

**Caltagirone Editore: Board of Directors approves
2011 first half results**

- Revenues: Euro 116.4 million (Euro 124.2 million as of June 30th 2010)
- Ebitda: Euro 6.8 million (Euro 12.3 million as of June 30th 2010)
- Ebit: Euro 763 thousands (Euro 6.1 million as of June 30th 2010)
- Group net profit: Euro 2.3 million (Euro 3.1 million as of June 30th 2010)
- Il Gazzettino bucks the circulation trend posting a +3% versus 2010

Rome, July 28th 2011 - The Board of Directors of Caltagirone Editore, chaired by Francesco Gaetano Caltagirone, today approved the results for the first half of 2011.

Consolidated financial highlights (Euro million)

	H1 2011	H1 2010	Δ%
Revenues	116.4	124.2	-6.3
• <i>Circulation</i>	37.5	39	-3.9
• <i>Advertising</i>	74	80	-7.4
• <i>Other operating revenues</i>	4.8	5.2	-7.4
Ebitda	6.8	12.3	-44.6
Ebit	0.7	6.1	-87.6
Group Net Profit	2.3	3.1	-26.0

Caltagirone Editore Group ended 2011 first half with results still suffering from persisting crisis following the economic downturn which has repercussions on the sector.

Revenues decreased to Euro 116.4 million, down by 6.3% compared to the corresponding period of 2010 due to declining circulation and advertising revenues. Il Gazzettino bucked the trend by increasing circulation by 3% compared to the corresponding period of 2010. Advertising revenues declined by 7.4%. On the contrary Internet advertising revenues are growing by 29.5% even if their weight on advertising revenues is relatively small. To support such development and to capture new advertising flows and new readers the Group is developing multimedia versions and is improving its internet offering.

Ebitda reached Euro 6.8 million, decreasing compared to the corresponding period of 2010 (Euro 12.3 million) principally due to lower advertising revenues.

Ebit, net of amortization, depreciation and provisions, yielded a positive Euro 763 thousands (Euro 6.1 million in the corresponding period of 2010)

Net financial result reached Euro 4.0 million (Euro 1.4 million as of June 30th 2010). The increase is due to higher yield on cash and higher dividend income on equity investments.

Group Net Profit was Euro 2.3 million (Euro 3.1 million in the corresponding period of 2010).

Net cash position decreased from Euro 209.2 million as of December 31st, 2010 to Euro 187.6 million as of June 30th, 2011 as a result of investments in listed companies and dividend distribution

2011 Outlook and significant events after the first half

The publishing sector is affected by significant uncertainty against which the Group continues to undertake a strict cost control policy. Against that the Group keeps developing internet offering and improving traditional newspapers even with new investments. Il Gazzettino is expected to acquire a new rotary press.

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 “Testo Unico della Finanza”, that the accounting information contained in the present press release corresponds to the underlying documents, records and accounting entries.

The balance sheet and income statement are attached, currently being examined by the independent audit firm and by the Board of Statutory Auditors.

CONSOLIDATED BALANCE SHEET

ASSETS

In thousands of Euro

	30/06/2011	31/12/2010
<i>Non-current assets</i>		
Intangible assets with definite life	2,012	2,258
Goodwill and other indefinite intangible assets	447,315	447,315
Property, plant and equipment	76,735	79,789
Equity investments valued at net equity	859	707
Equity investments and non-current securities	120,199	107,728
Non-current financial assets	52	37
Other non-current assets	733	632
Deferred tax asset	24,501	23,861
TOTAL NON-CURRENT ASSETS	672,406	662,327
<i>Current assets</i>		
Inventories	3,002	3,316
Trade receivables	72,307	73,154
Current financial assets	3,927	4,211
Tax receivables	336	84
Other current assets	1,914	1,804
Cash and cash equivalents	247,585	256,987
TOTAL CURRENT ASSETS	329,071	339,556
TOTAL ASSETS	1,001,477	1,001,883



SHAREHOLDERS' EQUITY AND LIABILITIES

In thousands of Euro

	30/06/2011	31/12/2010
Shareholders' Equity		
Share capital	125,000	125,000
Share capital issue costs	(18,865)	(18,865)
Other reserves	645,643	649,836
Profit (Loss) for the period	2,324	6,003
Group Shareholders' Equity	754,102	761,974
Minority interest shareholders' equity	343	609
TOTAL SHAREHOLDERS' EQUITY	754,445	762,583
Liabilities		
Non-current liabilities		
Employee provisions	38,662	40,138
Other non-current provisions	7,172	7,305
Non-current financial liabilities	31,296	33,756
Other non-current liabilities	3,666	2,746
Deferred tax liabilities	67,170	66,328
NON-CURRENT LIABILITIES	147,966	150,273
Current liabilities		
Current provisions	5,005	5,993
Trade payables	30,371	31,201
Current financial liabilities	32,617	18,544
Other current liabilities	31,073	33,289
CURRENT LIABILITIES	99,066	89,027
TOTAL LIABILITIES	247,032	239,300
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,001,477	1,001,883



CONSOLIDATED INCOME STATEMENT

In thousands of Euro

	30/06/2011	30/06/2010
Revenues from sales and services	112,253	120,111
	<i>of which related parties</i>	<i>2,181</i>
Other operating revenues	4,118	4,110
	<i>of which related parties</i>	<i>53</i>
TOTAL REVENUES	116,371	124,221
Raw material costs	13,545	12,849
Personnel costs	48,310	49,892
Other operating charges	47,700	49,181
TOTAL COSTS	109,555	111,922
EBITDA	6,816	12,299
Amortisation	4,438	4,675
Depreciation	583	765
Other write-downs	1,032	718
EBIT	763	6,141
Net result of the share of associates	(1)	(341)
Financial income	5,534	2,895
Financial charges	(1,528)	(1,522)
Net financial result	4,006	1,373
PROFIT BEFORE TAX	4,768	7,173
Income taxes for the period	(2,674)	(4,164)
PROFIT FROM CONTINUING OPERATIONS	2,094	3,009
PROFIT FOR THE PERIOD	2,094	3,009
Group net profit (loss)	2,324	3,142
Minority interest share	(230)	(133)
Earnings per share (Euro per share)	0,017	0,024
Diluted earnings per share (Euro per share)	0,017	0,024