

Press Release

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

AGM APPROVES 2013 ANNUAL REPORT

RENEWED AUTHORISATION TO BUY BACK AND TRADE OF TREASURY SHARES RENEWAL AND ATTRIBUTION OF POWERS TO THE BOARD OF DIRECTORS PURSUANT TO ARTICLES 2443 AND 2420-TER OF THE CIVIL CODE

Segrate, 30 April 2014 - The Annual General Meeting of the Shareholders of Arnoldo Mondadori Editore S.p.A., met today under the Chairmanship of Marina Berlusconi, to examine the Group's consolidated financial statements that show a consolidated net loss of €185.4 million and to approve the company's Annual Report for the year ended 31 December 2013. The Annual General Meeting also deliberated, in line with a proposal resolved by the board of directors, to make up the entire net loss for the period of the parent company, amounting to €314,970,500.44, by drawing the corresponding sum from reserves.

The Shareholders also passed resolution on the following items on the agenda:

RENEWAL OF AUTHORISATION FOR THE BUY-BACK AND UTILISATION OF TREASURY SHARES

Following the expiry of the term fixed for the authorisation issued at the Annual General Meeting of 23 April 2013, the shareholders renewed authorisation to effect share buy-backs, up to a limit of 10% 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.

It should be noted that, during the period of the previous authorisation, the company bought made no buy-backs or utilisations of company shares.

The total number of shares comprising treasury stock held by Arnoldo Mondadori Editore SpA is currently 14,953,500 (6.067% of the share capital).

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. Underlying motivation

- to 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;
- to 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;
- to take advantage, where and when considered strategic for the company, of investment opportunities, also in relation to available liquidity;
- to 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.

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

The authorisation refers to a limit of 10% of the share capital, or 24,645,834 shares. Given, as indicated above, that the company currently directly holds a total of 14,953,500 shares, the new authorisation consequently foresees the possible acquisition by the Board of Directors of an additional 9,692,334 ordinary shares, or 3.933% of the share capital.

3. Method of acquisition and price range

Buy backs would be effected on regulated markets as per art. 132 of Legislative Decree n. 58 of 24 February 1998 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

The authorisation for the buy-back and utilisation of company shares will remain valid until the AGM for the approval of the Annual Report for the year to 31 December 2014, and in any case, for a period of not more than 18 months from the date of the Shareholders' resolution.

REMUNERATION REPORT

The Shareholders approved the policy outlined in the first section of the Remuneration Report, for fiscal 2014, regarding the compensation of directors and executives with strategic responsibilities.

RENEWAL AND ATTRIBUTION OF POWERS TO THE BOARD OF DIRECTORS PURSUANT TO ARTICLES 2443 AND 2420-TER OF THE CIVIL CODE

In extraordinary session, the Shareholders adopted, in line with the proposals of the Board of Directors, resolutions, pursuant to the terms of Articles 2443 and 2420-ter of the Civil Code, regarding the powers of the Board to effect a capital increase and issue convertible bonds.

Specifically the Shareholders resolved:

- the renewal of powers already granted to the Board of Directors by the Shareholders on 29 April 2009 and due to expire at the end of its five-year term, regarding, in accordance with Articles 2443 and 2420-ter of the Italian Civil Code, the attribution of powers to the Board of Directors to increase, with no expectation of excluding option rights, the share capital by a maximum nominal amount of €78,000,000 and to issue convertible bonds for a maximum nominal amount of €260,000,000. The renewal was approved at the same conditions as that about to expire and not used by the Board for a further period of 5 years, in line with the maximum term foreseen by law;
- the attribution to the Board of Directors, for the same five-year period, of additional power to increase the share capital, within the limit of 10% of the existing share capital and excluding option rights, in accordance with Articles 2443 and 2441, clause 4, second paragraph, of the Civil Code.

The resolutions for renewal and granting of powers are motivated by the opportunity to maintain and attributing to the Board of Directors the authority to implement, more effectively, efficiently and flexibly, with respect to the resolutions of the Extraordinary Shareholders' Meeting, capital transactions aimed at strengthening the financial structure to support the development objectives of the Group, and specifically, as previously disclosed to the market, both the consolidation of business lines with higher added value and a recovery of profitability in the magazine area through both external lines and, in particular, in the digital area.

With specific reference to the powers to effect a capital increase with the exclusion of option rights within the limit of 10% of the existing share capital, an offer addressed to third parties could constitute a valuable way of increasing the free float and make it possible to maintain at all times an adequate level of liquidity, or be functional for the entry into the capital of the company of accredited investors, while limiting the dilutive effects for existing shareholders.