



## **Board of Directors approves quarterly statements**

**Total income up 18.2% to 31 million euro**

**Advertising +9.0%**

**EBITDA up 23.4% to 3 million euro**

**Pre-tax profit 1.01 million euro (+87.4%)**

Milan, 15 May 2008

The Board of Directors of Class Editori SpA met today under the chairmanship of Victor Uckmar to examine the publishing house's activities and the consolidated results for the first quarter of the year.

### **- Consolidated results**

Total income for the period was 31.0 million euro, 18.2% higher than the previous year. A contribution to the increase came from the consolidation of the income of Honyvem S.p.A., which was acquired in January this year: this company's income came to 2.8 million euro.

Even with consolidation perimeter parity, income rose to 28.2 million euro, an increase of 7.6% over the first quarter of 2007, particularly thanks to the increase in advertising revenues (+9%) and in the TV area.

The gross operating margin (EBITDA) was 3 million euro, 23.4% more than in 2007 in spite of the fact that operating costs went up. This was the result of the consolidation of Honyvem and of the component connected with the rise in turnover.

The operating result (EBIT) and the pre-tax result improved in comparison with 2007, going respectively from 0.30 to 0.86 million euro (+187%) and from 0.21 to 0.65 million euro (+195%).

The Group pre-tax result was 1.01 million euro, 87.9% higher than in 2007, when it was 0.54 million euro.

The net financial position was 24.621 million euro (12.759 million euro at 31 December 2007). This result is attributable to the purchase of Honyvem S.p.A. for about 15.7 million euro.

### **- Areas of activity: significant events**

- This publisher is the leader in the men's periodical segment with *Class*, which distributed about 78,300 copies during the period (Italian Press Distribution Agency data); *Capital*, which had a circulation of about 90,000 (Italian Press Distribution Agency data); and *Gentleman*, the absolute leader for revenue from advertising.
- *MF/Milano Finanza's* average circulation during the period was about 107,000 (Italian Press Distribution Agency mobile average). During March, the publisher's financial information websites were in fourth place (the first after the general portals) in the Italian most visited ranking, with 501,000 single visits and 19,000,000 pages visited a month (source: Nielsen Net Ratings Netview).
- In January, Class Editori acquired the entire share capital of Honyvem S.p.A., a company with head office in Brescia that has been operating in the database and business information sector for 30 years. Honyvem is the only company operating in the business information sector that, like the leader, Cerved, has direct access, in their original form, to the 900,000 joint stock company financial statements in digital form. This database is fundamentally important not only for the assessment of creditworthiness but also of all marketing operations, sector by sector. In 2007 Honyvem had a turnover of about 15 million euro, with a growth rate of 62.68% in the last six years.
- On sale at newsagents' since March has been *Luna&Gentleman Matrimoni*, which was created as a contribution to the finest and most important day of all for wedding couples, with all the advice, help and information needed for a wedding. *Luna&Gentleman Matrimoni* owes its existence to the experience Class Editori gained with *LUNA*, the monthly magazine for women that like to be selective, and *Gentlemen*, the first monthly magazine for men that love life, and immediately became the most influential magazine in its sector.

### **- Main events after the financial period**

- The new *MF/Milano Finanza* ([www.milanofinanza.it](http://www.milanofinanza.it)) website has been on line since April. It comes to its visitors with a look and a feel and graphics that are in line with those of the main world information websites: clear-cut and linear to simplify searches and access to the abundance of information that the *MF/Milano Finanza* website offers its readers every day. This site is a economic and financial information portal in the true sense of the word, producing its own data in real time through the magazine's editorial staff and having all the Class Editori multimedia contributions: takes from the MFDowJonesNews press agency, more than 400 original news items a day, the Video Center with a selection of the broadcasts produced every day by the Class CNBC, Class News and Class Life TV channels, news broadcasts and the great music of Radio Classica Milano Finanza.

The first advertising investors to believe in the new MilanoFinanza.it formula were two world leaders in IT, HP and IBM, which, before others, perceived the advantages of being present on the site, which, in its new structure, allows the possibility of carrying out even more effective communication campaigns than in the past.

**- Management outlook**

Even if the economic scenario is unfavourable for the media, Class Editori is confident that it will carry on with the growth that it has seen in the first quarter, as regards both income and profit.

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*Profit and Loss Account and Balance Sheet schedules follow*

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The Executive in charge of the preparation of the company's accounting documents, Emilio Adinolfi, declares as per paragraph 2 of Article 154 *bis* of the Italian Consolidated Financial Services Law that the accounting disclosures contained in this announcement correspond with the entries in the company's documents, books and accounting records.

### Consolidated Profit and Loss Account for the first quarter

(millions of euro)	31/03/07	31/03/08
<b>INCOME</b>		
Income from sales	25.477	29.853
Other operating income	747	1.144
<b>Total income</b>	<b>26.224</b>	<b>30.997</b>
<b>COSTS</b>		
Operating costs	23.775	27.975
<b>Gross operating margin - EBITDA</b>	<b>2.449</b>	<b>3.022</b>
Amortisations and write-downs	2.149	2.164
<b>Operating result - EBIT</b>	<b>300</b>	<b>858</b>
Net financial income (costs)	(82)	(205)
<b>Pre-tax result</b>	<b>218</b>	<b>653</b>
Third party pre-tax profit (loss)	321	357
<b>Group pre-tax result</b>	<b>539</b>	<b>1.010</b>

### Income breakdown

(millions of euro)	31/03/2008	31/03/2007	%
Sales from newsagents	3.11	3.40	-8.5%
Income from subscriptions	10.71	7.17	+49.4%
Advertising revenue	15.11	13.86	+9.0%
Other income	2.07	1.79	+15.6%
<b>Total</b>	<b>31.00</b>	<b>26.22</b>	<b>+18.2%</b>

## Financial position

(millions of euro)	31.03.2008	31.03.2007	31.12.2007
Net medium-/long-term financial indebtedness	(4.324)	(5.324)	(3.938)
Net short-term financial indebtedness/net short-term liquidity	(20.297)	(9.607)	(8.821)
Of which:			
Financial liabilities	(32.105)	(16.712)	(14.513)
Financial assets and receivables	11.808	7.105	5.692
Net financial position: Net indebtedness/net assets	(24.621)	(14.931)	(12.759)