

Caltagirone Editore: the Board of Directors approves results at 31 March 2013

- Revenues: Euro 43.3 million (Euro 51.7 million as of March 31st 2012)
- Ebitda: negative Euro 2.7 million (negative Euro 446 thousands as of March 31st 2012)
- Ebit: negative Euro 5.8 million (negative Euro 3.1 million as of March 31st 2012)
- Group pre-tax result: negative Euro 4.9 million (negative Euro 3.9 million as of March 31st 2012)

Rome, May 14th 2013 – The Board of Directors of Caltagirone Editore, chaired by Francesco Gaetano Caltagirone, approved results for the first quarter 2013.

Caltagirone Editore Group ended the first quarter 2013 with results which continue to reflect the deep economic crisis, with the advertising market being particularly affected.

Revenues amounted to Euro 43.3 million, a 16.3% decrease compared to the corresponding period of 2012 principally due to the contraction in advertising revenues. Circulation revenues increased by 0.7% following the price increase of February 2013 for all Group newspapers. The performance of advertising revenues (-24.5% compared to the first quarter of 2012) reflects the general decline of advertising expenditure on paid newspapers and on the free newspapers. On the contrary Internet advertising revenues grew 10.7% on the same period of 2012.

Ebitda reported a loss of Euro 2.7 million (loss of Euro 446 thousand as of March 31st 2012); the increased loss is principally due to the contraction in advertising revenues only partially offset by 11.8% reduction in operating costs.

Ebit reported a loss of Euro 5.8 million (loss of Euro 3.1 million as of March 31st 2012), after amortisation/depreciation and write-downs of Euro 3.1 million.

Net financial result of Euro 982 thousand was reported (charges of Euro 978 thousand as of March 31st 2012).

The **Group pre-tax result** was a loss of Euro 4.9 million (loss of Euro 3.9 million as of March 31st 2012).

Net cash position of Euro 145.9 million at March 31st 2013, decreased by Euro 8.5 million compared to December 31st 2012, due to cash flow absorbed from operating activities.

Shareholders' Equity amounted to Euro 653.7 million (Euro 670.6 million at December 31st 2012); the decrease is principally due to the loss for the period and the valuation at fair value of the shareholdings held by the Group.

Outlook

The continued recessionary economic environment impacts advertising expenditure in the publishing sector. The Group, although continuing to closely monitor and reduce costs, is developing the multimedia versions of its newspaper titles and improving its internet presence in order to attract new sources of advertising and new readers.

The Board of Directors resolved to commence the treasury shares purchasing plan on the Mercato Azionario Telematico of Borsa Italiana Spa, under the resolution of the Ordinary Shareholders' Meeting dated 17 April 2013, which authorized the purchase and / or disposal of treasury shares of the Company pursuant to article 2357 of Civil Code.

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.

Consolidated P&L statement at March 31st, 2013 is attached.

CALTAGIRONE EDITORE GROUP
Consolidated Income Statement



<i>In Euro thousands</i>	Q1 2013	Q1 2012	Δ %
Circulation revenues	18,437	18,312	0.7%
Promotions revenues	103	189	-45.5%
Advertising revenues	23,234	30,763	-24.5%
Other operating revenues	1,510	2,451	-38.4%
TOTAL OPERATING REVENUES	43,284	51,715	-16.3%
Raw materials costs	(5,298)	(7,053)	-24.9%
Labour costs	(21,754)	(23,487)	-7.4%
Other operating costs	(18,930)	(21,621)	-12.4%
TOTAL OPERATING COSTS	(45,982)	(52,161)	-11.8%
EBITDA	(2,698)	(446)	na
Amortisation, depreciation & provisions	(3,104)	(2,672)	16.2%
EBIT	(5,802)	(3,118)	86.1%
Net result of the share of associates	(136)	(1)	na
Net financial income/(charges)	982	-978	na
Profit/(Loss) before taxes	(4,956)	(4,097)	21.0%
Group Net Income (Loss)	(4,871)	(3,922)	24.2%
Minority interest share	(85)	(175)	-16.7%