

CALTAGIRONE EDITORE: Board of Directors approves 2007 results

- Revenues: Euro 326.8 million (+7.3%)
- Ebitda: Euro 55.2 million (8.8%)
- Net profit: Euro 61.2 million (+92.4%)
- Dividend: 0.20 Euro per share

Rome, March 18th, 2008 - The Board of Directors of Caltagirone Editore, chaired by Francesco Gaetano Caltagirone, today approved the annual accounts for the year ended December 31st, 2007.

Financial highlights (millions of Euro)

	2007	2006	Change
Revenues	326.8	304.7	+7.3%
Ebitda	55.2	50.7	+8.8%
EBIT	39.6	36	+10.1%
Net profit	61.2	31.8	+92.4%

Caltagirone Editore reports growth in all 2007 results with **revenues** for the full year up 7.3% to Euro 326.8 million (Euro 304.7 million in 2006) partly thanks to the enlargement of the consolidation area with the acquisition of Il Gazzettino, consolidated for only 6 months in 2006.

This revenue growth resulted in an **Ebitda** figure of Euro 55.2 million (Euro 50.7 million in 2006) and does not include the Euro 1.6 million negative impact from the pension reform. The **Ebit** grew to Euro 39.6 million (Euro 36 million in the previous year).

The **net profit** of Euro 61.2 million (Euro 31.8 million in 2006) benefited from the **financial result** of Euro 27.2 million (Euro 5.9 million in 2006). This increase is due to extraordinary income on the sale of shares in listed companies and of B2Win and the effect of the adjustment of deferred tax assets and liabilities following the reduction of the income and regional tax rates introduced by the 2008 Finance Act.

Net Cash position improved to Euro 311 million from Euro 288.6 million in 2006. The increase is due to cash flow generated from ordinary and extraordinary operating activity, net of dividends.

At December 31st, 2007, there were **1,266 employees** (1,319 at December 31st, 2006).

2007 performance on like-for-like basis

For a better comparison of the data between the two periods, the results of Il Gazzettino for the first 6 months of 2007 and the contribution of B2Win in the second half of the year were excluded. The results on a like-for-like basis are positive. Growth in Ebitda to Euro 52 million (Euro 50.7 million in 2006), Ebit to Euro 38.1 million (Euro 36 million in 2006) and net profit to Euro 61 million (Euro 31.8 million in 2006). Revenues of Euro 296.4 million compared to Euro 301.2 million in the previous year due to the reduced number of add-ons (-58.3%). Excluding Il Gazzettino, advertising revenues remain stable (+1.6%) to Euro 195.2 million compared to Euro 192.2 million in 2006 and circulation revenues grew from Euro 78.2 million in 2006 to Euro 79.9 million (+2.1%).

Significant events in the year

In December 2007, Caltanet was incorporated into Il Messaggero; the merger fulfilled various economic/industrial needs arising from the growing necessity to develop the internet in the publishing world. In the second half of the year, Il Messaggero started the development of its online newspaper, benefiting from the synergies of the integration of the two companies.

The Board of Directors of Caltagirone Editore resolved to propose to the Shareholders' Meeting, called for April 22nd, 2008, the distribution of a **dividend** of Euro 0.20 per share. The dividend coupon is proposed for May 19th, 2008 with a payment date of May 22nd, 2008.

The Executive responsible for the preparation of the corporate accounting documents, Roberto Di Muzio, declares in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

The consolidated and parent company balance sheets and income statements are attached, providing greater information in relation to the financial position and performance of the Company and of the Group. The financial statements are 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

	Note	31/12/2007	31/12/2006
<i>Non-current assets</i>			
Intangible assets with definite life	1	3.685	3.972
Goodwill and other indefinite intangible assets	2	477.219	477.220
Property, plant and equipment	3	103.142	110.409
Equity investments at cost	4	3.127	4.750
Equity investments at equity	5	4.941	391
Investments and non-current securities	6	37.510	53.966
Non-current financial assets	7	27	28
Other non-current assets	8	1.209	1.789
Deferred tax assets	9	21.215	26.674
TOTAL NON-CURRENT ASSETS		652.075	679.199
<i>Current assets</i>			
Inventories	10	3.776	4.264
Trade receivables	11	98.759	95.186
Current financial assets	12	2.461	2.209
Tax receivables	9	1.107	3.150
Other current assets	13	2.176	3.853
	14	444.146	423.233
TOTAL CURRENT ASSETS		552.425	531.895
TOTAL ASSETS		1.204.500	1.211.094

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

LIABILITIES & EQUITY

	Note	31/12/2007	31/12/2006
<i>Shareholders' Equity</i>			
Share capital		125.000	125.000
Share capital issue costs		(18.865)	(18.865)
Other reserves		695.922	714.058
Profit/(loss) for the year		61.241	31.837
Group shareholders' equity		863.298	852.030
Minority interest shareholders' equity		2.842	2.475
TOTAL SHAREHOLDERS' EQUITY	15	866.140	854.505
<i>Non-current liabilities</i>			
Employee provisions	17	46.185	48.369
Other non-current provisions	18	8.871	10.963
Medium/long term debt	16	104.410	112.315
Other non-current liabilities	20	3.420	3.011
Deferred tax liabilities	9	63.985	71.419
NON-CURRENT LIABILITIES		226.871	246.077
<i>Current liabilities</i>			
Current provisions	18	3.683	2.468
Trade payables	19	38.709	48.084
Short-term debt	16	31.140	22.691
Other current liabilities	20	37.957	37.269
CURRENT LIABILITIES & PROVISIONS		111.489	110.512
TOTAL LIABILITIES AND EQUITY		1.204.500	1.211.094

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

INCOME STATEMENT

	Note	2007	2006
Revenues			
Revenues from sales and supply of services	21	317.404	298.785
Other operating revenues	22	9.483	5.951
TOTAL REVENUES		326.887	304.736
Costs			
Raw material costs	23	39.133	34.458
Labour costs	17	113.021	98.059
Other operating costs	24	121.067	121.488
TOTAL COSTS		273.221	254.005
EBITDA		53.666	50.731
Depreciation, amortisation, provisions & write-downs	25	13.988	14.696
EBIT		39.678	36.035
Share of expenses/(income) from equity investments		3	-
Financial income		37.746	16.170
Financial charges		10.520	10.195
Financial result	26	27.226	5.975
PROFIT BEFORE TAX		66.907	42.010
Income taxes	9	4.812	9.059
PROFIT FROM CONTINUING OPERATIONS		62.095	32.951
NET PROFIT FOR THE YEAR		62.095	32.951
Group net profit		61.241	31.837
Minority interest net profit		854	1.114
Earnings per share	27	0,490	0,255
Diluted earnings per share	27	0,490	0,255

CALTAGIRONE EDITORE S.p.A.

BALANCE SHEET

(in Euro)

A S S E T S

	Note	31/12/2007	31/12/2006
<i>Non-current assets</i>			
Intangible assets with definite life	1	10.886	13.608
Property, plant and equipment	2	65.322	116.795
Equity investments at cost	3		
<i>subsidiaries</i>		438.564.764	426.957.969
<i>associated companies</i>		6.536.000	-
Deferred tax assets	4	5.045.236	2.619.748
TOTAL NON-CURRENT ASSETS		450.222.208	429.708.120
<i>Current assets</i>			
Trade receivables	5	89.420	76.033
<i>of which related parties</i>		85.455	75.189
Current financial assets	6	111.563.693	365.609.183
<i>of which related parties</i>		110.670.089	365.579.446
Tax receivables	4	242.730	1.930.050
Other current assets	7	1.294.416	3.810.237
<i>of which related parties</i>		1.230.426	3.733.264
Cash and cash equivalents	8	265.091.255	21.684.479
TOTAL CURRENT ASSETS		378.281.514	393.109.982
TOTAL ASSETS		828.503.722	822.818.102

CALTAGIRONE EDITORE S.p.A.

BALANCE SHEET

(in Euro)

LIABILITIES & EQUITY

	Note	31/12/2007	31/12/2006
<i>Shareholders' Equity</i>			
Share capital		125.000.000	125.000.000
Share capital issue costs		(18.864.965)	(18.864.965)
Other reserves		573.055.372	568.697.884
Profit for the year		74.184.792	29.524.556
TOTAL SHAREHOLDERS' EQUITY	9	753.375.199	704.357.475
<i>Non-current liabilities</i>			
Employee provisions	11	32.663	25.937
Medium/long term debt	10	53.761.536	56.932.051
Deferred tax liabilities	4	3.607	85.293
NON-CURRENT LIABILITIES		53.797.806	57.043.281
<i>Current liabilities</i>			
Trade payables	12	432.675	590.026
<i>of which related parties</i>		224.895	238.019
Short-term debt	10	13.344.194	54.178.413
<i>of which related parties</i>		12.113.000	53.000.000
Tax payables	4	2.132	2.131
Other current liabilities	13	7.551.716	6.646.776
<i>of which related parties</i>		2.862.897	2.838.584
CURRENT LIABILITIES & PROVISIONS		21.330.717	61.417.346
TOTAL LIABILITIES AND EQUITY		828.503.722	822.818.102

CALTAGIRONE EDITORE S.p.A.

INCOME STATEMENT

(in Euro)

INCOME STATEMENT

	Note	2007	2006
Revenues			
Other operating revenues	14	128.998	85.461
<i>of which related parties</i>		73.068	75.189
TOTAL REVENUES		128.998	85.461
Costs			
Labour costs	11	482.618	434.723
Other operating costs	15	1.380.107	1.598.675
<i>of which related parties</i>		472.768	486.392
TOTAL COSTS		1.862.725	2.033.398
EBITDA		(1.733.727)	(1.947.937)
Depreciation, amortisation, provisions & write-downs	16	58.386	58.123
EBIT		(1.792.113)	(2.006.060)
Financial income		88.652.660	36.023.929
<i>of which related parties</i>		87.200.097	34.468.557
Financial charges		13.378.509	6.631.530
<i>of which related parties</i>		10.766.318	3.458.230
Financial result	17	75.274.151	29.392.399
PROFIT BEFORE TAX		73.482.038	27.386.339
Income taxes		(702.754)	(2.138.217)
PROFIT FROM CONTINUING OPERATIONS		74.184.792	29.524.556
NET PROFIT FOR THE YEAR		74.184.792	29.524.556