

Press release

Public disclosure under CONSOB resolution no. 11971 of 14 May 1999, as subsequently amended

## **MONDADORI: AGREEMENT TO ACQUIRE RCS LIBRI**

*Group continues strategy to focus on its core business*

*Segrate, 4 October 2015* - Following the meeting of the Board of Directors of Arnoldo Mondadori Editore S.p.A., chaired today by Marina Berlusconi, CEO Ernesto Mauri has signed the agreement to acquire RCS Libri S.p.A..

The agreement will allow Mondadori Group to strengthen its foothold in the trade books market and educational publishing field in Italy, and in the illustrated books segment on an international level.

The scope of the transaction includes the entire interest, amounting to 99.99% held by RCS MediaGroup S.p.A. in RCS Libri S.p.A., with the underlying subsidiaries - which, at closing date, will include 94.71% of Marsilio Editore S.p.A. - with the exception of 58% held in Adelphi Edizioni S.p.A..

In FY 2014, this scope reported the following pro-forma figures: revenues of euro 221.6 million; EBITDA before non-recurring items of euro 8.8 million, and capex of euro 11 million, euro 1.7 million of which made to renew the Rizzoli bookstores.

Consideration for the transaction amounts to euro 127.5 million, and reflects an average NFP (to counter the effects of business seasonality) and adjusted (also to include the buy-back of minorities of Marsilio), amounting to euro -2.5 million.

Since the consideration reflects expectations on this year's result, price adjustment mechanisms of up to +/- euro 5 million have been included, based on the achievement of pre-set financial targets in 2015.

The agreement also provides for an earn-out of up to euro 2.5 million to RCS MediaGroup S.p.A., based on the achievement of specific results in the books segment in 2017.

The transaction provides the customary representations and warranties in favour of the acquiror.

The acquisition, the consideration of which will be settled in cash at closing date, will be financed by credit lines; the Group has recently signed an agreement with the lending banks in order to reschedule the existing lines in connection with the transaction, reviewing deadlines and conditions.

By the transaction, Mondadori will acquire exclusive ownership over all the trademarks in the books segment, including Rizzoli. Under the agreement, RCS MediaGroup media titles are allowed to carry on their book publishing business in line with their existing activities.

Completion of the transaction is subject to approval by the appropriate regulatory authorities; any conditional clearance provisions will not compromise the completion of the transaction.

*The presentation of the transaction will be made available tomorrow at the authorized storage system 1Info ([www.1info.it](http://www.1info.it)) and on [www.mondadori.it](http://www.mondadori.it) (Investor Relations section).*

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