



# MONDADORI

Mandatory public notification (as per CONSOB Regulation N° 11971, May 14, 1999 and subsequent modifications)

## PRESS RELEASE

### **MONDADORI AGM APPROVES 2009 RESULTS**

### **SHARE BUY-BACK AUTHORISATION RENEWED**

*Segrate, 27 April 2010* - The Annual General Meeting of the Shareholders of Arnoldo Mondadori Editore S.p.A., which met today under the Chairmanship of Marina Berlusconi, approved the company's Annual Report for the year ended 31 December 2009 and deliberated, in line with a proposal resolved by the board of directors on 23rd March and previously communicated to the market, to allocate the entire net profit for the year, amounting to €53,179,772.38 to the company's extraordinary reserve, with a view to completing the ongoing restructuring process, pursue investments in growth areas and digital and take advantage of eventual development opportunities.

In his report to the shareholders, the Deputy Chairman and Chief Executive Maurizio Costa outlined the highlights of the group's performance during 2009, already announced on 23 March. The Shareholders also passed resolution on the following:

#### **RENEWAL OF AUTHORISATION FOR THE BUY-BACK AND UTILISATION OF COMPANY SHARES**

Following the expiry of the term fixed for the authorisation issued at the Annual General Meeting of 29 April 2009, the shareholders renewed authorisation to effect share buy-backs, up to the 15% of the share capital. The shareholders also authorised, as per Art. 2357 of the Civil Code, the use of shares involved in such buy back operations or already in the company's portfolio.

On the basis of the authorisation that has now expired, Mondadori bought on the market a total of 2,270,000 of its own shares, at an average price of €2.69 per share, for a total of €6,127,428.

By taking account of the shares previously in the portfolio, the total number of shares comprising treasury stock is now 22,367,587 (8,62% of the share capital), of which. 17,850,101 are held directly in the Arnoldo Mondadori Editore S.p.A. portfolio and 4,517,486 are held by the subsidiary Mondadori International S.A..

In line with the provisions of art. 144 *bis* of Consob regulation 11971/1999, what follows is an outline of the buy-back programme authorised by the Shareholders:

#### 1. Aims and underlying motivation

- use company shares for the exercise of options for the purchase of shares assigned to participants in the stock option plans put in place by the shareholders;
- use company shares, either bought or in the portfolio, for the exercise of rights, including conversion rights, deriving from financial instruments issued by the company, its subsidiaries or third parties;
- use company shares, either bought or in the portfolio, as part or whole payment in any eventual acquisitions or equity investments that fall within the company's stated investment policy;
- take advantage, where and when considered strategic for the company, of investment opportunities, also in relation to available liquidity.

## 2. Cap on the number of shares that may be bought

The authorisation requested applies to a limit of 15% of the company's share capital, corresponding to 38,914,474 shares.

Given that the company currently, either directly or indirectly, holds a total of 22,367,587 shares or 8.62% of the share capital – the new authorisation gives to the board the faculty to buy a back a further 16,546,887 ordinary shares, corresponding to 6.38% of the share capital.

## 3. Method of acquisition and the price range

Buy backs would be effected on regulated markets as per art. 132 of the legislative decree of 24 February 1998 n. 58 and art. 144 bis, para. 1, B of Consob regulation 11971/99 according to operating procedures established by the regulations for the organisation and management of the markets themselves, which, does not permit the direct combination of offers to buy with predetermined offers to sell.

The corresponding minimum and maximum price of sale will therefore be determined at the same conditions that applied to previous authorisations agreed by the Shareholders, i.e. at a unit price not less than the official market price on the day prior to any operation, less 20%, and not more than the official market price on the day prior to any operation, plus 10%.

In terms of price and daily volumes, acquisition operations will in any case be conducted in line with the norms foreseen by the EU regulation 2273/2003, in particular:

- the company will not buy shares at a price greater than the highest price of the last independent operation and the price of the highest current independent offer on the regulated market where the acquisition is made.
- in terms of daily volumes, the company will not purchase a quantity greater than 25% of the average daily volume of Mondadori shares traded on the regulated market and calculated on the basis of the average daily volume of trading of Mondadori shares in the 20 trading days prior to the dates of purchase.

Any operations that are effected will be communicated to the market as per the terms of art. 87 bis, of Consob regulation 11971/1999.

## 4. Duration

This authorisation will remain valid until the approval of the Annual Report for the year to 31 December 2010, and in any case for a period of not more than 18 months from the date of the shareholders' approval.

## **APPOINTMENT OF EXTERNAL AUDITORS**

Following the expiry of the non-renewable contract with Reconta Ernst Young S.p.A. for the auditing of the company's financial statements for the years 2001-2009, the Shareholders' appointed Deloitte & Touche S.p.A. - on the basis of a proposal from the Statutory Auditors – to conduct an audit of the company's annual reports and consolidated financial statements, as well as the limited audit of the interim reports for a period of nine years, from 2010 to 2018.

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*The company's Annual Report for the year ending 31 December 2009 approved by the Annual General Meeting of the Shareholders, along with other documentation supplied in conformity with art. 77 of Consob regulation 11971/1999, will be made available from today at the company's headquarters, at Borsa Italiana S.p.A. and on the web site [www.mondadori.it](http://www.mondadori.it); minutes for the AGM will be available from 12 May 2010.*

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