# Il Sole 24 ORE Group BoD meeting:
# Approval of year-end results as at 31 December 2007

**Consolidated revenues = € 572.1 million (+12%)**
**Group advertising revenues = € 237.3 million (+22%)**
**EBITDA = € 64.4 million (+28.6%)**
**Profit attributable to equity holders of parent = € 27.7 mn (+66.3%)**
**Proposal of dividend distribution of € 0.1208 per special share and € 0.1052 per ordinary share**
**Marino Vago replaces Matteo Colaninno on the Board**
**Cerutti: IPO resources entirely dedicated to Group development**

*Milan, 14 March 2008.* There was a meeting today, under the chairmanship of **Giancarlo Cerutti**, of the Board of Directors of the Il Sole 24 ORE Group, which approved consolidated reported results for the year ending on 31 December 2007.
The main data are summarised below:

| Amounts in € thousand | **31.12.2007** | **31.12.2006** | **Change** |
|---|---|---|---|
| Revenues | 572,1 | 510,7 | +12,0% |
| EBITDA | 64,4 | 50,1 | +28,6% |
| Operating profit | 31,3 | 36,6 (b) | -14,5% |
| Pre-tax profit | 46,8 (a) | 39,2 | +19,6% |
| Profit attributable to equity holders of parent | 27,7 | 16,7 | +66,3% |
| | | | |
| Equity attributable to equity holders of parent | 346,4 | 145,4 | +201,0 |
| Net financial position | 240,2 | 79,8 | +160,4 |
| Employee headcount | 1.988 (c) | 1.505 | +483 |

(a) *Includes capital gains on disposal of equity investments for € 13.3 mn*
(b) *Includes capital gains on disposal of buildings for € 12.9 mn*
(c) *Includes the increase for the change in the scope of consolidation of 407 employees*

## Comment on consolidated FY2007 results

In FY2007 the **Il Sole 24 ORE Group** achieved consolidated **revenues** of € 572.1 million (mn), with growth of 12% vs. € 510.7 mn in 2006, notwithstanding a scenario featuring a static circulation market and an advertising market increasing to a modest extent. Net of the effect of € 46.0 mn relating to the change in the scope of consolidation, growth was +3.0% YoY.

Advertising revenues, which totalled € 237.3 mn, grew by 22.0% over 2006, also as a result of acquisitions made in the period (based on comparable consolidation, +9.4% YoY).
The **System** division achieved particularly brilliant results. On a like-for-like basis, i.e., excluding advertising collected in 2006 for the publisher San Paolo, with which dealings ceased at the end of 2006, it achieved growth of +17.1% YoY, much higher than that of the market of reference and of the main competitors.
This performance involved virtually all products across the board. The daily newspaper's advertising revenues grew by over 9.3% - also thanks to the fact that full colour was introduced as of July 2006. "24minuti", the free-press news-sheet launched at the end of 2006, collected over € 8.1 mn revenues, whilst "I Viaggi del Sole" collected more than € 2.3 mn. Advertising revenues for Radio 24 and for the Group's Internet sites featured robust growth, rising by +8.5% and +37.8% respectively over 2006.
Revenues from the sale of daily newspapers, books, and magazines amounted to € 226.3 mn vs. € 223.8 mn in 2006, progressing by € 2.5 mn, i.e. +1.1%.
Other revenues amounted to € 108.6 mn vs. € 92.5 mn in the previous year (+17.4%). Revenues from the sale of software and e-publishing products, conferences and education featured a growing trend, thanks also to acquisitions made in the period (+0.9% in like-for-like terms). Revenues from real-time distribution of financial newsflows were down (-12.7%).

**EBITDA** totalled € 64.4 mn vs. € 50.1 mn in 2006, improving by 28.6% and with the margin on revenues rising from 9.8% in 2006 to 11.3%.
The effect of the change in the scope of consolidation was € 5.0 mn, of which mainly € 2.9 mn relating to Il Sole 24 ORE Business Media and € 2.2 mn relating to Data Ufficio and STR.
Based on comparable consolidation, EBITDA grew by 19%.

**EBIT** amounted to € 31.3 mn vs. € 36.6 mn in 2006, which, however, included € 12.9 mn of net capital gains on disposal of non-current assets.

A point to note is the effect on EBITDA and operating profit of the different accounting treatment (compared with 31 December 2006) of IFRS-compliant post-employment employee benefit provision following legislative changes concerning the latter's allocation. This generated one-off income of € 4.7 mn. The other point to note is the distribution of bonus special shares to employees, which generated a one-off cost of € 1.9 mn.

**Profit attributable to equity holders of the parent** amounted to € 27.7 mm, with a 66.3% increase over 2006, when it had totalled € 16.7 mn.
Besides the impact, already mentioned, of one-off items on 2007 and of capital gains on 2006, 2007 was also affected by the capital gain on the sale of the entire equity interest owned in the London Stock Exchange Group (LSEG) for € 13.3 mn.

As of April 2007, the company Il Sole 24 ORE Business Media Srl (formerly Editoriale GPP SpA) entered the scope of consolidation. The impact on revenues was € 29.5 mn whilst the impact on EBITDA was € 2.9 mn. As of July 2007 and August 2007 respectively, Data Ufficio SpA and STR SpA - two companies producing and selling management software – entered the scope of consolidation. They contributed € 11.2 mn to consolidated revenues and about € 2.2 mn to EBITDA. In the case of Alinari 24 ORE SpA, the impact on Group revenues and EBITDA was marginal, due to the acquisition of the 55% in October 2007.

The **net financial position** was positive by € 240.2 mn, growing from € 79.8 mn in the previous year. This was mainly the result of the increase in cash following the IPO, i.e. € 201.8 mn before commissions and expenses, which more than offset outlays for acquisitions and investments during the period

## Dividend proposal

The Board of Directors also decided to submit to the Shareholders' Meeting, summoned to take place on 21 April 2008, the proposal of distribution of a total dividend of € 13.91 mn, of which € 4.44 mn to the owners of special category shares (i.e. € 0.1208 for each of the 36,779,088 special category shares outstanding) and € 9.47 mn to the owners of ordinary shares (i.e. € 0.1052 shares for each of the 90,000,000 ordinary shares outstanding). Taking into account an IPO price of € 5.75, the annualised dividend yield of special category shares is 5.1%

The higher dividend payable, pursuant to the by-laws, to special category shares held by the company has been reattributed to special category shares outstanding.

The dividend will be paid as from 2 May 2008, with dividend detachment on 28 April 2008, and will be paid to shares outstanding as at ex-dividend date.

## Performance by business segment

### Publishing segment – generalist publishing

The Il Sole 24 ORE newspaper Is the No.3 national generalist daily newspaper, with daily circulation of 347 thousand copies, up by 0.7% YoY (source: ADS 12-month moving average, November 2006-October 2007).
In terms of readership (source: Audipress 2006/II), il Sole 24 ORE has over 1.2 mn readers, up by 0.2% vs. 2006.

The year featured continuation of editorial upgrading of the newspaper via editorial enrichment projects (Guida al TFR (= Guide to Post-Employment Benefits), Guida al condominio (= Guide to the condominium), Guida al risparmio energetico (= Guide to energy saving), Come risparmiare (= How to save), and Guida Colf e Badanti (= Guide to home helps and carers), among others). These are designed for specific categories of readers who, in these in-depth editorial presentations, find important inputs for their work or suggestions and information for everyday life.

The newspaper also completed the offering of local publications, with the launch of **Lombardy** and **Rome** in the autumn. It also created **ArtEconomy**, a new section in Plus24 dedicated to the contemporary-art market.
The free news-sheet **24minuti** has been well received by the advertising market and is also appreciated by readers, who recognise it as being a quality product with a distinctive positioning vs. competitors, thanks to better graphics and to the level of in-depth content. Moreover, afternoon distribution – i.e. at a time of day when competition is not present – has enabled it to achieve significant levels of recognition among the public.

Notwithstanding the difficult market environment (as emerged above all in the last part of the year), in **add-on products** Il Sole 24 ORE managed to increase its market share from 14% to 18%. The offering featured two distinct areas, one serving managers and professionals and the other consisting of high-profile cultural products.

## System segment – advertising sales

As regards the market as a whole, 2007 advertising investments, based on the same media monitored (excluding free press dailies and satellite TV), increased by 3% over 2006, with paid newspapers (+3.3%) performing better than TV (+1.2%).

In this scenario, the System division achieved must faster growth than the market (+17.1% on all media, +16% excluding Internet), thus strengthening its role as one of the leading market players.

Advertising sales of the Il Sole 24 ORE daily newspaper grew by +9.3% YoY, driven by excellent progress of Commercial advertising (+13%) and Funds (+11%). The Financial category was the only one going against the current (-1%) due to the effect of general market slowdown.

Advertising sales for magazines increased by over 46%, mainly because of new products launched at the end of 2008 and during 2007 (including, in particular, “I Viaggi del Sole”). On a like-for-like basis, growth was in any case major (+14%) and related almost exclusively to “Ventiquattro”.

In its first full year of business, the free news-sheet sold some € 8 mn of advertising. Radio 24 topped € 14.5 mn (+8.5%) and the Group’s websites featured an increase of 38.7%.

## Professionals segment – professional & specialist publishing

Once again in 2007 the market of reference featured rates of growth in line with the trend in the number of professional orders’ members – more limited for the tax and employment areas (+1.5/2% p.a.), more substantial in the law area (+10% p.a.).

The Professionals area, achieved revenues of € 191.6 mn, with growth of 30.7% over 2006, also thanks to acquisitions made during the year (+2.2% based on like-for-like consolidation).
In terms of organic growth, a point to note is the increase in revenues for the Tax, Legal & PA area (+3.8%). This is a mature area but with the highest profitability in the division, thanks to the introduction of new products featuring an innovative formula of integration of e-publishing and e-learning – in agreement with the foundations of the orders of chartered and registered accountants – as well as products featuring strong customisation.
Even more positive was the growth achieved by the Software Solutions area (+10.5% YoY based on comparable consolidation), with good performance of core products (“Via Libera Dichiarazioni” (tax returns) and “Gestione Contabile” (accounting management) and those relating to tax regulations.

## Multimedia segment

*Market of reference*
As regards online financial news, the principal market consists of the Italian banking industry, which is experiencing a process of concentration and internationalisation. Both these factors are the cause of ongoing shrinkage of the market in question, with an increase in price-based competition.

New players are entering the market. Generalist newspapers and search engines are modifying their business models, positioning themselves as containers of on-line news and information and introducing new contents and services.

As regards the online business, there was a constant increase in the number of unique visitors and page views, with achievement, in November 2007, of the all-time record of 2.6 mn unique visitors and over 30 mn page views, with a consequent increase in advertising revenues (+37.8% vs. 2006).

The division's results featured revenues of € 39.9 mn, down by -6.6% vs. 2006. This was the net effect of the growth of the online area (+20.5%) and the drop for the real-time financial news area (-15.9%).

**Radio segment**

In 2007 the overall Italian radio market confirmed its stability with over 38 mn listeners/day (+1.7% vs. 2006 – Audiradio full-year 2007 data).

In 2007 Radio 24's audience achieved its best-ever result, with 2,044,000 daily listeners in the 6th bimester (Audiradio data). Full-year growth was +5.4% over 2006, with 4.8% penetration (4.6% in 2006) of the total daily radio audience.

Revenues totalled € 13.3 mn, increasing by 6.9% vs. FY2006.

## Parent company performance in 2007

The parent company ended FY2007 with sales of € 512.6 mn, up by 3.2% YoY, mainly thanks to the growth of advertising revenues, which grew to € 204.7 mn (+10.5% vs. 2006).
EBITDA amounted to € 57.9 mn vs. € 46.5 mn in 2006.

Net profit amounted to € 37.4 mn, growing by € 14.6 mn vs. FY2006.
This result was affected by some non-recurring items including – for 2007 – income arising from recalculation of post-employment employee benefits following legislative changes (€ 4.6 mn), the costs of attribution of bonus shares to employees (€ 1.8 mn), and the capital gain on sale of London Stock Exchange Group shares (€ 13.3 mn) and – for 2006 – the capital gain on disposal of non-current assets.

The manager responsible for preparing corporate financial reports, Giuseppe Crea, herewith declares pursuant to Article 154/2 of the Italian Consolidated Finance Act (Testo Unico della Finanza) that the accounting disclosures contained in this press release correspond to documentary evidence, corporate books, and accounting reports.

**Foreseeable business progress**

The newspaper's circulation performance is stable, whilst in add-on products, the initial evidence of the new FY seems to be in line with the declining trend already present in the last quarter of 2007. As regards advertising sales, the first two months of 2008 have featured a growing trend compared with the same period in 2007, which already featured very significant increases over 2006, notwithstanding a significant reduction in financial advertising.

The Professionals segment – also thanks to the recent acquisitions – is showing high growth rates.

Radio 24 continues to grow, entering the top ten of national stations for the first time in November-December 2007 and rising to the number-eight spot in January-February 2008, with 2,225,000 listeners.

Bearing in mind the great uncertainty characterising business and financial markets, and the possible consequent repercussions on revenues, the Group confirms its initiatives to reduce operating costs. For the purposes of the 2008 result, these will be joined by the full-year contribution of companies acquired during 2007 – headed by Il Sole 24 ORE Business Media Srl, Data Ufficio SpA, and STR SpA.

Lastly, consistently with the strategic development plan approved, work is continuing to identify and select investment opportunities, mainly in the Professionals and Online segments.

**Cerutti: IPO resources entirely dedicated to Group development**

***"The commitment of corporate management, of the journalistic team, and of all employees has enabled the company to reach the historical milestone of listing, achieved with entry of the Milan Bourse on 6 December 2007, with its best operating result in the last 10 years and therefore with the soundness that enabled the Group to be one of the few major companies going public in the most difficult time experienced by European financial markets in the last 20 years. The fact of opening up to the market with placement of 27.6% of the Group's share capital and the 2% limit on share ownership further strengthen the independence and transparency of news and in-depth analysis that is the great professional assets of the Il Sole 24 ORE Group. As regards this, we would like to recall the fact that, thanks to the far-sighted choice of our shareholder Confindustria (the Confederation of Italian Industry), all IPO proceeds have entered our accounts, to be totally dedicated to the Group's growth",*** it is stated in the report of Il Sole 24 ORE Chairman, **Giancarlo Cerutti**, to the Board of Directors.

**Co-opting of a director**

The Board co-opted **Marino Vago** to replace Matteo Colaninno as Director. The Shareholders' Meeting of 21 April will be asked to confirm the co-option.

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## Consolidated financial statements of the “Il Sole 24 ORE” Group for the year ending on 31 December 2007

*Balance Sheet*

| Amounts in € million | | 31.12.2007 | 31.12.2006 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant & equipment | | 94.6 | 98.5 |
| Goodwill | | 39.4 | 3.0 |
| Intangible assets | | 85.3 | 53.7 |
| Investments in associates and joint ventures | | 2.0 | 22.1 |
| Available-for-sale financial assets | | 5.6 | 4.5 |
| Other non-current financial assets | | 17.3 | 16.7 |
| Other non-current assets | | 0.9 | 0.6 |
| Deferred tax assets | | 16.7 | 4.3 |
| | **Total** | **261.7** | **203.4** |
| **Current assets** | | | |
| Inventories | | 21.4 | 11.7 |
| Trade receivables | | 179.6 | 145.6 |
| Other receivables | | 10.6 | 4.0 |
| Other current assets | | 6.8 | 6.7 |
| Cash & cash equivalents | | 243.1 | 86.1 |
| | **Total** | **461.4** | **254.1** |
| **TOTAL ASSETS** | | **723.1** | **457.5** |

| Amounts in € million | | 31.12.2007 | 31.12.2006 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
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| | **Total** | **461.4** | **254.1** |
| **TOTAL ASSETS** | | **723.1** | **457.5** |

| Amounts in € million | 31.12.2007 | 31.12.2006 |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| **A) Equity** | | |
| **Equity attributable to equity holders of parent** | | |
| Share capital | 35.1 | 23.4 |
| Equity-related reserves | 180.3 | - |
| Revaluation reserves | 20.6 | 20.6 |
| Hedging & translation reserves | 0.5 | 0.3 |
| Other reserves | 29.2 | 26.0 |
| Retained earnings | 53.0 | 58.4 |
| Profit for period attributable to equity holders of parent | 27.7 | 16.7 |
| **Total equity attributable to equity holders of parent** | **346.4** | **145.4** |

*Income Statement*

| Amounts in € million | **2007** | **2006** |
|---|---|---|
| **1) Continuing operations** | | |
| Publishing revenues (newspapers, books, and magazines) | 226.3 | 223.8 |
| Advertising revenues | 237.3 | 194.4 |
| Other revenues | 108.6 | 92.5 |
| **Total revenues** | **572.1** | **510.7** |
| Other operating income | 10.3 | 8.5 |
| Payroll & employee benefit costs | (152.2) | (135.1) |
| Increase in assets built or developed internally | - | - |
| Changes in inventories | 4.4 | (1.7) |
| Purchases of materials and consumables | (48.3) | (33.7) |
| Service costs | (267.4) | (248.7) |
| Costs for use of third-party assets | (36.8) | (31.5) |
| Other operating costs | (8.3) | (10.2) |
| Provisions | (4.9) | (4.7) |
| Allowance for doubtful debts | (4.6) | (3.4) |
| **EBITDA** | **64.4** | **50.1** |
| Amortisation of intangible assets | (19.1) | (13.9) |
| Depreciation of property, plant & equipment | (13.2) | (12.4) |
| Impairment (losses)/write-backs on intangible assets and property, plant & equipment | (1.1) | - |
| Capital gains/(losses) on disposal of non-current assets | 0.3 | 12.9 |
| **Operating profit** | **31.3** | **36.6** |
| Finance income/(expense) | 2.7 | 2.7 |
| Other income/(losses) from investment assets and liabilities | 13.5 | 0.2 |
| Share of profit (loss) of equity-accounted associates and joint ventures | (0.7) | (0.4) |
| **Profit before tax** | **46.8** | **39.2** |
| Income taxes | (19.2) | (22.5) |
| **Profit (loss) from continuing operations** | **27.6** | **16.7** |
| **2) Discontinued operations** | **-** | **-** |
| **Profit (loss) from discontinued operations** | **-** | **-** |
| **Profit for period** | **27.6** | **16.7** |
| **Profit/loss attributable to minority interest** | **0.1** | **-** |
| **Profit (loss) attributable to equity holders of parent** | **27.7** | **16.7** |

## *Cash Flow Statement*

| Amounts in € million | 31.12.2007 | 31.12.2006 |
|---|---|---|
| **A) CASH FLOWS OF OPERATING ACTIVITY** | **45,2** | **38,5** |
| Profit for period attributable to equity holders of parent | 27,7 | 16,7 |
| Adjustments for: | | |
| Dividends received | (0,3) | (0,2) |
| Depreciation of property, plant & equipment | 13,2 | 12,5 |
| Amortisation of other intangible assets | 19,1 | 13,9 |
| Capital (gains) losses on disposal of property, plant & equipment | (0,0) | (12,3) |
| Capital (gains) losses on disposal of intangible assets | (0,2) | 0,0 |
| Capital (gains) losses on disposal of business divisions | (0,1) | (0,6) |
| Capital (gains) losses on disposal of available-for-sale financial assets | (13,3) | - |
| Increase (decrease) in accrued provisions for liabilities and contingencies | 0,7 | (2,4) |
| Increase (decrease) in accrued employee benefit provisions | (6,6) | (0,0) |
| Increase (decrease) in deferred tax assets/liabilities | (2,0) | 5,8 |
| Changes in operating funds | 19,8 | - |
| Net finance (income) expense | (2,7) | (2,3) |
| **Operating cash flow before changes in working capital** | **55,2** | **31,1** |
| (Increase) decrease in inventories | (8,1) | 0,6 |
| (Increase) decrease in trade receivables | (12,5) | (13,7) |
| Increase (decrease) in trade payables | 2,2 | 4,1 |
| (Increase) decrease in other assets/liabilities | 17,9 | 16,4 |
| Changes in working capital | (9,5) | - |
| **Total change in working capital** | **(10,0)** | **7,4** |
| **NET CASH FLOW GENERATED BY OPERATING ACTIVITY (A)** | **45,2** | **38,5** |
| **B) CASH FLOWS OF INVESTING ACTIVITY** | **(61,6)** | **(42,6)** |
| Dividends received | 0,3 | 0,2 |
| Proceeds from disposal of property, plant & equipment | 0,5 | 24,5 |
| Proceeds from disposal of intangible assets | 1,3 | 0,1 |
| Proceeds from disposal of business divisions | 0,1 | 0,6 |
| Proceeds from disposal of available-for-sale financial assets | 13,8 | - |
| Investments in property, plant, and equipment | (7,2) | (33,0) |
| Investments in intangible assets | (8,8) | (3,9) |
| Other changes in property, plant, and equipment | 0,3 | (0,1) |
| Other changes in intangible assets | 0,1 | (3,1) |
| Investments in property, plant, and equipment from business combinations | (2,8) | - |
| Increase in goodwill from business combinations | (36,4) | (2,5) |
| Investments in intangible assets from business combinations | (43,1) | - |
| Acquisition of equity investments in associates | (2,1) | (22,1) |
| (Decrease) in associates due to business combinations | 22,1 | - |
| Other decreases (increases) in equity investments in associates | 0,1 | - |
| Other decreases (increases) in other non-current assets | 1,8 | (0,1) |
| Purchases of available-for-sale financial assets | (1,7) | (3,3) |
| Other decreases (increases) in available-for-sale financial assets | 0,0 | - |
| **NET CASH FLOW ABSORBED BY INVESTING ACTIVITY (B)** | **(61,6)** | **(42,6)** |
| | **-** | **-** |
| **FREE CASH FLOW (A + B)** | **(16,4)** | **(4,1)** |
| **C) CASH FLOWS OF FINANCING ACTIVITY** | **173,6** | **(9,4)** |
| Dividends paid | (18,7) | (9,0) |
| Proceeds from (repayment of) medium-/long-term bank borrowings | (2,4) | (4,2) |
| Net change in other non-current financial assets | (0,6) | (0,5) |
| Net change in financial assets held for trading | (0,0) | (0,6) |
| Net financial interest received | 2,7 | 2,3 |
| Proceeds from increase in capital and reserves | 192,0 | - |
| Change in equity attributable to minority interest | 0,7 | 0,7 |
| Other changes in reserves | (0,0) | 1,9 |
| **NET CASH FLOW ABSORBED BY FINANCING ACTIVITY ( C)** | **173,6** | **(9,4)** |
| **NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)** | **157,2** | **(13,6)** |
| **CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD** | **81,3** | **94,9** |
| **CASH & CASH EQUIVALENTS AT END OF PERIOD** | **238,6** | **81,3** |
| **INCREASE (DECREASE) IN PERIOD** | **157,2** | **(13,6)** |

## Financial statements of the Parent Company "Il Sole 24 ORE S.p.A." for the year ending on 31 December 2007

*Balance Sheet*

| Amounts in € million | | 31.12.2007 | 31.12.2006 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant & equipment | | 90.1 | 96.6 |
| Goodwill | | 0.5 | 0.5 |
| Intangible assets | | 10.5 | 4.8 |
| Investments in associates and joint ventures | | 2.1 | 22.1 |
| Available-for-sale financial assets | | 5.6 | 4.4 |
| Other non-current financial assets | | 17.3 | 16.7 |
| Other non-current assets | | 120.5 | 53.5 |
| Deferred tax assets | | 12.1 | 2.8 |
| | **Total** | **258.7** | **201.4** |
| **Current assets** | | | |
| Inventories | | 13.9 | 9.3 |
| Trade receivables | | 141.3 | 137.9 |
| Other receivables | | 3.7 | 3.3 |
| Current tax assets | | 2.6 | - |
| Other current financial assets | | 23.4 | 7.8 |
| Other current assets | | 5.9 | 6.0 |
| Cash & cash equivalents | | 235.8 | 82.9 |
| | **Total** | **426.6** | **247.2** |
| **TOTAL ASSETS** | | **685.3** | **448.6** |

Figures only partly audited.

| | | |
|---|---|---|
| **TOTALE ATTIVITÀ** | **685,265** | **448,601** |

| Amounts in € million | 31.12.2007 | 31.12.2006 |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| **A) Equity** | | |
| **Equity attributable to equity holders of parent** | | |
| Share capital | 35.1 | 23.4 |
| Equity-related reserves | 180.3 | - |
| Revaluation reserves | 20.6 | 20.6 |
| Hedging & translation reserves | 0.5 | 0.3 |
| Other reserves | 29.7 | 27.0 |
| Retained earnings | 59.0 | 57.4 |
| Profit for period attributable to equity holders of parent | 37.4 | 22.8 |
| **Total equity attributable to equity holders of parent** | **362.6** | **151.5** |
| **B) Non-current liabilities** | | |
| Non-current financial liabilities | 16.4 | 18.9 |
| Personnel provisions | 34.6 | 40.5 |
| Provisions for risks and charges | 12.6 | - |
| Provisions for risks and charges | 18.1 | 18.8 |
| Other non-current liabilities | 0.6 | - |
| **Total** | **82.3** | **78.2** |
| **C) Current liabilities** | | |
| Bank overdrafts and loans – due within one year | 3.1 | 4.4 |
| Other current financial liabilities | 8.5 | 7.0 |
| Trade payables | 170.9 | 170.4 |
| Other current liabilities | 3.9 | 2.8 |
| Other payables | 54.0 | 34.3 |
| Payables for finance leases – due within one year | - | - |
| **Total** | **240.4** | **218.9** |
| **D) Non-current liabilities held for sale** | **-** | **-** |
| **Total liabilities** | **322.7** | **297.1** |

Figures only partly audited.

*Income Statement*

| | | |
|---|---|---|
| **1) Continuing operations** | | |
| Publishing revenues (newspapers, books, and magaz | 215.8 | 219.5 |
| Advertising revenues | 204.7 | 185.3 |
| Other revenues | 92.1 | 92.1 |
| **Total revenues** | **512.6** | **496.9** |
| Other operating income | 11.8 | 8.9 |
| Payroll & employee benefit costs | (130.9) | (127.0) |
| Changes in inventories | 4.6 | (1.8) |
| Purchases of materials and consumables | (45.2) | (34.0) |
| Service costs | (249.9) | (249.2) |
| Costs for use of third-party assets | (31.7) | (29.8) |
| Other operating costs | (6.2) | (9.3) |
| Provisions | (2.8) | (4.9) |
| Allowance for doubtful debts | (4.3) | (3.3) |
| **EBITDA** | **58.0** | **46.5** |
| Amortisation of intangible assets | (1.8) | (2.2) |
| Depreciation of property, plant & equipment | (11.9) | (11.6) |
| Capital gains/(losses) on disposal of non-current | 0.1 | 12.5 |
| **Operating profit** | **44.4** | **45.2** |
| Finance income/(expense) | 3.0 | 2.8 |
| Other income/(losses) from investment assets and liabilities | 13.6 | 0.2 |
| Share of profit (loss) of equity-accounted associates and joint ventures | (0.5) | - |
| **Profit before tax** | **60.5** | **48.2** |
| Income taxes | (23.1) | (25.4) |
| **Profit (loss) from continuing operations** | **37.4** | **22.8** |
| **2) Discontinued operations** | | |
| **Profit (loss) from discontinued operations** | **-** | **-** |
| **Profit for period** | **37.4** | **22.8** |

Figures only partly audited.

## *Cash Flow Statement*

| Amounts in € million | 31.12.2007 | 31.12.2006 |
|---|---|---|
| **A) CASH FLOWS OF OPERATING ACTIVITY** | | |
| Profit for period attributable to equity holders of parent | 37,4 | 22,8 |
| Adjustments for: | - | - |
| Dividends received | (0,3) | (0,2) |
| Depreciation of property, plant & equipment | 11,9 | 11,6 |
| Amortisation of other intangible assets | 1,8 | 2,2 |
| Capital (gains) losses on disposal of property, plant & equipment | - | (12,3) |
| Capital (gains) losses on disposal of intangible assets | - | (0,3) |
| Capital (gains) losses on disposal of business divisions | (0,1) | - |
| Capital (gains) losses on disposal of available-for-sale financial assets | (13,3) | - |
| Increase (decrease) in accrued provisions for liabilities and contingencies | (0,7) | (2,2) |
| Increase (decrease) in accrued employee benefit provisions | (5,9) | (0,3) |
| Increase (decrease) in deferred tax assets/liabilities | 3,3 | 9,2 |
| Net finance (income) expense | (3,1) | (2,8) |
| **Operating cash flow before changes in working capital** | **31,0** | **27,7** |
| (Increase) decrease in inventories | (4,6) | 1,8 |
| (Increase) decrease in trade receivables | (3,4) | (12,9) |
| Increase (decrease) in trade payables | 0,5 | 3,4 |
| (Increase) decrease in other assets/liabilities | 17,9 | 15,6 |
| **Total change in working capital** | **10,4** | **7,9** |
| **NET CASH FLOW GENERATED BY OPERATING ACTIVITY (A)** | **41,4** | **35,6** |
| **B) CASH FLOWS OF INVESTING ACTIVITY** | | |
| Dividends received | 0,3 | 0,2 |
| Proceeds from disposal of property, plant & equipment | 0,5 | 24,2 |
| Proceeds from disposal of intangible assets | - | - |
| Proceeds from disposal of business divisions | 0,1 | 0,3 |
| Proceeds from disposal of available-for-sale financial assets | 13,8 | - |
| Investments in property, plant, and equipment | (5,8) | (31,9) |
| Investments in intangible assets | (7,5) | (4,1) |
| Other changes in property, plant, and equipment | - | 0,5 |
| Other changes in intangible assets | - | - |
| Investments in property, plant, and equipment from business combinations | - | - |
| Acquisition of equity investments in associates | (2,1) | (22,1) |
| Acquisition of equity investments in subsidiaries | - | (5,7) |
| (Decrease) in associates due to business combinations | 22,1 | - |
| Other decreases (increases) in other non-current assets | (66,4) | (0,1) |
| Purchases of available-for-sale financial assets | (1,7) | (3,3) |
| Other decreases (increases) in available-for-sale financial assets | - | - |
| **NET CASH FLOW ABSORBED BY INVESTING ACTIVITY (B)** | **(46,7)** | **(42,0)** |
| **FREE CASH FLOW (A + B)** | **(5,3)** | **(6,4)** |
| **C) CASH FLOWS OF FINANCING ACTIVITY** | | |
| Dividends paid | (18,7) | (9,0) |
| Proceeds from (repayment of) medium-/long-term bank borrowings | (2,5) | 0,2 |
| Net change in other non-current financial assets | (0,6) | (4,9) |
| Net change in financial assets held for trading | 0,1 | (0,6) |
| Net financial interest received | 3,0 | 2,8 |
| Proceeds from increase in capital and reserves | 192,0 | 1,8 |
| Other changes in reserves | 0,2 | - |
| **NET CASH FLOW ABSORBED BY FINANCING ACTIVITY (C)** | **173,5** | **(9,7)** |
| **NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS(A+B+C)** | **168,2** | **(16,1)** |
| **CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD** | **78,7** | **94,8** |
| Effect of changes in foreign exchange rates | - | - |
| **CASH & CASH EQUIVALENTS AT END OF PERIOD** | **246,9** | **78,7** |
| **INCREASE (DECREASE) IN PERIOD** | **168,2** | **(16,1)** |

Figures only partly audited.