS	711.452	679.199	428.394
<i>Current assets</i>			
Inventories	3.513	4.264	2.411
Trade receivables	104.393	95.186	84.380
Current financial assets	173	423	124
Receivables for current taxes	-	3.150	3.175
Other current assets	3.896	5.639	2.301
Cash and cash equivalents	378.962	423.233	547.884
TOTAL CURRENT ASSETS	490.937	531.895	640.275
TOTAL ASSETS	1.202.389	1.211.094	1.068.669

CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET
(in thousands of Euro)

LIABILITIES & EQUITY

	30/6/2007	31/12/2006	30/6/2006
<i>Shareholders' Equity</i>			
Share capital	125.000	125.000	125.000
Share capital issue costs	(18.865)	(18.865)	(18.865)
Treasury shares	-	-	(164)
Other reserves	721.158	714.058	711.958
Profit/(loss) for the period	17.124	31.837	16.877
Group shareholders' equity	844.417	852.030	834.806
Minority interest shareholders' equity	2.602	2.475	1.141
TOTAL SHAREHOLDERS' EQUITY	847.019	854.505	835.947
<i>Non-current liabilities</i>			
Employee provisions	47.608	48.369	39.423
Other non-current provisions	9.192	10.963	7.276
Non-current financial liabilities	106.134	112.315	64.010
Other non-current liabilities	3.239	3.011	3.578
Deferred tax liabilities	73.294	71.419	33.688
NON-CURRENT LIABILITIES & PROV.	239.467	246.077	147.975
<i>Current liabilities</i>			
Current provisions	3.922	2.468	70
Trade payables	42.170	48.084	33.939
Current financial liabilities	30.613	22.691	22.021
Payables for current taxes	1.947	-	37
Other current liabilities	37.251	37.269	28.680
CURRENT LIABILITIES & PROVISIONS	115.903	110.512	84.747
TOTAL LIABILITIES AND EQUITY	1.202.389	1.211.094	1.068.669

CALTAGIRONE EDITORE GROUP
CONSOLIDATED INCOME STATEMENT
(in thousands of Euro)

INCOME STATEMENT

	30/6/2007	31/12/2006	30/6/2006
<i>Revenues</i>			
Income from sales and supply of services	164.925	298.785	144.626
Other operating revenues	3.461	5.951	2.633
TOTAL OPERATING REVENUES	168.386	304.736	147.259
<i>Costs</i>			
Raw material costs	19.152	34.458	15.461
Personnel costs	58.146	98.059	44.162
Other operating costs	61.358	121.488	58.474
TOTAL OPERATING COSTS	138.656	254.005	118.097
EBITDA	29.730	50.731	29.162
Depreciation, amortisation, provisions & write-downs	5.880	14.696	5.836
EBIT	23.850	36.035	23.326
Financial income	10.237	16.170	9.063
Financial charges	3.539	10.195	3.921
Net financial result	6.698	5.975	5.142
PRE-TAX RESULT	30.548	42.010	28.468
Income taxes	13.022	9.059	11.269
NET RESULT FROM NORMAL ACTIVITIES	17.526	32.951	17.199
NET PROFIT FOR THE PERIOD	17.526	32.951	17.199
Group net profit/(loss)	17.124	31.837	16.877
Net profit/(loss) of minority interests	402	1.114	322
Earnings per share (Euro per share)	0,137	0,255	0,135
Diluted earnings per share (Euro per share)	0,137	0,255	0,135