



2006 first nine months, turnover of EUR 83.01 million (+9.5%)

Increasing advertising revenues EUR 46.40 million with a growth by 14.9%

Gross operating profits of EUR 5.42 million (+14.6%)

Profits from EUR 0.75 million to EUR 1.31 million (+74.7%)

Milan, 14th November 2006

Class Editori's Board of Directors, chaired by Victor Uckmar, met earlier today, to review the publishing house's activities and the consolidated third quarter and the first nine months results of 2006.

Consolidated results – Nine months

Profits for the first nine months amounted to EUR 83.01 million, with a growth of 9.5% compared to the same period of 2005 (EUR 75.79 million). The positive trend has been determined by the strong growth in advertising, increased from EUR 40.37 to EUR 46.40 million (+14.9%, given the entry of *Capital* within the perimeter of the consolidated accounts), and by newsstands revenues, increased by 22.3% (from EUR 7.15 to 8.75 million).

Gross operating profit margin increased by 14.5%, from EUR 4.73 to 5.42 million; operating profits increased from EUR -0.35 million (in 2005) to EUR + 0.61 million.

Pre tax profit amounted to EUR 1.31 million, with a growth equal to 74.7% compared to 2005 (EUR 0.75 million).

The net financial situation changes from third party debt obligations of EUR 10.53 million (at 31st December 2005) to net debt of EUR 15.70 million in September 2006. The variation is mainly due to the acquisition of control in *Capital* (for an equivalent of EUR 1.5 million) and to the

subscription of an operating lease contract for the purchase of hardware for electronic editorial services (EUR 1.2 million).

Consolidated results – Third quarter

During the third quarter revenues have grown, from EUR 22.63 to 23.60 million.

Gross operating profits amounted to EUR 1.38 million (EUR 1.53 million in the same period of 2005), whilst operating profits increased from a loss of EUR –0.36 to -0,20 million.

Pre tax profit amounted to EUR 0.16 million, compared to a loss of EUR 0.23 million registered during the third quarter of 2005.

Main events

Within the magazine sector, the monthly *Class*, with an average circulation of 89 thousand copies, maintains its market leadership. The monthly magazine *Capital*, enters the publishing house's consolidation area, with a circulation of over 70 thousand copies, reinforcing Class Editori's leadership within men monthly magazines.

Within a programme that aims to internationalise the Group's activities, after the Spanish edition with the group Prisa, we started the Flemish and French edition of *Gentleman*, the lifestyle magazine belonging to *MF/Milano Finanza*, in partnership with the Belgian group Roularta Mediagroep; in the same period, agreements were signed for the Turkish edition of the magazine, in partnership with the group Dunya, whose first number is present in newsstands since early November.

MF/Milano Finanza has achieved an average circulation of 111,400 copies (data Ads), on line with last year's trend.

The associated company (owned by our group with a participation of 44.2%) Italia Oggi Editore-Erinne srl, given improved contents and graphics realised at the beginning of the year, has increased distribution of *Italia Oggi* to 86,783 average copies (data Ads), with peaks of more than 99,000 copies.

Internet sites with economic and financial information that belong to the publishing house occupy the very first positions of sectorial league tables, as per Nielsen Net Ratings data, with more than 330 thousand monthly unique visitors and a community of 40 thousand paying users.

Management predictable progress

In general, current forecasts for 2006 suggest a positive performance, albeit in presence of a trend where advertising continues to shrink, despite increasing revenues from newsstands (investments continue to stagnate in our market), and growing revenues from subscriptions.

Appointments

The Board of Directors, following the suggestion of Vice president and Managing Director Paolo Panerai, has assigned the proxy to Gabriele Capolino, for the coordination of synergies in the editorial area, and has nominated managing director the editor in chief Andrea Mattei.

Consolidated profit and loss accounts at 30th September 2006

(in Euro '000)

PROFIT AND LOSS ACCOUNTS	30/09/06	30/09/05
REVENUES		
Sales revenues	76.19	69.02
Other operating expenses	6.82	6.77
Total revenues	83.01	75.79
EXPENSES		
Operating expenses	77.59	71.06
Gross operating profits	5.42	4.73
Amortisation and devaluation	4.81	5.08
Operating profits	0.61	(0.35)
Net financial charges (Proceeds)	(0.20)	(0.40)
Pre tax profit	0.41	(0.75)
Net worth of third parties	0.90	1.50
Group pre tax profit	1.31	0.75

Revenues are divided as follows

(in Euro '000)

	30.09.2006	30.09.2005
. Newsstands revenues	8.751	7.150
. Subscription revenues	20.546	21.300
. Advertising revenues	46.407	40.370
. Other revenues	7.303	6.970
Total	83.007	75.790

2006 third quarter consolidated profit and loss accounts

(in Euro '000)

PROFIT AND LOSS ACCOUNTS	1/7-30/09/06	1/7-30/09/05
REVENUES		
Sales revenues	21.10	21.99
Other operating profits	2.50	0.64
Total revenues	23.60	22.63
EXPENSES		
Operating expenses	22.22	21.10
Gross operating profits	1.38	1.53
Amortisation and devaluation	1.58	1.89
Operating profits	(0.20)	(0.36)
Net Financial charges (Proceeds)	(0.22)	(0.14)
Before taxes profits	(0.42)	(0.50)
Net worth of third parties	0.58	0.27
Group pre tax profit	0.16	(0.23)

Consolidated financial situation at 30th September 2006

(in Euro '000)

	30.09.2006	30.09.2005	31.12.2005
Medium and long term net debts	(4.500)	(1.242)	(6.542)
Short term et financial debts / short term net assets	(11.200)	(10.865)	(3.992)
Of which:			
Financial debts	(17.090)	(12.877)	(8.787)
Assets and financial credits	5.890	2.012	4.795
Net financial situation: Net debts/Net assets	(15.700)	(12.107)	(10.534)

For further information, please contact:

Gian Marco Giura

- Investor Relations -

Tel:02-58219395

Fax:02-58219452

E-mail: **Investors and analysts** , ir@class.it

Press, press@class.it