

**Caltagirone Editore: the Board of Directors approves
nine months results to September 30th, 2009**

- Revenues: 184,83 million euro (218 million on September 30th 2008)
- EBITDA: euro 3,8 million (25,6 million on September 30th 2008)
- Pretax loss of euro 30,3 million (21,9 million on September 30th 2008)
- Downsizing agreements reached with main unions for Il Messaggero, Il Gazzettino, Il Mattino and the advertising agency Piemme

Rome, November the 10th 2009 - Caltagirone Editore Board of Directors, chaired by Francesco Gaetano Caltagirone, has approved 2009 nine months results.

Consolidated Financial Highlights (euro million)

	Jan. – Sept. 2009	Jan. – Sept. 2008	Q3 2009	Q3 2008
Revenues, <i>of which</i>	184,8	218	56,7	62,6
• Circulation Revenue	63,5	66,9	22,6	23,6
• Advertising Revenue	112,9	141	32,1	36,9
• Promotions	3,1	4,7	0,4	0,2
• Other Revenues	5,3	5,4	1,6	1,7
EBITDA	3,8	25,6	0,8	2,8
Pretax	-30,3	21,9	-6,5	1,6

Trading highlights

Caltagirone Editore results for the first nine months of 2009 must be analyzed in the recessionary environment which has particularly impacted the publishing industry. The difficult macroeconomic backdrop has determined a strong contraction of advertising on every medium and particularly on the press sub-sector.

Performance in the first nine months of 2009

The sharp reduction in advertising impacted our **Revenues** which declined to euro 184,8 million versus euro 218 million in 2008.

In particular, in the first nine months of the year, daily newspapers reported an advertising revenue decline of 19,9% on a like for like basis, broadly in line with the industry (euro 112,9 million vis-à-vis euro 141 million of 2008). The rate of advertising decline progressively drooped over the past three quarters: 28,5% in Q1, 16,7% in Q2 and 12,9% in Q3. The advertising revenue drop was more pronounced for those newspapers collecting national advertising if compared to those collecting regional advertising. On the other hand internet advertising rose significantly in the period to euro 1,5 million.

Circulation and Promotions revenue were affected by the economic slowdown, too, declining by 5% to euro 63,5 million.

EBITDA reached euro 3,8 million (euro 25,6 million on September the 30th 2008) also because of a 6% operational costs reduction which partly compensated the negative impact from lower advertising.

In order to tackle the Revenue decline the Group prepared cost-reduction programs which encompass structural measures, including downsizing. In this regard, agreements for personnel redundancy with major unions have been defined for Il Messaggero, Il Gazzettino, Il Mattino and Piemme whose effects will be visible in the next fiscal years.

In the first nine months of 2009 personnel cost declined by 4,5% compared to 2008, including euro 1,5 million one-offs. Without ne-offs such cost reduction would reach 6,2% compared to the 30th of September 2008.

Other operating costs declined by 5,7% compared to last year mainly because of lower Promotions costs. Raw Materials costs declined by 11,1% due to lower quantities purchased.

Pretax loss reached euro 30,3 million (euro 21,9 million profit in 2008).

The Financial Result reported a negative contribution of euro 17,9 million due to associates (euro -9,5 million) and a negative financial result of euro -8,4 million. The associates result reflects euro 9,3 million write-downs incurred by a subsidiary on the sale of financial stakes in the first quarter of 2009. The Financial result was also impacted by euro 12,3 million write-down from the disposal of financial stakes and euro 3 million of dividends.

Net Cash declined to euro 227,3 million from euro 262,6 million as of December 31st 2008. Main inflows were the sale of financial stakes for around euro 20,4 million; main outflows: dividend distribution of euro 6,2 million, the purchase of quoted shares for euro 42,5 million.

In Q3 2009 Caltagirone Editore reported revenues of euro 56,7 million, down by 9,4% from last year. EBITDA reached euro 886.000, down by 69% from Q3 2008. Quarterly Net Loss was euro 6,5 million (Net Income of euro 1,6 million in Q3 2008) also due to euro 3,3 million restructuring plan provisioning.

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.

Consolidated P&L statement attached.

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CALTAGIRONE EDITORE GROUP
CONSOLIDATED PROFIT & LOSS
(Euro 000)



P&L	30/09/2009	30/09/2008	Q3 2009	Q3 2008
Revenues from Sales and Services	179.434	212.529	55.130	60.861
Other Revenues	5.346	5.460	1.596	1.742
TOTAL REVENUES	184.780	217.989	56.726	62.603
Raw Material Costs	24.873	27.963	8.210	9.243
Personnel Costs	78.332	82.013	23.963	25.383
Other Operating Costs	77.760	82.451	23.687	25.177
TOTAL OPERATING COSTS	180.965	192.427	55.860	59.803
EBITDA	3.815	25.562	866	2.800
D&A	10.747	10.173	3.817	3.212
Amortization for severance and pension	5.431	-	3.291	-
EBIT	(12.363)	15.389	(6.242)	(412)
Associates	(9.539)	693	(124)	(282)
Net Financial Result	(8.383)	5.792	(138)	2.306
PRETAX	(30.285)	21.874	(6.504)	1.612
CONTINUING NET INCOME	(30.285)	21.874	(6.504)	1.612
NET INCOME	(30.285)	21.874	(6.504)	1.612
Group Net Income (Loss)	(29.867)	21.820	(6.313)	1.600
Minorities	(418)	54	(191)	12