

CAIRO COMMUNICATION

Lugano September 28 2012



Cairo Communication

Publishing

Cairo Editore



Financial highlights

(Euro M)	Jan-Dec 2010 *	Jan-Dec 2011
REVENUES	274.3	319,2
EBITDA	30.0	39,5
EBIT	26.3	35,9
NET PROFIT	17.1	23,4

* net of non recurring income

Editoriale G. Mondadori



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Advertising

Cairo Pubblicità



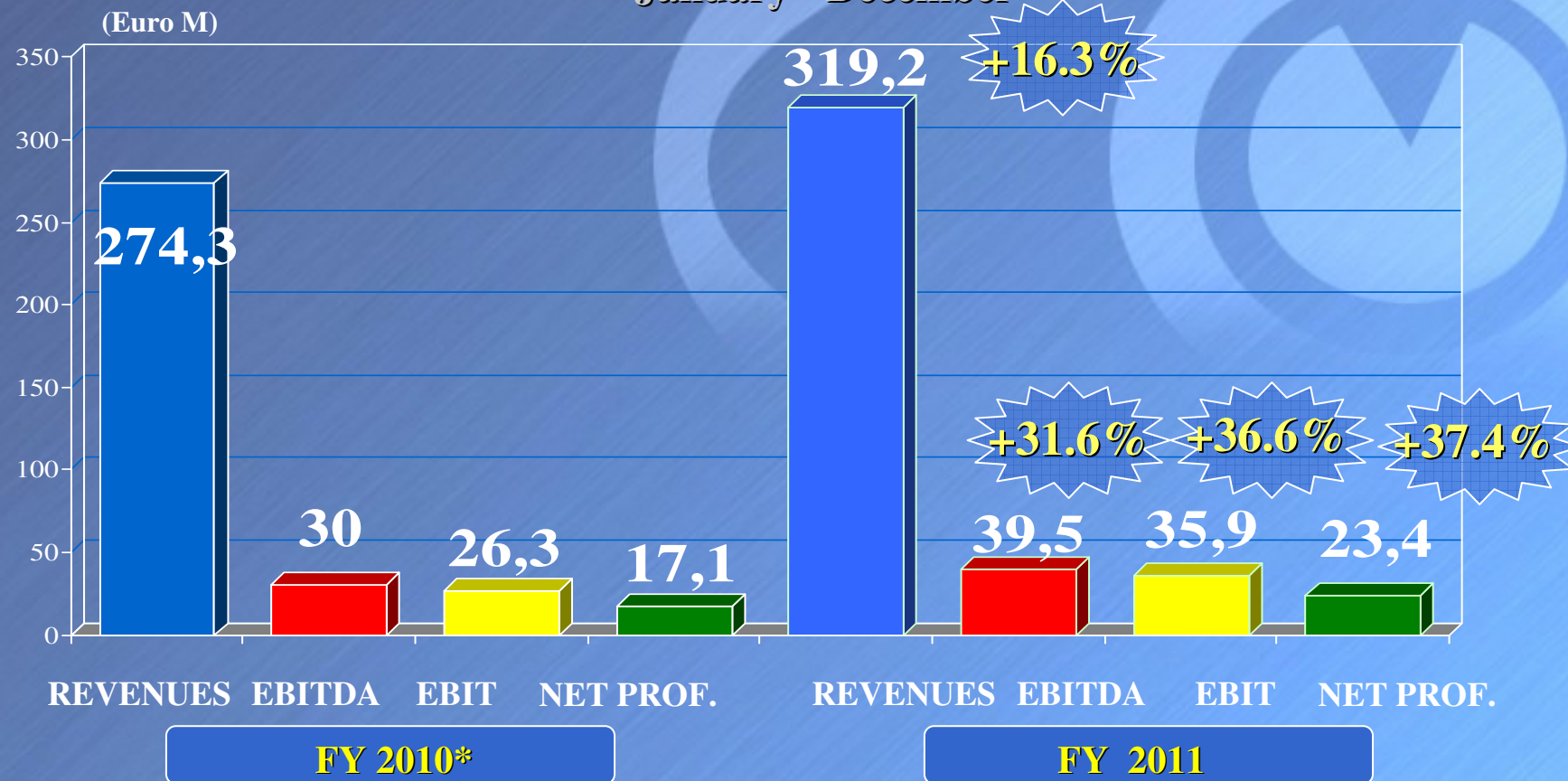
Internet



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FY 2011

January - December

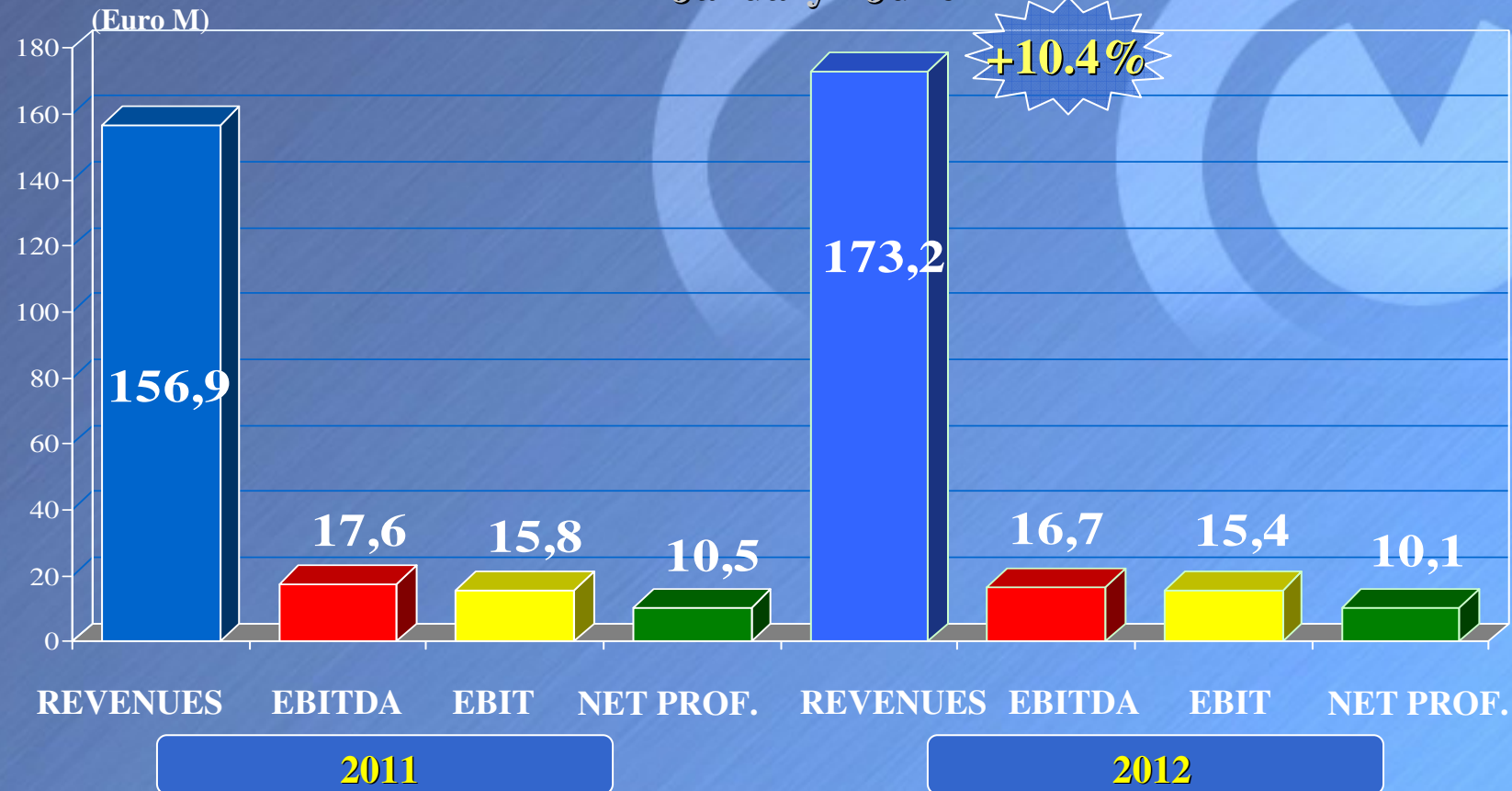


In 2011 consolidated gross revenues were €319.2 M, Ebitda €39.5 M, Ebit €35.9 M and Net Profit reached €23.4 M.

* net of non recurring income

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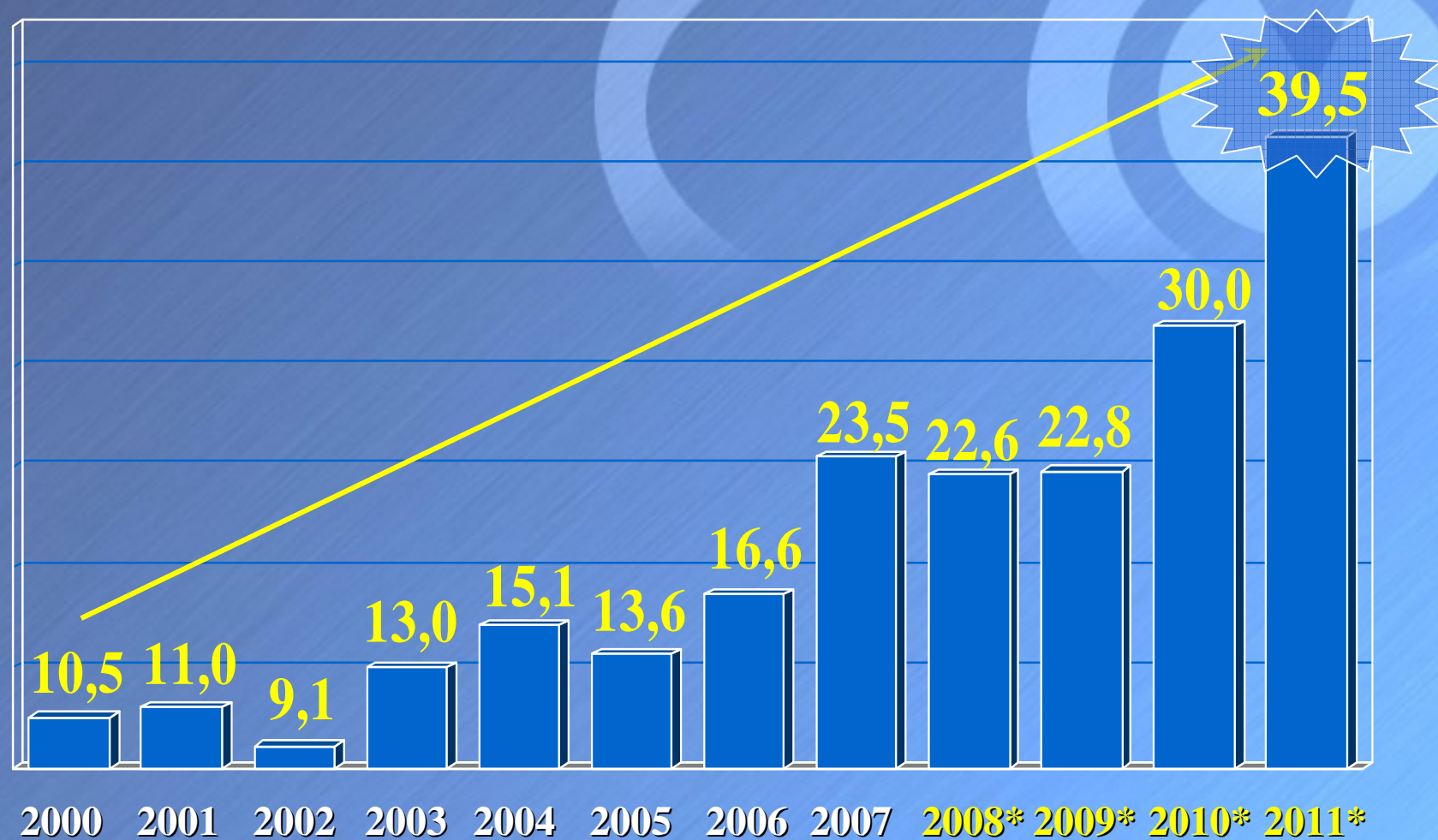
1H 2012
January - June



In 1H12, the Group increased revenue and achieved strongly positive results, despite incurring costs for the pre-publication and launch (approximately **Euro 3.9 million**) of the two new weeklies “F” and “Settimanale Nuovo”.

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The development of Ebitda from Ipo



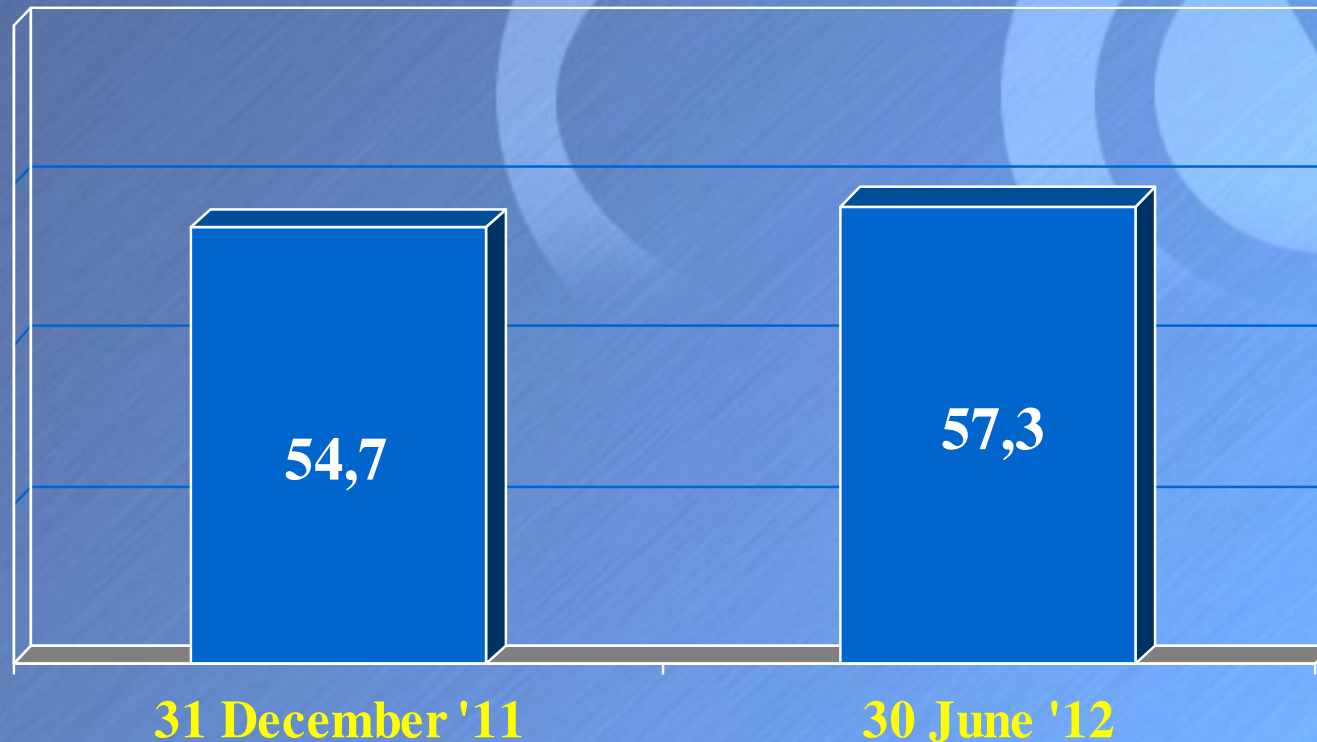
FY Oct-Set

* Jan-Dec

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Group net financial position

(Euro M)



The Shareholders' Meeting approved the distribution of a dividend of Euro 0.30 per share, which includes the interim dividend of Euro 0.15 per share distributed in December and a balance of further Euro 0.15 distributed in May 2012.

A large, stylized graphic of an eye in shades of blue, positioned in the upper right quadrant of the slide. The eye is composed of concentric arcs and a central pupil area.

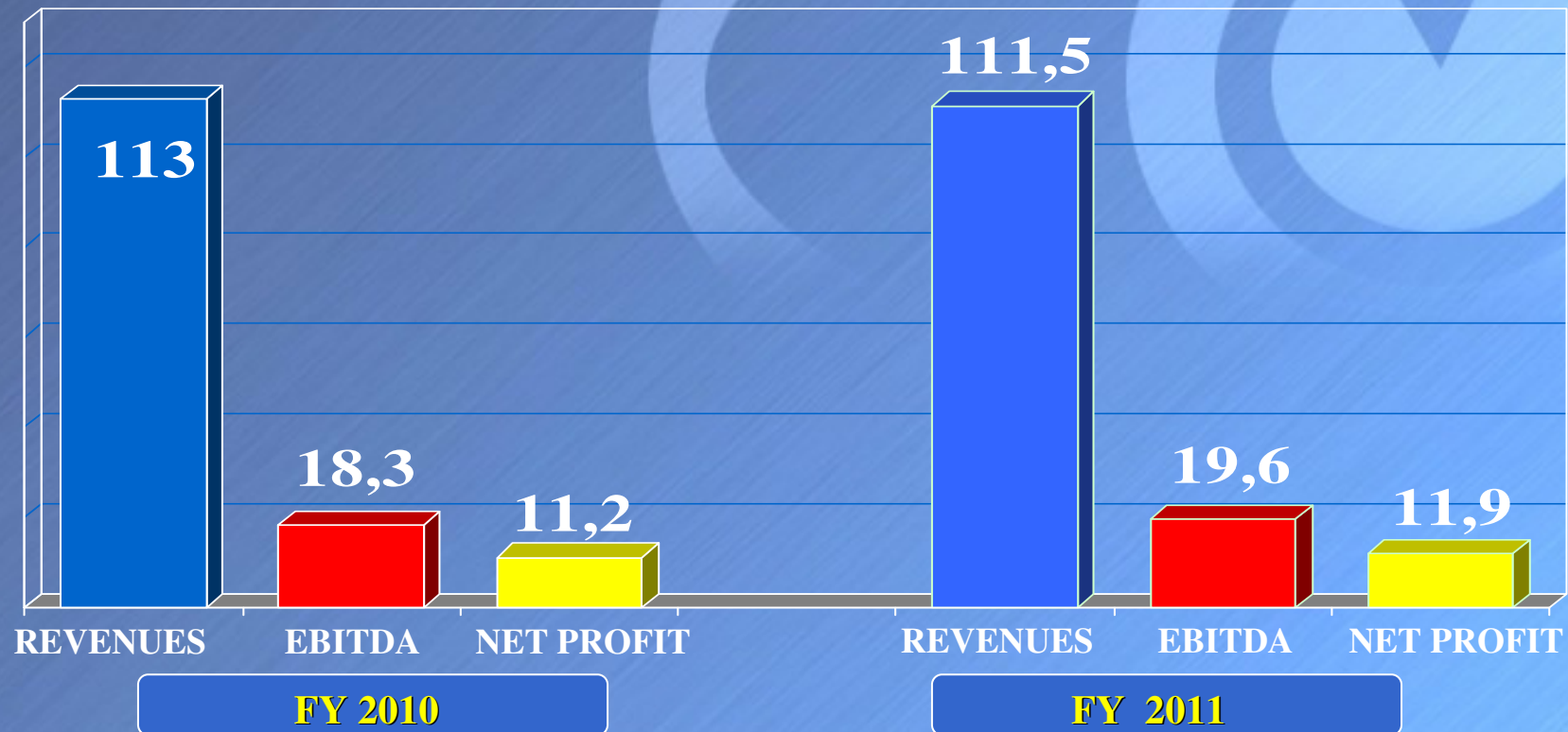
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FY 2011

January - December



Results were reached despite the lower number of issues of “Settimanale Dipiù”, 52 instead 53 (a drop of € 0.3 M in profits), the cut price (from € 1 to 50 cents) of six issues of “Dipiù TV” (a drop of € 1.0 M in profits) and the cut price (from 70 cents to 50 cents) of three issues of “TV Mia”

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The development of Ebitda from Ipo



FY Oct-Set

* Jan-Dec

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A new strategy of development

January 19 2012: first launch, Settimanale Nuovo



“Settimanale Nuovo”, edited by Riccardo Signoretti, debuted at newsstands on 19 January 2012 and the first 33 issues posted average sales of 313,000 copies, highly satisfying results that overcome by far the best forecasts (200,000 expected).

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A new strategy of development

June 5 2012: second launch,



“F”, edited by Marisa Deimichei, debuted at newsstands on 5 June 2012 and the first 13 issues posted average sales of 238,000 copies, versus around 150,000 expected.

PUBLISHING

Top 10 weeklies

Newsstand circulation

July 2012*		
1	SETTIMANALE DIPIU'	646.750
2	SORRISI E CANZONI	607.309
3	TELESETTE	407.700
4	DI PIU' TV	384.200
5	DI PIU' E DIPIU' TV CUCINA	347.000
6	CHI	326.900
7	SETTIMANALE NUOVO	324.750
8	VERO	312.408
9	DONNA MODERNA	277.700
10	DIVA E DONNA	256.750

5 of top 10
weeklies
are from
CAIRO EDITORE



227.000 copies sold

Sales circulation revenues rose by 12.3% in the 1H from €31.7 Mio to €35.6 Mio

Source: ADS – excluding magazines bounded with daily newspapers

PUBLISHING

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4 competitive edges in the publishing market

1. Lower *cover price* of the weeklies (room to increase prices/margins)
2. Revenues mostly from *over-the-counter sales* (95%).
3. Add-on revenues less than 2%
4. Weekly magazines are sold as *single copies* (not bundled with other weeklies or dailies)

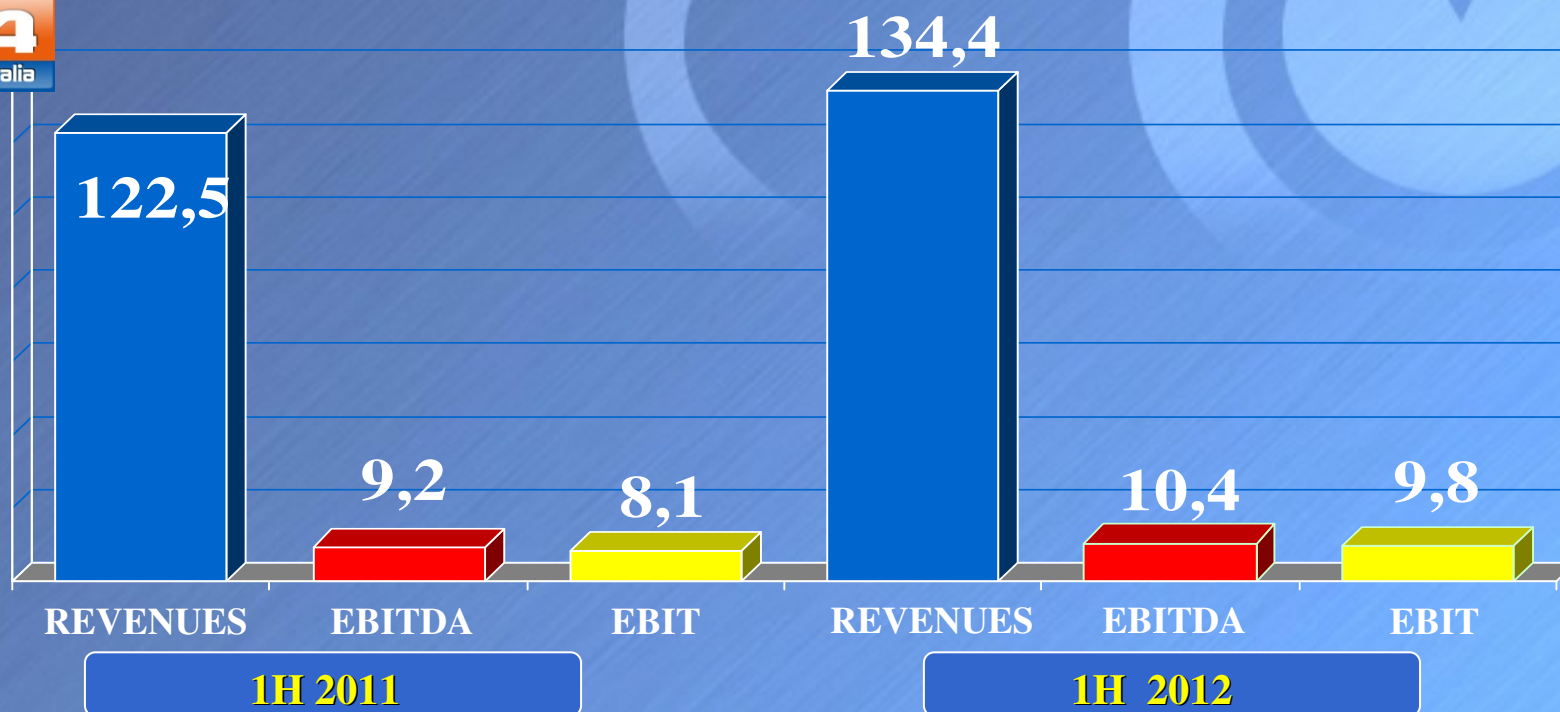


ADVERTISING



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1H 2012 results

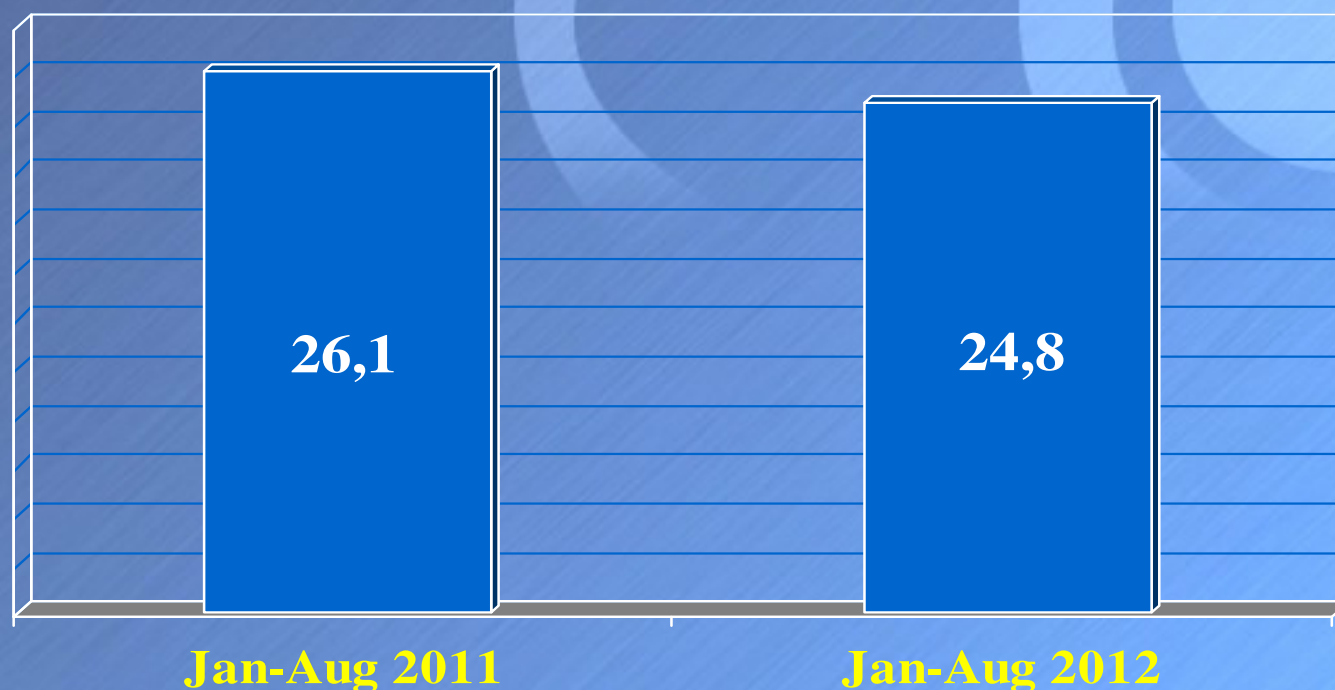


Ebitda and Ebit increased versus 1H '11, thanks mainly to the increase in advertising revenue (+9.7% overall). Specifically, advertising revenue on LA7, amounting to approximately Euro 96.6 million, was up 14.7% versus 2011 with an advertising market down -9.5%.

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Press advertising Jan-Aug 2012



Group gross advertising revenue during the January-August period where slightly lower yoy with a market down -14.8% (according to Nielsen Jan-June period)



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La7 January-August 2012 revenues



Advertising revenues on LA7 and LA7D, amounting to approximately Euro 115.2 million, increased by 10.9% versus 2011. The audience share for the same period was slightly down (3.93% vs 3.81%)

