

MONDADORI

Arnoldo Mondadori Editore S.p.A.

Sede legale : Milano, Via Bianca di Savoia 12

Capitale sociale 64.079.168,40 i.v.

Codice fiscale e Registro Imprese di Milano 07012130584

COMPENSATION REPORT

(Prepared pursuant to Articles 123 *ter* of Legislative Decree N°
58/1998. and 84 *quater* of Consob Regulation 11971/1999)

INDEX

Introduction	1
SECTION I	2
a) <i>The bodies or entities involved in the preparation and approval of the remuneration policy, their respective roles, and the bodies or persons responsible for the proper implementation of the policy</i>	2
b) <i>Composition, powers and mode of operation of the Remuneration Committee</i>	3
c) <i>Independent experts involved in the preparation of the remuneration policy</i>	4
d) <i>The aims of the remuneration policy and its underlying principles</i>	5
e) <i>A description of policies regarding fixed and variable components of remuneration, with particular attention to the relative weighting of the total remuneration package and distinguishing between short-and medium-long term variable components</i>	5
f) <i>The policy with regard to non-monetary benefits</i>	8
g) <i>A description of the performance objectives under which variable components are assigned, distinguishing between short and medium term variable components, and information regarding the link between variations in results and the variation of remuneration</i>	9
h) <i>The criteria used for the evaluation of performance targets underlying the allocation of shares, options, other financial instruments or other variable components</i>	9
i) <i>Information designed to highlight the consistency of the remuneration policy with the pursuit of the long-term interests of the company and the risk management policy, where relevant</i>	10
j) <i>The terms of vesting (vesting period), any system of deferred payment and periods of deferment, and the criteria used for the determination of such periods and, if relevant, ex post correction mechanisms</i>	10
k) <i>Information on the possibility of introducing provisions for the maintenance of financial instruments in the portfolio after acquisition, the periods of maintenance and the criteria used for the determination of such periods</i>	11
l) <i>The policy to be adopted in the event of resignation or termination of employment, specifying the circumstances under which rights accrue and the possible link between such and the performance of the company</i>	11
m) <i>Information on non-mandatory insurance or social security or pension provisions</i>	11
n) <i>The remuneration policy with regard to: (i) independent directors, (ii) participation in committees, and (iii) the performance of particular roles (chairman, deputy chairman, etc.)</i>	12
o) <i>If the remuneration policy is defined using the compensation policies of other companies as a reference, and, if so, the criteria used selecting such companies</i>	12
SECTION II	13
PART I - ITEMS THAT MAKE UP REMUNERATION	13
Remuneration of Directors	13
Remuneration of executives with strategic responsibilities	13
Compensation for early termination	15
Effects of termination on rights granted under incentive plans based on financial instruments or to be paid in cash	15
Information on Stock Option Plans	17

PART TWO - ANALYTICAL REPRESENTATION OF COMPENSATION PAID DURING THE 18

Outline 7-a: Report on remuneration

TABLE 1: Compensation paid to members of corporate management and control boards and other executive personnel.....19

TABLE 2: Stock options granted to members of the board of directors and other executives.....21

TABLE 3B: Monetary incentive plans for members of the board of directors and executives with strategic responsibilities.....24

Outline 7-b: An outline of the information on holdings of members of corporate management and control boards and other executive personnel.

Table 1: Holdings of members of corporate management and control boards.....25

Table 2: Holdings of other executives.....26

Introduction

This "Remuneration Report" (hereinafter also the "Report"), in accordance with Art. 123 *ter* of Legislative Decree no. 58/1998 and art. 84 *quater* of Consob Regulation 11971/1999, and subsequent modifications (hereinafter the "Issuers' Regulations"), provides information on the remuneration policies relating to members of the board of directors and executives with strategic responsibilities adopted by Arnoldo Mondadori Editore SpA.

As per such regulatory provisions, the report consists of two sections, prepared in accordance with Annex 3A, Schedule 7 *bis* of the Issuers' Regulations.

The first section details:

- a) the principles and aims of the Company's policy on the remuneration of directors and executives, with reference at least to 2012;
- b) the procedures for the adoption and implementation of this policy.

The second section, concerning the compensation for directors and statutory auditors and, in aggregate, to the compensation of executives with strategic responsibilities, provides, also in tabular form, a representation of each of the items that make up remuneration packages and analytically outlines the compensation paid during in 2011, for any reason and in any form, by the company and its subsidiaries or affiliates, indicating the possible components of such any related to activities undertaken in previous years and highlighting any compensation to be paid in one or more subsequent years relating to activities carried out during the period of reference.

As proposed by the Remuneration Committee, the report was approved by the board of directors on 19 March 2012.

The first section of the report is subject to a non-binding resolution of the

Annual General Meeting called for 19 April 2012 (20 April on second call) to approve the Annual Report for the year to 31 December 2011.

As per Art. 123 *ter* of Legislative Decree no. 58/1998 the Report was made available to the public at the company's registered office, Borsa Italiana SpA and on the web site www.mondadori.it from 28 March 2012.

In accordance with the provisions of Consob Regulation n. 17221 of 12 March 2010 with regard to transactions with related parties, as included in the relevant procedures approved by the board of directors, the adoption and definition of the company's remuneration policy was completed with the involvement, as outlined below, of the Remuneration Committee, comprising a majority of independent directors and the presentation of the Report to the shareholders for an advisory vote, exempting the deliberations regarding the remuneration of directors and executives from the application of procedures foreseen by the abovementioned Consob provisions regarding related parties.

SECTION I

a) The bodies or entities involved in the preparation and approval of the remuneration policy, their respective roles, and the bodies or persons responsible for the proper implementation of the policy.

The remuneration policy is approved and defined by the board of directors on the basis of proposals by the Remuneration Committee, established by the board, with powers and operational guidelines that are outlined in b) below.

The implementation of the policy, in accordance with the principles and guidelines established by the board of directors, is entrusted to the

Department of Human Resources, Organisation and Operations.

The Director of the Department of Human Resources, Organisation and Operations reports to the Remuneration Committee, at least annually, or at least within the term of the reporting period, on the effective implementation of the remuneration policy.

The Remuneration Committee, in response to the abovementioned report, monitors and verifies the consistency of implementation procedures with respect to the principles defined, and reports to the board of directors.

b) Composition, powers and mode of operation of the Remuneration Committee.

The board of directors has established an internal "Remuneration Committee", with investigative and advisory functions.

The Remuneration Committee currently consists of 3 non-executive directors - who do not hold individual powers or executive positions in the company or companies of the group - the majority is independent, as identified by the board of directors in line with the provisions of the Code of Conduct published by Borsa Italiana SpA

The committee is made up as follows:

- Bruno Ermolli - Chairman - Non-executive director,
- Mark Spadacini - Non-executive and independent director,
- Carlo Sangalli - Non-executive and independent director.

The members of the Remuneration Committee will remain in office until the end of the term of office of directors, in other words until the AGM called to approve the Annual Report for the year to 31 December 2011.

The powers of the Remuneration Committee are:

- To provide advice and suggestions to the board of directors regarding the remuneration policy for directors and executive and periodic checks, in conjunction with the Human Resources Department, on the consistency of

implementation with respect to the principles defined by the policy framework, and duly reporting its findings to the board of directors;

- To make proposals to the board of directors regarding the remuneration of directors holding particular positions (e.g. chairman, CEO, directors and board members with powers and directors who are members of committees);

- Presentation to the board of directors of the initiatives undertaken by the committee for the identification and definition of corporate guidelines in terms of loyalty and management incentives;

- To make proposals on the implementation of stock option plans established by the shareholders pursuant to art. 114 *bis* of Legislative Decree 58/1998 and outlined in Section II of this Report.

In carrying out its duties, the Remuneration Committee has access to all the information and functions necessary.

In terms of the operational approach, subject to specific regulations, the members of the committee shall meet and act jointly whenever the chairman deems it necessary or upon a request by either of the other two members.

Committee votes on the basis of a simple majority and its deliberations are presented in a report signed by all members attending the meeting and the chairman of the board of statutory auditors who attends meetings without voting rights.

c) Independent experts involved in the preparation of the remuneration policy.

The remuneration policy has been defined, as specified above, with the support and advice of the Remuneration Committee, consisting of a majority of independent non-executive directors, with consolidated professional experience in the sector.

No independent experts were involved, other than the members of the committee, in the preparation of the remuneration policy.

d) The aims of the remuneration policy and its underlying principles.

In general terms the remuneration policy is defined in order to attract, motivate and retain individuals with the professional skills necessary to ensure the achievement of the main objective of creating sustainable value for the company and the group in the medium-long term.

To this end, it identifies the maintenance of a strong correlation between pay and performance, as the focus for the alignment of the interests of shareholders and those of management.

It follows that a significant part of the total remuneration of directors and executives is linked to the achievement of specific objectives, defined paying particular attention to performance at the consolidated level and in specific business areas or business functions, both in the short and medium to long term.

Consistent with the general aims outlined above, the remuneration policy is based on the following principles:

- an appropriate balance between the fixed and variable components on the basis of the company's strategic objectives and risk management policy, also taking into account the business sector and the characteristics of the activity actually performed;
- establishing limits for the variable components;
- the definition and metrics of performance objectives related to the variable components;
- the deferred payment of a significant portion of the variable component based on long-term plans for adequate period of time after maturation.

e) A description of policies regarding fixed and variable components of remuneration, with particular attention to the relative weighting of the total remuneration package and distinguishing between short-and medium-long term variable components.

The remuneration policy is structured according to different principles and procedures relating to the fixed and variable components for both the short and medium-long term in relation to different types of recipients.

In particular:

A) Non-executive directors

Non-executive directors are identified as not holding individual powers or management positions in the company, group companies or at the parent company if the office also relates to the company.

Non-executive directors are entitled to a fixed compensation determined by the shareholders on appointment.

The board of directors may determine, on the basis of a proposal by the Remuneration Committee and with the approval of the board of statutory auditors, additional fixed compensation in connection with activities related to participation in committees established by the board of directors.

The underlying principle behind this choice is the attribution of a fixed fee for non-executive members of the board of directors.

The remuneration of non-executive directors is not linked to the results achieved by the company or the consolidated results or any other performance objectives.

B) Directors holding particular offices in compliance with the Articles of Association: Chairman/Chief executive

The remuneration of directors with special powers is determined by the board of directors in accordance with the specific proposals of the Remuneration Committee with the approval of the Board of Statutory Auditors.

C) Executives with strategic responsibilities

In accordance also with the notes referred to in the Rules relating to transactions with related parties n. 17221 of 12 March 2010, based on the international accounting standard IAS 24, executives with strategic

responsibilities are identified as those with the power and responsibility, directly or indirectly, for planning, directing and controlling activities of the company, including directors of the company.

Consequently, executives with strategic responsibilities are identified with the executive directors, as directors with individual powers of management or executive positions in the company, the directors of the business areas in which the Mondadori Group operates, and the heads of corporate functions.

The compensation package for executives with strategic responsibilities, in line with the associated responsibilities deriving from the exercise of operational powers in the management of the company, is generally made up of the following elements:

- i) a fixed annual component;
- ii) a variable annual component (MBO);
- iii) a variable component for the medium to long term (LTI).

i) the fixed component can consist of the basic salary and other forms of non-variable remuneration, and has a weighting that may not exceed 70% of total compensation. The scale of the fixed component is related to the size of the business managed and capacity to contribute to the group's consolidated results;

ii) the annual variable component (MBO) is available on the achievement of predetermined objectives related to annual quantitative performance indicators at both the consolidated and individual business or central function level;

iii) the medium to long term (LTI) variable component is made up of a special bonus money payable only at the end of a multi-year reference period and on the achievement of financial objectives, related to both consolidated and individual business areas and functions in the medium and long term.

The combination of annual and medium term variable components is a variable sum, generally not less than 30% of total annual remuneration.

Compared to the 100% of variable remuneration, the weight of the medium and long-term performance-related component will have an impact on an annual basis of not less than 25%.

Compensation plans based on financial instruments

In connection with any future compensation plans based on the allocation of financial instruments, to be approved by shareholders pursuant to art. 114 *bis* of the Legislative Decree 58/1998 and subject, when adopted to specific information being given to the market in accordance with current provisions, the details and the application procedures are defined by the Board of Directors with the support, advice and suggestions of the Remuneration Committee, in line with the risk profile of the company and with reference to general principles of:

(I) the consolidation the process of creating sustainable value for the company and the group in the medium-long term, and the provision of incentives and loyalty of management by defining the duration and multi-year vesting, (ii) the allocation or exercisability of financial instruments conditional on the achievement of predefined and measurable corporate and/or market performance objectives, (iii) restrictions on the recipients remaining with the company.

With respect to stock option plans previously established by the Shareholders, for which residual exercise periods are still underway, please refer to the description and the relevant table in Section II of the Remuneration Report, hereinafter referred to, and the documents published under Article. 84 *bis* of Consob Regulation 11971/1999 and available on the site www.mondadori.it - Governance section.

f) The policy with regard to non-monetary benefits

Members of the board of directors and executives with strategic responsibilities, are not entitled to "fringe benefits" paid by the company, with the exception of with supplementary medical insurance, with respect to compulsory insurance under collective agreements, for executives with strategic responsibilities.

g) A description of the performance objectives under which variable components are assigned, distinguishing between short and medium term variable components, and information regarding the link between variations in results and the variation of remuneration

As indicated above, the annual variable component (MBO) is attainable only on the achievement of predetermined objectives related to both the annual performance of the group and individual goals linked to the performance of specific business areas or central functions.

The remuneration linked to the annual MBO provides for a minimum attainment threshold of 95% of the target and a maximum of 110% when the target is overtaken.

The medium to long term (LTI) variable component is made up of a special bonus commensurate with: a) the continuity of business/function performance in the multi-year period of reference; b) the creation of value for the company at the end of the period of reference. Failure to meet one of the two targets will result in the loss, with an on-off mechanism, of 50% of the bonus. Given that such remuneration elements are aimed at the retention of the most strategic roles in the interest of the good governance of the company over the medium term, a final evaluation of the results is only possible at the end of the entire period of reference and the termination of employment during the allocation period will result in the automatic loss of rights to such bonuses.

h) The criteria used for the evaluation of performance targets underlying the allocation of shares, options, other financial instruments or other variable components

The definition of the underlying target levels for annual objectives (MBO) and, consequently, the continuity of business/function performance in the LTI, is generally related to the achievement of business and financial performance objectives established in the Budget by the board of directors. The comparison of final results with the objectives assigned determines how much of the variable component of remuneration is payable.

In the case of verification of the value created for the company over the medium to long term, the basis for 50% of Long-Term Incentives (LTI), the achievement of the performance objectives is determined by the attainment, at the end of the period of reference, of a predefined threshold of improvement on the figures recorded at the end of the year preceding the first year of the period of reference.

Plans for the allocation of financial instruments foresee that the exercise of options granted be subject to the achievement of predetermined business and financial performance targets outlined in the budget and determined by the board of directors on the basis of proposals by the Remuneration Committee. Evaluation of the attainment of such objectives, and the consequent right to exercise options, is made by the board of directors.

i) Information designed to highlight the consistency of the remuneration policy with the pursuit of the long-term interests of the company and the risk management policy, where relevant

Please refer to the measures outlined above.

j) The terms of vesting (vesting period), any system of deferred payment and periods of deferment, and the criteria used for the determination of such periods and, if relevant, ex post correction mechanisms

The payment of variable remuneration components of the monetary type linked to medium-to long-term (LTI) performance targets foresees the verification of entitlement to payment only at the end of the final year of the period of reference. Consistent with the principles referred to in point d), relating to the portion related to the maintenance of continuity in business/function performance, the attainment of objectives in a single year will not, in itself, result in any to any payment as any sums due are deferred to the end of the period of reference and conditional on the achievement of objectives for all the years in the period of reference.

With regard to any compensation plans based on the allocation of financial instruments, a multi-year vesting period is foreseen, subject to the attainment of predetermined performance indicators, and a possibility to exercise rights limited to a specific period after the expiry of the vesting period.

k) Information on the possibility of introducing provisions for the maintenance of financial instruments in the portfolio after acquisition, the periods of maintenance and the criteria used for the determination of such periods

The principles applied to stock option plans previously established by the Shareholders, currently in place in terms of periods of exercise, do not contain provisions for keeping in the portfolio financial instruments after vesting upon the exercise of options granted, having been considered suitable for the purpose of providing incentives, building loyalty and creating value, the establishment of a three-year vesting period following the allocation of such options.

l) The policy to be adopted in the event of resignation or termination of employment, specifying the circumstances under which rights accrue and the possible link between such and the performance of the company

The policy to be adopted in the event of resignation or termination of employment relationship does not differ from the collective bargaining provisions of reference, and does not foresee the payment of indemnities in the cases outlined above.

m) Information on non-mandatory insurance or social security or pension provisions

Please refer to paragraph f) above.

n) The remuneration policy with regard to: (i) independent directors, (ii) participation in committees, and (iii) the performance of particular roles (chairman, deputy chairman, etc..)

There are no specific principles in terms of remuneration for independent directors taken individually.

With regard to the principles applicable in relation to the participation in the committees of the board of directors and the performance of specific duties within the board of directors, please refer to paragraph e) above.

o) If the remuneration policy is defined using the compensation policies of other companies as a reference, and, if so, the criteria used selecting such companies

In the definition of these policies, no specific reference has been made to the remuneration policies of other companies.

In general terms, the total remuneration of executives with strategic responsibilities is defined with regard to a series of factors including, in addition to the scale of the business and the capacity to contribute to results, job performance and comparability with internal pay levels, as well as the relationship to recognised compensation levels in the market at companies of similar size.

SECTION II

PART I - ITEMS THAT MAKE UP REMUNERATION

Compensation paid during 2011 to members of corporate boards and control bodies and executives with strategic responsibilities is outlined as follows.

A summary of actual amounts is given in tables 1 and 3B.

Remuneration of Directors

Remuneration for the office, approved by the shareholders on appointment, consists of a fixed annual sum, in equal measure to all directors, with an increase of 50% for the chairman.

Compensation for special positions, e.g. chairman, deputy chairman and chief executive, is determined by the board of directors on the basis of proposals by the Remuneration Committee and with the advice of the board of statutory auditors, pursuant to Art. 2389, para. 3 of the Civil Code.

Compensation for participation in committees set up by the board of directors consists of a fixed annual amount for each member of the Internal Control Committee determined by the board of directors on the basis of proposals by the Remuneration Committee.

Remuneration of executives with strategic responsibilities

Executives with strategic responsibilities are identified, as indicated in Section I, as the heads of the business areas in which the Mondadori Group operates and the heads of corporate functions.

As of 31 December 2011, executives with strategic responsibilities were:

Riccardo Cavallero - General Manager, Trade Books,

Rossella Citterio	- Director of Communications and External Relations,
Stefano De Alessandri	- General Manager. Magazines Italy,
Carlo Mandelli	- Managing Director, Monradio Srl,
Ernesto Mauri	- Chairman, Mondadori France SAS,
Antonio Porro	- General Manager, Educational Books,
Renato Rodenghi	- General Manager, Direct,
Angelo Sajeve	- Chairman and Chief Executive, Mondadori Pubblicità SpA,
Enrico Selva Coddé	- Director of Human Resources, Information Systems and Operations,
Vittorio Veltroni	- General Manager, Digital.

Also included among the executives with strategic responsibilities are the executive directors:

Maurizio Costa	- Deputy Chairman and Chief Executive,
Roberto Briglia	- Chief Content Officer,
Carlo Maria Vismara	- Chief Financial Officer.

The compensation package for executives with strategic responsibilities, consistent with the principles and aims stated in Section I, consists of the following elements:

- A fixed component consisting of basic salary and other non-variable monetary components, on average representing 57% of total remuneration;
- An annual variable component (MBO) to be paid on the basis of attainment of annual budget targets. In 2011, in accordance with normal praxis, the objectives were based on both consolidated results (35%) and the performance of the specific business area or function (65%);
- A medium to long-term (LTI) variable component is represented by a Long Term Incentive Plan, to be paid in cash, defined in 2010 and covering the three-year period 2010-2012.

The payment of bonuses is scheduled for April 2013 and is dependent on the results obtained with regard to the following specific objectives: a) individual performance targets, accruing annually but payable only if reached in each of the three years; b) the achievement, as of 31 December

2012, of a predetermined percentage increase in the group's consolidated EBITDA, compared with that as of 31 December 2009.

On the basis of an "on-off" mechanism, each of the two targets accounts for 50% of the bonus. Resignation or termination of employment during the period will result in the automatic loss of rights to any payment.

Table 3B shows, individually for directors and in aggregate form for other beneficiaries, the amounts related to the objectives of the Plan that, being subject to additional conditions, are not payable, in line with the terms of payment described above.

The deputy chairman and chief executive, Maurizio Costa is also the recipient of a previous long-term incentive, related to performance goals for each year in the three-year period 2007-2008-2009, with payment, being subject to additional conditions, deferred to 2013.

On average, the combination of annual and medium term variable components account for 43% of total annual remuneration.

In applicable cases, the weighting of the component related to medium-long term results, as a proportion of the total variable compensation is 37%.

Compensation for early termination

There are no agreements that provide for compensation for early termination, nor agreements involving the granting or the maintenance of non-monetary benefits for directors or executives who have resigned their strategic position, nor for any consultancy contracts for a period following termination.

The accrued severance pay shall be determined solely in accordance with applicable legal provisions or relevant collective agreements.

Effects of termination on rights granted under incentive plans based on financial instruments or to be paid in cash

With regard to the incentive plans to be paid in cash, termination, for whatever reason, involves, in line with the objectives of loyalty and value

creation, the loss of the right to payment, even partial, of such sums.

Regarding options granted under the Stock Option Plan established by the shareholders and outlined below, the effects of termination, with regard to the exercise of options for which the conditions ("Options exercisable") have been verified, as per regulation of the plans approved by the board of directors, is organised as follows:

- the effects of termination of employment of participants of the Stock Option Plan are as follows:

- in case of retirement or the expiry of the fixed-term employment contract during the period of validity of the Plan, the participant shall retain the right to exercise, in the exercise period, with the added possibility of anticipating the exercisable options to the retirement date;
- in the case of the death of the participant, the above provisions will apply to the legal heirs;
- in the event of termination of employment by voluntary resignation or dismissal for just cause or justified subjective reason, the participant will lose all rights, with the result that all un-exercised "exercisable options" awarded under the Plan will be immediately and automatically extinguished, without any right of indemnity or compensation of any kind;
- in the event of termination of employment for reasons other than those referred to in the preceding paragraphs, the board of directors may determine applicable solutions regarding exercisable options on a case-by-case basis.

- the effects of termination of office, if the participant is a director of the company or a subsidiary, pursuant to art. 2359 of the Civil Code, of Arnoldo Mondadori Editore SpA, are as follows:

(I) if a director ceases to hold office as a result of resignation or revocation for just cause, under Articles. 2383 and 2385 of the Civil Code, the participant will lose all rights, with the result that all exercisable options attributed under the Plan and not yet exercised shall be immediately and automatically extinguished, without any right of indemnity or compensation of any kind;

(Ii) in case of expiry of the term of office as director, pursuant to art. 2382 of the Civil Code, the board of directors may determine applicable solutions

regarding exercisable options on a case-by-case basis;

(Iii) in the case of the resignation of the chief executive for reasons other than those referred to in paragraphs (i) and (ii) or expiry of the term of office, the participant shall retain the right to exercise any “exercisable options”.

Information on Stock Option Plans

Exercise periods are in place related to stock option plans based on company shares, established by the Shareholders for the three-year periods 2006-2007-2008 and 2009-2010-2011 and intended for; executives of the company and its subsidiaries who perform functions relevant to the achievement of the group’s strategic results, directors of the company and its subsidiaries; contracted journalists of the company and its subsidiaries with the position of editor and co-editor of a title; managers of the holding company, operating as directors that perform their function in the interest of the company.

The plans are articulated for each year of duration, allocating to the participants, selected by the board of directors on the basis of proposals by the Remuneration Committee from the categories indicated above, of exercisable options to purchase ordinary shares, held by Mondadori as treasury stock, in the ratio of one share, cum dividend, for each option exercised, at a price not less than the arithmetic average of the reference prices of Mondadori shares in the period from the date of allocation to the same day of the previous month.

The exercise of options is subject to the attainment of the conditions outlined in the annual performance indicators of a consolidated economic and/or financial nature, as defined by the board of directors and only for periods subsequent to the commencement of the vesting periods of 36 months from the date of the allocation of options.

Table 2 provides details of the options allocated under the Plans, specifying that options allocated for 2008 lapsed and are not exercisable as a result of failure to meet the conditions and that for 2011, on the basis of a proposal by the Remuneration Committee, the board of directors decided not to proceed with award of options, believing that the Three-year Incentive Plan,

described above, with regard to medium to long-term value creation, constitutes a more significant incentive for performance and loyalty.

For more detailed information on stock option plans, please see the information provided pursuant to Art. 84 bis of Consob Regulation 11971/1999.

PART TWO - ANALYTICAL REPRESENTATION OF COMPENSATION PAID DURING THE

TABLES

Outline 7-a: Report on remuneration

TABLE 1: Compensation paid to members of corporate management and control boards and other executive personnel

TABLE 2: Stock options granted to members of the board of directors and other executives

TABLE 3B: Monetary incentive plans for members of the board of directors and executives with strategic responsibilities

Outline 7-b: An outline of the information on holdings of members of corporate management and control boards and other executive personnel.

Table 1: Holdings of members of corporate management and control boards.

Table 2: Holdings of other executives.

TABLE 1: Compensation paid to members of corporate management and control boards and other executive personnel.

(A)	(B)	(C)	(D)	(1)		(2)		(3)		(4)	(5)	(6)	(7)	(8)
Name & surname	Position	Period in office	Expiry of office	Fixed remuneration		Remuneration for participation on corporate committees	Non-equity variable compensation		Non monetary benefits	Other compensation	Total	Fair Value of equity compensation	Severance indemnity	
							Bonuses & other incentives	Profit sharing						
BERLUSCONI MARINA ELVIRA	CHAIRMAN	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	15,000	a)						515,000	137,196		
				500,000	b)									
COSTA MAURIZIO	DEPUTY CHAIRMAN & CHIEF EXECUTIVE	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)			480,000	25,580		2,722,785	171,495		
				1,000,000	b)									
				1,207,205	c)									
VISMARA CARLO MARIA	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)			240,375	10,962		780,481	26,677		
				519,144	c)									
BERLUSCONI PIERSILVIO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)						10,000			
BRIGLIA ROBERTO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)			575,250	12,544		1,268,997	26,677		
CANNATELLI PASQUALE	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)						10,000			
ERMOLLI BRUNO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)						10,000			
FORNERON MONDADORI MARTINA	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)						10,000			
POLI ROBERTO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)						10,000			
RENOLDI ANGELO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)	15,000	d)				25,000			
RESCA MARIO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)	15,000	d)				25,000			
SANGALLI CARLO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)						10,000			
SPADACINI MARCO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)	15,000	d)				25,000			
VERONESI UMBERTO	DIRECTOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	10,000	a)						10,000			
SUPERTI FURGA FERDINANDO	CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	60,000	a)						60,000			
GIAMPAOLO FRANCESCO ANTONIO	STANDING STATUTORY AUDITOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	40,000	a)						40,000			
PAPA FRANCO CARLO	STANDING STATUTORY AUDITOR	1 JANUARY 2011 31 DECEMBER 2011	APPROVAL 2011 ANNUAL REPORT	40,000	a)						40,000			
EXECUTIVES WITH STRATEGIC RESPONSIBILITIES	n. 10			3,814,430	c)			1,397,950	47,748		5,260,128	140,327.17		
(I) Compensation for the preparation of financial statements				7,996,982		45,000		2,693,575	96,834		10,832,391	502,372.17		
EXECUTIVES WITH STRATEGIC RESPONSIBILITIES				650,004	b)			152,500			802,504			
(II) Compensation from subsidiaries and affiliates				650,004				152,500			802,504			
(III) Total				8,646,986		45,000		2,846,075	96,834		11,634,895	502,372.17		
KEY TO COLUMN 1): a) Emoluments resolved by the shareholders b) compensation for the discharge of specific duties c) fixed salary d) Internal Control Committee														

"Fixed remuneration" is shown separately, possibly in a footnote, according to competence: (i) remuneration of competence approved by the Shareholders, even if not paid, (ii) attendance fees, (iii) standard expenses; (iv) compensation received for performing specific duties, under Article 2389, paragraph 3, Civil Code (eg, Chairman, Deputy Chairman), (v) the fixed salary of employees before employee tax and social security obligations, excluding mandatory collective social security contributions due from the company and provisions for severance. The other components of any employee remuneration (bonuses, other compensation, fringe benefits, etc.) are noted in specific columns, specifying in the notes any such payments made to employees.

"Compensation for participation in committees" is indicated on the basis of competence and reported at aggregate level. A footnote is provided to indicate the committees of which the Director is part and, in case of participation in more than one committee, the remuneration due for each.

The column "Bonuses and other incentives" includes the portion of accrued remuneration (vested), even if not yet paid, during the year for the objectives set for the year itself, for cash-based incentive plans. In no case is the value of granted or exercised stock options, or other remuneration in financial instruments, included. The value relates to the sum of the totals shown in Table 3B, columns 2A, 3B and 4, row (III).

With regard to the column "Profit sharing", the amount is shown on an accrual basis even if the financial statements and profit distribution have not yet been approved.

The column "Non-monetary benefits" shows the value of fringe benefits (on the basis of taxability) including any insurance and supplementary pension funds.

The column "Other compensation" lists separately, and on the basis of competence, any additional earnings for other services provided. A footnote provides information on any loans, advance payments and guarantees granted by the company or its subsidiaries to executive directors or the chairman of the board, taking account of particular conditions (other than those of the market or applicable in a standardised form to specific categories of persons), that may represent a form of indirect compensation.

Column (6) "Total" provides a sum of the items to (1) to (5).

The column "Fair value of equity compensation" shows the fair value at grant date of the remuneration for the year compared to incentive plans based on financial instruments, estimated on the basis of international accounting principle 8. This corresponds to the sum of the amounts shown in column 16, row III, Table 2 and column 12, row III, Table 3A.

8 This item does not refer to the entire allocation of compensation paid in equity during the year, but only the part, in application of accounting principles that require consideration of the vesting period of such rights, by distributing the its cost over the period of vesting.

The column "Severance Indemnity" shows the benefits accrued, even if not yet paid, by directors at the end of the financial year concerned, with reference to the actual termination of office during the period. It also indicates the estimated value of any payment of non-monetary benefits, the value of any consultancy contracts and payments related to non-competition commitments. The amount of compensation for non-competition commitments is shown only once, at the time of termination of office, specifying in the first part of the second section of the report, the duration of the non-competition pact and the date of actual payment.

Line (III) is a sum, for each column, of fees received by the company preparing the financial statements and those received for positions held in subsidiaries and affiliates.

TABLE 2: Stock options granted to members of the board of directors and other executives

(A)	(B)	(1)	Options held at the beginning of the period (*)			Options allocated during the period						Options exercised during the period			Options expired during the period	Options held at the end of the period	Options for the period	
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)=(2)+(5)-(11)-(14)	(16)	
Name & surname	Position	Plan	Number of options	Exercise price	Possible exercise period (from - to)	Number of options	Exercise price	Possible exercise period (from - to)	Fair value on the date of allocation	Date of allocation	Market price of underlying shares at date of exercise	Number of options	Exercise price	Market price of underlying shares at date of exercise	Number of options	Number of options	Fair value	
Marina Berlusconi	Chairman																	
(I) Compensation in the company that prepares the financial statements	Stock Option Plan 2003/2004/2005 allocated 28.04.2003	2005 Cpr 23.06.2005	300.000	7,87	from 24.06.2008 to 23.06.2011										300.000			
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2006 CdA 17.07.2006 Cpr 12.07.2006	300.000	7,507	from 18.07.2009 to 17.07.2012												300.000	
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2007 CdA 25.06.2007 Cpr 21.06.2007	360.000	7,458	from 26.06.2010 to 25.06.2013													360.000
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2008 CdA 19.06.2008 Cpr 12.06.2008	360.000	4,565	from 20.06.2011 to 19.06.2014													non-exercisable due to failure to meet conditions
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2009 CdA 15.10.2009 Cpr 8.10.2009	360.000	3,4198	from 16.10.2012 to 15.10.2015													360.000
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2010 CdA 21.07.2010 Cpr 19.07.2010	360.000	2,4693	from 22.07.2013 to 21.07.2016													360.000
(II) Compensations from subsidiaries & affiliates	Plan A (date of relative resolution)																	
	Plan B (date of relative resolution)																	
(III) Total																	1.380.000	137.196,00
Maurizio Costa	Deputy chairman & Chief executive																	
(I) Compensation in the company that prepares the financial statements	Stock Option Plan 2003/2004/2005 allocated 28.04.2003	2005 Cpr 23.06.2005	330.000	7,87	from 24.06.2008 to 23.06.2011										330.000			
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2006 CdA 17.07.2006 Cpr 12.07.2006	330.000	7,507	from 18.07.2009 to 17.07.2012												330.000	
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2007 CdA 25.06.2007 Cpr 21.06.2007	450.000	7,458	from 26.06.2010 to 25.06.2013													450.000
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2008 CdA 19.06.2008 Cpr 12.06.2008	450.000	4,565	from 20.06.2011 to 19.06.2014													non-exercisable due to failure to meet conditions
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2009 CdA 15.10.2009 Cpr 8.10.2009	450.000	3,4198	from 16.10.2012 to 15.10.2015													450.000
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2010 CdA 21.07.2010 Cpr 19.07.2010	450.000	2,4693	from 22.07.2013 to 21.07.2016													450.000
(II) Compensations from subsidiaries & affiliates	Plan A (date of relative resolution)																	
	Plan B (date of relative resolution)																	
(III) Total																	1.680.000	171.495,00

TABLE 2: Stock options granted to members of the board of directors and other executives

cont.

(A)	(B)	(1)	Options held at the beginning of the period (*)			Options allocated during the period						Options exercised during the period			Options expired during the period (14)	Options held at the end of the period (15)=(2)+(5)-(11)-(14)	Options for the period (16)	
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)				
Carlo Maria Vismara	Director																	
(I) Compensation in the company that prepares the financial statements	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2006 CdA 17.07.2006 Cpr 12.07.2006	70.000	7,507	from 18.07.2009 to 17.07.2012											70.000		
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2007 CdA 25.06.2007 Cpr 21.06.2007	70.000	7,458	from 26.06.2010 to 25.06.2013											70.000		
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2008 CdA 19.06.2008 Cpr 12.06.2008	70.000	4,565	from 20.06.2011 to 19.06.2014												non-esercisabile due to failure to meet conditions	
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2009 CdA 15.10.2009 Cpr 8.10.2009	70.000	3,4198	from 16.10.2012 to 15.10.2015												70.000	
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2010 CdA 21.07.2010 Cpr 19.07.2010	70.000	2,4693	from 22.07.2013 to 21.07.2016												70.000	
(II) Compensations from subsidiaries & affiliates	Plan A (date of relative resolution)																	
	Plan B (date of relative resolution)																	
(III) Total																280.000	26.677,00	
Roberto Briglia	Director																	
(I) Compensation in the company that prepares the financial statements	Stock Option Plan 2003/2004/2005 allocated 28.04.2003	2005 Cpr 23.06.2005	70.000	7,87	from 24.06.2008 to 23.06.2011										70.000			
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2006 CdA 17.07.2006 Cpr 12.07.2006	70.000	7,507	from 18.07.2009 to 17.07.2012											70.000		
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2007 CdA 25.06.2007 Cpr 21.06.2007	70.000	7,458	from 26.06.2010 to 25.06.2013											70.000		
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2008 CdA 19.06.2008 Cpr 12.06.2008	70.000	4,565	from 20.06.2011 to 19.06.2014												non esercitabili a seguito del mancato conseguimento delle condizioni di esercizio	
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2009 CdA 15.10.2009 Cpr 8.10.2009	70.000	3,4198	from 16.10.2012 to 15.10.2015												70.000	
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2010 CdA 21.07.2010 Cpr 19.07.2010	70.000	2,4693	from 22.07.2010 to 21.07.2016												70.000	
(II) Compensations from subsidiaries & affiliates	Plan A (date of relative resolution)																	
	Plan B (date of relative resolution)																	
(III) Total																280.000	26.677,00	

TABLE 2: Stock options granted to members of the board of directors and other executives

cont.

(A)	(B)	(1)	Options held at the beginning of the period (*)			Options allocated during the period					Options exercised during the period			Options expired during the period	Options held at the end of the period	Options for the period	
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)=(2)+(5)-(11)-(14)	(16)
Executives with strategic responsibilities																	
(I) Compensation in the company that prepares the financial statements	Stock Option Plan 2003/2004/2005 allocated 28.04.2003	2005 Cpr 23.06.2005	410.000	7,87	from 24.06.2008 to 23.06.2011										(410.000)		
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2006 CdA 17.07.2006 Cpr 12.07.2006	180.000	7,507	from 18.07.2009 to 17.07.2012											180.000	
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2007 CdA 25.06.2007 Cpr 21.06.2007	180.000	7,458	from 26.06.2010 to 25.06.2013											180.000	
	Stock Option Plan 2006/2007/2008 allocated 26.04.2006	2008 CdA 19.06.2008 Cpr 12.06.2008	480.000	4,565	from 20.06.2011 to 19.06.2014											non-exercisable due to failure to meet conditions	
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2009 CdA 15.10.2009 Cpr 8.10.2009	335.000	3,4198	from 16.10.2012 to 15.10.2015										(30.000) **	305.000	
	Stock Option Plan 2009/2010/2011 allocated 29.04.2009	2010 CdA 21.07.2010 Cpr 19.07.2010	530.000	2,4693	from 22.07.2013 to 21.07.2016										(50.000) **	480.000	
(II) Compensations from subsidiaries & affiliates	Plan A (date of relative resolution)																
	Plan B (date of relative resolution)																
(III) Total																1.145.000	140.327,17
(III) Grand total																4.765.000	502.372,17

* taking account of terminations/changes of position during previous periods

** cancelled on termination

The table shows, for each individual concerned and for each stock option plan:

- Options **held** at the beginning of the period, with an indication of the exercise price and possible exercise period;
- Options **allocated** during the period, with an indication of the exercise price, the duration of the possible exercise, the fair value at the date of allocation ⁹, the allocation date and the market price of the underlying shares on that date;

⁹ The fair value at the date of allocation is indicated with reference to all options allocated for each Plan and not to each option.

- Options **exercised** during the period, with an indication of the exercise price and the market price of the underlying shares on exercise;
- Options **expired** during the period;
- Options **held** at the end of the period;
- The fair value of options allocated for the period.

The total (III) is shown with reference to the columns (2), (5), (8), (11), (14), (15), (16).

Note: each option corresponds to the subscription or the purchase of one share.

In the case of an aggregate representation, the following information is included in the Table:

- The total number of options held at the beginning of the period, with an indication of the total exercise price paid and the average maturity;
- The total number of options granted during the period, indicating the total exercise price paid, the average maturity, the total fair value and the average price of the shares underlying the allocation of options;
- The total number of options exercised during the period, indicating the total exercise price paid during the year and the average price of the underlying shares at the exercise date;
- The total number of options expired during the period;

2011

TABLE 3B: Monetary incentive plans for members of the board of directors and executives with strategic responsibilities 11

¹¹ It should be noted that this Table concerns all incentive plans of a monetary nature, both short and medium-long-term

A Surname & name	B Position	(1) Plan	(2) Bonus for the period			(3) Bonus in previous periods			(4) Other Bonuses *
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable/Paid	Deferred	Period of deferment	No longer payable	Payable/Paid	Still deferred	
COSTA MAURIZIO	DEPUTY CHAIRMAN & CHIEF EXECUTIVE								
(I) Compensation in the company that prepares the financial statements		Plan A 2010-2012 CdA 21/07/2010		250,000	2012			250,000	480,000
							750,000	a)	
		Plan B 2007-2009						500,000	b)
(II) Compensations from subsidiaries & affiliates							1,500,000	b)	
(III) Total				250,000			3,000,000	480,000	
VISMARA CARLO MARIA	DIRECTOR								
(I) Compensation in the company that prepares the financial statements		Plan A 2010-2012 CdA 21/07/2010		83,333	2012			83,334	240,375
(II) Compensi da controllate e collegate		Plan A (date of relative resolution)						250,000	a)
(III) Total				83,333			333,334	240,375	
BRIGLIA ROBERTO	DIRECTOR								
(I) Compensation in the company that prepares the financial statements		Plan A 2010-2012 CdA 21/07/2010		100,000	2012			100,000	575,250
(II) Compensations from subsidiaries & affiliates		Plan A (date of relative resolution)						300,000	a)
(III) Total				100,000			400,000	575,250	
EXECUTIVES WITH STRATEGIC RESPONSIBILITIES									
(I) Compensation in the company that prepares the financial statements		Plan A 2010-2012 CdA 21/07/2010		200,000	2012			200,000	1,397,950
							600,000	a)	
		Plan B 2011-2013 CdA 21/07/2010		283,333	2013			850,000	c)
(II) Compensations from subsidiaries & affiliates		Plan A (date of relative resolution)						152,500	
(III) Total				483,333			1,650,000	1,550,450	
(IV) Total				916,666			5,383,334	2,846,075	

a) total shown relates to EBITDA growth target to be verified on 31.12.2012

b) total subject to additional conditions to mature after the reference period (2007/2008/2009)

c) total shown relates to EBITDA growth target to be verified on 31.12.2013

* In column (4) Other Bonuses show bonuses previously indicated in Table 1, column 3.

The total (III) shows the sum of all the columns with the exception of column 2C.

"Column 2A" shows the bonus objectives for the year accrued and paid or payable during the year due to not being subject to additional conditions (Upfront compensation).

"Column 2B" shows the bonus linked to objectives to be achieved during the period but not payable due to being subject to additional conditions (deferred bonus).

"Column 3A" shows the sum of deferred bonuses from previous years to be paid at the beginning of the year and no longer payable due to failure to meet the conditions established.

"Column 3B" shows the sum of deferred bonuses from previous years to be paid at the beginning of the year and paid during the year or payable.

"Column 3C" shows the sum of deferred bonuses from previous years to be paid at the beginning of the year and subject to an additional period of deferment.

The sum of the amounts in columns 3A, 3B and 3C is the sum of the amounts in columns 2B and 3C from the previous year.

The column "Other Bonuses" shows bonuses for the year not explicitly included explicitly in special plans defined *ex ante*.

For an aggregate representation, the following information is included in the Table:

- total bonus of the year, divided into paid and deferred, with an indication of the average period of deferment;

- total bonus for the previous year, divided into no longer payable, paid and still delayed;

- other bonuses.

Table 1: Holdings of members of corporate management and control boards.

The following tables show the details of shares held by directors and auditors and, in aggregate, by executives in Arnoldo Mondadori Editore SpA. Please note that, unless otherwise indicated, the listed investments are held directly.

Surname & name	Position	Company	Number of shares held at the end of the previous year	Shares bought	Shares sold	Number of shares held at the end of the current year
Berlusconi Marina	Chairman	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Costa Maurizio	Deputy Chairman & Chief Executive	Arnoldo Mondadori Editore S.p.A.	400,000	-	-	400,000
Berlusconi Piersilvio	Director	Arnoldo Mondadori Editore S.p.A.	172,000	-	-	172,000
Briglia Roberto	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Cannatelli Pasquale	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Ermolli Bruno	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Fomeron Mondadori Martina	Director	Arnoldo Mondadori Editore S.p.A.	137,127	-	-	137,127
Poli Roberto	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Renoldi Angelo	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Resca Mario	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Sangalli Carlo	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Spadacini Marco	Director	Arnoldo Mondadori Editore S.p.A.	8.000 ¹	-	-	8.000 ¹
Veronesi Umberto	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Vismara Carlo Maria	Director	Arnoldo Mondadori Editore S.p.A.	35,000	-	-	35,000
Superti Furga Ferdinando	Chairman of the Board of Statutory Auditors	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Giampaolo Francesco Antonio	Standing Statutory Auditor	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Papa Franco Carlo	Standing Statutory Auditor	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Simonelli Ezio	Substitute Statutory Auditor	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Vittadini Francesco	Substitute Statutory Auditor	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
¹ azioni possedute dal coniuge.						

Table 2: Holdings of other executives.

Executives with strategic responsibilities	Company	Number of shares held at the end of the previous year	Shares bought	Shares sold	Number of shares held at the end of the current year
	Arnoldo Mondadori Editore S.p.A.	1,000	-	-	1,000

Disclosure of shareholdings held by members of corporate boards and control bodies, general managers and executives with strategic responsibilities in the listed company and its subsidiaries is provided in tabular form.

In particular, named members of corporate boards and control bodies, general managers and cumulatively for other key management personnel, also with regard to each subsidiary, the number of shares is shown, broken down by categories:

- held at the end of the previous year;

- bought during the year of reference;

- sold during the year of reference;

- held at the end of the reporting period.

Also shown is the ownership title and manner.

The tables includes all persons who during the period of reference have held positions as members of corporate boards and control bodies, general managers and executives with strategic responsibilities, even for a part of a year.

Proposed resolution (Art. 123-ter, para. 6, of Legislative Decree 58/1998)

Pursuant to Art. 123-ter, para. 6, of Legislative Decree 58/1998, the Shareholders are requested to vote in favour or against the first section of the Report on Remuneration. The resolution is not binding.

In consequence, Shareholders are asked to vote on the following motion:

"The Annual General Meeting of Arnoldo Mondadori Editore SpA

resolves

to approve the First Section of the Report on Remuneration on the policy regarding the remuneration of members of corporate management and control boards and other executive personnel and the procedures used for the adoption and implementation of this policy."

Arnoldo Mondadori Editore S.p.A.
on behalf of the Board of Directors

Marina Berlusconi, Chairman

