

June 2000

Caltagirone Editore Group

Il Messaggero

IL MATTINO

PIEMME

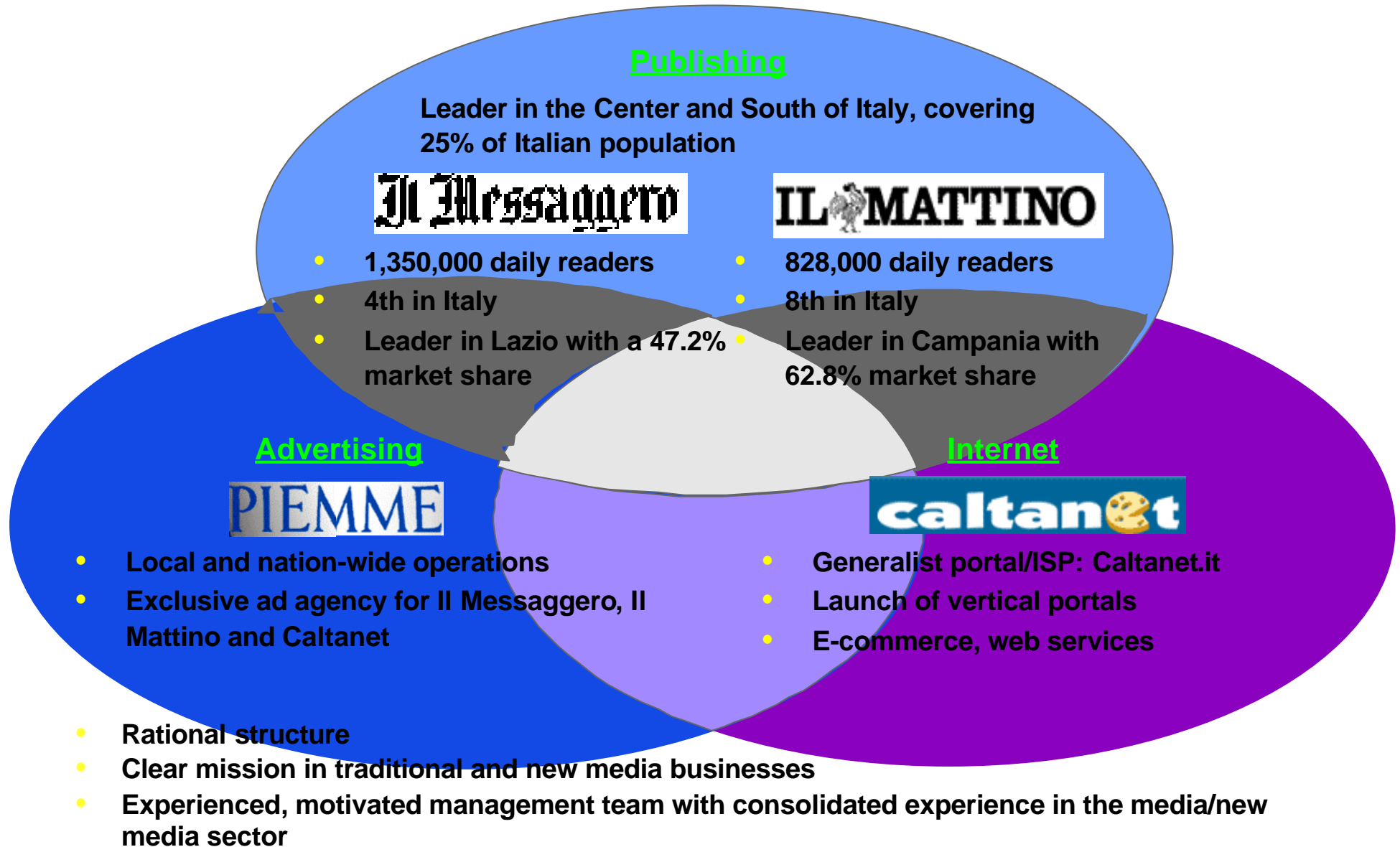
caltanet

Roadshow Presentation

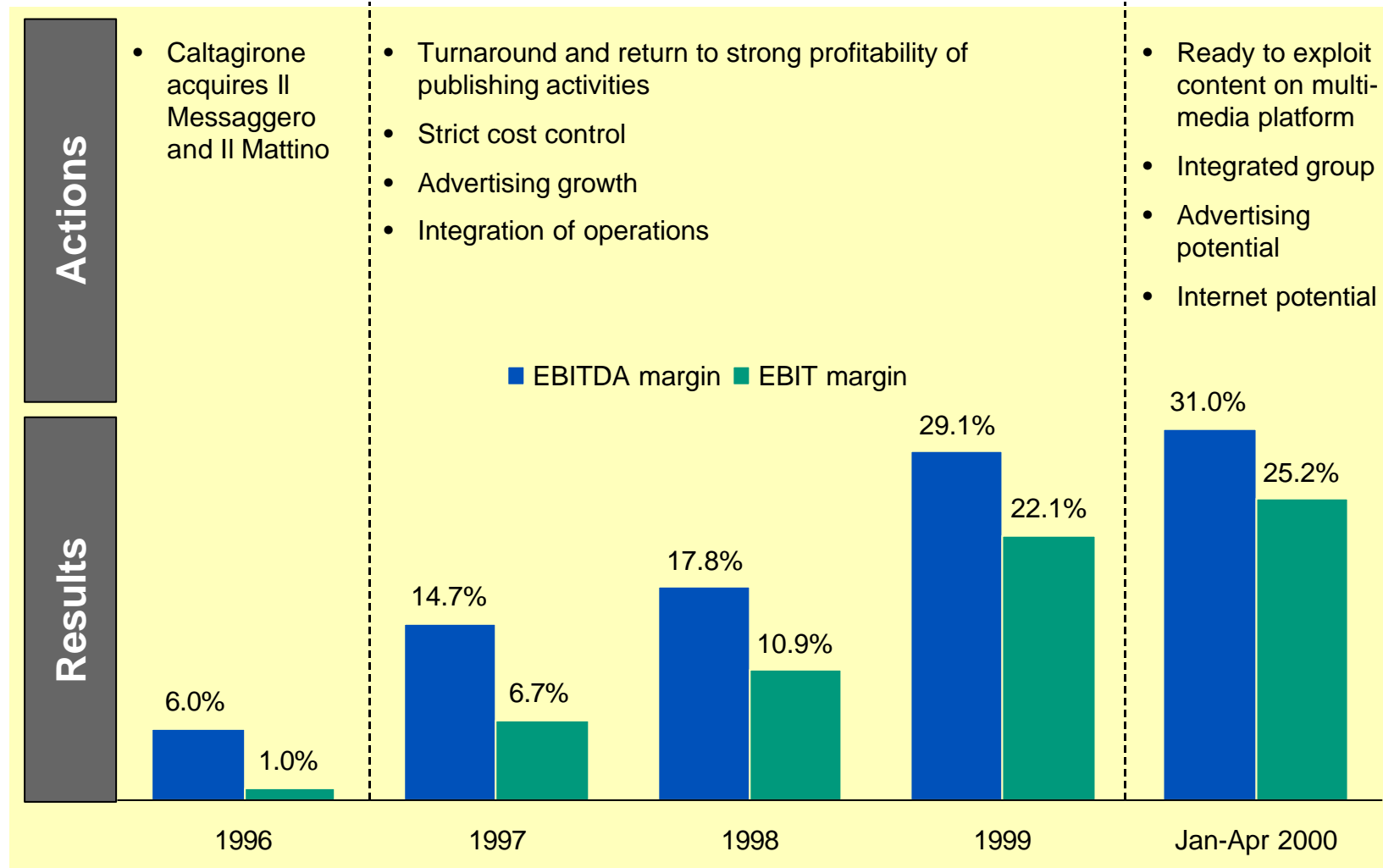
Francesco Gaetano Caltagirone

Chairman

Integrated Group with complementary areas of expertise



A successful turnaround story



A strong publishing business with a compelling internet potential

A solid base ...

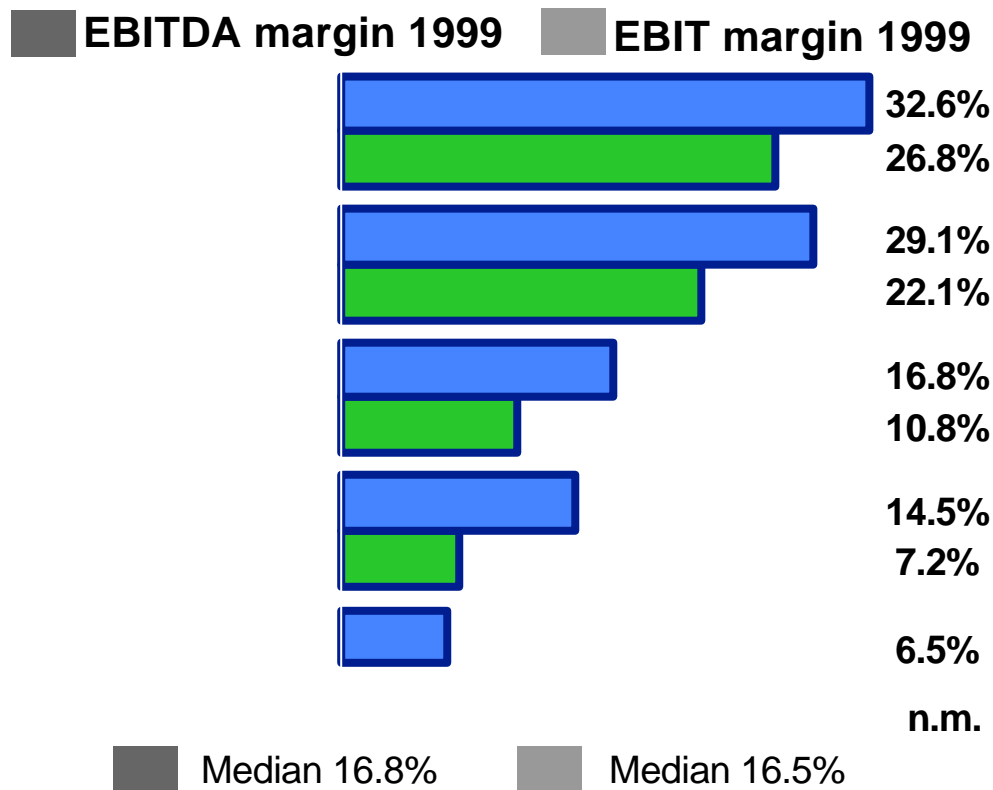
- Extensive customer base: 2.2 million readers
- Undisputed leader in the “Macroregion”, in Central and Southern Italy: 44.1% market share
- High brand visibility (120 years of history)
- Proven track record of profitability growth and margin expansion
- Capturing strong growth of advertising market

... set for a strong start in the multi-media field

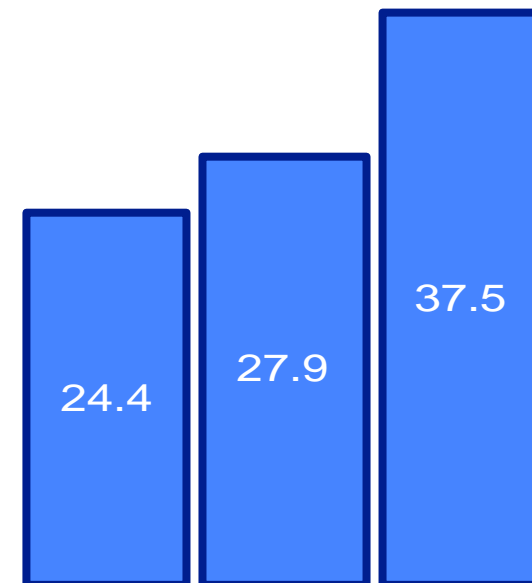
- Entrepreneurial managerial culture and ability to innovate, proven also in other sectors
- Building multi-media platform to fully leverage premium content
- Compelling Internet strategy, leveraging synergies of traditional media business
- Expand the group’s presence in newspapers, enlarging the borders of the Macroregion through internal and external growth
- Enter new sectors (radio, TV, ...) retaining emphasis on the Macroregion

Strong profitability and cash flow generation

Publicly traded publishing companies



CEd Group's cash earnings¹ (mm)



- **Group's profitability is outperforming the sector average**
- **High cash earnings**

¹ Cash earnings calculated as net income + depreciation and amortisation

Future Strategy and Use of IPO Proceeds

- **Further internet related investment and expansion**
- **Possible acquisition of other daily newspaper titles**
- **Possible acquisition of a radio station or stations**
- **Possible acquisition of television assets**
- **Possible creation of a finance and economics section for the newspapers**

Mario Delfini

Chief Financial Officer

Pro-forma consolidated summary financials

€mm	Dec 31, 1999	Jan-Apr 00	% Growth Jan-Apr 99
Sales	210.8	74.2	17.8%
<i>% growth</i>	15.2%		
EBITDA	61.3	23.0	52.3%
<i>% margin</i>	29.1%	31.0%	
Normalised EBIT ¹	52.1	20.3	67.8%
<i>% margin</i>	24.7%	27.4%	
EBIT	46.6	18.7	81.6%
<i>% margin</i>	22.1%	25.2%	
Net income	26.3	9.7	51.6%
Shareholders equity	117.0	114.1	




¹ Adjusted for amortisation of goodwill and consolidation differences

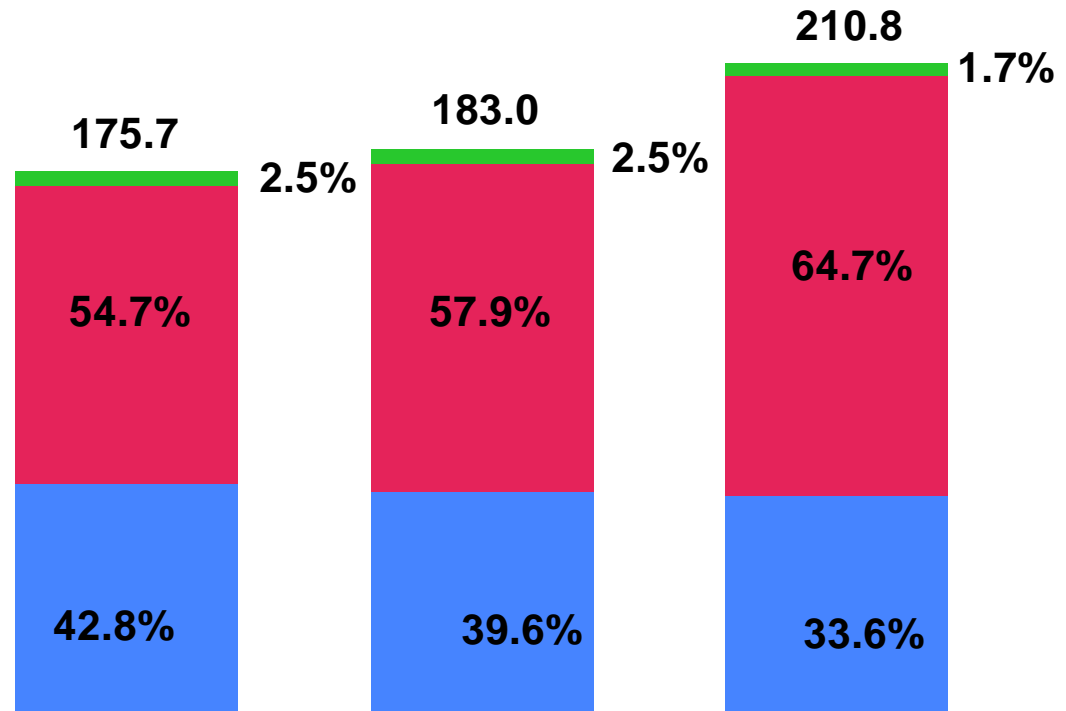
Advertising revenues drive CEd top-line growth ...

In 1999 advertising accounted for 65% of CEd revenues

- Average Italy: 53%
- Average USA: 87%
- Average Canada: 73%

Total CEd revenues

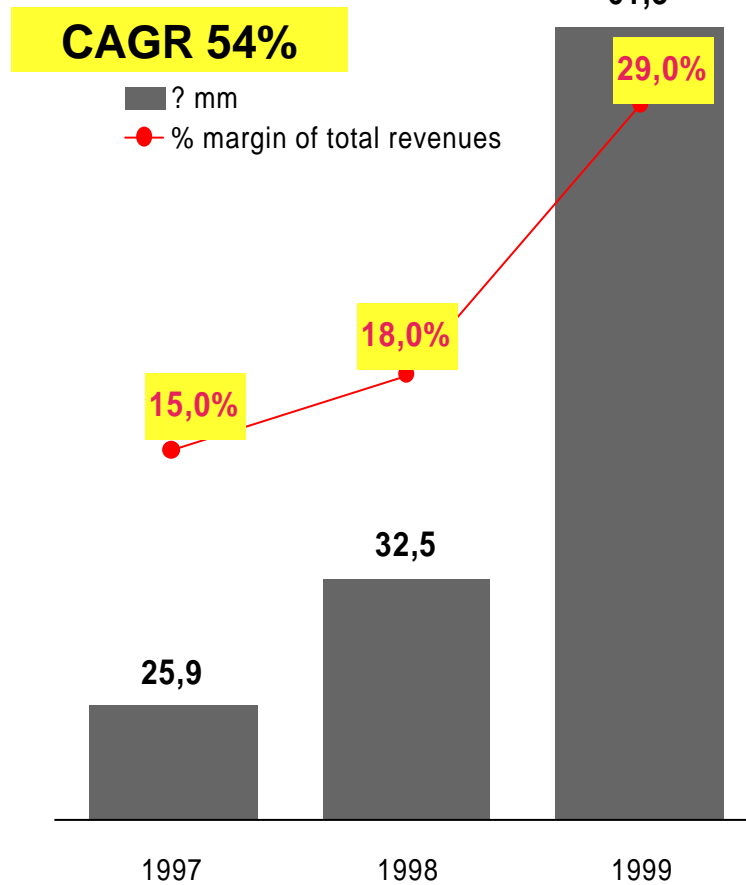
mm  Other revenues
 Advertising
 Circulation



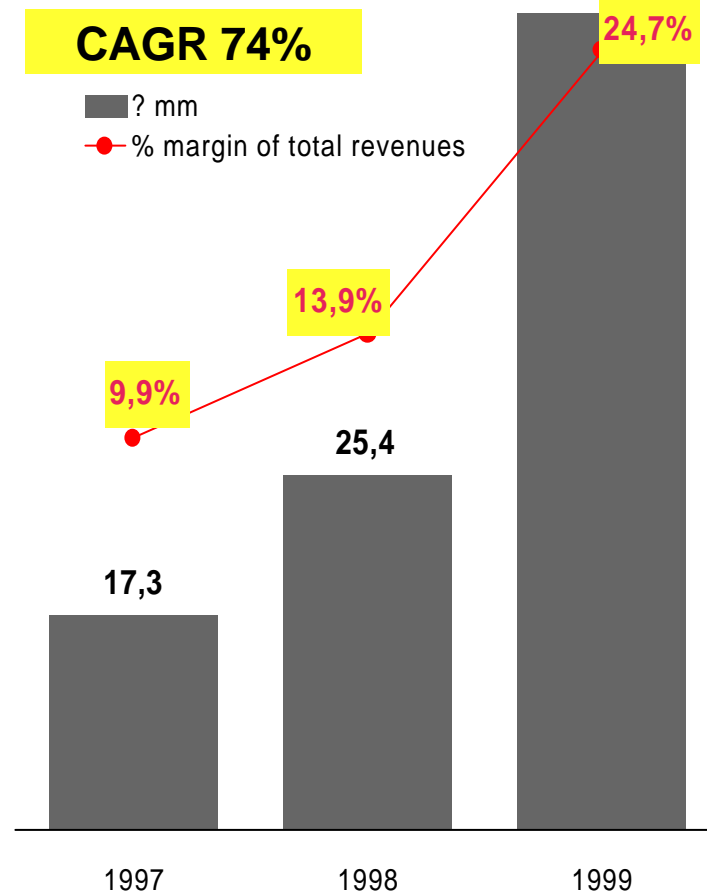
**... and translate directly into operating result
through strict cost control**

Operating margins have steadily expanded

EBITDA

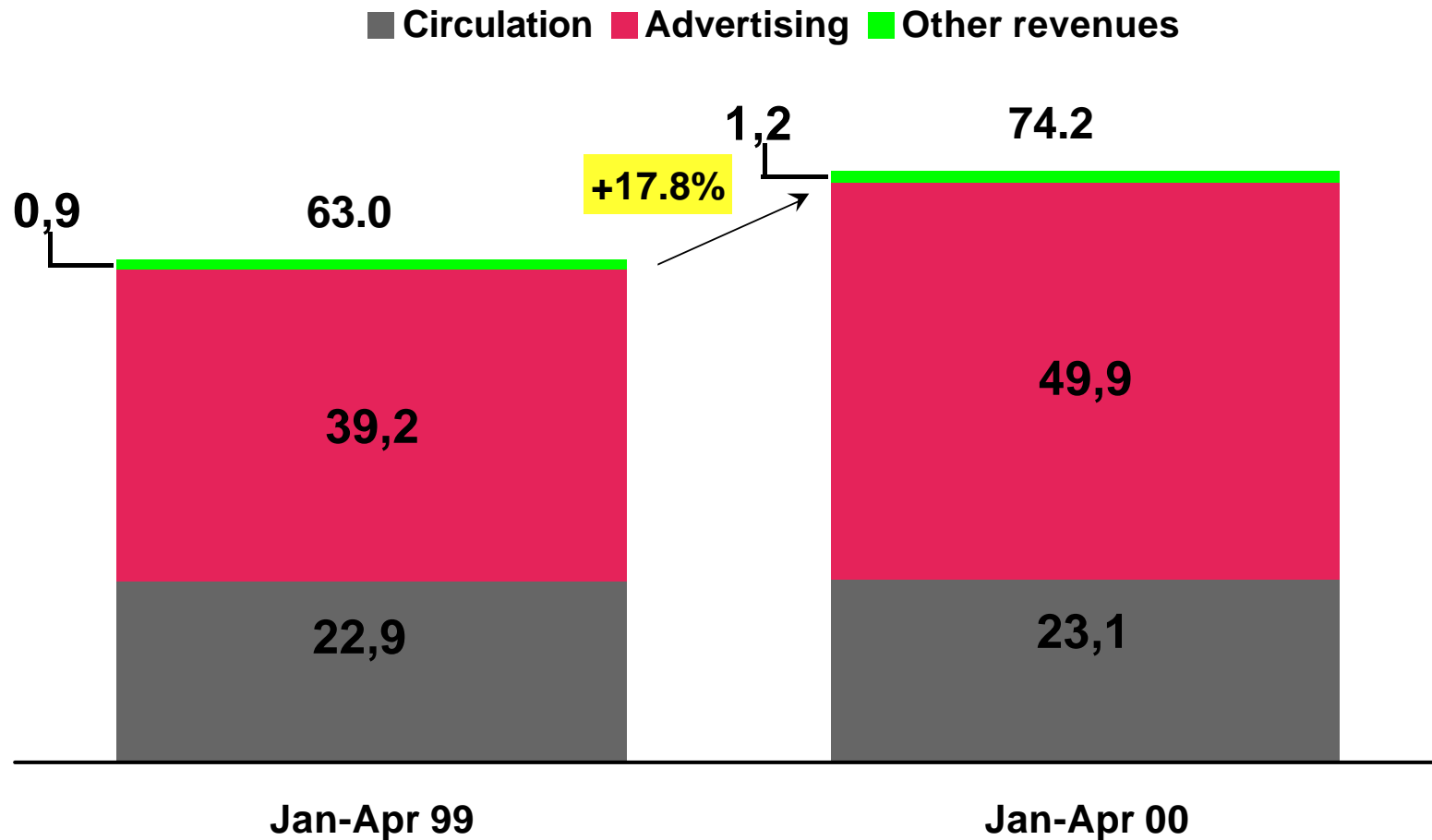


Normalised EBIT



First four months interim results show continued expansion of advertising revenues...

Revenues (mm)

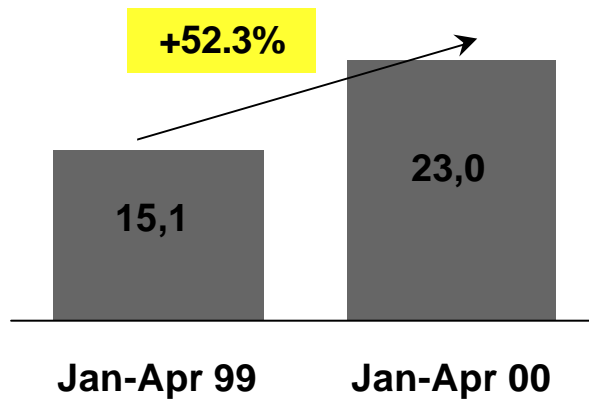


Note: 4 months 1999 financials are unaudited

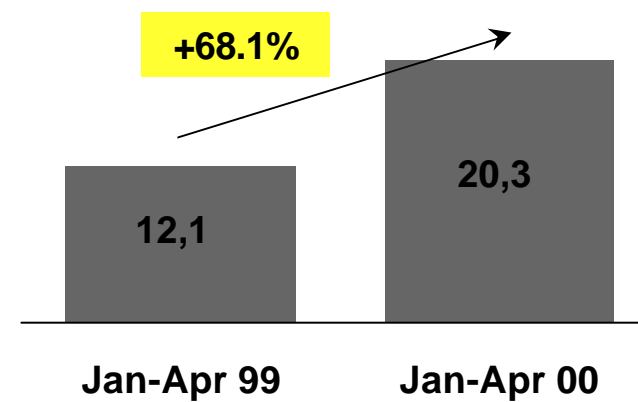
... resulting in further expansion of results

(mm)

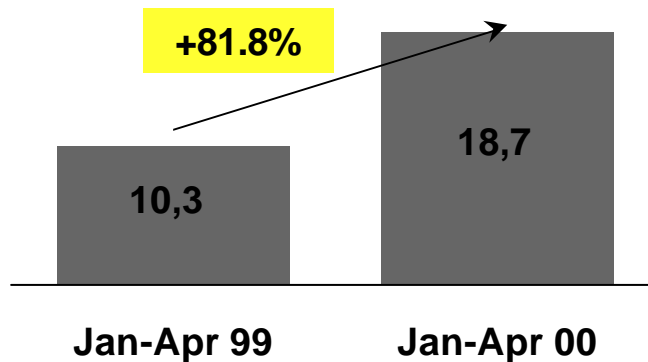
EBITDA



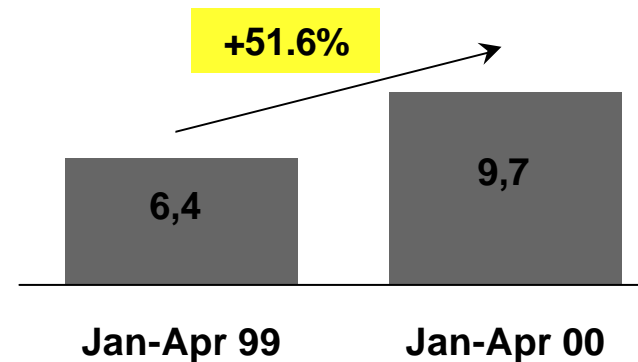
Normalised EBIT



EBIT



Net Income



Note: 4 months 1999 financials are unaudited

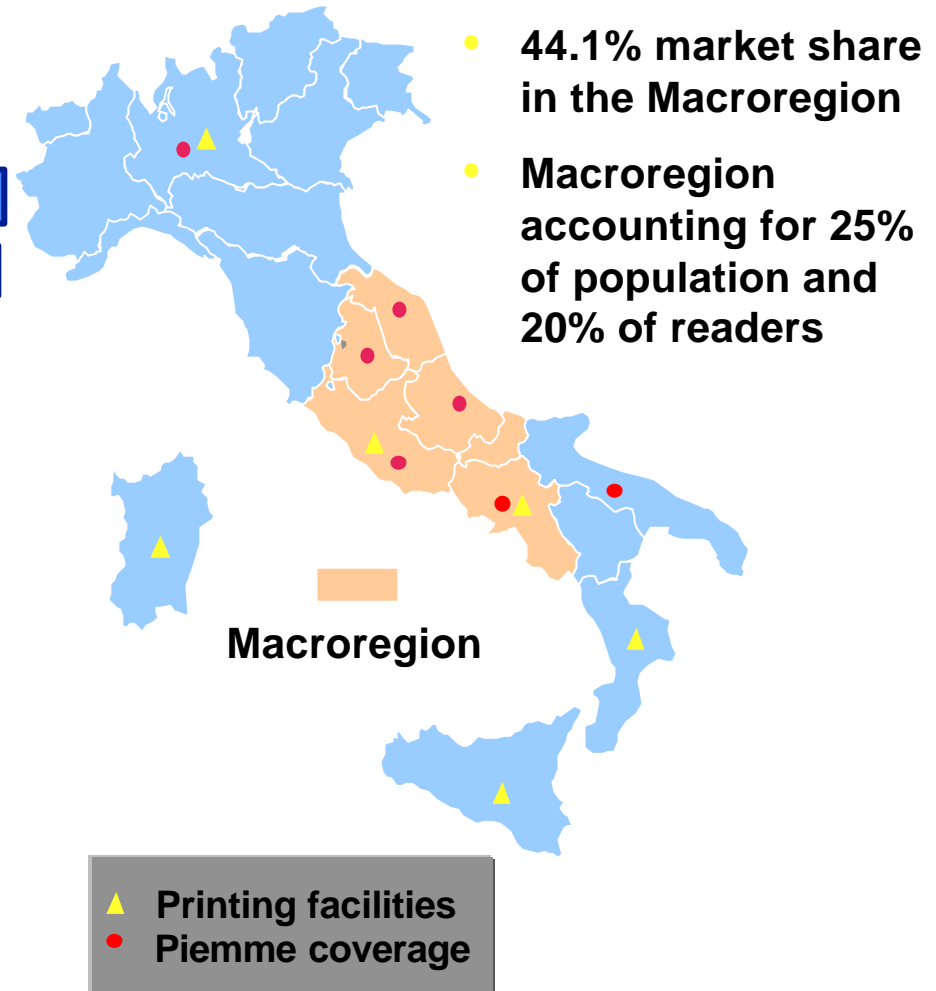
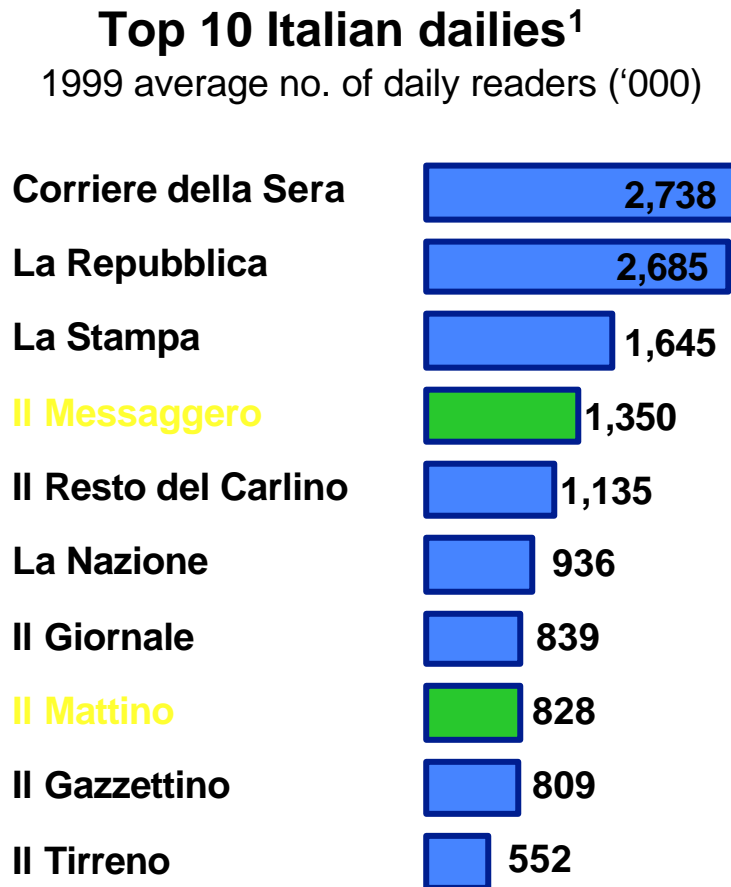
A. Majore

CEO of Il Messaggero

Chairman and CEO of Il Mattino

Chairman of Piemme

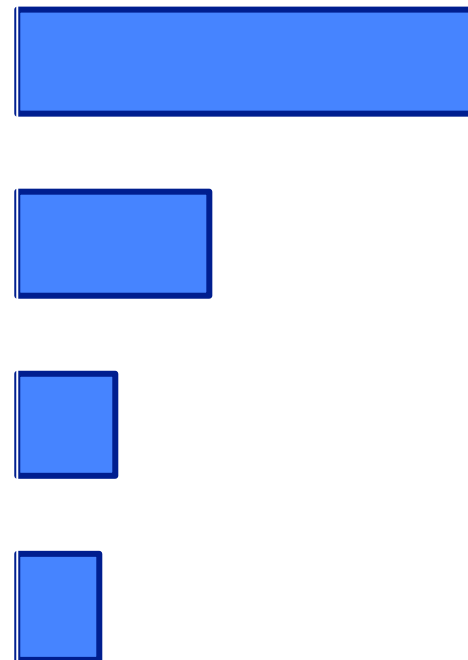
Nation-wide presence with strong focus in the “Macroregion”



¹ Excluding financial and sport dailies

Dominant player in the Macroregion

Percentage market share 1999



Il Messaggero

- 47.2% market share in Lazio

IL MATTINO

- 62.8% market share in Campania

100% = avg. no. of readers per day in the Macroregion = 4.7 mm

Source: Audipress

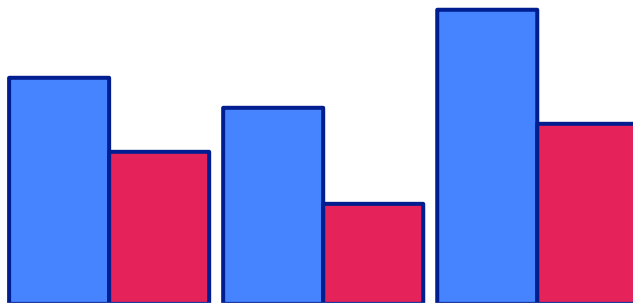
Ced has consistently outperformed the market both in readership ...

Average no. of readers per day in 1997-1999



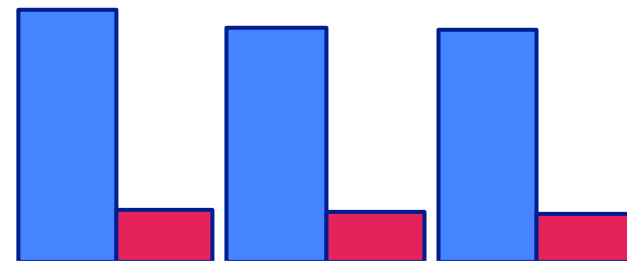
(Million readers)

■ CED ■ CED in the Macroregion



(Million readers)

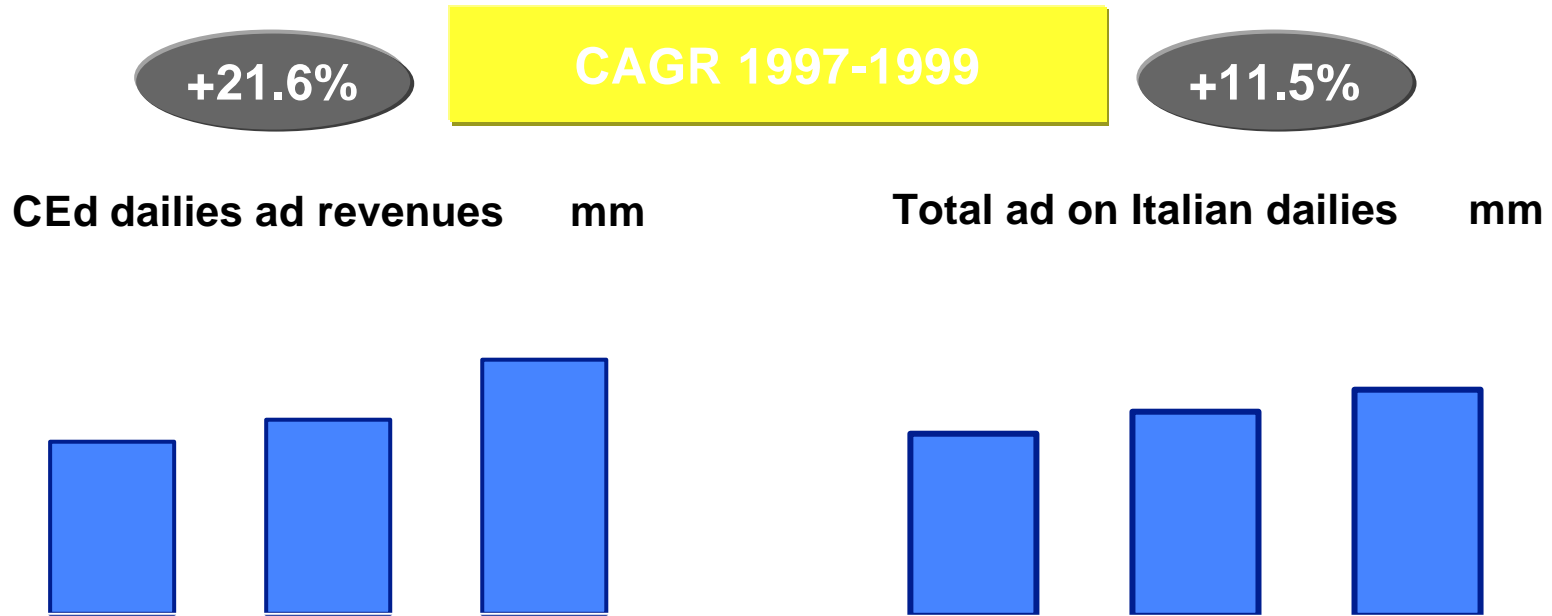
■ Total Italy ■ Total Macroregion



Source: Audipress

... and advertising growth

A must for national and local advertisers



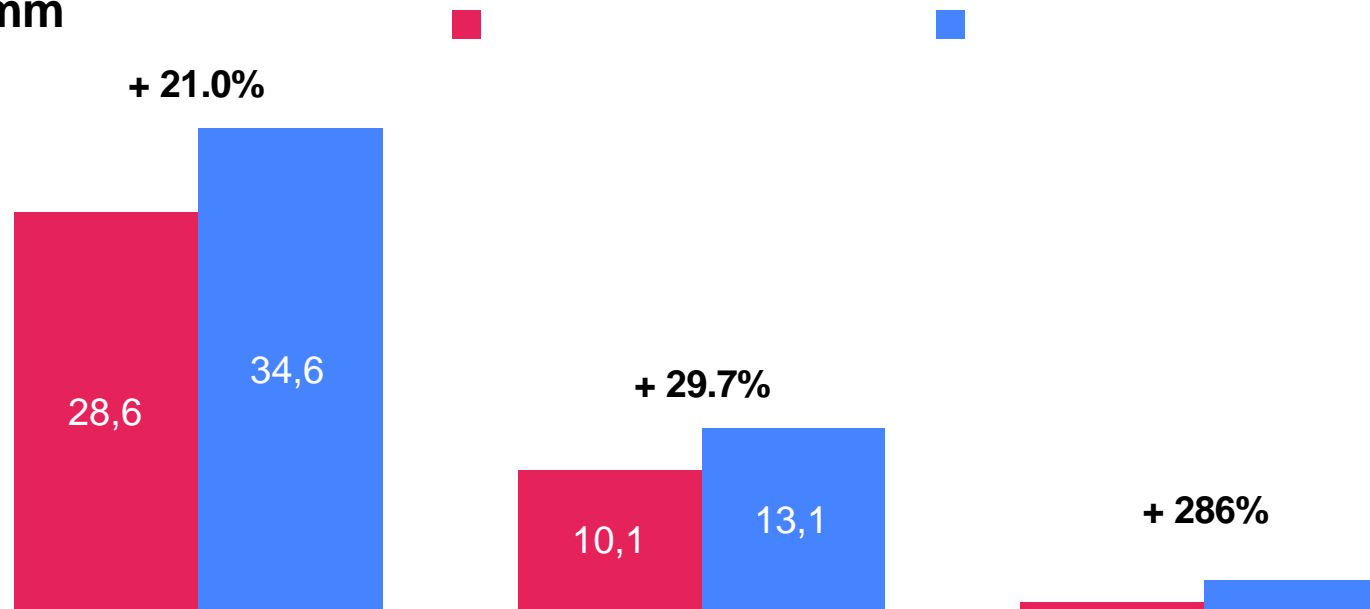
- Outperforming sector growth 2-to-1 by leveraging on competitive strength in the center and south of Italy
- National advertising market share in 1999: Il Messaggero 6.8% and Il Mattino 2.4%

Source: UPA and Company's accounts

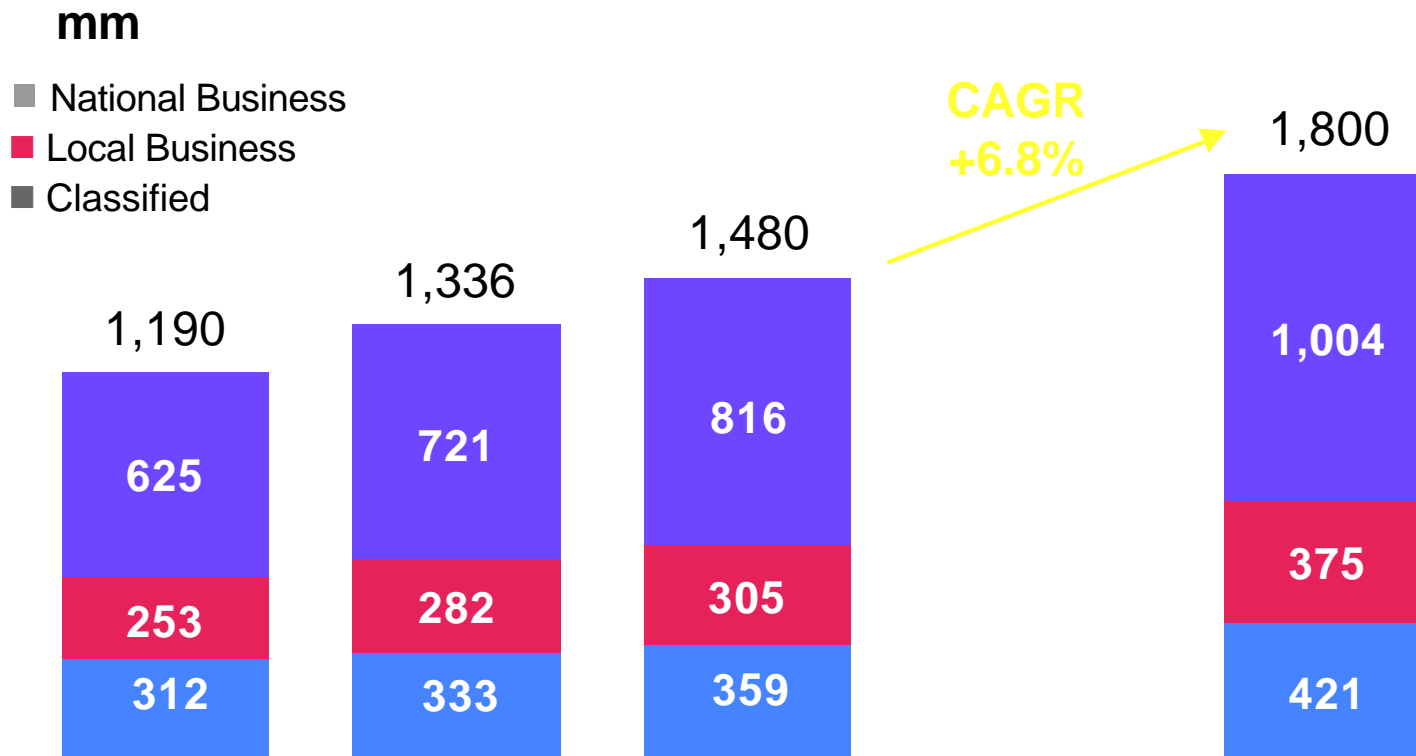
Ad revenues confirmed strong growth in first 4 months of 2000

CEd advertising revenues

mm



... and are set to benefit from the expected expansion of the Italian market



Source: UPA, Nielsen

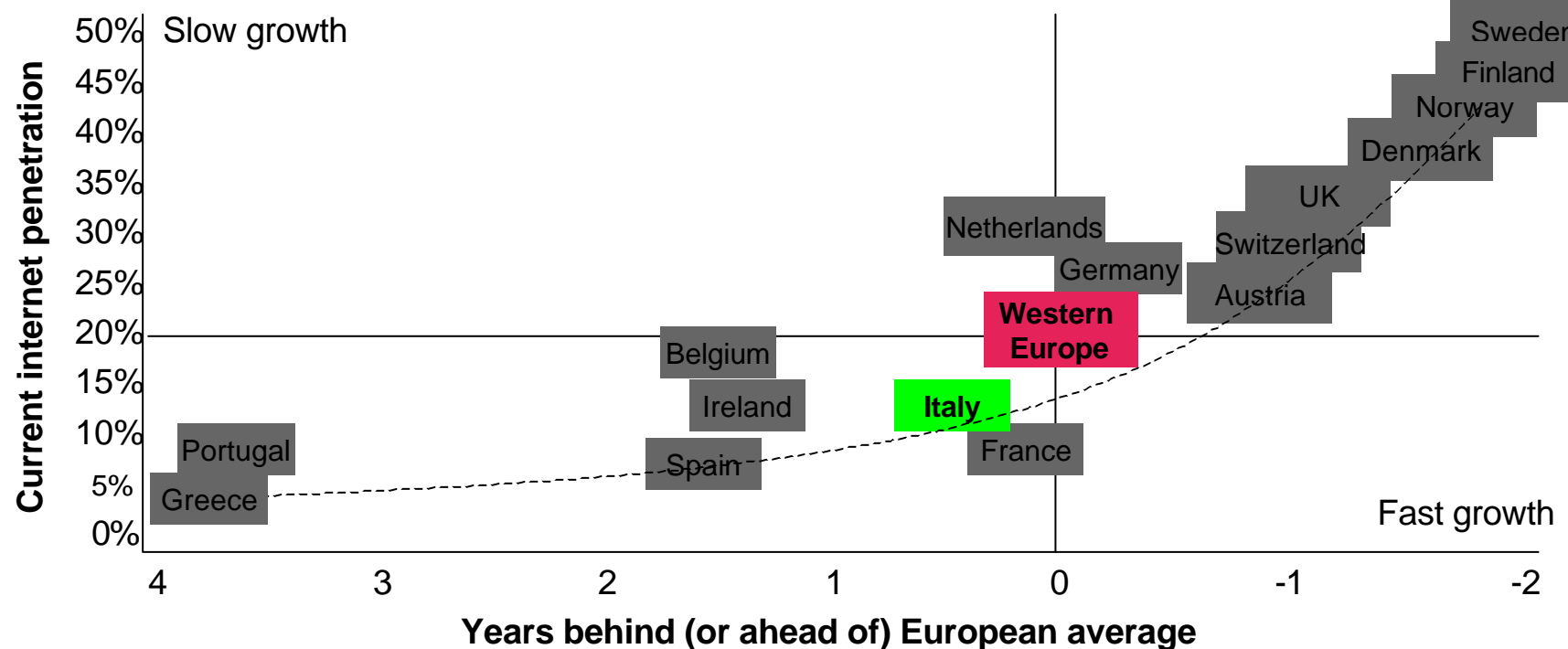
Francesco Caltagirone Jr.

Chairman of Caltanet

The Italian market is poised for fast growth

- Italy currently represents 10% of the Western European on-line population, with 14.1 mm at year end 2000
- Penetration has lagged behind other European countries ...
- ... but is now being pulled up by more web-advanced nations

Web usage by country, time-line, year-end 1999



We aim to develop a strong presence throughout the entire internet value chain



- Free ISP
- ADSL
- Internet application packaging
- Internet customer service

- Own differentiating content
- Attract eyeballs
- Community experience
- High volume niche content

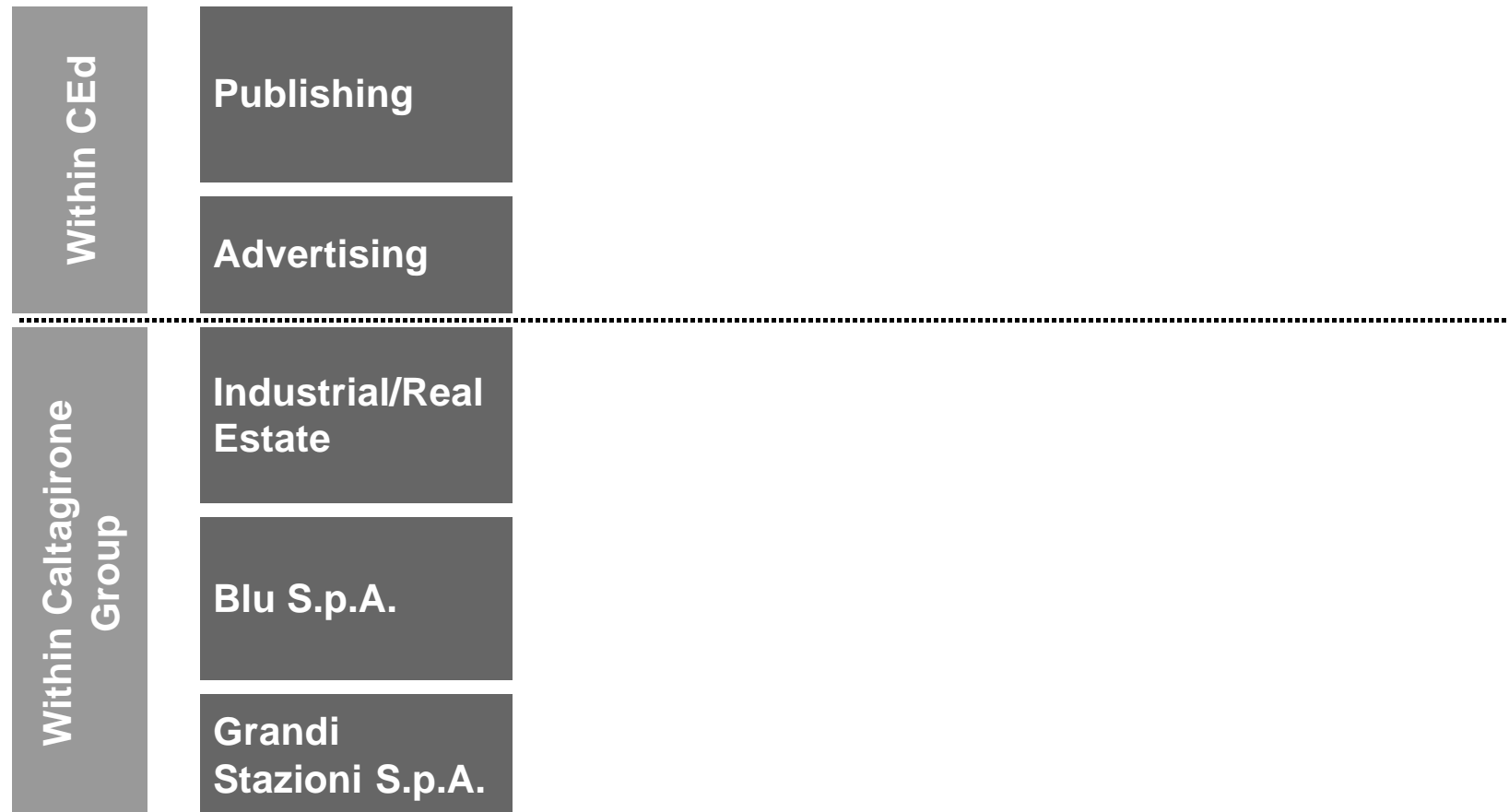
- Portal/e-commerce hybrid
- High-volume niche content
- Community and commerce experience

- Web design
- Hosting
- Housing
- CRM

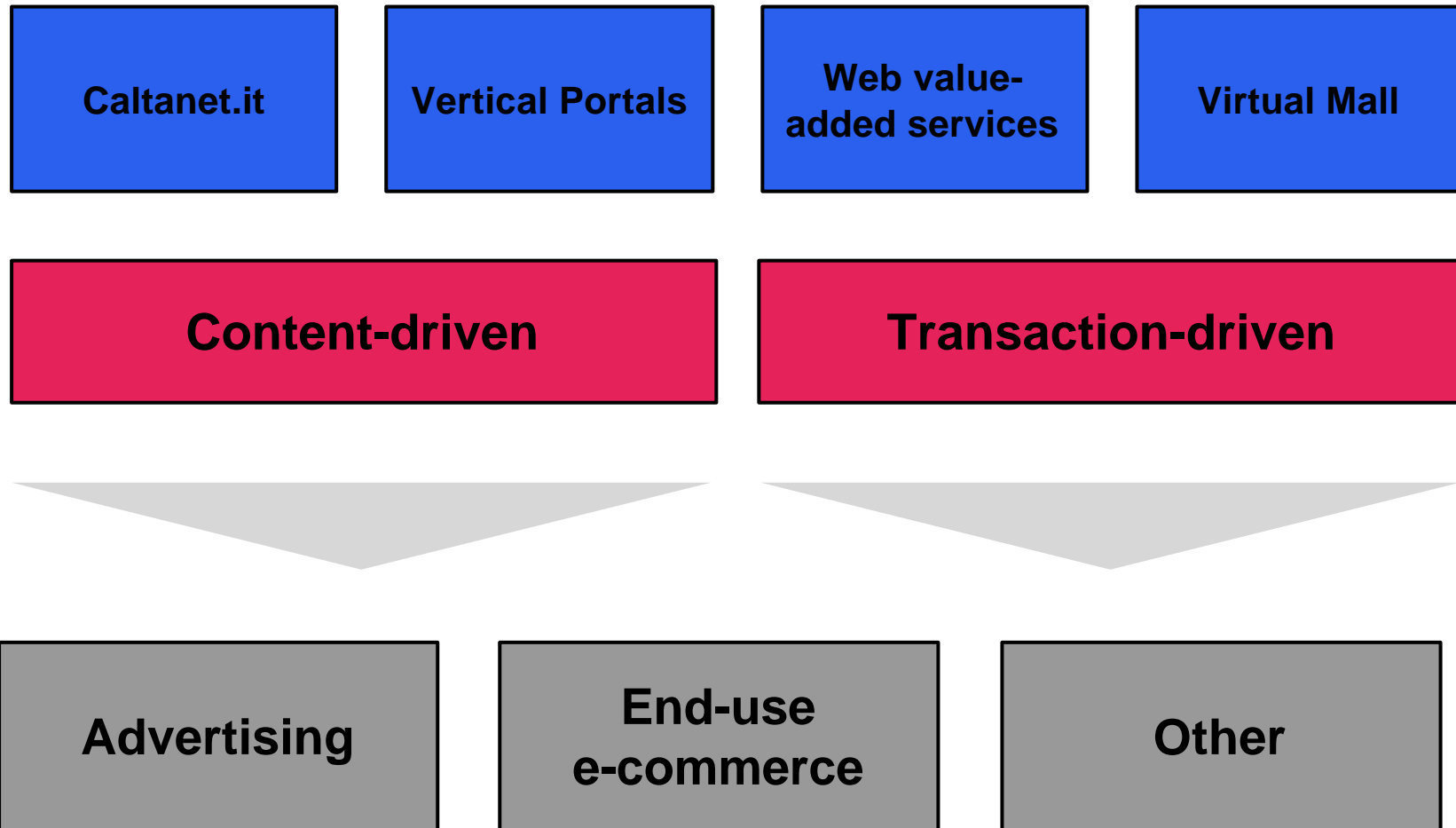
- B2C
- B2B
- Mall Caltanet

Leveraging synergies of media and new media businesses

Complementarities and synergies from Group integration

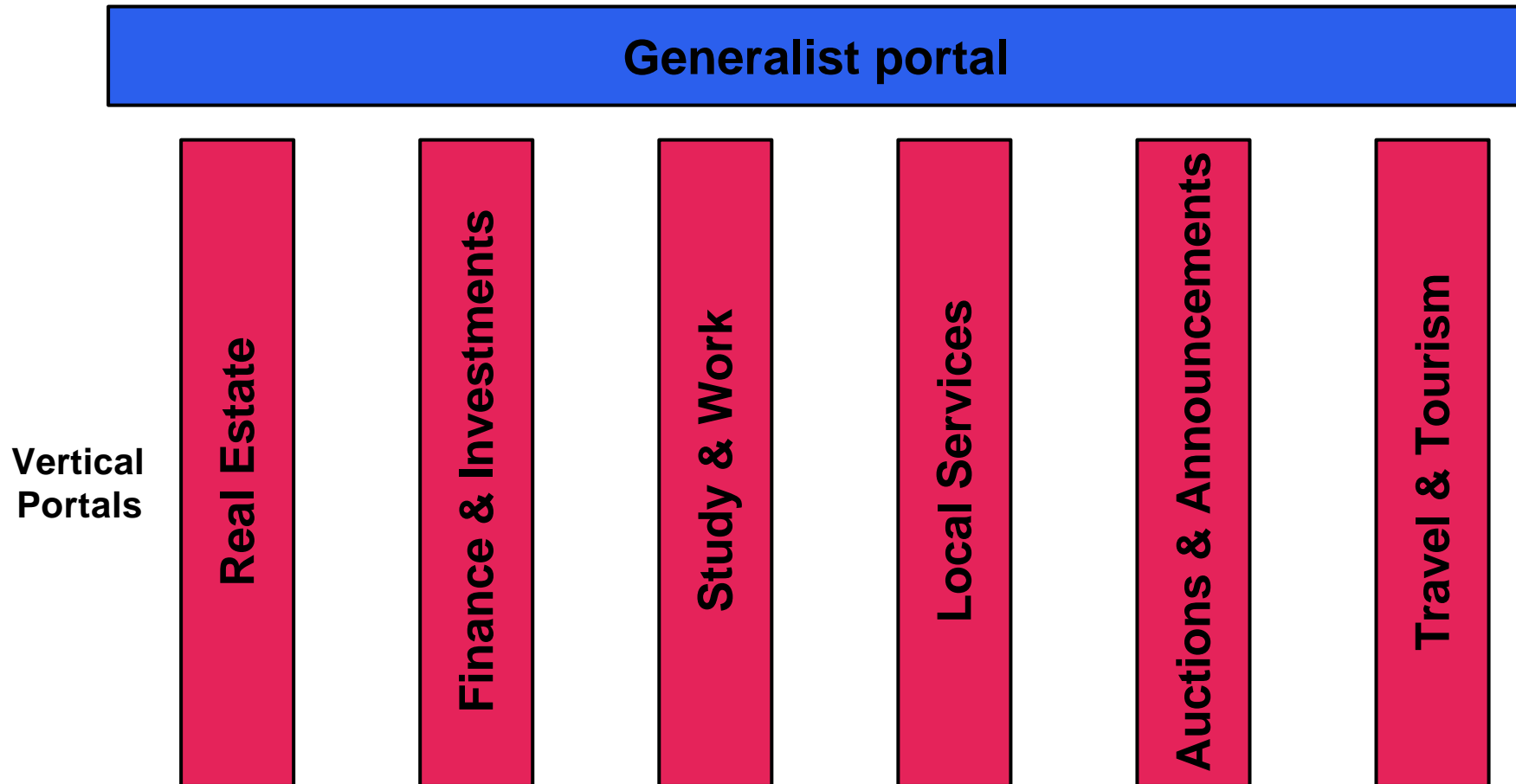


Building multiple revenue streams



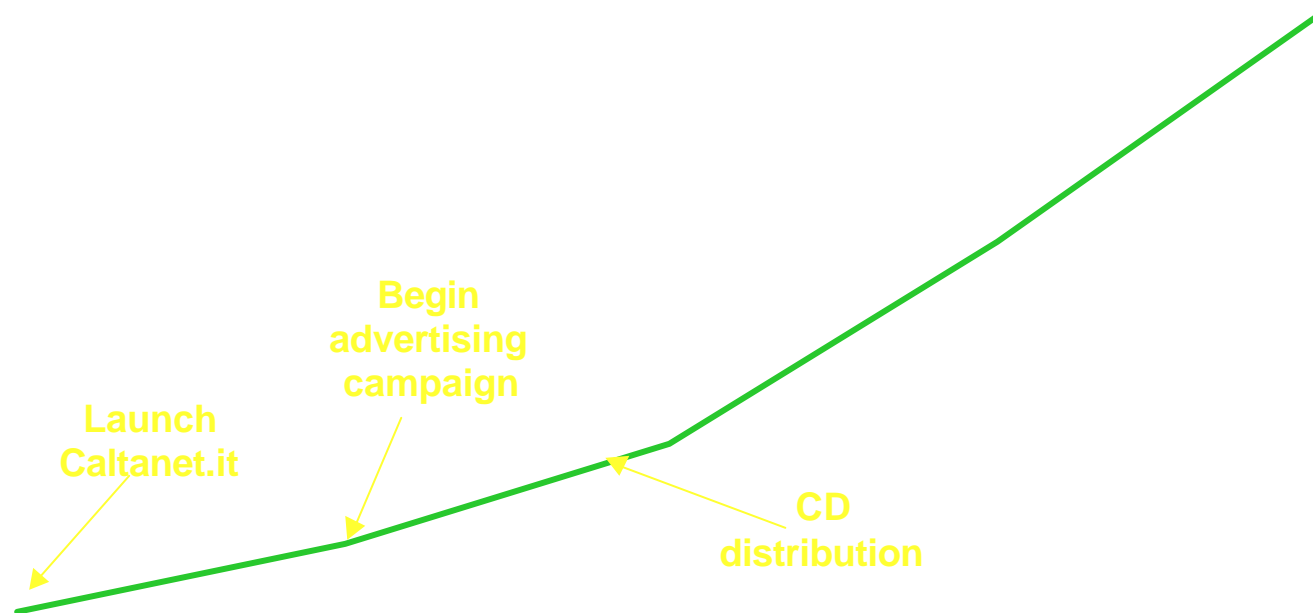
Caltanet will offer a number of targeted vertical portals

Launch of 6 vertical portals before year end



Aggressively building critical mass

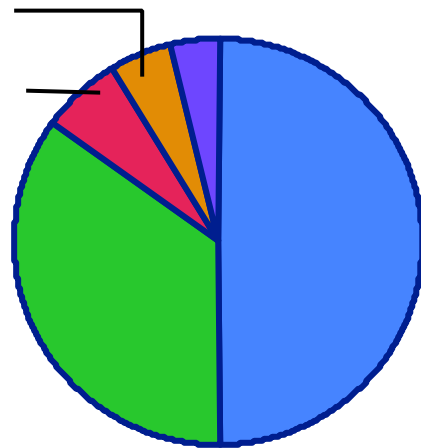
Page views - Caltanet.it



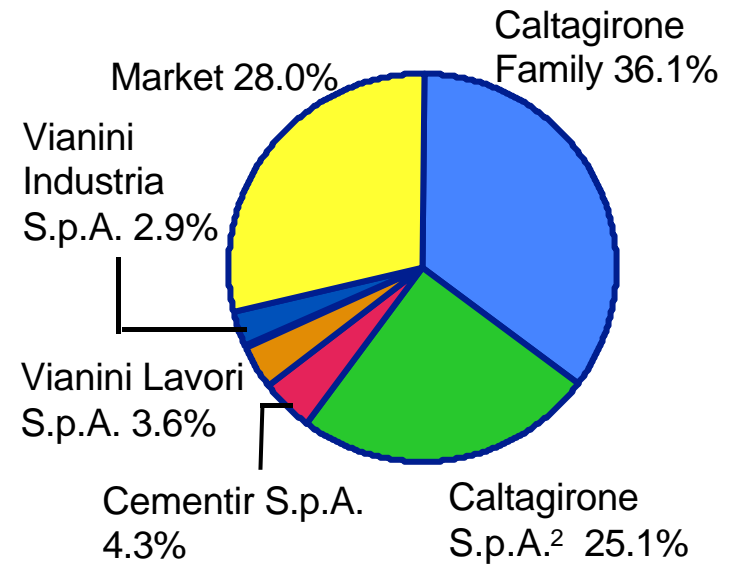
Banker

Ownership structure

Before IPO



After IPO¹



¹ Offering of 35 mm shares, including greenshoe exercise

² Including Mantegna S.p.A., 100% owned by Caltagirone S.p.A.

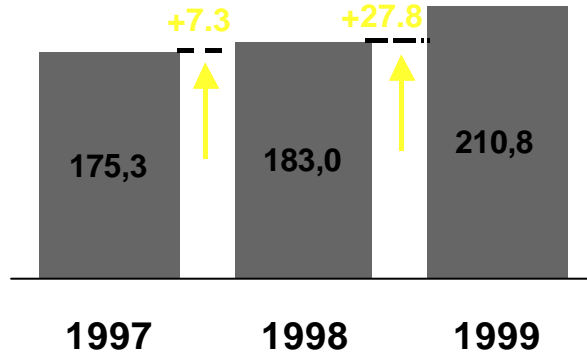
Offer structure

The Company	Caltagirone Editore S.p.A
Offering Size	Global offering: approximately 30 mm shares Greenshoe: up to 5 mm shares (free float of 28% if greenshoe fully exercised)
Shares offered	Ordinary shares, 100% primary issue
Offering Structure	One global institutional tranche One Italian retail tranche
Joint Global Coordinators	Mediobanca and J.P. Morgan
Institutional Offering	Joint Lead Managers and Joint Bookrunners: J.P. Morgan and Mediobanca
Italian Retail Offering	Mediobanca and Banca di Roma
Listing and Quotation	Mercato Telematico Azionario
Sponsor	Mediobanca

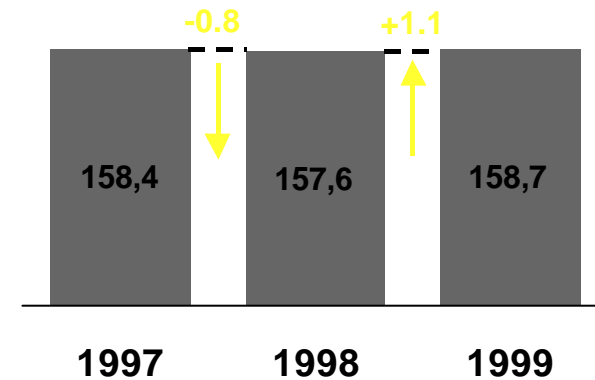
... and translate directly into operating results through strict cost control

(mm)

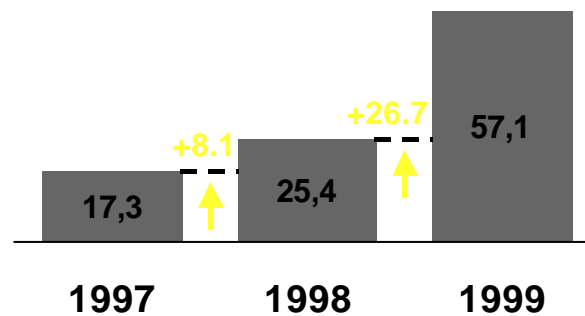
Revenues



Operating costs



Normalised EBIT



SPARE PAGES

Efficient structure positioned to benefit from the industry's structural evolution

A solid base ...

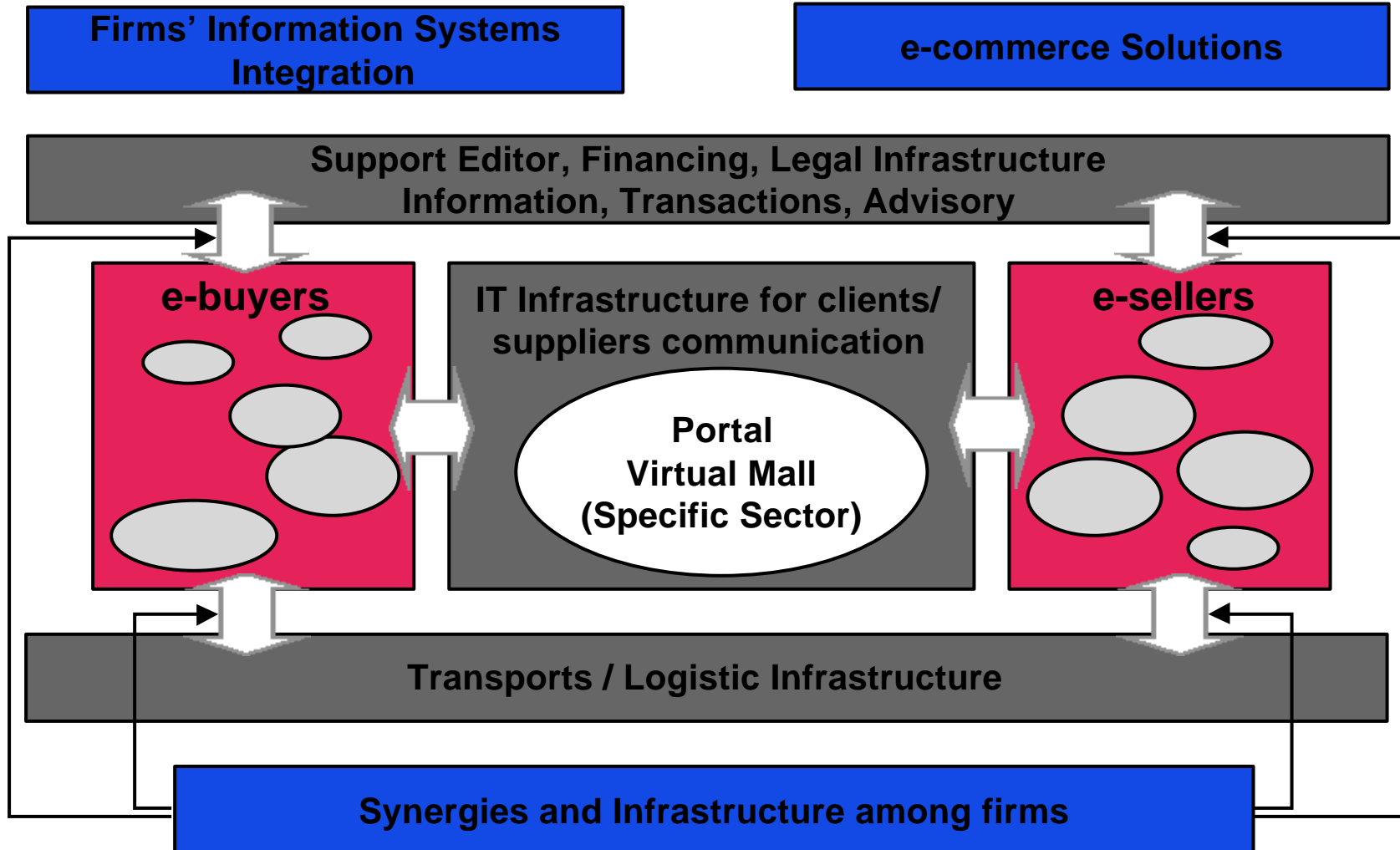
- Undisputed leadership in the Macroregion
- Extensive readership base
- Dailies' brand visibility and high customer retention (120 years of history)
- High margins and strong cash flow generation capacity

... ready to exploit future growth potential

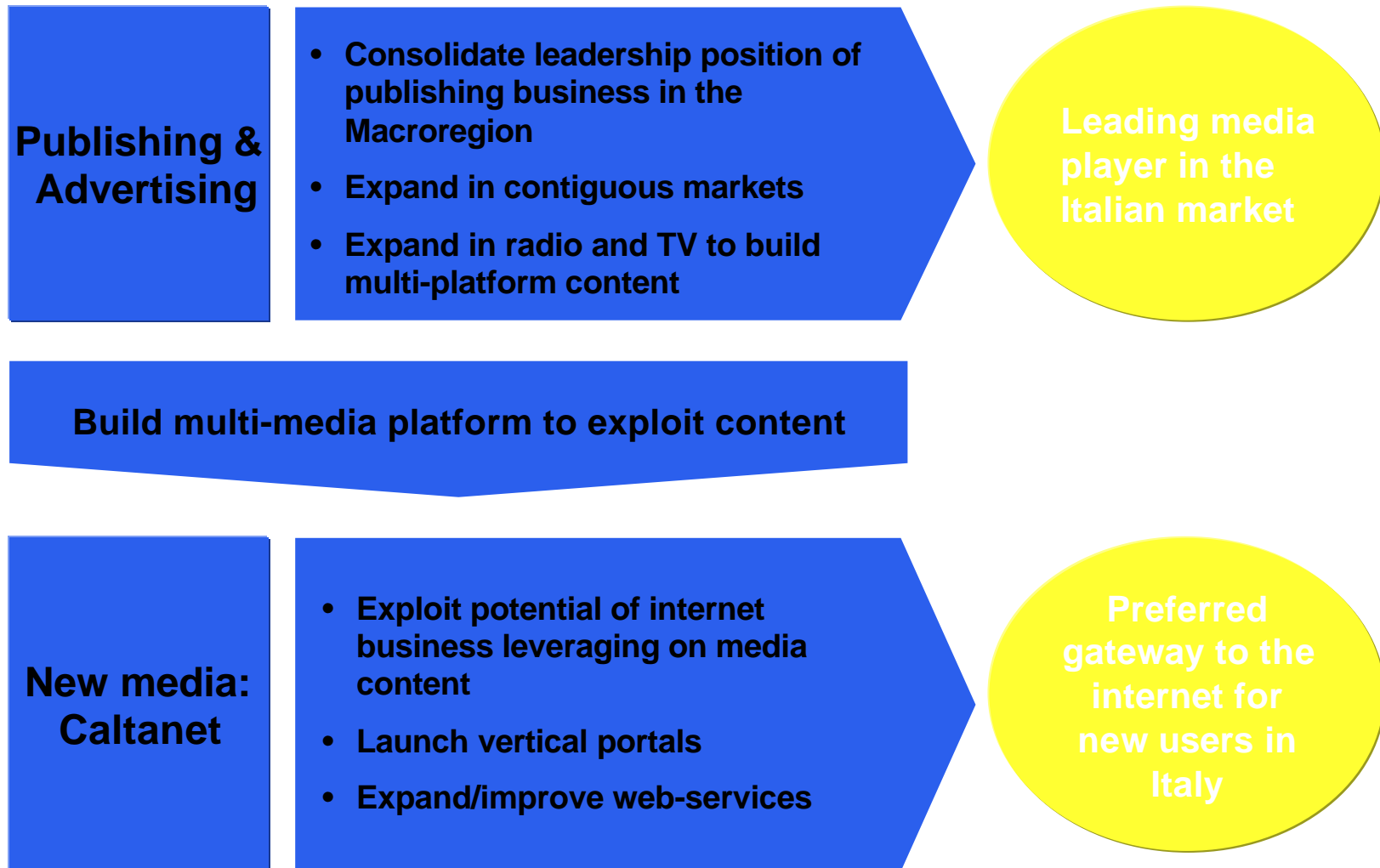
- Expansion of advertising
- Entrepreneurial managerial culture and ability to innovate, proven also in other sectors



Positioning Caltanet as a facilitator of e-transactions (B2C and B2B)



Compelling business strategy focused on maximising content potential



Successful turnaround story

**Caltagirone
acquires
Il Messaggero
and Il Mattino**

**Turnaround and return
to strong profitability of
publishing activities**

Strict cost control

Advertising growth

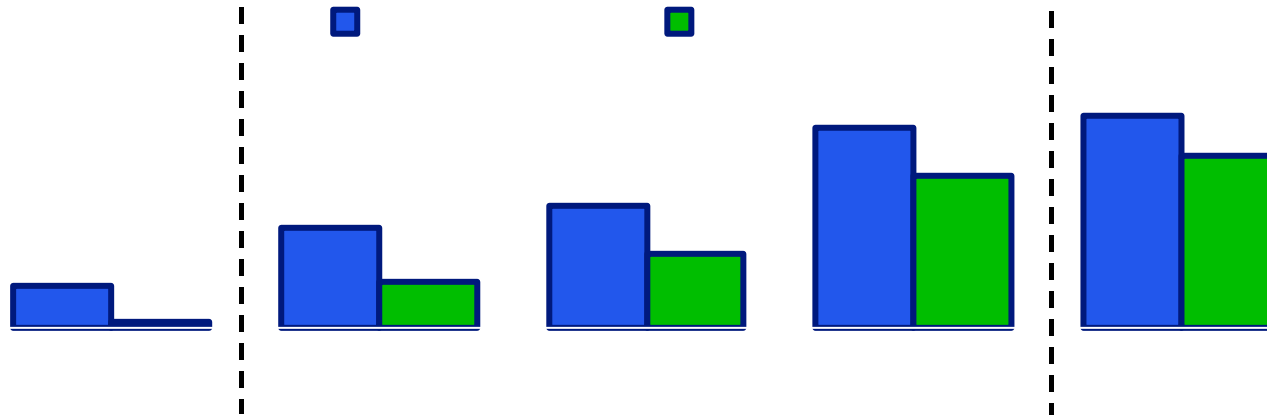
Integration of operations

**Ready to exploit
content on multi-
media platform**

Integrated group

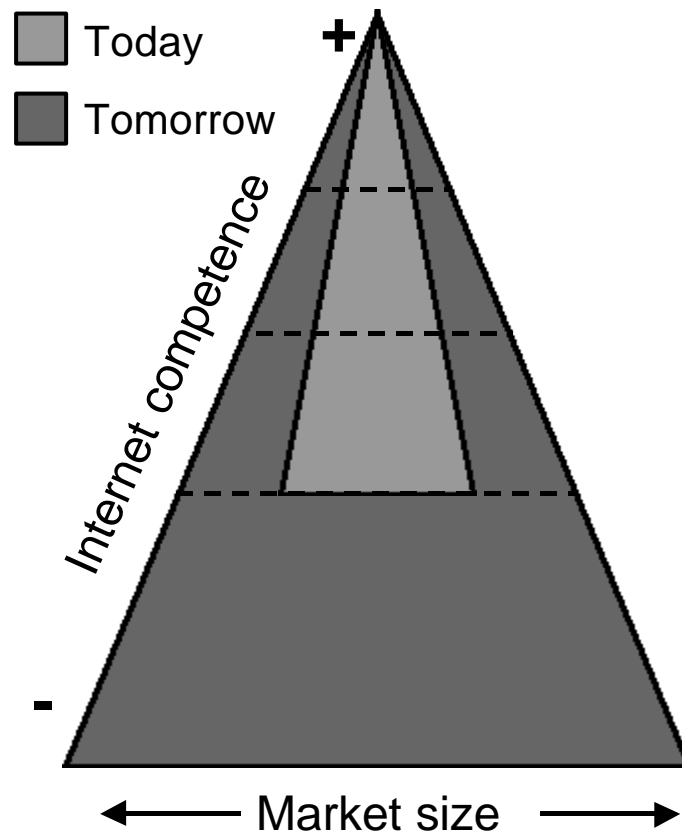
Advertising potential

Internet potential



Portal strategy

Segmentation of online users by level of competence



- **Attract new Internet users**
 - Focus on higher-growth, under-served market segments
 - Develop a tailored, user-friendly proposition
 - Maintain a dynamic relationship with the customers, constantly adapting content and services
- **Build loyalty**
 - Premium content, customer-focused services
 - Focus on community
- **Easy and guided net surfing**
 - Offer most of web solutions via links with pre-selected sites in each category