

**Caltagirone Editore: the Board of Directors approves
results as of 31st March 2016**

- Revenues: Euro 35.9 million (Euro 38.7 million as of March 31st 2015);
- Ebitda: Euro -1.6 million (Euro -1.2 million as of March 31st 2015);
- Group pretax result: Euro -4 million (Euro -3.9 million as of March 31st 2015).
- Execution of treasury share purchasing plan.

Rome, May 10th 2016 – The Board of Directors of Caltagirone Editore, chaired by Cav. Lav. Francesco Gaetano Caltagirone, approved first quarter 2016 results.

Caltagirone Editore Group reports first quarter results substantially in line with the previous year, despite the persistence of economic downturn in the industry and also despite the strikes carried out by the printing staff during the quarter.

Revenues reached euro 35.9 million, down by 7.1% compared to 2015 due to the decline both in circulation revenue and in advertising revenue.

In particular, circulation revenues from traditional newspapers and digital copies declined by 13%, partly due to the now structural reduction in the industry and partly to the strikes carried out by the printing staff during the first quarter (6.8%).

Net of the impact of such strikes, the result would be better than the one reported by the market, which in the months of January and February 2016 registered an average reduction in circulations equal to 7.2%.

Sales subscription and multimedia copies of the Group's newspapers keep increasing, although the marginal impact on overall circulation revenues is not yet significant. In particular, in February 2016 *Il Messaggero* recorded a 17.3% increase in multimedia copies compared to February 2015.

Advertising revenues declined by 1.6% in Q1 2016. Compared to the previous year, the figure was positively affected by the contribution of local advertising revenues of some editions of the RCS newspapers, which kicked off on March 1st, 2015.

Internet advertising revenues on Group's websites, instead, increased by 8.2% (+0.8% average overall internet advertising market).

In February 2016 the websites of Caltagirone Editore's network reached around 1.01 million unique daily users (Pc e mobile).

EBITDA was -1.6 million euro (-1.2 million euro as of March 31st 2015), with a slight drop vs the same period of last year due to the 5.9% reduction in operating costs.

Ebit, net of amortization and devaluation of euro 2.2 million, was euro -3.8 million (-3.6 million euro as of March 31st 2015).

Pretax is negative by euro -4 million, (-3.9 million euro as of March 31st 2015).

Net Cash Position as of March 31st 2016 reached euro 123.8 million, in line with the figure reported as of December 31st (123 million).

Shareholders Equity equals to euro 519.3 million (euro 559.9 million as of December 31st 2015). The change is due to the negative impact in the quarter of the mark-to-market of financial stakes of the Group and of the loss of the period.

Current year outlook

The reorganization process started last year will be completed in the coming months and it will bring the Group to be organised in functional areas. Such new organization, once at regime, is expected to positively contribute to the economic stability of the Group.

In addition, the Group continues its initiatives aimed at valuing multimedia versions at their best and at improving internet activities, targeting an increase in new advertising revenues and the acquisition of new readers.

Execution of treasury share purchasing plan

The Board has decided to proceed with the Treasury share purchase program on the Italian Stock Exchange, as per the AGM decision of April the 19th, 2016 which has authorized the purchase and/or sale of Treasury shares pursuant to art. 2357 of the Civil Code.

We must inform that, following the recent changes in the Consolidated Law on Finance (i.e. *Testo Unico della Finanza* or TUF) in force since the month of March, the publication of interim results as of March 31th, 2016 has been made on voluntary basis, in continuity with the past, pending possible regulatory measures from Consob.

The Executive responsible for the preparation of the corporate accounting documents, Fabrizio Caprara, 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.

Attachment: Q1 2016 Consolidated Income Statement.

CALTAGIRONE EDITORE GROUP
Consolidated Income Statement



In Euro thousands

	Q1 2016	Q1 2015	Δ %
Circulation revenues	14,296	16,427	-13.00%
Promotions revenues	39	13	200.00%
Advertising revenues	20,570	20,909	-1.60%
Other operating revenues	1,046	1,344	-22.20%
TOTAL OPERATING REVENUES	35,951	38,693	-7.10%
Raw materials costs	-3,425	-4,021	-14.80%
Labour costs	-17,306	-18,908	-8.50%
Other operating costs	-16,859	-16,998	-0.80%
TOTAL OPERATING COSTS	-37,590	-39,927	-5.90%
EBITDA	-1,639	-1,234	-32.80%
Amortisation, depreciation & provisions	-2,181	-2,381	-8.40%
EBIT	-3,820	-3,615	-5.70%
Net result of the share of associates	-	-	-
Net financial income/(charges)	-221	-247	-10.50%
Profit/(Loss) before taxes	-4,041	-3,862	-4.60%
<i>Group Net Income (Loss)</i>	<i>-4,041</i>	<i>-3,862</i>	<i>-4.60%</i>
<i>Minority interest share</i>	<i>-</i>	<i>-</i>	<i>-</i>