GRUPPO 24 ORE

Press Release

24 ORE Group: BoD approves 1Q10 results

- **Consolidated revenues = € 123.2 million (-7.4%)**
- **System revenues +2% net of free press and funds effects**
- **EBITDA = € 0.5 million (€ 3.0 million in 1Q09)**
- **EBIT = € -6.9 million (€ -4.6 million in 1Q09)**
- **Profit attributable to the shareholders of the Parent Company = € -6.4 million (€ -4.2 million in 1Q09)**
- **Positive net financial position = € 94.4 million (€ 98.8 million as at 31/12/2009)**

Milan, May 11, 2010. Today, the meeting of the Board of Directors of the 24 ORE Group, chaired by Cav. Lav. Dr. Giancarlo Cerutti, approved the consolidated results of the first quarter of 2010 (1Q10). Here are the main figures and the comparative figures of 1Q09:

MAIN FIGURES OF THE 24 ORE GROUP			
Amounts in € million	3M 2010	3M 2009	
Revenues	123.2	133.0	
Gross operating profit (EBITDA)	0.5	3.0	
Operating profit (EBIT)	(6.9)	(4.6)	
Pre-tax profit	(6.6)	(3.6)	
Profit for the period	(6.5)	(4.4)	
Profit attributable to the shareholders of the parent company	(6.4)	(4.2)	
Net financial position	94.4	98.8	*
Total equity attributable to the shareholders of the parent company	290.8	296.9	*
Number of employees at the end of the period	2,163	2,202	*

* As at 31 december 2009

Analysis of 1Q10 consolidated results

The Group's relevant economic context showed no significant improvement in 1Q10, although weak signs of an upswing were seen particularly in advertising investments.

The advertising market as a whole, taking all media into account, including television, performed well in the first two months, inching upwards (+2.7%) against the same critical period of 2009 (Source: Nielsen Media Research – January-February 2010). This figure should be read positively and considered a first sign of recovery. Print media continued to slide (-4.3%), due mainly to the poor results of periodicals (-14.1%). Radio progressed strongly (+11%), more than the Internet (+3.8%).

Regarding circulation figures, the opening months of 2010 confirmed the contraction of paid dailies, involving to a greater extent leading national newspapers: due also to the reduction of low-profit promotional initiatives, latest figures for leading national dailies show a decline of 9.4% versus the same period last year (Source: ADS moving average for the 12 months from February 2009 to January 2010).

The professional services market managed to hold ground better, but continued to suffer the current economic climate and the grim moment of professionals and SMEs.

In 1Q10, 24 ORE Group achieved consolidated revenues of €123.2 million, down 7.4% versus €133.0 million of 1Q09. Advertising revenues fell by an overall 8.6%, or €4.4 million (€3.3 million lost by System and €1.1 million by specialised publishing), plus the drop in revenues from sales of the daily and add-ons (-€3.5 million overall).

System's performance versus 1Q09 is ascribable, on the one hand, to the different consolidation basis, which includes the termination of the free press daily 24minuti at end March 2009 and, on the other, to the impacts on financial advertising of Consob Resolution 16840/09, which cancelled the obligation of publishing the units of foreign UCITS funds and their disclosures in daily newspapers. Netted against these effects, advertising sales advanced by +2% versus 1Q09, driven by the +8.8% increase in commercial advertising on the daily.

Gross operating profit (Ebitda) came to €0.5 million versus €3.0 million in 1Q09, a result affected by the slide in revenues, only partly offset by the benefits produced by the effects of operating cost-curbing measures.

Consolidated direct and operating costs fell by 6.9%, while personnel costs decreased by approximately €2 million (-3.9%), due also to a drop of 89 units in average staff headcount, from 2,239 in 1Q09 to 2,150 in 1Q10.

Operating profit (Ebit) ended at - €6.9 million, falling by €2.3 million versus 1Q09. Amortisation and depreciation in 1Q10, which amounted to €7.4 million, were in line with the amounts of 1Q09.

Profit attributable to the shareholders of the Parent Company came to -€6.4 million versus -€4.2 million in 1Q09, a result negatively affected by the drop in net financial income (lower average cash resources and interest rates), but positively by lower tax paid from the reduction of taxable income.

The Group's **net financial position** as at 31 March 2010 showed a positive +€94.4 million (+€98.8 million as at 31 December 2009).

Performance by business sector

In 2009, the Group reorganized its business areas by reshuffling activities and responsibilities and reallocating corporate functions. The main change involves a reduction from 5 to 4 business areas, implemented by integrating the business units headed by the former Multimedia area (online, finance and agency) into Publishing. Moreover, product IT, falling until 2009 under the Corporate area and centralized services, has been transferred directly to the Publishing and Professional Areas. These changes came into effect at the beginning of 2010, so the Group's financial results cannot be read against the amounts of the corresponding period last year.
To compare the figures of the two periods on a like-for-like basis, the results of 1Q09 have been reclassified according to the 2010 organisation.

System ended 1Q10 with revenues dropping by an overall 7.5% versus 1Q09, a performance marked by the closure of free press on 31 March 2009 and by the

contraction in financial advertising, where the agency boasts market leadership, particularly for funds. Netted against these effects, System revenues increased by 2.0%.
A point worth recalling here is Consob Resolution n. 16840 of 2009, which gradually cancelled the requirement to publish foreign funds disclosures in daily newspapers. This decision impacted strongly on the Agency's revenues, which dropped by an overall 38.8% versus 1Q09.

The daily saw its figures decline in 1Q10 (-11.6%) versus 1Q09. Display advertising was up 8.8% versus 1Q09. Over the past five years, the CAGR was -1.8%, better than the -7.6% of the dailies market. Service typology, instead, dropped by 34.5%, funds in particular, whose results slammed on the performance of 1Q10, following Consob's abovementioned decision. For Il Sole 24ORE, this typology accounts for more than double than it does for total paid dailies. Despite the sharp fall, in the period from January 2006 to March 2010, the agency suffered a lower decline (-11.0%) than the market (-15.8%).

The performance of the Group's main periodicals - IL, Ventiquattro and Viaggi del Sole - followed the negative trend of the monthlies market. An analysis by industry shows a sharp fall in the first two sectors on the list - Clothing (-33%) and Automotive (-20%) - while Personal Items and Finance/Insurance were on the rise.

The Radio market advanced by 11% in the first two months versus 2009 (Source: Nielsen – first two months of 2010). System's overall performance for Radio ended 9.0% lower than the market, although this figure should be read against System's +6.3% in 1Q09 versus the market's disappointing -20.1%. What's more, Radio's average annual results were positive in the 2006-2010 period, outstripping the market overall (+9.3% System versus Radio Market -2.1%).

The sale of online advertising spaces regarding a number of 24 ORE Group websites and major websites of other publishers closed the period rising overall by +65.7% versus 1Q09, a performance driven by the new off- and online investment fund selling systems.

Total revenues generated by **Publishing** were down 11.0% versus 1Q09.

The daily's revenues dropped by 11.4% versus 1Q09. The decline in advertising revenues must be read against the slump in financial advertising and the stronger-than-market growth achieved over the 2007-2008 period. Taking account of the whole 2006-2010 period, advertising revenues generated by Il Sole 24 ORE fell less than the market (Il Sole 24ORE -5.6% versus paid dailies -7.8%).
Latest circulation figures (ADS moving average February 2009-January 2010) show a -9.4% drop in amount of copies sold by the leading national paid dailies versus the same period last year. In the same period, Il Sole 24 ORE fell by 13.9%, owing also to the decision to reduce promoted copies.

The **Online** BU saw its revenues increase by 56.7% versus 1Q09, as a result of the excellent performance of advertising sales by segments already operational in 2009 (automotive in particular), and especially in the financial brokers segment, thanks to the launch of new online investment fund selling systems. Unique visitors rose to a daily average of 323,000 (+16% versus 1Q09) (Source: Nielsen SiteCensus).

Starting from the beginning of 2010, the **Finance** BU (-8.5%) heads up the activities for the sale of real-time financial information and the Radiocor press agency. Radiocor revenues were up 5.8%, due for the most part to the Diversified Editorial Services product line, while real-time financial information continued its downward slide in 1Q10.

The Finance BU has embarked on a process to re-think contents on the finance platforms, in order to concentrate on investment funds and fixed income targets, with the aim of enhancing services offered.

Overall, **Professionals** saw its revenues drop by 6.1% versus 1Q09. To read the results on a like-for-like basis with 2009, the effects arising from the disposals made after 1Q09 should not be taken into account: the Printing division of Data Ufficio (September 2009), Mondoesa Milano Nordovest S.r.l. and Cesaco S.r.l., no longer controlled, the Architettura Books division transferred to the Culture BU (February 2010) and the ICT titles (February 2010).

On a like-for-like basis, revenues fell by 1.7%, owing primarily to lower advertising revenues from media managed by Business Media (-10.6%). Netted against the Specialised Publishing BU and on a like-for-like basis, revenues generated by Professionals were basically in line with 1Q09 (+0.1%).

Revenues generated by the **Software Solutions** BU were down 7.6% versus 1Q09. The figure cannot be read on a like-for-like basis owing to the disposal in the second half of 2009 of the printing division of Data Ufficio S.p.A., sold to the Buffetti Group, and to Cesaco S.r.l. and Mondoesa Milano Nordovest S.r.l., no longer in the consolidation basis. Netted against these effects, BU revenues were up 4.4%.
A point worth mentioning is the positive trend of software products branded 24 ORE, whose revenues increased by 11.8% versus 1Q09, a result achieved thanks to the high loyalty rate of subscribers to Sistema Via Libera, to the upswing in sales of the new product Studio24 Commercialisti, launched in 2009, to the constant rise in revenues on the corporate market, especially with Impresa24, and to the gradual increase in sales of new products developed during 2009 following the integration and sale of software produced by acquired companies: Via Libera Azienda, Studio24Edilizia, Studio24Avvocati, Via Libera Paghe Online.

Positive news also came from products branded Data Ufficio and STR, thanks mainly to the provision of services and custom solutions and also to the strong increase in service contracts.

Revenues generated by the **Tax&Legal** BU slid by 3.7%, due mainly to the negative trend of several product lines (books -11.8% and periodicals -8.3%). In detail, the contraction in the BU’s revenues is ascribable, on the one hand, to the harsh economic climate and, on the other, to the drop in revenues from periodicals and books, which is a result of the shift to new information tools - mainly on-line systems – and to consequent catalogue rationalisation aimed at maximising profitability from these two product lines. Periodicals still enjoy a high subscriber loyalty rate, also driven by the development of websites designed to meet the increasing interest of target groups in digital media and the Internet. Revenues generated by electronic publishing were on the rise (4.8%), pushed by the constant and strong commitment in terms of product, editorial and technological innovation, aimed at providing a quick and effective answer to the evolution of target group consumer models, and by the development of system offering.

Revenues generated by the **Education** BU were up 22.0% versus 1Q09.

Radio 24 revenues, in the period from January to March 2010, rose by 4.1% over the same period of 2009. Advertising revenues were up 5.3%, while other revenues were generated by special operations and projects developed by marketing, by the provision of technical services and by audio/video productions developed for other Group areas. In terms of seconds, advertising aired on Radio 24 rose by + 2% versus 1Q09, reaching a market share of 7.8% (Source: Nielsen Media Research).

In keeping with its *News and Talk* identity, in January 2010, Radio 24 added new features to the schedule, enhancing the afternoon entertainment slot with programmes for younger audiences. News time was boosted in the noon slot with two new broadcasts.
In January, Radio 24 rolled out its new website, sporting a new design and structure and packed with audio contents. In 1Q10, page views and unique visitors were up +67% and + 56% respectively versus 1Q09.

Business outlook

Clouds of uncertainty still loom over the Group's relevant markets. This means that 2010 will be a year of stabilization or feeble growth.
Specifically, the advertising market remains hampered by poor visibility: the weak signs of recovery in commercial advertising in 1Q10 appear weaker still in April, making it hard to build forecasts for the full year. What's more, financial advertising is confronted with a critical situation, hit by the strong impacts of the new provisions, especially those that have cancelled the obligation of publishing the units of foreign UCITS funds and their disclosures in daily newspapers, where 24 ORE Group boasts an established leadership.
Looking at the Professionals Area, with the exception of specialist publishing (Business Media), forecasts see a substantially stable trend, still strongly affected by the transition from paper to electronic platforms.
The lines of action for the current year will focus, on the one hand, on identifying new products and updating existing ones, with the aim of harnessing market dynamics and technological advances (soon due, an e-version of the daily and rollout of the new website transforming IlSole24Ore.com into a new multimedia and multi-platform information system available on every device), and, on the other, on continuing the implementation of balanced cost-curbing measures and streamlining processes and structures.
Furthermore, following the CEO's indication, the Board of Directors will keep tabs over the next few months on overall developments in the sector and on the Company's positioning and competitive structure.
The benefits of these measures, within the regulatory framework marking 1Q10 (excluding any effects related to the inter-ministerial decree of 30 March 2010, cancelling, effective 1 April 2010, postage rebates for the relevant publishing sector), and in the absence of non-recurring charges unpredictable to date, should allow the Group to improve EBITDA in 2010 versus the previous year.
However, the above decree has delivered a blow to the publishing landscape: failing an agreement between Government, Poste Italiane and publishers on an overall

reorganisation of postage rates, distribution costs for the Group would spike, since subscription sales of both the daily and periodicals account for a large share of its revenues.

*****

Under paragraph 2, article 154-bis of the Consolidated Finance Law (TUF), Giuseppe Crea, in his capacity as corporate financial reporting manager, attests that the accounting information contained herein is consistent with the Company's document results, books and accounting records.

For further information:

Il Sole 24 ORE Press Office: Ginevra Cozzi - Tel. 02/3022.4945 – Cell. 335/1350144
PMS: Fabio Marando – Tel. 02/48000250 - Cell. 329/4605000

Interim Report as at 31 March 2010

Accounting schedules

CONDENSED CONSOLIDATED INCOME STATEMENT		
Amounts in € millions	3M 2010	3M 2009
Revenues from sales and services	123.2	133.0
Other operating income	2.6	2.2
Personnel expenses	(47.5)	(49.4)
Change in inventories	(2.2)	(1.7)
Purchase of raw materials and consumables	(6.1)	(8.1)
Costs for services	(56.3)	(60.5)
Other operating costs	(11.2)	(11.1)
Provisions and bad debts	(2.0)	(1.3)
Gross operating profit (EBITDA)	**0.5**	**3.0**
Amortisation and depreciation	(7.4)	(7.7)
Capital gains/loss from intangible and tangible assets	0.0	0.0
Operating profit (EBIT)	**(6.9)**	**(4.6)**
Financial income (expenses)	0.2	1.0
Income (expenses) from equity investments	0.1	0.0
Pre-tax profit	**(6.6)**	**(3.6)**
Income tax	0.0	(0.9)
Net profit (loss)	**(6.5)**	**(4.4)**
Profit (loss) attributable to minorities	(0.1)	(0.2)
Profit (loss) attributable to the shareholders of the parent company	**(6.4)**	**(4.2)**

GRUPPO 24 ORE

CONSOLIDATED BALANCE SHEET AND CASH FLOW STATEMENT		
Amounts in € million	31.03.2010	31.12.2009
ASSETS		
Non-current assets		
Property, plant and equipment	88.3	90.5
Goodwill	72.9	72.9
Intangible assets	96.5	100.5
Investments in associates and joint ventures	3.2	3.1
Financial assets available for sale	2.9	2.9
Other non-current financial assets	19.4	19.2
Other non-current assets	0.7	0.8
Deferred tax assets	30.0	29.6
Total	**313.8**	**319.5**
Current assets		
Inventories	13.9	15.4
Trade receivables	202.5	193.5
Other receivables	13.1	12.5
Other current assets	13.5	6.8
Cash and cash equivalents	90.6	95.3
Total	**333.7**	**323.6**
Assets held for sale	-	3.0
TOTAL ASSETS	**647.5**	**646.1**

GRUPPO 24 ORE

CONSOLIDATED BALANCE SHEET AND CASH FLOW STATEMENT (CONT.)		
Amounts in € million	31.03.2010	31.12.2009
EQUITY AND LIABILITIES		
Equity		
Equity attributable to shareholders of parent company		
Share capital	35.1	35.1
Equity reserves	180.3	180.3
Revaluation reserves	20.6	20.6
Hedging and translation reserves	(0.5)	(0.3)
Other reserves	35.4	35.0
Profit/(loss) carried forward	26.2	78.8
Gains (loss) attributable to shareholders of parent company	(6.4)	(52.6)
Total	**290.8**	**296.9**
Equity attributable to minorities		
Capital and reserves attributable to minorities	0.6	1.5
Gains (loss) attributable to minorities	(0.1)	(0.8)
Total	**0.5**	**0.7**
Total equity	**291.2**	**297.6**
Non-current liabilities		
Non-current financial liabilities	10.8	10.9
Employee benefit obligations	38.2	38.8
Deferred tax liabilities	19.7	21.0
Provisions for risks and charges	19.1	19.2
Other non-current liabilities	0.0	0.0
Total	**87.8**	**89.9**
Current liabilities		
Bank overdrafts and loans due within one year	3.5	3.6
Financial liabilities held for trading	0.7	0.5
Trade payables	166.4	161.1
Other current payables	15.4	8.8
Other payables	82.6	84.2
Total	**268.5**	**258.2**
Liabilities held for sale	-	0.5
Total liabilities	**356.3**	**348.5**
TOTAL EQUITY AND LIABILITIES	**647.5**	**646.1**

GRUPPO24ORE

CONSOLIDATED CASH FLOW STATEMENT		
Amounts in € million	3M 2010	3M 2009
A) CASH FLOWS FROM ORDINARY ACTIVITIES		
Result for the period attributable to the shareholders of the parent company	(6.4)	(4.2)
Adjustments for:		
Amortisation of property, plant and equipment	2.9	2.8
Amortisation of other intangible assets	4.5	4.8
(Gains) loss from sale of property, plant and equipment	0.1	(0.0)
(Gains) loss from disposal of intangible assets	(0.1)	-
Increase (decrease) in provisions for risks and charges	(0.1)	(0.0)
Increase (decrease) in employee benefit obligations	(0.5)	(0.4)
Increase (decrease) in deferred tax assets/liabilities	(1.7)	(1.2)
Variations in the consolidation basis for operating funds	(0.1)	-
Net financial expenses (income)	(0.2)	(1.0)
Cash flows from ordinary activities before change in working capital	**(1.7)**	**0.8**
(Increase) decrease in inventories	1.5	1.7
(Increase) decrease in trade receivables	(9.2)	(8.0)
Increase (decrease) in trade payables	5.4	(1.1)
Increase (decrease) in other assets/liabilities	(1.3)	(0.7)
Variations in the consolidation basis for working capital	0.1	(0.0)
Changes in net working capital	**(3.5)**	**(8.1)**
TOTAL NET CASH FLOWS FROM ORDINARY ACTIVITIES (A)	**(5.2)**	**(7.3)**
B) CASH FLOWS FOR INVESTING ACTIVITIES		
Proceeds from the disposal of subsidiaries	1,2	-
Proceeds from sales of intangible assets	0,1	-
Investments in tangible assets	(0,5)	(1,1)
Investments in intangible assets	(0,7)	(2,2)
Purchase of investments in subsidiaries	-	(1,2)
Other decreases (increases) in investments in associates	(0,1)	-
TOTAL NET CASH FLOWS FOR INVESTING ACTIVITIES (B)	**0,0**	**(4,5)**
FREE CASH FLOW (A + B)	**(5,2)**	**(11,8)**
C) CASH FLOWS FOR FINANCING ACTIVITIES		
Net financial interest received	0.2	1.0
Other variations in financing activities	0.1	0.3
TOTAL CASH FLOWS FOR FINANCING ACTIVITIES (C)	**0.3**	**1.3**
NET INCR. (DECR.) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(4.9)**	**(10.5)**
OPENING CASH AND CASH EQUIVALENTS	**92.1**	**145.3**
CLOSING CASH AND CASH EQUIVALENTS	**87.2**	**134.8**
INCREASE (DECREASE) FOR THE YEAR	**(4.9)**	**(10.5)**

GRUPPO 24 ORE

NET FINANCIAL POSITION		
Amounts in € million	31.03.2010	31.12.2009
Cash and cash equivalents	90.6	95.3
Bank overdrafts and loans due within one year	(3.5)	(3.6)
Short-term net financial position	**87.2**	**91.6**
Non-current financial liabilities	(10.8)	(10.9)
Non-current financial assets and fair value of hedging insruments	18.0	18.1
Medium/long-term net financial position	**7.2**	**7.2**
Net financial position	**94.4**	**98.8**