

**Caltagirone Editore: the Board of Directors approves
results as of 30th June 2016**

- Revenues: Euro 76.1 million (Euro 80.3 million as of 30th June 2015)
- Ebitda: Euro -1.6 million (positive of Euro 67 thousand in first half of 2015)
- Group net loss: Euro 270 thousand (positive of Euro 614 thousand in first semester of 2015)

Rome, 27th July 2016 – The Board of Directors of Caltagirone Editore, chaired by Cav. Lav. Francesco Gaetano Caltagirone, approved the first semester 2016 results.

Caltagirone Editore Group reports first semester results affected by the economic downturn in the industry as well as the negative effects of lost output of newspapers due to the strike carried out by the printing staff during the semester.

Revenues reach Euro 76.1 million, down by 5.2% compared to the same period of 2015.

In particular, circulation revenues from traditional newspapers amount to Euro 29.2 million, a decrease of 9.6% compared to the same period of 2015.

Revenues from sales of print editions show a decrease of 10.3% due in part to the contraction in demand and, in part to less daily exits on newsstands following the agitations of the printing staff in the semester.

Sales subscription and multimedia copies of the Group's newspaper keep increasing, although a marginal impact on overall circulation, mark a +12% compared to the same period of last year.

Advertising sales decline by 2.2% in S1 2016. Advertising revenues on the Group's paper publications fall by 5.3% due to the market trend and less daily exits on newsstands following the agitations of the printing staff.

Good results from advertising collection on RCS local newspapers, which started in March 2015, that reaches today 5,6% of total advertising revenues.

Internet activities continue to grow: in the first 5 months of 2016, Caltagirone web sites reach 1.01 Million of average unique daily users (Total Audience Pc and mobile); Internet advertising revenues go up by 4,9% compared to the first semester of last year.

EBITDA is -1.6 million Euro (+67 thousand euro as of 30th June 2015).

Ebit, net of amortization and devaluation, is of Euro 6 million (Euro -4.7 million in first semester of 2015).

Financial Management Net Result is positive for Euro 4.4 million (Euro 4.3 million in the same period of last year) included dividend on listed shares and net result between financial income and financial costs.

Pretax is negative by Euro 1.7 million (Euro -443 thousand compared as of 30th June 2015).

Group Net Loss is negative for Euro -270 thousand (Euro 614 thousand in the same period of last year).

Net Cash Position is positive for Euro 127.5 million, an increase of about Euro 4.5 million compared to 31th December 2015 mainly due to the collection of dividends on listed shares.

Shareholders Equity equals to Euro 501.5 million (Euro 559.9 million as of 31st December 2015). The decrease is caused from the negative effect of valuation with fair value system of the group equity participation.

Forecast for current year semester

The turnaround started last year will divide the group with functional areas, at the end of the process it will help the balance economics.

Multimedia solutions are going on to reach new readers.

In this month the newspaper "Corriere Adriatico" is interested by a deep turnover regarding design, content and format. Now the newspaper "Corriere Adriatico" is distributed together with the newspaper "Il Messaggero" with an optimization of printing equipment based in Rome.

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: The financial statements, currently being examined by the independent audit firm and by the Board of Statutory Auditors

**CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET**



Assets

(in thousands of Euro)

Non-current assets

	30 June 2016	31 December 2015
Intangible assets with definite life	611	396
Intangible assets with indefinite life	295,277	295,277
<i>Goodwill</i>	45,374	45,374
<i>Newspaper titles</i>	249,903	249,903
Property, plant and equipment	42,931	45,706
Equity investments valued at net equity	3	3
Equity investments and non-current securities	75,758	135,272
Non-current financial assets	44	42
Other non-current assets	80	76
Deferred tax assets	45,646	43,225
TOTAL NON-CURRENT ASSETS	460,350	519,997

Current assets

Inventories	1,944	2,314
Trade receivables	48,892	55,616
<i>of which related parties</i>	567	558
Tax receivables	1,888	1,440
Other current assets	2,993	2,468
Cash and cash equivalents	162,457	157,813
<i>of which related parties</i>	1,514	172
TOTAL CURRENT ASSETS	218,174	219,651

TOTAL ASSETS

678,524	739,648
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**CALTAGIRONE EDITORE GROUP
CONSOLIDATED BALANCE SHEET**



SHAREHOLDERS' EQUITY AND LIABILITIES

(in thousands of Euro)

Shareholders' Equity

	30 June 2016	31 December 2015
Share capital	125,000	125,000
Share capital issue costs	(18,865)	(18,865)
Other reserves	395,639	473,927
Profit/(loss) for the year	(270)	(20,131)
Group shareholders' equity	501,504	559,931
Minority interest shareholders' equity	-	-
TOTAL SHAREHOLDERS' EQUITY	501,504	559,931

LIABILITIES

Non-current liabilities

Employee provisions	22,913	24,745
Other non-current provisions	5,278	5,634
Non-current financial liabilities	5,688	8,306
Other non-current liabilities	1,983	1,732
Deferred tax liabilities	59,363	59,354
TOTAL NON-CURRENT LIABILITIES	95,225	99,771

Current liabilities

Current provisions	3,033	2,646
Trade payables	24,974	24,578
<i>of which related parties</i>	2,873	2,103
Current financial liabilities	29,296	26,517
<i>of which related parties</i>	5,882	5,337
Other current liabilities	24,492	26,205
<i>of which related parties</i>	21	29
TOTAL CURRENT LIABILITIES	81,795	79,946

TOTAL LIABILITIES

177,020 **179,717**

**TOTAL SHAREHOLDERS' EQUITY AND
LIABILITIES**

678,524 **739,648**

CALTAGIRONE EDITORE GROUP
CONSOLIDATED INCOME STATEMENT



(in thousands of Euro)

	1st half 2016	1st half 2015
Revenues		
Revenues from sales and supply of services	73,477	77,403
<i>of which related parties</i>	425	577
Other operating revenues	2,592	2,850
<i>of which related parties</i>	35	62
TOTAL REVENUES	76,069	80,253
Costs		
Raw material costs	(7,137)	(7,885)
Personnel costs	(34,946)	(37,534)
<i>of which restructuring charges</i>	(570)	(666)
Other operating charges	(35,611)	(34,767)
<i>of which related parties</i>	(3,072)	(3,381)
TOTAL COSTS	(77,694)	(80,186)
EBITDA	(1,625)	67
Amortisation, depreciation and other write-downs	(4,418)	(4,817)
EBIT	(6,043)	(4,750)
Net result of the share of associates	-	-
Financial income	5,256	5,230
<i>of which related parties</i>	4,943	4,283
Financial charges	(884)	(923)
<i>of which related parties</i>	(119)	(82)
Net financial result	4,372	4,307
PROFIT/(LOSS) BEFORE TAX	(1,671)	(443)
Income taxes for the period	1,401	1,057
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	(270)	614
NET PROFIT/(LOSS) FOR THE YEAR	(270)	614
Group net loss	(270)	614
Minority interest share	-	-
Earnings per share (Euro per share)	(0.002)	0.005
Diluted earnings per share (Euro per share)	(0.002)	0.005



Consolidated Comprehensive Income Statement

(in Euro thousands)

	<i>1st half 2016</i>	<i>1st half 2015</i>
Net loss for the year	(270)	614
Items which may be reclassified subsequently to profit/(loss) for the period		
Gain/(loss) from recalculation of AFS financial assets, net of fiscal effect	(58,069)	(387)
Total other items of the Comprehensive Income Statement	(58,069)	(387)
Total comprehensive loss for the period	(58,339)	227
Attributable to:		
Parent Company shareholders	(58,339)	227
Minority interest	-	-

CALTAGIRONE EDITORE GROUP
Statement of changes in consolidated shareholders' equity



<i>(in Euro thousands)</i>	Share Capital	Quotation charges	Treasury shares	Fair Value reserve	Other reserve	Net Profit/Loss	Group net equity	Minority interest N.E.	Total net equity
Balance at January 1st 2015	125,000	(18,865)	(1,334)	26,140	492,796	(37,194)	586,543		586,543
Dividends distributed							-		-
Previous year result carried forward					(37,194)	37,194	-		-
Acquisition of treasury shares			(225)				(225)		(225)
Total operations with shareholders	-	-	(225)	-	(37,194)	37,194	(225)	-	(225)
Change in fair value reserve				(387)			(387)		(387)
Net Result						614	614		614
Comprehensive Profit/(Loss) for the period	-	-	-	(387)	-	614	227	-	227
Balance at June 30th 2015	125,000	(18,865)	(1,559)	25,753	455,602	614	586,545	-	586,545
Balance at January 1st 2016	125,000	(18,865)	(1,844)	19,708	456,063	(20,131)	559,931		559,931
Dividends distributed							-		-
Previous year result carried forward					(20,131)	20,131	-		-
Acquisition of treasury shares					(88)		(88)		(88)
Total operations with shareholders	-	-	-	-	(20,219)	20,131	(88)	-	(88)
Change in fair value reserve				(58,069)			(58,069)		(58,069)
Net Result						(270)	(270)		(270)
Comprehensive Profit/(Loss) for the period	-	-	-	(58,069)	-	(270)	(58,339)	-	(58,339)
Balance at June 30th 2016	125,000	(18,865)	(1,844)	(38,361)	435,844	(270)	501,504	-	501,504

Caltagirone Editore Group
Consolidated Cash Flow Statement



in Euro thousands

	30 June 2016	30 June 2015
CASH AND CASH EQUIV. AT BEGINNING OF YEAR	157,813	155,494
Net loss for the year	(270)	614
Amortisation & Depreciation	3,251	3,306
(Revaluations) and write-downs	972	1,195
Net financial income/(charges)	(4,372)	(3,837)
(Gains)/losses on disposals	(12)	(491)
Income taxes	(1,401)	(1,057)
Changes in employee provisions	(1,984)	(716)
Changes in current and non-current provisions	32	(430)
OPER. CASH FLOW BEFORE CHAN. IN W.CAPITAL	(3,784)	(1,416)
(Increase) Decrease in inventories	370	255
(Increase) Decrease in Trade receivables	5,752	2,794
Increase (Decrease) in Trade payables	396	474
Change in other current and non-current liabilities	(2,157)	(5,887)
Change in deferred and current income taxes	1,127	653
OPERATING CASH FLOW	1,704	(3,127)
Dividends received	4,104	3,420
Interest received	313	456
Interest paid	(568)	(495)
Income taxes paid	(1,622)	(447)
A) CASH FLOW FROM OPERATING ACTIVITIES	3,931	(193)
Investments in intangible fixed assets	(317)	(57)
Investments in tangible fixed assets	(129)	(225)
Non-current investments and securities	-	(1,197)
Sale of intangible and tangible assets	34	3
Sale of equity investments and non-current securities	1,055	964
Change in non-current fin. assets	(2)	(21)
Change in current fin. assets	-	(4)
B) CASH FLOW FROM INVESTING ACTIVITIES	641	(537)
Change in current fin. liabilities	160	3,727
Other changes	(88)	(225)
C) CASH FLOW FROM FINANCING ACTIVITIES	72	3,502
D) Effect exc. diffs. on cash & cash equivalents	-	(177)
Change in net liquidity	4,644	2,595
CASH AND CASH EQUIVALENTS AT END OF PERIOD	162,457	158,089