

Caltagirone Editore: Board of Directors approves results for the first quarter 2010

- Revenues: Euro 59.9 million (Euro 60 million as of March 31st 2009)
- EBITDA: Euro 4.6 million (negative for Euro 1.9 million as of March 31st 2009)
- EBIT: Euro 1.8 million (negative for Euro 5.4 million as of March 31st 2009)
- Group Net Profit: Euro 1.6 million (negative for Euro 13.9 million as of March 31st 2009)
- Recovering of advertising revenues, which marked a 4.7% increase over 2009

Rome, May 7th 2010 – The Board of Directors of Caltagirone Editore, chaired by Francesco Gaetano Caltagirone, today approved the results for the first quarter of 2010.

Consolidated financial highlights (Euro million)

	Q1 2010	Q1 2009	Change %
Revenues	59.9	60	-0.2%
• <i>Circulation</i>	19.7	20.8	-5.5%
• <i>Advertising</i>	37.7	36	4.7%
• <i>Other operating revenues</i>	2.5	3.2	-21.4%
Ebitda	4.6	-1.9	n.a.
Ebit	1.8	-5.4	n.a.
Group Net Profit	1.6	-13.9	n.a.

Caltagirone Editore Group results for the first quarter of 2010 highlighted on the one hand the slow improvement in advertising expenditure and on the other hand benefits deriving from the strict cost reduction plan launched in 2009.

Revenues amounted to Euro 59.9 million, substantially in line with the corresponding period of 2009. In particular, advertising revenues recorded an increase of 4.7%, slightly higher than overall sector's average, and a reduction in circulation revenues of 5.5% in line with market trend. It is worth noting that the Group has not increased cover price as almost all main competitors did till now.

EBITDA was Euro 4.6 million, increasing significantly with respect to negative Euro 1.9 million of the first quarter of 2009. This result benefits from operating costs reduction and in particular from personnel costs (-9.8%) as a consequence of 2009 restructuring plan.

A strong recovery also of **EBIT** which amounted to Euro 1.8 million (negative Euro 5.4 million in the corresponding period of 2009).

Group Net Profit was Euro 1.6 million (negative for Euro 13.9 million in the corresponding period of 2009).

Net Cash position reached Euro 212 million from Euro 226.3 million of December 31st 2009. The reduction was the effect of investments in listed companies for around Euro 8.4 million and extraordinary costs related to agreements for personnel redundancy reached in 2009 for Euro 5.8 million.

Outlook

Benefits, recorded in the first quarter of 2010 and deriving from the strict cost control policy implemented in 2009, will continue also in the next quarters. It is unsure that in the next quarters the advertising revenues can keep the level of improvement of the first three months of 2010.

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 Consolidated Finance Act, that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

The income statement as of March 31, 2010 is attached.

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CALTAGIRONE EDITORE GROUP
CONSOLIDATED INCOME STATEMENT



(Euro/000)	31/03/2010	31/03/2009	%
Revenues			
Revenues from Sales and Services	57.970	58.287	-0,5%
Other Revenues	1.926	1.732	11,2%
TOTAL REVENUES	59.896	60.019	-0,2%
Costs			
Raw Material Costs	6.474	8.367	-22,6%
Personnel Costs	24.126	26.742	-9,8%
Orther Operating Costs	24.664	26.896	-8,3%
TOTAL OPERATING COSTS	55.264	62.005	-10,9%
EBITDA	4.632	(1.986)	n.a.
D&A	2.778	3.472	-20,0%
EBIT	1.854	(5.458)	n.a.
Share of expenses/(income) from equity investments	(103)	(9.375)	-98,9%
Financial income	431	1.981	-78,2%
Financial charges	(712)	(1.276)	-44,2%
Financial result	(281)	705	n.a.
PRETAX	1.470	(14.128)	n.a.
CONTINUING NET INCOME	1.470	(14.128)	n.a.
NET INCOME	1.470	(14.128)	n.a.
Group Net Income (Loss)	1.579	(13.911)	n.a.
Minorities	(109)	(217)	-49,8%