



May 2004

Agenda

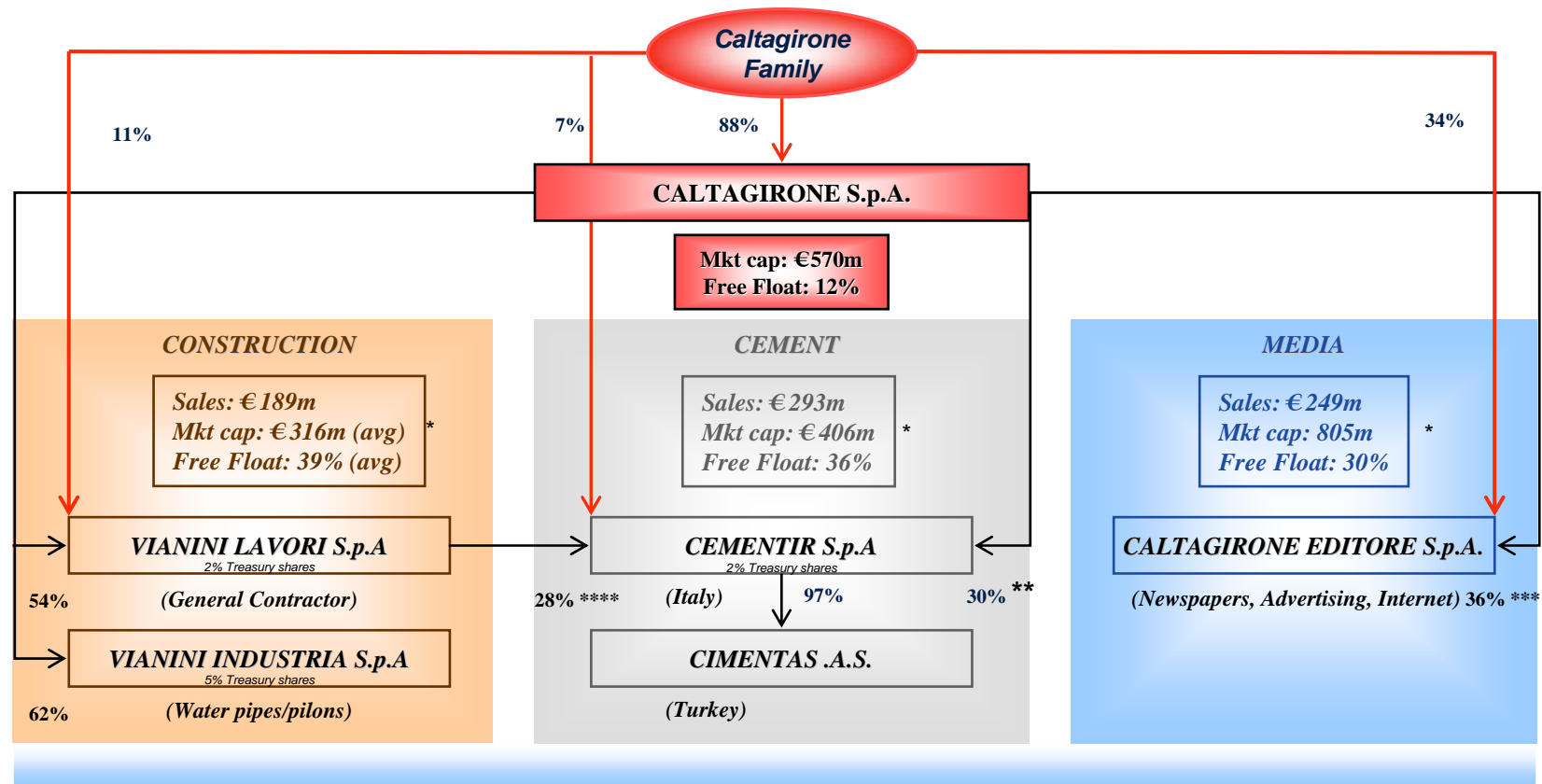
- **Company Overview**
- **Newspapers**
 - products
 - strategy
 - industry overview
 - local strength
- **Free press**
 - products and strategy
 - industry overview
 - national strength
- **Financials**
- **Outlook**
- **Appendix**



Il Messaggero headquarters in Via del Tritone, Rome

Company Overview: the Caltagirone group

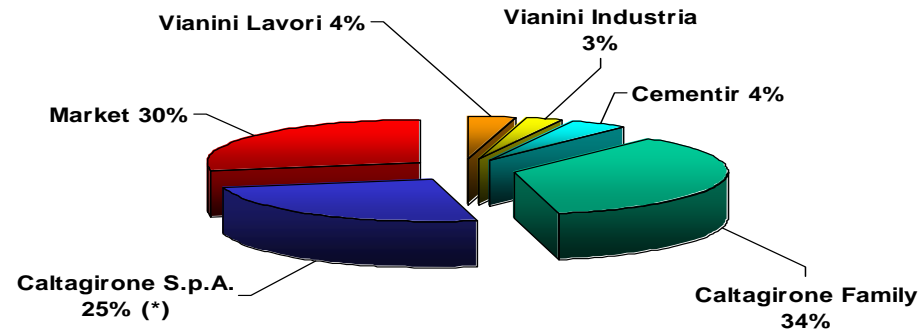
- The Caltagirone group is a family-controlled industrial concern operating mainly in Italy
- The group operates in three main business areas : construction & real estate, cement, media



* 2003 data; ** Includes 30% stake held by Mantegna '87 Srl, 100% controlled by Caltagirone S.p.A.; *** 11% stake held by Mantegna '87 Srl, 100% controlled by Caltagirone S.p.A.; **** Stake held by Vianini Lavori S.p.A., S.I.L.M. S.p.A. and C.D.R. Srl

Company Overview: the Caltagirone Editore group

SHAREHOLDERS STRUCTURE



- The group started from construction and diversified into cement and media during the Nineties
- Group strengths are based on:
 - strong focus on core business
 - solid financial structure
 - constant search for new business opportunities
 - ongoing commitment to reach cost efficiencies
 - focus on long-term value creation

(*) Includes Mantegna '87 Srl, 100% controlled by Caltagirone S.p.A.

Company Overview: Caltagirone Editore

PRODUCTS





Market position

- 1.26 million daily readers
- Sales 2003: € 157m
- Market share: 50% in Lazio

- 678,000 daily readers
- Sales 2003: € 59.6m
- Market share: 62% in Campania

- Daily circulation of 810,000 copies
- Sales 2003: € 17.2m

SERVICES





- Advertising agency for the Group and third parties (Il Nuovo Quotidiano di Puglia , Radio Globo (the first local radio in Rome), Radio Antenna 1 and other radios in Rome, Milan, Naples)

- One of the main national internet portals

- Call center that offers services exploiting Caltanet's technology

Newspapers: the products

Il Messaggero

- National editions



- 13 Local editions



IL MATTINO

- National editions



- 7 Local editions



Newspapers: strategy

Il Messaggero

- National newspaper with high brand visibility
- 13 local editions
- Avg. 48 pages, with a maximum of 64
- Up to 24 color pages
- 4th newspaper in Italy¹ with around 1.26 million daily readers
- 250,000 average copies sold ²

IL MATTINO

- National newspaper with high brand visibility
- 7 local editions
- Avg. 48 pages, with a maximum of 64
- Up to 24 color pages (from March 2004)
- 9th newspaper in Italy¹ with around 678,000 daily readers
- 94,000 average copies sold ²

STRATEGY

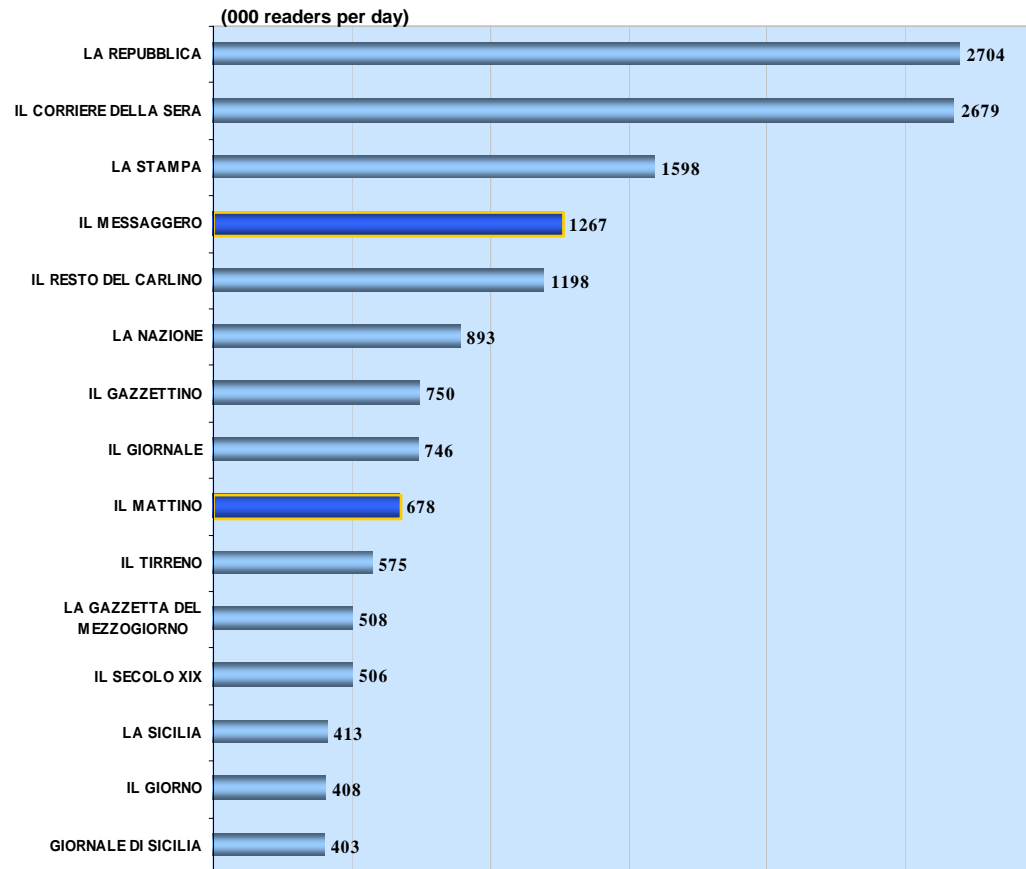
- Improvement of printing facilities of both Il Messaggero and Il Mattino with a total investment of € 105 million in order to increase: number of pages, output quality and yield
- “State of the art” printing facilities will make easier switching from one edition to another at minimum extra cost
- Aggressive price policy in order to increase market share in the Macroregion
- Focus on cost control
- Financial incentives for new investments (ex L. 488, grants equal to 30% of investment for Il Mattino)

¹ Excluding financial and sport dailies – Source: Audipress 2002

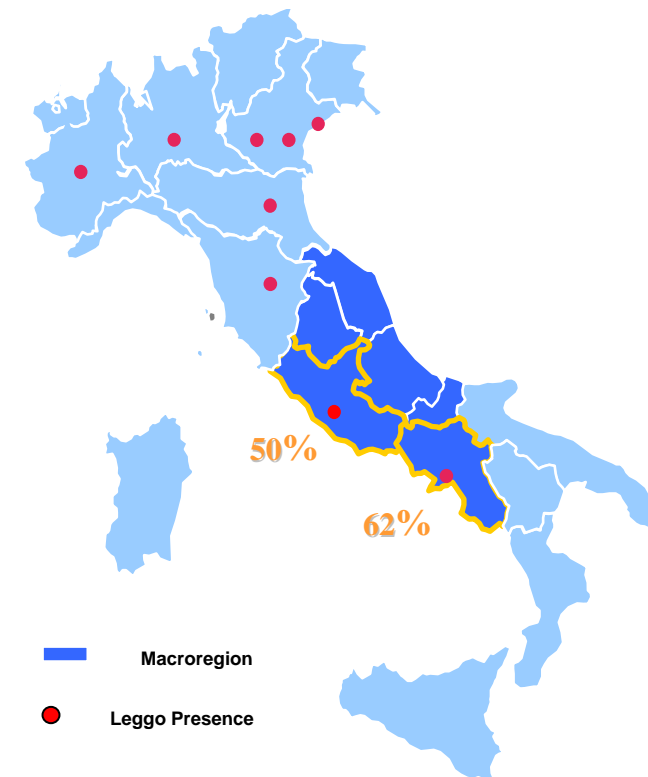
² Source: ADS 2002/2003

Newspapers: industry overview

Market Share – readership *



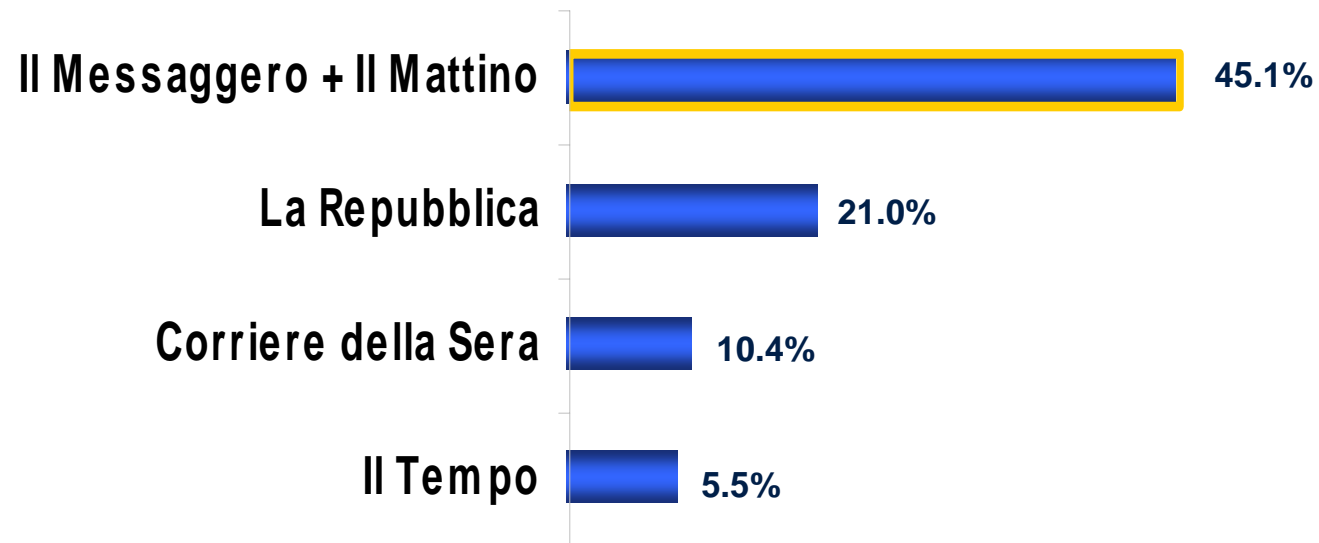
Il Messaggero and Il Mattino have a market share of 50% in Lazio and 62% in Campania, respectively.



* Excluding financial and sports daily newspapers - Source: Audipress Spring 2003; Audipress Autumn 2003 data is not yet available on a regional basis

Newspapers: local strength

Market Share in the Macroregion *



Il Messaggero

Market share of 50% in Lazio

IL MATTINO

Market share of 62% in Campania

Free press: products and strategy




- 1st free newspaper in Italy with:
 - daily circulation of 810,000 copies
 - daily readership of 979,000 *
- Average 24 pages in tabloid format
- Launched in March 2001, expected to reach break-even by the end of 2004
- Distributed from Monday to Friday in:
 - railway stations (exclusive long-term agreement with Grandi Stazioni)
 - underground stations
 - bars
 - hospitals
 - universities
 - other meeting points

STRATEGY

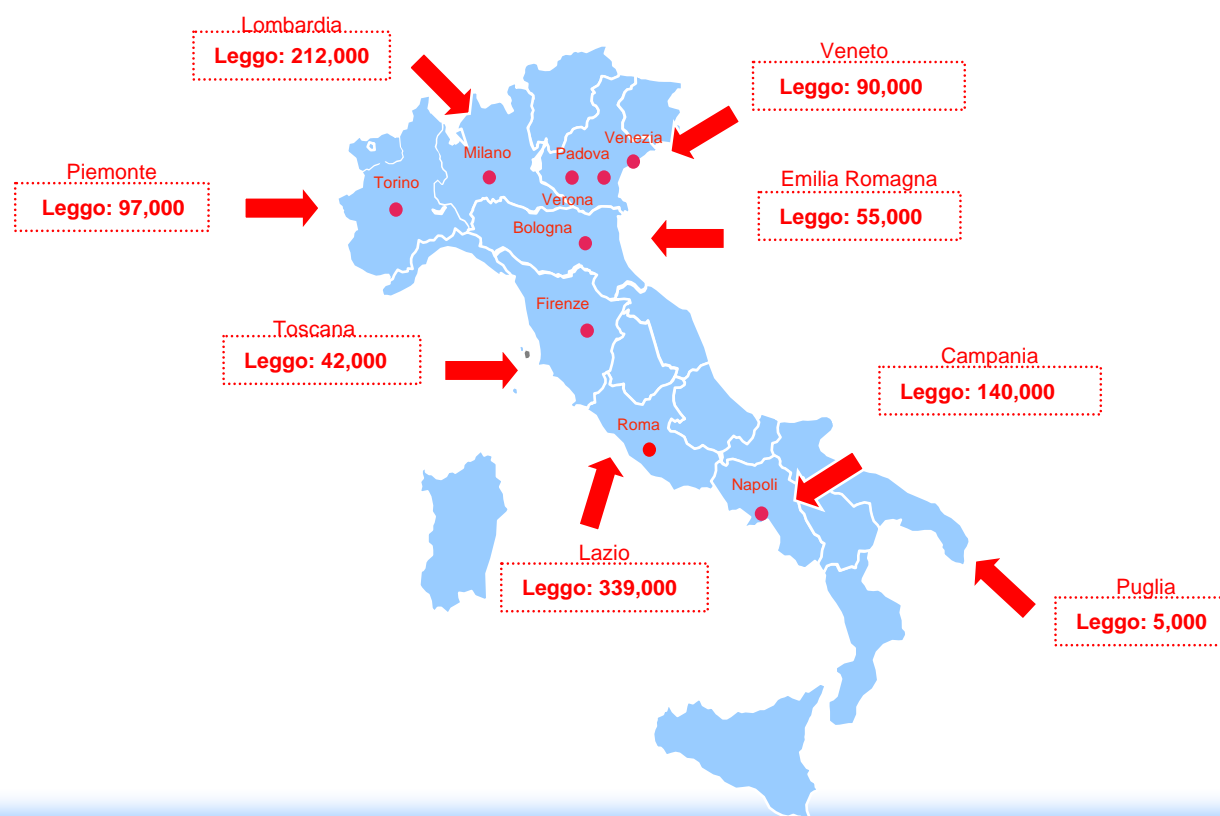
- Creation of a national network in order to reach a wider presence
- Reinforcement of market leadership to exploit advertising upturn
- Target focus on:
 - youngsters
 - working people
 - mass affluent

* Source: Eurisko 2003

Free press: industry overview

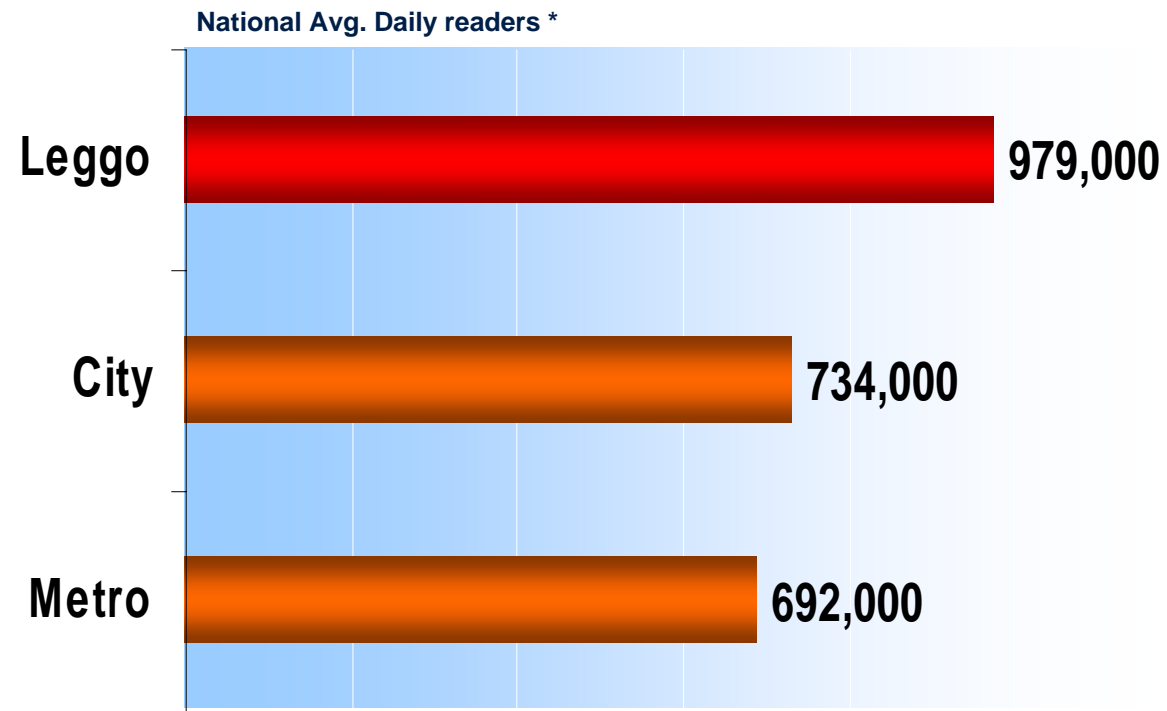
Avg. Daily readers by region *

- Free newspapers are present in 8 regions, accounting for 71% of Italian population
- Avg. Daily readers of at least one free newspaper: 1,650,000



* Source: Eurisko 2003

Leggo is the #1 free newspaper in Italy

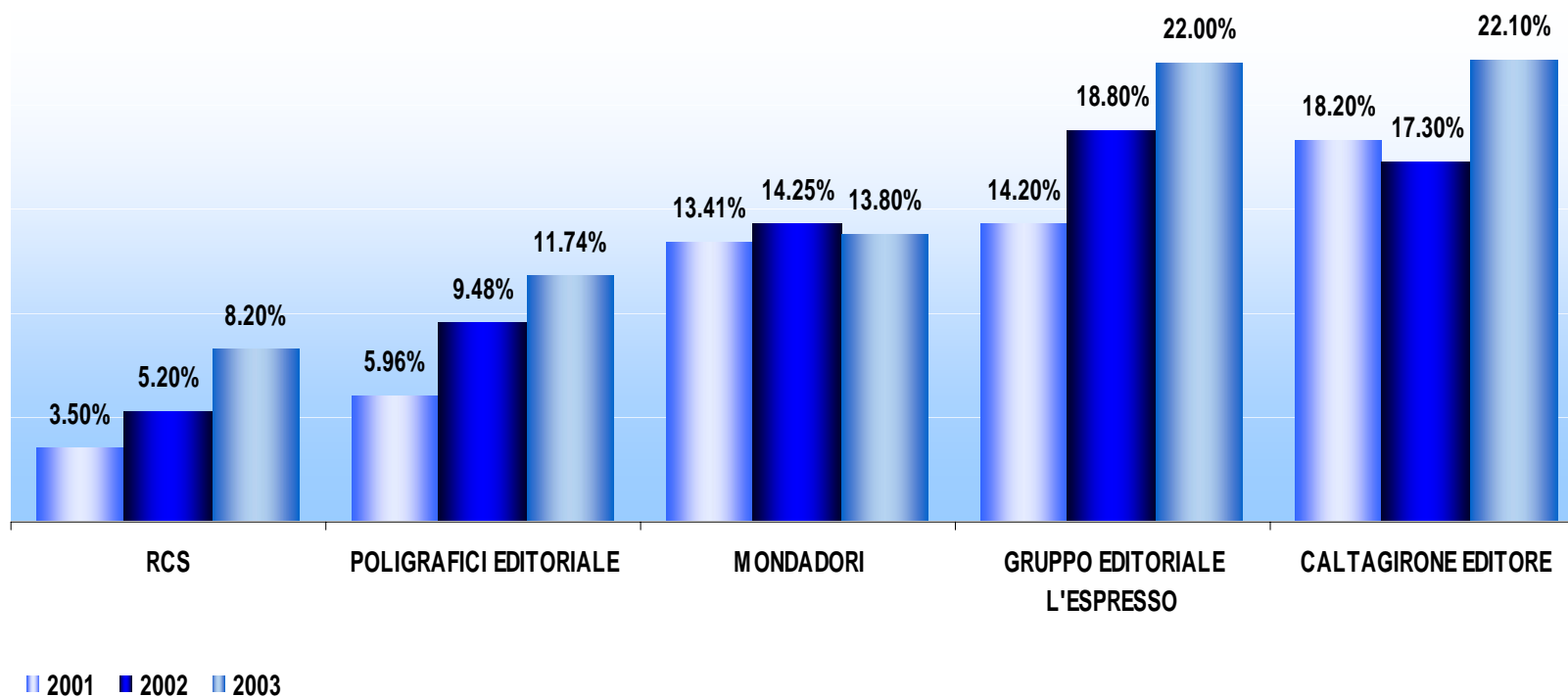


* Source: Eurisko 2003

Industry Overview: profitability vs quoted peers

Caltagirone Editore ranks as one of the most profitable media groups *

EBITDA MARGIN

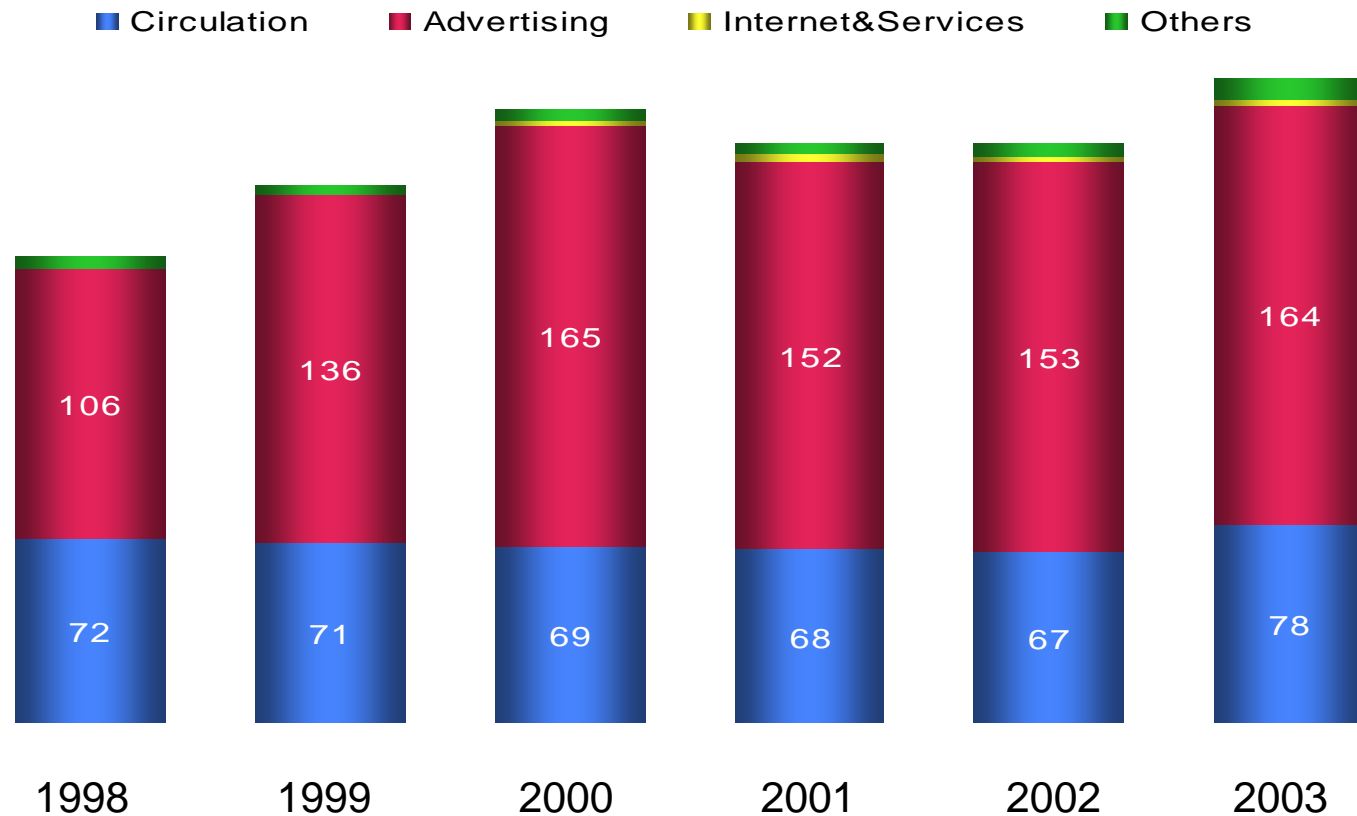


*See "Appendix" for details about business mix.

Financials: revenue breakdown

Advertising is the main driver of Group revenue

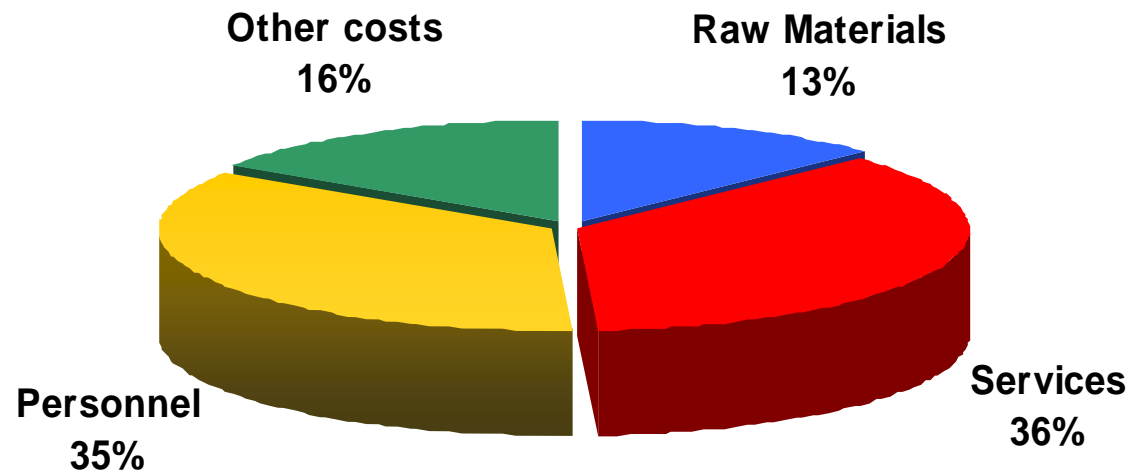
€milions








Financials: operating costs breakdown 2003

High proportion of services is due to:

- in-house management of logistics
- outsourcing of low-value added activities



Financials: Q1 2004

€millions	March 31, 2004	March 31, 2003	YoY%	
Circulation	21.9	18.5	18.4%	 <ul style="list-style-type: none"> • Underlying circulation revenue was flat • "Add on promotions" boosted circulation revenues by €3m
Advertising	41.2	39.5	4.3%	 <ul style="list-style-type: none"> • Advertising growth is mainly due to positive trend in local advertising, revenue increase for Leggo
Others	1.9	1.6	18.7%	
Total Sales	65.1	59.6	9.2%	
Costs	49.9	46.3	7.8%	 <ul style="list-style-type: none"> • Service costs increased because of "add on promotions"
EBITDA	15.2	13.3	14.3%	
<i>% margin</i>	23.4%	22.3%		
EBIT	8.8	8.1	8.6%	 <ul style="list-style-type: none"> • Despite higher depreciation costs related to the new printing center in Torrespaccata, Ebit increased by 8.6%
<i>% margin</i>	13.5%	13.6%		
Net Financial Charges	3.9	3.1	25.8%	
Pretax	12.7	11.2	13.4%	
Extraordinaries	-0.6	-0.9	-33.3%	
Tax	-5.7	-4.3	32.6%	 <ul style="list-style-type: none"> • Statutory tax rate (DIT no longer possible).
Minorities	-0.5	-0.4		
Net income	5.9	5.5	7.3%	
<i>% margin</i>	9.1%	9.2%		

Financials: FY 2003

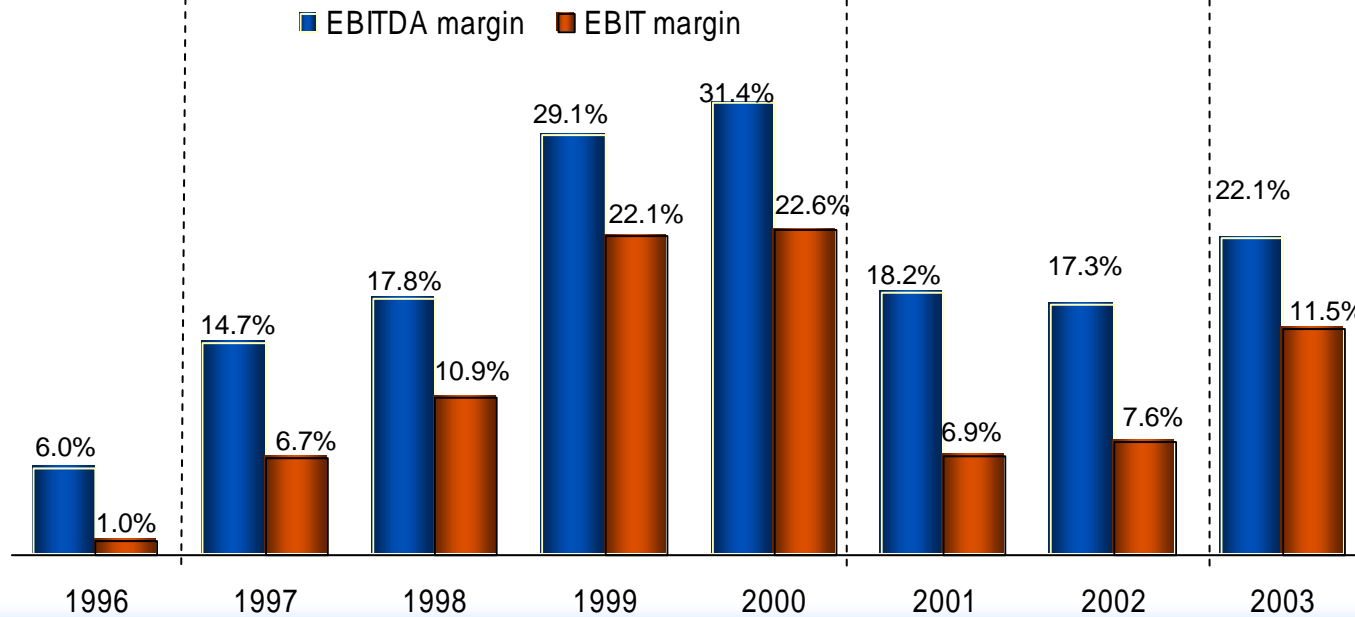
€millions	Dec 31, 2003	Dec 31, 2002	YoY%	
Circulation	78	67	16%	<ul style="list-style-type: none"> Underlying circulation revenue was flat "Add on promotions" boosted circulation revenues by €7.9m
Advertising	164	153	7%	<ul style="list-style-type: none"> Advertising growth for Il Messaggero and Il Mattino was + 4.5%. Leggo increased revenues by 28%.
Others	7	7	0%	
Total Sales	249	227	10%	
Costs	194	188	3%	<ul style="list-style-type: none"> Paper costs declined by 14% year- over- year Service costs increased by € 8 m due to "add on promotions"
EBITDA	55	39	41%	
<i>% margin</i>	22.1%	17.3%		
EBIT	29	17	71%	<ul style="list-style-type: none"> €3.6 m increase in amortization due to new printing center in Torrespaccata (6 months in 2003) €1,87 devaluation of Caltanet stake
<i>% margin</i>	11.5%	7.6%		
Net Financial Charges	3	15	-80%	<ul style="list-style-type: none"> €2 m dividends from 2% RCS stake Lower interest income due to lower yield on cash deposits
Pretax	32	32	0%	
Extraordinaries	-8	-9.8	-14%	
Tax	5	-5		<ul style="list-style-type: none"> Current taxes: - €12 m Deferred tax credit: €16.8m due to devaluation of financial stakes Expected average future tax rate around 35% (DT no longer possible).
Minorities	-2	-0.7		
Net income	26	17	55%	
<i>% margin</i>	10.4%	7.3%		

Financials: profitability over time

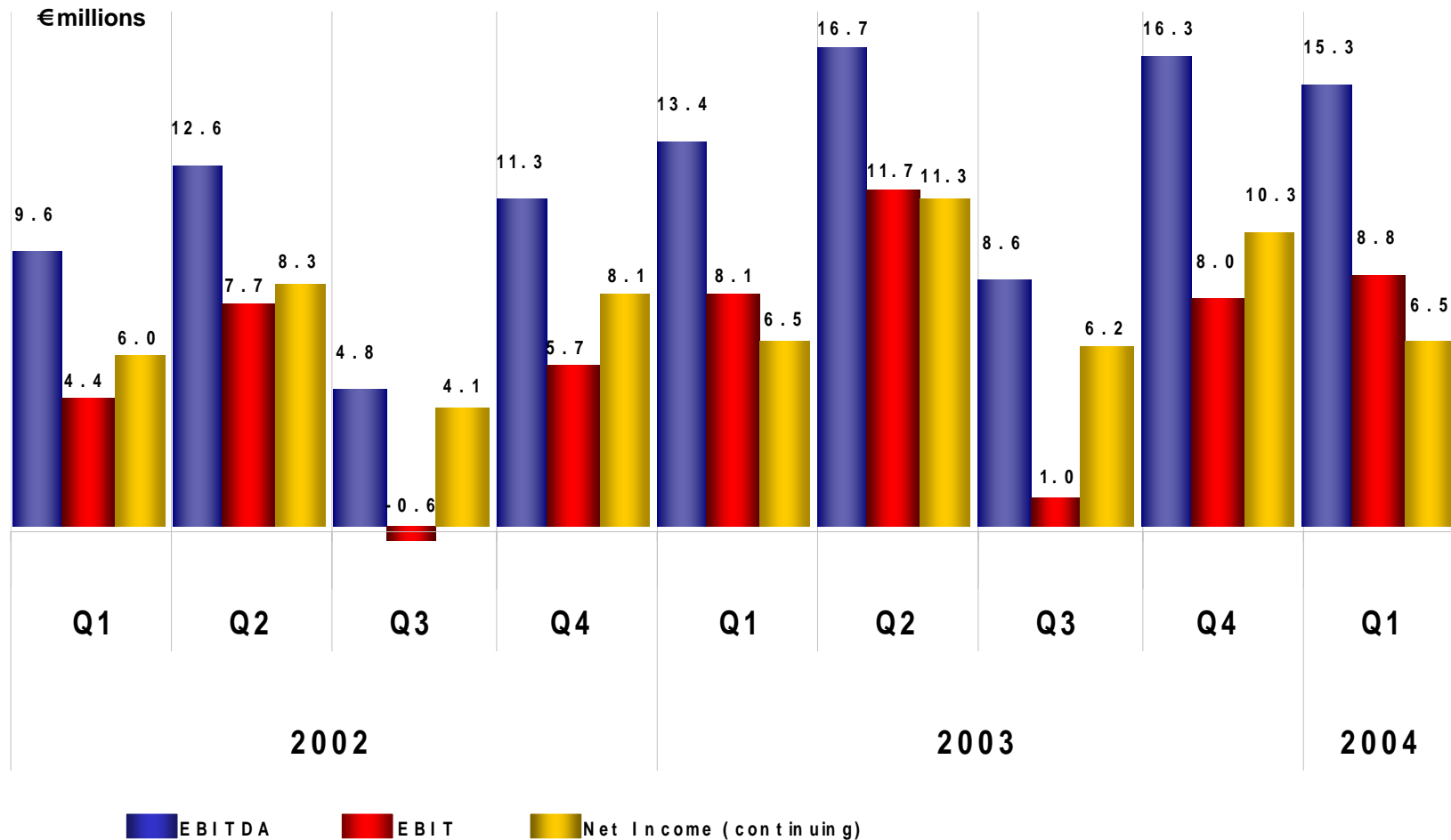
Facts

- Caltagirone Group acquires Il Messaggero and Il Mattino
- Strong cyclical upswing
- Strong advertising growth
- Reorganization of activities and completion of turnaround process
- Strict cost control
- Economic slowdown
- Advertising demand fall
- Further improvement in efficiency through reduction of labour cost
- Launch of LEGGO
- Start of a new advertising upturn
- New printing plant up and running (Il Messaggero)

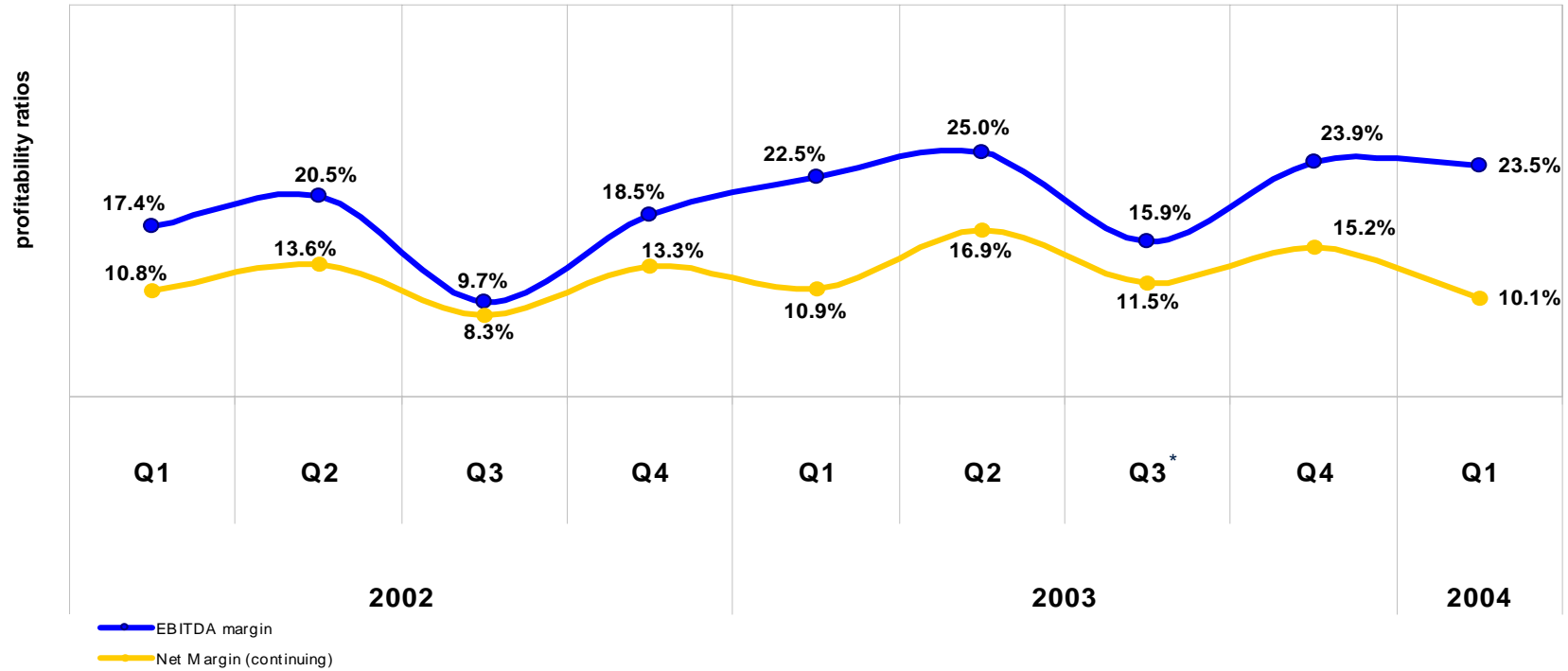
Results



Financials: breakdown by quarter

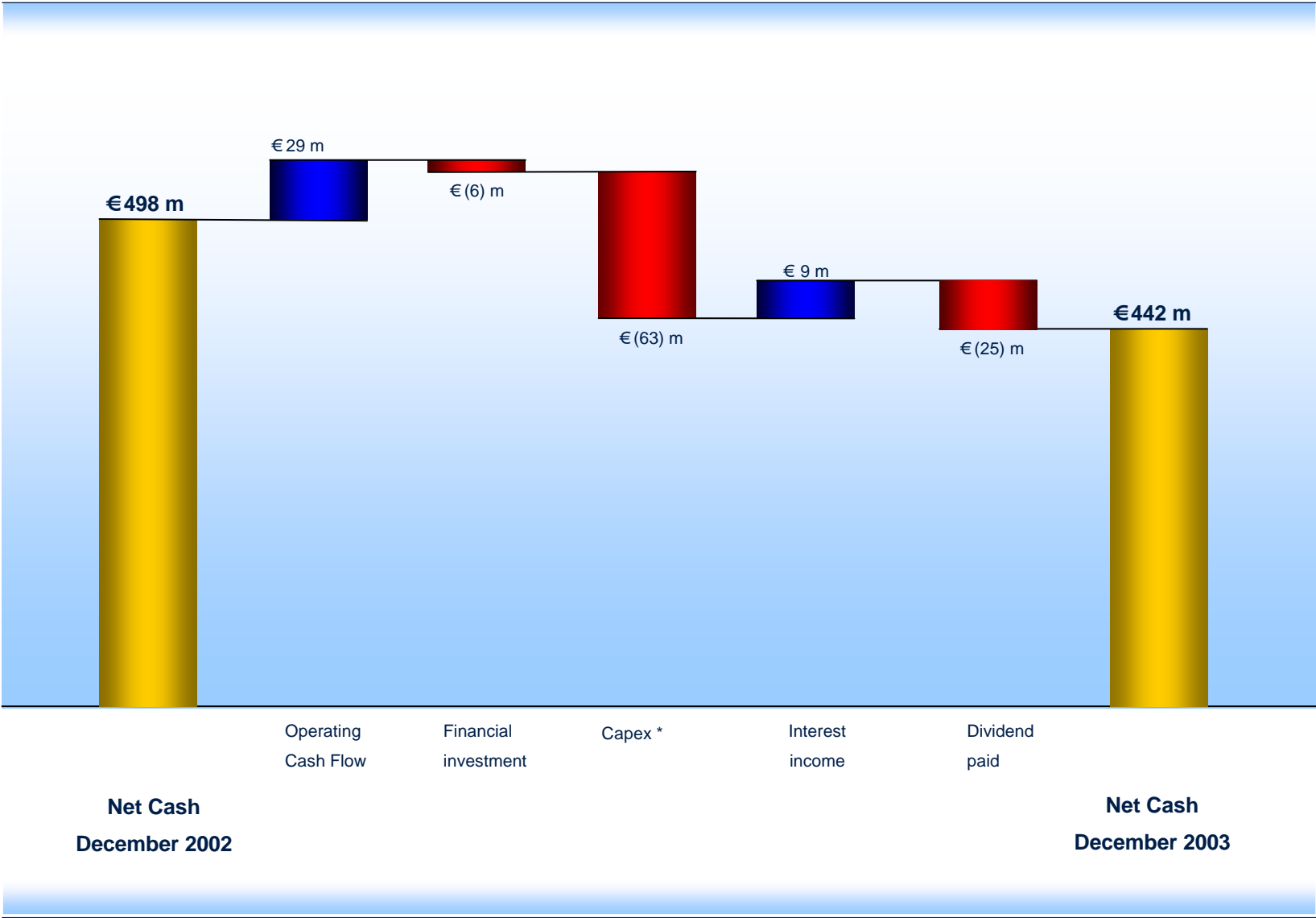


Financials: breakdown by quarter



* Q3 2003 margin figures are not directly comparable due to first time inclusion of new printing plant depreciation.

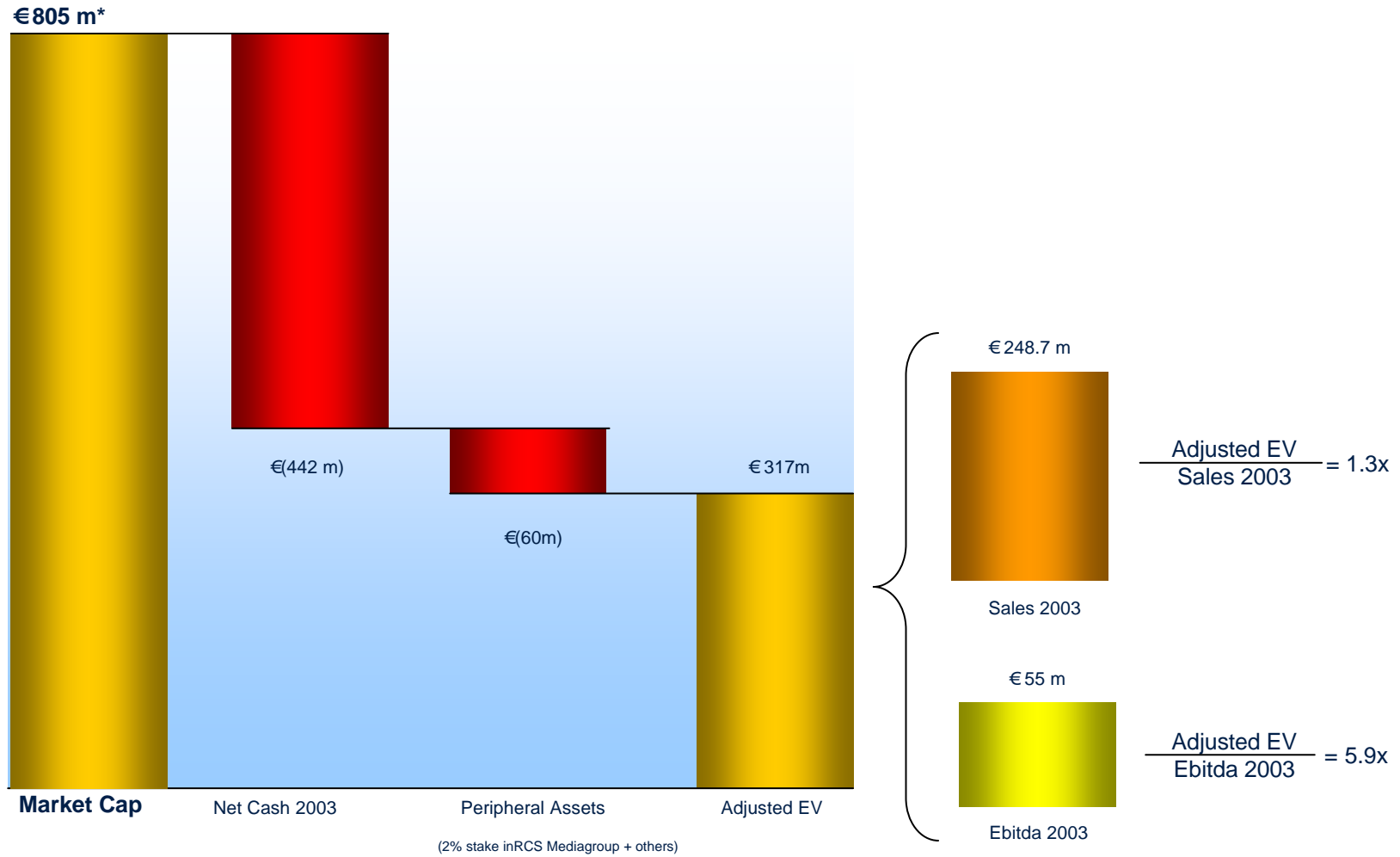
Financials: cash flow



* 2003 Capex is unusually high due to one-off expenditure for new printing facility in Torrespaccata

Financials: market multiples

Adjusted firm value is 5.9x historical Ebitda



* As of April 20, 2004

- **Circulation**  • Flat/slight increase due to add-on sales
- **Advertising**  • Our strength in local advertising provided resilience during last cyclical downturn

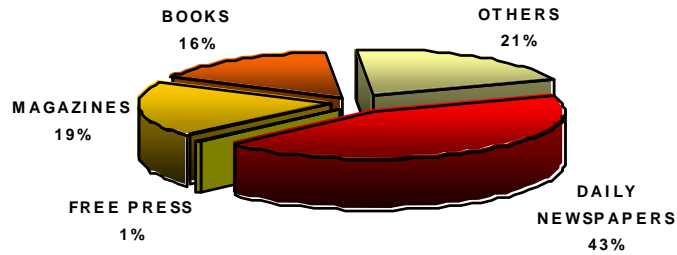
BUT

• being one of the top national players, we will benefit from any advertising upswing
- **Cost control**  • We aim at further improvement of existing cost structure
- **Growth goals**  • We pursue organic growth as well as external growth in the core business

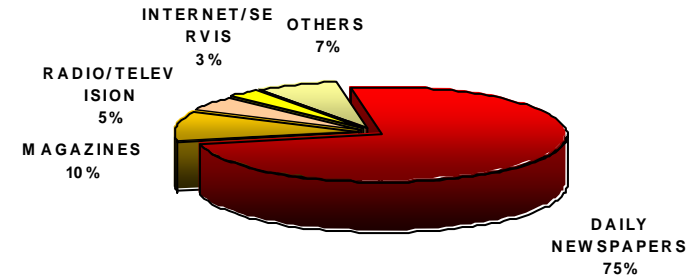
Appendix

Business mix

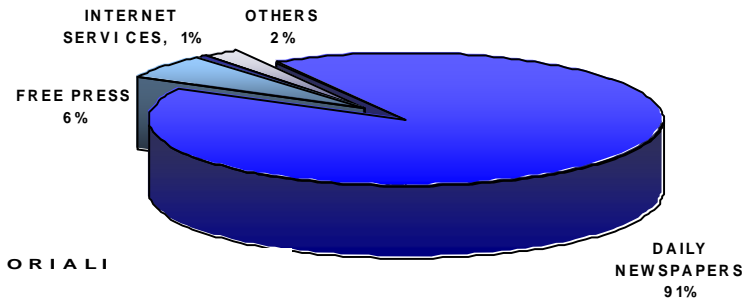
RCS MEDIAGROUP



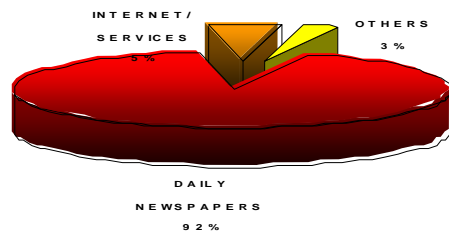
GRUPPO EDITORIALE L'ESPRESSO



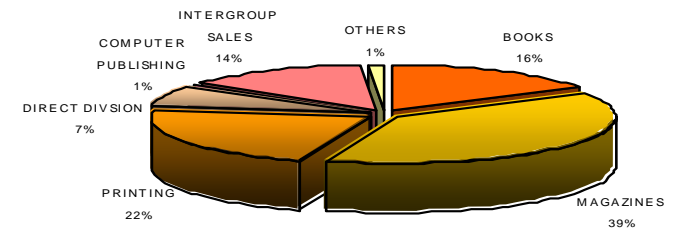
CALTAGIRONE EDITORE



POLIGRAFICI EDITORIALI



GRUPPO MONDADORI



For further information



www.caltagironeeditore.it

INVESTOR RELATIONS

Riccardo Rossetti

**Tel. +39 06 45412213
Fax +39 0632493326**

r.rossetti@caltagironeeditore.com

Claudia Del Grosso Ronchitelli

**Tel. +39 06 45412213
Fax +39 06 45412288**

c.delgrosso@caltagironeeditore.com

Contact

Alessandra Crisari

**Tel. +39 06 45412213
Fax +39 06 45412288**

investor.relations@caltagironeeditore.com