Press release

Discloure pursuant to Consob Resolution No. 11971 of 14 May 1999 and following amendments

Board approves Draft Parent Company and Group consolidated financial statements at 31 December 2014

- **CONSOLIDATED NET REVENUES OF EURO 1,177.5 MILLION; -7.7% AGAINST EURO 1,275.8 MILLION RECORDED IN 2013 (-4.6% ON A LIKE-FOR-LIKE BASIS)**

- **CONSOLIDATED EBITDA OF EURO 67.1 MILLION; AGAINST EURO -12.8 MILLION RECORDED IN 2013**

- **CONSOLIDATED NET PROFIT POSITIVE FOR EURO 0.6 MILLION AGAINST A LOSS OF EURO 185.4 MILLION RECORDED IN 2013**

- **NET FINANCIAL POSITION SLIGHTLY UP REACHING EURO -291.8 MILLION AGAINST EURO -363.2 MILLION RECORDED IN 2013**

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- **EBITDA PROJECTIONS FOR 2015: SIGNIFICANT GROWTH AND NET FINANCIAL POSITION UP AGAIN AGAINST 2014**

- **IN THE 2015-2017 THREE-YEAR SPAN REVENUES ARE EXPECTED TO INCREASE FROM 0.5% TO 1.5% ON AN AVERAGE YEARLY BASIS AND PROFITABILITY FROM 10% TO 15%**

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- **SHAREHOLDERS' MEETING CALLED FOR 23 APRIL 2015**

Segrate, 12 March 2015 - The meeting of the Board of Directors of Arnoldo Mondadori Editore S.p.A., held on today's date and chaired by Marina Berlusconi, examined and approved the draft Parent Company and Group consolidated financial statements at 31 December 2014 presented by the CEO Ernesto Mauri.

2014 proved a turning point for Mondadori, with the confirmation of the positive outcome of the actions implemented in 2013 relating to the strategic rationalization of the portfolio of activities and the renewed definition of the Group's industrial and organizational structure. Combined with the ongoing commitment on the reduction of operating and overhead costs these actions resulted in a **significantly improved economic performance,** giving Mondadori again the possibility to **generate a positive cash flow** with the objective, on one hand, to reduce the Group's indebtedness and, on the other, to support the Group's growth with appropriate resources.

GROUP PERFORMANCE AT 31 DECEMBER 2014

In 2014 **consolidated net revenues** totalled **euro 1,177.5 million**, down 7.7% against euro 1,275.8 million in 2013. On a like-for-like basis and considering the transfer of the advertising sales business unit to Mediamond S.p.A. completed in January 2014, **consolidated revenues dropped by 4.6%**.

Consolidated EBITDA was sharply up at **euro 67.1 million** against a negative value of euro 12.8 million recorded in the previous year. Also net of non-recurring items (which in 2013 impacted for approximately euro 62 million, mainly relative to restructuring costs), EBITDA was sharply up, by approximately 30%, climbing from euro 49.1 million in 2013 to euro 63.5 million in 2014. Group performance confirms recovered profitability and better efficiencies.

Consolidated net profit amounted to **euro 42.4 million** (euro -183.1 million in 2013).
The negative result recorded in 2013 referred to impairment losses for a total of euro 145.4 million following the alignment of assets and investments with currently applicable market values.

Consolidated profit before taxes was positive for **euro 19.4 million** against a negative result of euro -207.3 million in the previous year; in 2014 financial costs equalled euro 23 million (euro 24.2 million in 2013).

Consolidated net profit, after minority shareholders' result, is positive for **euro 0.6 million** against a loss of euro 185.4 million in the past year.

The **Group net financial position** at 31 December 2014 was considerably up at **euro -291.8 million** against **euro -363.2 million** of 31 December 2013.

In 2014 the **cash flow from operations** was **positive for euro 47.2 million** (euro -28.7 million at 31 December 2013); the **cash flow from core business operations** (net of the payment of financial costs and taxes for the period) totalled **euro 18.8 million** (against a negative value of euro 64.1 million in 2013) as a result of improved profitability and optimized management of working capital.
Cash flow from extraordinary operations was **positive for euro 52.6 million** despite restructuring cost outlays (euro 20.3 million) and is attributed mainly to the increase in the Company's capital and capital gain deriving from the transfer of a retail asset.

BUSINESS AREAS

- ***BOOKS***

In the Book area the Group confirmed its leadership in Italy with a 26.5% market share in the trade market. The publishing schedule enabled the Group publishers to position four titles in the top ten bestseller rankings, including the first place of *Storia di una ladra di libri* by *Markus Zusak* (Frassinelli).
In the school textbook market Mondadori Education confirmed its third place with a market share equal to 13%, in line with the previous year.

Revenues in 2014 totalled **euro 336.6 million**, up 0.7% against euro 334.3 million recorded in 2013 as a result of the positive performance of the Educational area (+1.6%) and logistics activities on behalf of third publishers despite the reduction in the sales of trade products.

In 2014 **EBITDA** for the Book area amounted to **euro 45.1 million**, down 2.4% against the previous year, with a 13% margins on revenues.
In the Educational area profitability increased both in absolute terms and in percentage points, while the Trade area registered a reduction as a result of dropping revenues deriving from a different publishing schedule (the shifting of a more significant portion of the publishing schedule to the second half of the year did not compensate for the losses recorded in the first six months) and a different revenue mix resulting from a significant increase in logistics activities on behalf of third publishers, characterized by lower margins.

- ***MAGAZINES ITALY***

Magazines Italy continued on the same positive trend of the first half of 2014, posting an even better performance in the segment of reference in terms of circulation and advertising sales. Mondadori is market leader with a market share currently equal to 31.3%.

In 2014 **revenues** totalled **euro 297 million**, down 8.9% against euro 326.1 million in 2013 (-7.6% on a like-for-like basis).
In particular:

- <u>revenues from circulation</u> (newsstands + subscriptions) decreased by 7.2% (-5% on a like-for-like basis); as to the newsstand channel only, the performance was better than the market of reference, which was down 8.2% ;
- <u>revenues from advertising sales</u> (print) decreased by 5.4%, but net of terminated and transferred magazines the reduction would be equal to 3.4% (against -6.5% of the market of reference; source: Nielsen); considering the positive performance of the digital area, advertising sales on Mondadori brands (print + web) dropped by 2.8% on a like-for-like basis;

- revenues from add-on sales (DVDs, CDs, books and gadgets distributed in attachment to magazines) dropped by 24.3% but showed increased margins mainly as a result of the implemented rationalization strategy and accurate selection of more profitable initiatives;
- revenues from advertising sales on Mondadori websites were up 4.1% on a year on year basis as a result of the positive performance recorded in particular by Grazia.it (+43.7%) despite a market of reference that increased by +2.1% against the previous year (source Nielsen, December).

EBITDA of Magazines Italy was slightly up in 2014 despite dropping revenues, increasing from a negative value of euro 20.6 million to **euro +3.1 million**, mainly as a result of the actions undertaken with reference to publishing products (including the focus on leading segments: Interior Design, Current News, Wellness, Cuisine, women's magazines and TV; the launch of a new magazine and the restyling of other magazines), cost reduction policies targeting industrial, publishing and organizational costs and lower restructuring costs compared to 2013. **If the positive effects of the re-organization of advertising activities are included, EBITDA improved by euro 39.5 million.**

International activities (Mondadori International Business) generated increased revenues by approximately 4.1% against 2013, mainly as a result of the performance of *Grazia International Network* and *Icon* in Spain.

- ***MAGAZINES FRANCE***

In terms of circulation, Magazines France again outperformed the market of reference, in particular thanks to the success of the sales of the magazines *Top Santé, Pleine Vie* and *Closer.*
Digital activities posted significant growth (+32% on a like-for-like basis) against the previous year; both revenues from on-line advertising sales (over 10% of total revenues from advertising sales) and web and mobile traffic data have increased significantly against the previous year.

In 2014 **revenues** of Mondadori France totalled **euro 340.9 million**, down 3.7% against euro 353.9 million in 2013; on a like-for-like basis, considering the transfer of *Le Film Français* completed at the end of 2013, the reduction would be equal to 2.8%.

In particular:

- revenues from circulation (newsstands and subscriptions) made for 70% of the total and posted a 1.7% reduction (-1% on a like-for-like basis); revenues from the newsstand channel were down by 5.1%, outperforming the -6.6% reduction registered by the market of reference (internal source), mainly as a result of the positive performance of the weekly magazine *Closer* (+3.8% in volume) and the monthly magazines *Top Santé* (+10% in volume) and *Pleine Vie* (+6.6%); revenues from subscriptions remained essentially in line with 2013 (-0.8%), confirming the need for strategic decisions for additional investments to be made in this channel;
- in line with the continuing downturn in the market, Mondadori France posted aggregate revenues from advertising sales (print + web) down by 9.1% against 2013 (-7.7% on a like-for-like basis). In this context, revenues from the digital area (over 10% of revenues from advertising sales) grew by 38% as a result of increased audience and a new commercial cross-media organization.

EBITDA was equal to **euro 35 million, up by over 30%** against euro 26.7 million of the previous year (impacted by restructuring costs for approximately euro 8 million), increasing margins on revenues from 7.5% to 10.3% in 2014.
Also in the period of reference actions targeting the reduction of organizational, industrial and logistic costs were continued and the resulting savings enabled the unit to entirely absorb the reduction in revenues and sustain company investments in publishing, digital and diversification activities.

- ***RETAIL***

In the **Retail Area**, the Group continued to implement strategic actions to counter the negative market trend, targeting cost reduction and format and network revision in order to develop a new concept of bookstore for the future. The book category (making for 76% of in-store revenues) outperformed the market by over 7% with a market share equal to 15% (14% in 2013) and positive operating margins in 2014.

In 2014 the Retail area posted **revenues** totalling **euro 211.2 million**, down 6.1% against euro 225 million of the previous year.
The analysis by channel highlighted the following:

- the positive performance of directly managed bookstores (+4.5%) and the substantial stability of franchised bookstores (-1.2%) with increasing sales in the book category;
- some difficulties were registered by the megastores (-7%) mainly in relation to the reduction in consumer electronics;
- growth in the online channel (+4.1%) with particular reference to books, which posted a positive delta of over 10% against the market: +12.1% against -0.3% registered by the market (source: Nielsen).

In 2014 **EBITDA** for Mondadori Retail totalled **euro 8.9 million** against euro -8.5 million of the previous year. **The yearly increase equal to euro 17.4 million** is attributable to three main factors:

- the capital gain generated by the transfer of a store in Milan (equal to euro 9.3 million);
- increased operations which resulted in an EBITDA before non-recurring charges of euro 0.2 million, registering a positive value that, in addition to an improvement in net working capital, is evidence of the Group's renewed ability to finance itself;
- lastly, reduced restructuring costs contributed an additional euro 7.7 million.

- ***RADIO***

Despite the impact of the negative performance of advertising sales, the Radio area generated total **revenues** amounting to **euro 11.7 million**, up 3.3% against euro 11.3 million of the previous year, following the launch of the R101 TV channel last June, with a view to integrating TV activities with the radio and providing broad-spectrum entertainment programming.

In addition to the unfavourable performance of advertising sales, **EBITDA** (**euro -4.4 million** against euro -4.3 million in 2013) reflected higher promotion and communication costs borne for the restyling of the radio station started in the first months of 2014 and the costs sustained for the launch of the television channel, which were only partially mitigated by the implemented cost reduction actions targeted to the technical and artistic areas.

- ***DIGITAL***

As to Digital Activities, actions continued to increase the team dedicated to business development. In this context reference should be made to the acquisition of Kiver, a digital marketing company, to enhance the Group's presence in the segment of marketing services. Particularly significant in the view of the development of the digital activities was the acquisition of the LondonBoutiques.com marketplace, targeted to the launch, completed in November, of Graziashop.com, the global integrated e-commerce fashion platform of the Grazia brand.

Total revenues from purely digital activities aimed at increasing the value of the Group's publishing products were **up by 13%** against 2013 with a 4.3% incidence on the Group's total revenues. (3.9% in 2013).

PERSONNEL
Employees with a fixed-term or permanent labour contract employed by the Group companies at 31 December 2014 totalled **3,123 people, were down by 9.1%** against December 2013 (-8.3% on a like-for-like basis.
Excluding non-recurring charges regarding the restructuring process and on a like-for-like basis, cost of personnel decreased by 6.2% against the previous year.

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PERFORMANCE OF ARNOLDO MONDADORI EDITORE S.P.A.
The Annual Report of the parent company, Arnoldo Mondadori Editore SpA, for the year ended at 31 December 2014 shows a loss of euro 12.9 million, lower than the loss of the previous year (euro 315 million in 2013).
EBITDA, positive for euro 5.4 million (euro -59.2 million at 31 December 2013), benefited from a better business performance and lower restructuring costs compared to those sustained in 2013, following the organizational changes that led to the recognition of significant non-recurring charges.

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FORSEEABLE EVOLUTION

Since 2013 the Company has implemented important optimization measures aimed at reducing operating costs and strategically rationalizing the portfolio of activities. The resulting positive outcomes - along with the improved **performance of the business** - enabled to achieve an **EBITDA** of **€67.1 million** and a **positive net profit** in 2014.

Based on the current market scenario and the actions mentioned above, which are expected to be continued in 2015, it is reasonable to expect a **significant growth in the Group operating EBITDA in 2015**; in parallel, the activities focused on non-core asset disposals will be carried on, which are estimated to generate an extraordinary contribution, basically in line with the value registered in 2014.
Consistently with the actions described above and notwithstanding the higher investments and eventual changes in the Digital Area, the **Net Financial Position** is also projected to **improve** against 2014 year end.

Based on the market trend and the latest performance of the business areas, it is reasonable to expect that **revenues** will grow by 0.5% to 1.5% **in the 2015-2017 three-year span**, an increase that is proportional to **profitability** (average annual growth of between 10% and 15%).

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The Board of Directors of Arnoldo Mondadori Editore S.p.A. also aligned financial and non-financial disclosures by approving its 2014 Sustainability Report, drafted according to the GRI Guidelines, standard G4, based on the "in accordance" - core rating.
A summary of the Sustainability Report in line with the provisions contained in the 2014/95/EU directive adopted by the EU Parliament and Council on 22 October 2014 will be supplemented in the Annual Report; the complete document will be made available at the Shareholders' Meeting.

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RELEVANT EVENTS AFTER CLOSURE

Appointments to the Board of Directors of Mondadori Libri S.p.A.

On 21 January 2015 the Board of Directors of Mondadori Libri S.p.A., composed of Ernesto Mauri, in his capacity as Chairman, Enrico Selva Coddè, Gian Arturo Ferrari, Antonio Porro and Oddone Pozzi, made the following appointments: Enrico Selva Coddè was appointed Managing Director of the Trade area; Antonio Porro was confirmed Managing Director of the Educational area and Gian Arturo Ferrari was appointed Vice President.
It should be noted that the following companies operating in the trade book, art and school text segments merged into Mondadori Libri S.p.A., which started operations on 1 January 2015: Edizione Piemme (100%), Giulio Einaudi editore S.p.A. (100%), Mondadori Education S.p.A. (100%), Mondadori Electa S.p.A. (100%), Sperling & Kupfer Editori S.p.A. (100%), Harlequin Mondadori S.p.A. (50%) - and the logistics company Mach 2 Libri S.p.A. (34.91%)

Non-binding expression of interest for RCS Libri S.p.A.

On 18 February 2015 the Company informed that RCS MediaGroup S.p.A. had been subjected to a non-binding expression of interest relative to a possible acquisition transaction of the entire interest owned by RCS MediaGroup S.p.A. in RCS Libri S.p.A. equal to 99.99% of the company capital as well as the additional assets and activities making up the RCS MediaGroup book repertoire.
On 6 March 2015 RCS MediaGroup S.p.A. granted the Company a period of exclusivity until 29 May 2015 in order to conduct an in depth analysis of the transaction terms and conditions.

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The Board of Directors of Arnoldo Mondadori Editore S.p.A. called the Shareholders' Meeting on Thursday 23 April 2015.

PROPOSAL TO COVER THE LOSS OF THE PERIOD BY USING AVAILABLE RESERVES

The Board of Directors will propose to the Shareholders' Meeting called on 23 April 2015 in first call (on 24 April in second call) to entirely cover the loss of the period at 31 December 2014 equal to euro 12,888,013.64 by using the available reserves as follows:

- for euro 12,000,000.00 through the entire utilization of the share premium reserve built up as a result of the capital increase underwritten in the past year;
- for euro 888,013.64 by partially resorting to the available portion of the extraordinary reserve under item "Other reserves and result carried forward";

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RENEWAL OF THE AUTHORIZATION TO PURCHASE AND SELL TREASURY SHARES

Following the expiry of the preceding authorisation resolved upon by the Shareholders' Meeting on 30 April 2014, with the approval of the financial statements at 31 December 2014, the Board of Directors will propose to the next Shareholders' Meeting the renewal of the authorization to purchase Treasury Shares with the aim of retaining the applicability of law provisions in the matter of any additional re-purchase plans and, consequently, of picking up any investment and operational opportunities involving Treasury Shares.

The Shareholders' Meeting of 30 April 2014, considering the shares already in portfolio, authorized the purchase of Treasury Shares up to a maximum of 10% of the share capital made up of No. 24,645,834 ordinary shares.

Considering the total of No. 14,953,500 shares already owned at the date of the Shareholders' Meeting of 30 April 2014, the authorization enables the Company to purchase up to maximum another No. 9,692,334 Treasury Shares.

In relation to the authorization of 30 April 2014, Arnoldo Mondadori Editore S.p.A. did not proceed, either directly or indirectly through its subsidiaries, to purchase any Treasury Shares.

On 17 June 2014 the Board of Directors approved - by partially exercising the power attributed to it by the Shareholders' Meeting of 30 April 2014 regarding the paid increase of the share capital - the allocation transaction on a total of maximum No. 29,953,500 ordinary shares with a nominal value of euro 0.26 each, which was completed through a private placement exclusively reserved to "Qualified Investors" in Italy and institutional investors abroad pursuant to currently applicable regulations.

The transaction described above - which was completed on 18 June 2014 - resulted also in the placement of No. 14,953,500 shares, equal to 6.07% of the share capital, owned by the company as treasury shares pursuant to article 2357 of the Italian Civil Code and, therefore, upon its completion the Company no longer owned treasury shares either directly or indirectly through its subsidiaries.

On the occasion of the next Shareholders' Meeting the proposal for the renewal of the authorization to sell the treasury shares acquired by the Company will also be made pursuant to article 2357 ter of the Italian Civil Code.

Here below are the main elements of the proposal made by the Board of Directors:

- **Motivations**

The motivations underlying the request for the authorization to purchase and sell treasury shares refer to the opportunity to attribute to the Board of Directors the power to:

- use the Treasury Shares purchased as compensation for the acquisition of interests within the framework of the Company’s investments;
- use the Treasury Shares purchased against the exercise of option rights, including conversion rights, deriving from financial instruments issued by the company, its subsidiaries or third parties;
- possibly rely on investment opportunities, if considered strategic by the Company, also in relation to available liquidity;
- sell Treasury Shares against the exercise of option rights for the relevant purchase granted to the beneficiaries of the Stock Option Plans established by the Shareholders’ Meeting.

- **Duration**

Until the approval of the 2015 financial statements.

- **Maximum number of purchasable Treasury Shares**

The renewed authorization will enable the Company to reach the cap of 10% of its share capital, in line with the previous authorization.

Considering that, as indicated above, the Company does not hold any treasury shares, either directly or indirectly, the authorization would refer to the purchase of maximum No. 26,145,834 treasury shares (10% of the share capital).

- **Criteria for purchasing Treasury Shares and indication of the minimum and maximum purchasing cap**

Purchases shall be made on the regulated markets pursuant to article 132 of Italian Legislative Decree n. 58 of 24 February 1998 and article 144 bis, paragraph 1, letter B of Consob Regulation n. 11971/99 according to the operating criteria established in the organization and management regulations of the same markets, which do not allow the direct combination of the purchase negotiation proposals with pre-determined sale negotiation proposals.

The minimum and maximum purchase price would be determined under the same conditions established by the preceding Shareholders' Meeting authorisations, i.e. at a unit price not lower than the official Stock Exchange price of the day preceding the purchase transaction, reduced by 20%, and not higher than the official Stock Exchange price of the day preceding the purchase transaction, increased by 10%.

In terms of daily prices and volumes the purchase transactions would be completed in compliance with the conditions established in EC Regulation n. 2273/2003.

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Today the management of the Mondadori Group will illustrate to the financial community the 2014 results, which have been approved by the Board of Directors on today's date at 3:30 p.m. at the Four Seasons Hotel in Milan. The corresponding documentation will be made available on 1Info a twww.1info.it, www.borsaitaliana.it and www.mondadori.it (Investor Relations).

The Executive Manager responsible for the drafting of the corporate accounting documentation - Oddone Pozzi - hereby declares, pursuant to Art. 154 bis, par. 2, of the Finance Consolidation Act, that the accounting documentation contained in this press release corresponds to the Company's accounting entries, books and results.

Annexes

1. Consolidated balance sheet
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5. Arnoldo Mondadori Editore S.p.A. income statement
6. Arnoldo Mondadori Editore S.p.A. cash flow statement

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Annex 1

Consolidated balance sheet

Assets	**(Euro/million) 31 December 2014**	**(Euro/million) 31 December 2013**
Intangible assets	**601.6**	**617.5**
Property investments	**3.1**	**3.2**
Land and buildings	7.9	8.5
Plant and machinery	8.9	11.7
Other tangible assets	17.2	20.5
Property, plant and machinery	**34.0**	**40.7**
Investments booked at equity	39.2	38.2
Other investments	0.4	0.4
Total investments	**39.6**	**38.6**
Non-current financial assets	**0.3**	**2.7**
Advanced tax assets	**48.0**	**58.4**
Other non-current assets	**32.8**	**22.3**
Total non-current assets	**759.4**	**783.4**
Tax receivables	**50.0**	**68.5**
Other current assets	**87.7**	**89.3**
Inventory	**108.4**	**124.0**
Trade receivables	**268.7**	**312.4**
Other current financial assets	**11.9**	**13.8**
Cash and cash equivalents	**13.0**	**65.7**
Total current assets	**539.7**	**673.7**
Assets held for sale or transferred	**-**	**-**
Total assets	**1,299.1**	**1,457.1**

Liabilities	**(Euro/million) 31 December 2014**	**(Euro/million) 31 December 2013**
Shareholders’ equity	**68.0**	**64.1**
Share premium reserve	**12.0**	**170.6**
Other reserves and results carried forward	**176.7**	**177.4**
Profit (loss) for the period	**0.6**	**(185.4)**
Group’s Shareholders’ equity	**257.3**	**226.7**
Minority shareholders’ equity and reserves	**31.8**	**32.0**
Total Shareholders' equity	**289.1**	**258.7**
Provisions	**69.1**	**83.9**
Post-employment benefits	**46.7**	**50.4**
Non-current financial liabilities	**266.3**	**398.8**
Deferred tax liabilities	**81.7**	**77.0**
Other non-current liabilities	**-**	**-**
Total non-current liabilities	**463.8**	**610.1**
Income tax payables	**0.1**	**0.3**
Other current liabilities	**204.3**	**220.1**
Trade payables	**291.1**	**321.3**
Payables due to banks and other financial liabilities	**50.7**	**46.6**
Total current liabilities	**546.2**	**588.3**
Liabilities held for sale or transferred	**-**	**-**
Total liabilities	**1,299.1**	**1,457.1**

Annex 2

Consolidated income statement

(euro/million)	FY 2014	FY 2013	Var.%
Revenues from sales and services	**1,177.5**	**1,275.8**	**(7.7%)**
Operating costs	886.5	973.5	(8.9%)
Cost of personnel (*)	226.1	243.4	(7.1%)
Other revenues and costs	1.4	9.8	(85.7%)
EBITDA net of non-recurring items	**63.5**	**49.1**	**29.3%**
EBITDA incidence on revenues	*5.4%*	*3.8%*	
Restructuring costs	(6.6)	(50.4)	n.s.
(Positive)/negative extraordinary items	10.2	(11.5)	n.s.
EBITDA	**67.1**	**(12.8)**	n.s.
EBITDA incidence on revenues	*5.7%*	*(1.0%)*	
Depreciation and impairment loss on property, plant and equipment	11.2	12.1	(7.4%)
Amortisation and impairment loss on intangible assets	13.6	130.3	n.s.
Impairment loss in investments valued at equity and other enterprises	-	27.9	n.s.
EBIT	**42.4**	**(183.1)**	n.s.
EBIT incidence on revenues	*3.6%*	*(14.4%)*	
Net financial revenues (costs)	(23.0)	(24.2)	(5.0%)
Revenues (costs) from other investments	-	-	
Profit before taxes for the period	**19.4**	**(207.3)**	n.s.
Income tax	15.7	(23.8)	n.s.
Minority shareholders' profit	3.1	1.9	n.s.
Net result	**0.6**	**(185.4)**	n.s.

(*) The percentage difference would be equal to -6.2% on a like-for-like basis

Annex 3

Consolidated income statement - fourth quarter

Consolidated income statement (euro/million)	**Q4 2014**	**Q4 2013**	**Var.%**
Revenues from sales and services	**317.9**	**344.5**	**(7.7%)**
Operating costs	229.5	259.9	(11.7%)
Cost of personnel	58.7	59.0	(0.5%)
Other revenues and costs	5.6	12.8	(56.3%)
EBITDA net of non-recurring items	**24.1**	**12.9**	**86.3%**
EBITDA incidence on revenues	*7.6%*	*3.7%*	
Restructuring costs	(2.3)	(28.5)	n.s.
(Positive)/negative extraordinary items	9.3	(6.1)	n.s.
EBITDA	**31.1**	**(21.7)**	n.s.
EBITDA incidence on revenues	*9.8%*	*(6.3%)*	
Depreciation and impairment loss on property, plant and equipment	4.0	3.5	
Amortisation and impairment loss on intangible assets	3.5	120.3	
Impairment loss in investments valued at equity and other enterprises	-	27.9	
EBIT	**23.6**	**(173.5)**	n.s.
EBIT incidence on revenues	*7.4%*	*(50.4%)*	
Net financial revenues (costs)	(5.2)	(7.6)	(31.4%)
Revenues (costs) from other investments	-	-	
Profit before taxes for the period	**18.4**	**(181.0)**	n.s.
Income tax	9.1	(28.2)	n.s.
Minority shareholders' profit	1.1	0.2	n.s.
Net result	**8.2**	**(153.1)**	n.s.

Annex 4

Group's consolidated income statement

	(Euro/million) 31 December 2014	(Euro/million) 31 December 2013
Net result for the period	0.6	(185.4)
Adjustments		
Amortisation, depreciation and impairment	24.7	170.2
Income tax for the period	14.2	(23.8)
Stock options	-	-
Fund provisions (utilisation) and post-employment benefits	(17.3)	33.5
Capital loss (gain) from the transfer of intangible assets, properties, plant and equipment, investments	(11.8)	0.5
Capital loss (gain) from financial assets valuation	-	(0.5)
(Revenues) costs of companies valued at equity	0.8	1.5
Net financial costs on loans and transactions with derivatives	18.0	20.1
Cash flow generation from operations	**29.2**	**16.1**
Trade receivable (increase) decrease	16.6	16.7
Inventory (increase) decrease	15.2	4.7
Trade payable increase (decrease)	(7.9)	(40.8)
Income tax payments	(5.4)	(18.3)
Advances and post-employment benefits	(8.4)	(8.3)
Net difference for other assets/liabilities	2.0	(40.5)
Cash flow generated from (absorbed by) operations	**41.3**	**(70.4)**
Price collected (paid) net of cash transferred / acquired	(1.1)	-
(Purchase) disposal of intangible assets	19.6	(2.0)
(Purchase) disposal of properties, plant and equipment	(3.0)	(7.8)
(Purchase) disposal of investments	(4.4)	(5.6)
(Purchase) disposal of financial assets	12.9	31.3
Cash flow generated from (absorbed by) financing activities	**24.0**	**15.9**
Net difference in financial liabilities	(128.4)	(17.8)
Payment of net financial costs on loans and transactions with derivatives	(20.8)	(28.9)
Capital increase	15.9	-
(Purchase) disposal of treasury shares	15.3	-
Dividends paid out	-	-
Cash flow generated from (absorbed by) financing activities	**(118.0)**	**(46.7)**
Increase (decrease) in cash and cash equivalents	**(52.7)**	**(101.2)**
Cash and cash equivalents at the beginning of the period	**65.6**	**166.8**
Cash and cash equivalents at the end of the period	**12.9**	**65.6**
Cash and cash equivalents composition		
Cash, cheques and securities	1.1	2.8
Bank and postal deposits	11.8	62.8
	12.9	**65.6**

Annex 5

Arnoldo Mondadori Editore S.p.A.: Balance Sheet

ASSETS	(EURO/MILLION) 31 DECEMBER 2014	(EURO/MILLION) 31 DECEMBER 2013
INTANGIBLE ASSETS	90.0	90.4
PROPERTY INVESTMENTS	3.1	3.2
Land and buildings	6.3	6.8
Plant and machinery	2.3	3.0
Other tangible assets	1.2	2.4
PROPERTY, PLANTS AND MACHINERY	**9.8**	**12.2**
INVESTMENTS:	238.8	248.5
NON-CURRENT FINANCIAL ASSETS	200.0	200.2
ADVANCED TAX ASSETS	18.7	22.2
OTHER NON-CURRENT ASSETS	18.9	15.5
Total non-current assets	**579.3**	**592.2**
TAX RECEIVABLES	37.5	51.1
OTHER CURRENT ASSETS	40.9	45.2
INVENTORY	30.5	28.3
TRADE RECEIVABLES	130.8	144.7
OTHER CURRENT FINANCIAL ASSETS	87.3	139.9
CASH AND CASH EQUIVALENTS	10.1	53.0
Total current assets	**337.1**	**462.2**
ASSETS HELD FOR SALE OR TRANSFERRED	-	-
Total assets	**916.4**	**1,054.4**

LIABILITIES	(EURO/MILLION) 31 DECEMBER 2014	(EURO/MILLION) 31 DECEMBER 2013
Shareholders' equity	68.0	64.1
Share premium reserve	12.0	170.6
Treasury shares	-	(73.5)
Other reserves and results carried forward	125.3	329.2
Profit (loss) for the period	(12.9)	(315.0)
Total net equity	**192.4**	**175.4**
PROVISIONS	39.1	52.6
POST-EMPLOYMENT BENEFITS	18.0	20.8
NON-CURRENT FINANCIAL LIABILITIES	262.5	394.8
DEFERRED TAX LIABILITIES	27.3	25.1
OTHER NON-CURRENT LIABILITIES	-	-
Total non-current liabilities	**346.9**	**493.3**
INCOME TAX PAYABLES	-	-
OTHER CURRENT LIABILITIES	57.9	57.5
TRADE PAYABLES	140.6	143.4
PAYABLES DUE TO BANKS AND OTHER FINANCIAL LIABILITIES	178.6	184.8
Total current liabilities	**377.1**	**385.7**
LIABILITIES HELD FOR SALE OR TRANSFERRED	-	-
Total liabilities	**916.4**	**1,054.4**

Annex 6
Arnoldo Mondadori Editore S.p.A.: Income Statement

	(EURO/MILLION) FY 2014	**(EURO/MILLION) FY 2013**
REVENUES FROM SALES AND SERVICES	**494.9**	**525.3**
DECREASE (INCREASE) OF INVENTORY	(2.2)	2.4
COST OF RAW, ANCILLARY, MATERIALS AND GOODS	147.6	119.9
COST OF SERVICES	279.2	325.0
COST OF PERSONNEL	88.5	120.1
OTHER (INCOME) COST	(24.1)	4.2
EBITDA	**5.9**	**(46.3)**
DEPRECIATION OF PROPERTIES, PLANT AND MACHINERY	2.9	3.4
AMORTISATION AND IMPAIRMENT LOSS OF INTANGIBLE ASSETS	1.1	0.6
EBIT	**1.9**	**(50.3)**
FINANCIAL REVENUES (COSTS)	(7.9)	(8.8)
REVENUES (COSTS) FROM INVESTMENTS	(7.6)	(267.7)
Profit before taxes for the period	**(13.6)**	**(326.8)**
INCOME TAX	(0.7)	(11.8)
Net result	**(12.9)**	**(315.0)**

Annex 7

Arnoldo Mondadori Editore S.p.A.: Cash flow statement

Cash flow statement	**(Euro/million) 31 December 2014**	**(Euro/million) 31 December 2013**
Net result for the period	(12.9)	(315.0)
Adjustments		
Amortisation, depreciation and impairment	32.2	272.2
Income tax for the period	(0.7)	(11.8)
Stock options	-	-
Fund provisions and post-employment benefits	(17.9)	17.2
Capital loss (gain) from transfer of intangible assets, property, plant and equiment	(0.4)	(0.3)
Revenues from investments - dividends	(20.6)	(0.5)
Financial costs (revenues) on loans and transactions with derivatives	18.8	9.1
Cash flow generation from operations	**(1.5)**	**(29.1)**
Trade receivable (increase) decrease	20.3	26.0
Inventory (increase) decrease	(2.2)	2.4
Trade payable increase (decrease)	1.0	(33.7)
Income tax payments	4.4	2.1
Fund provisions and post-employment benefits	(4.4)	(5.3)
Net difference for other assets/liabilities	16.9	(27.2)
Cash flow generated from (absorbed by) operations	**34.5**	**(64.8)**
Net liquidity acquired (transferred) from extraordinary transactions	(2.6)	0.2
(Purchase) disposal of intangible assets	(2.5)	(2.2)
(Purchase) disposal of properties, plant and equipment	(18.3)	(1.6)
(Purchase) disposal of investments	20.6	(15.6)
Revenues from investments - dividends	52.6	0.5
(Purchase) disposal of securities and financial assets	-	(31.2)
Cash flow generated from (absorbed by) financing activities	**49.8**	**(49.9)**
Increase (decrease) of payables due to banks	3.0	(36.8)
(Purchase) disposal of treasury shares	15.3	-
Net difference for other financial assets/liabilities	(124.7)	71.9
Collection of financial revenues (payment of costs) on loans and transactions with derivatives	(20.8)	(28.9)
Dividends paid out	-	-
Cash flow generated from (absorbed by) financing activities	**(127.2)**	**6.2**
Increase (decrease) in cash and cash equivalents	**(42.9)**	**(108.5)**
Cash and cash equivalents at the beginning of the period	**53.0**	**161.5**
Cash and cash equivalents at the end of the period	**10.1**	**53.0**

Cash and cash equivalents composition		
Cash, cheques and securities	-	-
Bank and postal deposits	10.1	53.0
	10.1	**53.0**