

Arnoldo Mondadori Editore S.p.A.

Registered office: Via Bianca di Savoia 12, Milan

Share capital EUR 67,979,168.40 fully paid-up

Tax code and Register of Companies of Milan 07012130584

REMUNERATION REPORT

**(prepared pursuant to article 123-ter of
Legislative Decree no. 58/1998 and article 84-quater
of the Consob Regulations 11971/1999)**

March 2016



MONDADORI

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Letter from the Chairman

Fellow Shareholders,

I am pleased to present to you the Annual Remuneration Report for the Company, the compilation of which was assisted greatly by the Remuneration and Appointments Committee.

Since the last Shareholders' Meeting, the Committee which is composed of the Directors Bruno Ermolli and Cristina Rossello in addition to the undersigned, submitted to the Board of Directors the proposals and opinions regarding the definition of the remuneration for Top Management, and also analysed the structure of the remuneration packages for Top Management.

As you can easily notice, the Report for 2016 is presented in a new format, obviously while continuing to comply strictly with the Consob Issuers Regulation no. 11971/1999 as it has been subsequently amended, and the recommendations contained in the Code of Conduct. I would like to add also that some changes originate from particular attention to best practices, domestically and internationally. The new format has been created simply to render the report more accessible and to communicate the more significant aspects more clearly and concisely.

In particular, I would like to point out:

- The greater level of detail regarding the work of the Committee and its activities, whether they have already been carried out or are scheduled for 2016;
- The general principles of our Policy have not changed;
- Additional emphasis has been given to the balancing of the MbO performance indicators and the mechanism applicable;
- Particular attention has been dedicated to clearly defining the short term objectives and their effect on the variable portion;
- The same variable incentives for the short term have been better connected to the medium to long-term incentive plan, through continuity throughout the three-year period;
- The claw back mechanism has been introduced, which allows us to demand the return of those variable components that have already been paid, the achievement of which is subsequently found to have been based on manifestly incorrect elements (Code of Conduct recommendation of July 2014);
- The 2015 Pay Mix for Key Management Personnel includes variable components of remuneration that affect overall annual remuneration by 38% and the weight of the variable component over the long term is 42% of the total (100) of the variable part.

I can assure you that my commitment and that of the Committee will be constantly focused on ensuring that the remuneration policy is more and more transparent and connected to two solid pillars: the creation of value over the medium/long-term while concurrently being of such an entity as to motivate and ensure the loyalty of outstanding human resources who are entrusted with the management of the company.

On behalf of the entire Committee, I would like to thank you for your endorsement of the Remuneration Policy for 2016.

THE CHAIRMAN

Introduction

In accordance with article 123-ter of Legislative Decree no. 58/1998, article 84-quater of Consob (Italian Securities and Exchange Commission) Regulation no. 11971/1999 and subsequent amendments (hereinafter referred to as “Issuers Regulation”), this “Remuneration Report” (hereinafter referred to as “Report”) provides information on the remuneration policies adopted by Arnoldo Mondadori Editore S.p.A. (hereinafter also the “Company”) regarding the members of the Board of Directors and the Key Management Personnel.

In accordance with the above-mentioned regulatory provisions, this Report is made up of two sections and has been drafted in compliance with Annex 3A, Schedule 7 bis of the Issuers Regulation.

The **first section** illustrates, in terms of principles, the purposes, mechanisms and rules and the remuneration policy that will be adopted for 2016.

The **second section** illustrates the final result of the policy actually implemented in 2015, including through a presentation of tables showing the remuneration paid, to Directors and Statutory Auditors, in nominal form and in aggregate form for the Key Management Personnel.

This Report was approved by the Board of Directors on 17 March 2016, at the recommendation of the Remuneration Committee.

The first section of this Report is subject to a non-binding resolution on the part of the Ordinary Shareholders’ Meeting, which has been called for 21 April 2016 (and if necessary, a second call on 22 April) in order to approve the financial statements for the fiscal year ended 31 December 2015.

Pursuant to Art. 123-ter of Legislative Decree no. 58/1998, the Report is provided to the public, at the registered office through the authorized storage device “1info” (www.1info.it) and the website www.mondadori.it from 30 March 2016.

The adoption and definition of the Remuneration Policy herein described was carried out with the involvement of a Remuneration Committee made up of a majority of independent Directors, as detailed below; in addition, the Report was submitted to the Shareholders for an advisory vote. These measures were taken in accordance with Consob Regulation no. 17221 of 12 March 2010 and subsequent amendments, which regulates related-party transactions; they were also provided for in the relative procedures approved by the Board of Directors. As such, any resolutions regarding the remuneration of Directors and Key Management Personnel are thus

exempt from the enforcement of the procedures laid down in the above-mentioned Consob regulation on related-party transactions.

SECTION I - REMUNERATION POLICY 2016

1 – Governance of the process for the definition of the Remuneration Policy

a) Bodies and individuals involved

The Remuneration Policy (hereinafter referred to as "Policy") is finalized and approved by the Board of Directors, at the recommendation of the Remuneration Committee (hereinafter referred to as "Committee"). The Committee is appointed by the Board of Directors, and its composition, competence and operating procedures are described in paragraph b) below.

The Policy sets forth principles and guidelines that must be respected in its definition and implementation. This is the responsibility of the following figures:

- the Board of Directors, for the remuneration of Executive Directors and other Directors who have been appointed to key positions;
- the Chief Executive Officer, who is supported by the Department of Human Resources and Organization, for the remuneration of Key Management Personnel.

The Group Head of Human Resources and Organization reports to the Committee at least once a year on the effective implementation of the Policy.

In light of the above-mentioned report, the Committee then monitors and verifies that the implementation of the Policy respects its predetermined principles, and reports on this to the Board of Directors.

b) The Remuneration Committee

- Composition and appointment of the Committee

The Remuneration Committee was established by the Board of Directors in 2005. In 2012, taking into account the organizational requirements of the Company, the Board of Directors resolved to group the appointment and remuneration duties into a single committee within the Board, the Remuneration and Appointments Committee.

The composition, appointment, duties and procedures for the operation of the Committee are governed in compliance with the recommendations of the Code of Conduct and described in a specific regulation, which is approved by the Board of Directors and is subject to periodic reviews.

Following is a breakdown of the composition of the Committee in 2015, indicating the composition previously and subsequent to the renewal of the corporate bodies which took place at the Shareholders' Meeting held on 23 April 2015.

Previous Committee's composition (up to 23 April 2015)	
Marco Spadacini	Chairman independent non-executive Director
Bruno Ermolli	non-executive Director
Carlo Sangalli	independent non-executive Director

The members of the Remuneration Committee were appointed upon the resolution of the Board of Directors of 23 April 2015, and shall remain in office until the end of their board-mandated term, which corresponds to the meeting called to approve the financial statements for the fiscal year ended 31 December 2017, unless there is a resolution to the contrary.

The Committee currently in office is composed of 3 non-executive directors, since they are not holders of individual management mandates and do not cover management positions within the company or companies belonging to the Mondadori Group, the majority of whom are independent, including the Chairman. The members of the Committee have proven professional skills in the sector of reference, adequate knowledge and experience in financial and remuneration policy issues.

Composition of the Committee in office (since 23 April 2015)	
Marco Spadacini	Chairman independent non-executive Director
Bruno Ermolli	non-executive Director
Cristina Rossello	independent non-executive Director

- **The duties and functions of the Committee**

In compliance with the recommendations of the Code of Conduct, the last with resolution of 23 April 2015, the Board of Directors has attributed to the Remuneration and Appointments Committee the duties and functions, for investigation, consulting and proposal purposes, summarized here below.

Duties and functions of the Committee

- ✓ to provide advice and recommendations to the Board of Directors regarding the Remuneration Policy for Directors and Key Management Personnel; and to periodically check – in conjunction with the Department of Human Resources and Organization – that the Policy is being implemented in conformity with the principles laid down in its framework, reporting their findings to the Board of Directors accordingly;
- ✓ to make recommendations to the Board of Directors regarding the remuneration of Directors holding key positions (e.g. Chairman, Chief Executive Officer, Executive Directors and Directors on committees);
- ✓ to make presentations to the Board of Directors regarding the Committee's work on identifying and laying down corporate guidelines aimed at retaining and motivating management personnel;
- ✓ to make recommendations on the implementation of Shareholder-approved Stock Option Plans, in accordance with article 114-bis of Legislative Decree no. 58/1998 and referred to in section II of this Report.
- ✓ to express opinions to the Board of Directors on the size and composition of the Board and on whom it would be most appropriate to include as Board members, in addition to any limitations on the number of other positions a Board member may take on;
- ✓ to propose new candidates for the position of director to the Board of Directors, in the event of an appointment by co-optation to replace an independent director.

- **Operating procedures of the Committee**

The Committee members shall meet and act collectively any time the Chairman deems it necessary, or at the request of one or both of the other members, and in any case with the frequency that is required for carrying out its functions. The Committee meetings can be held in any place, including other than the registered office of the Company. The presence of at least two members of the Committee is required in order for the resolutions of the Board to be valid.

The Committee's resolutions are passed by a simple majority, and are then recorded in the minutes pertaining to the relative meeting. The minutes are signed by all members who take part in the meeting, as well as by the Chairman of the Board of Statutory Auditors, who takes part in the meetings without voting rights. A secretary selected by the Chairman may also attend the meetings.

It should be noted that the Committee, in its function as an advisory body, does not deliberate on issues in the presence of interested parties. This is in keeping with the Code's recommendations on the matter.

Specifically, a director will refrain from participating in Committee meetings in which his/her own remuneration package is being discussed for proposal to the Board of Directors.

The Committee has access to all the corporate information and functions necessary to carry out its duties. Upon the request of the Committee Chairman, managers of the company, or other individuals, may participate in the meetings to provide information or assessments on the individual agenda items.

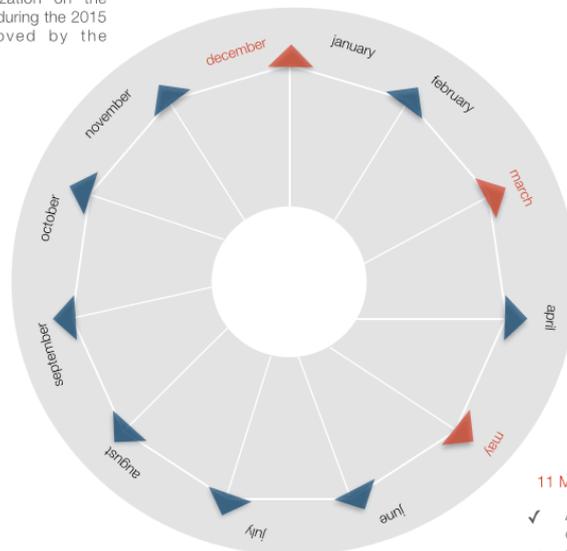
- **Committee cycle of activities**

Activities carried out in 2015

In 2015 the committee met 3 times, with 100% of the Committee members in attendance. Minutes were taken regularly for these meetings. The chart below contains a summary of the dates and content of the meetings held in 2015.

1 December 2015

- ✓ Report of the Head of Group Human Resources and Organization on the effective implementation during the 2015 of the Policy approved by the Shareholders



9 March 2015

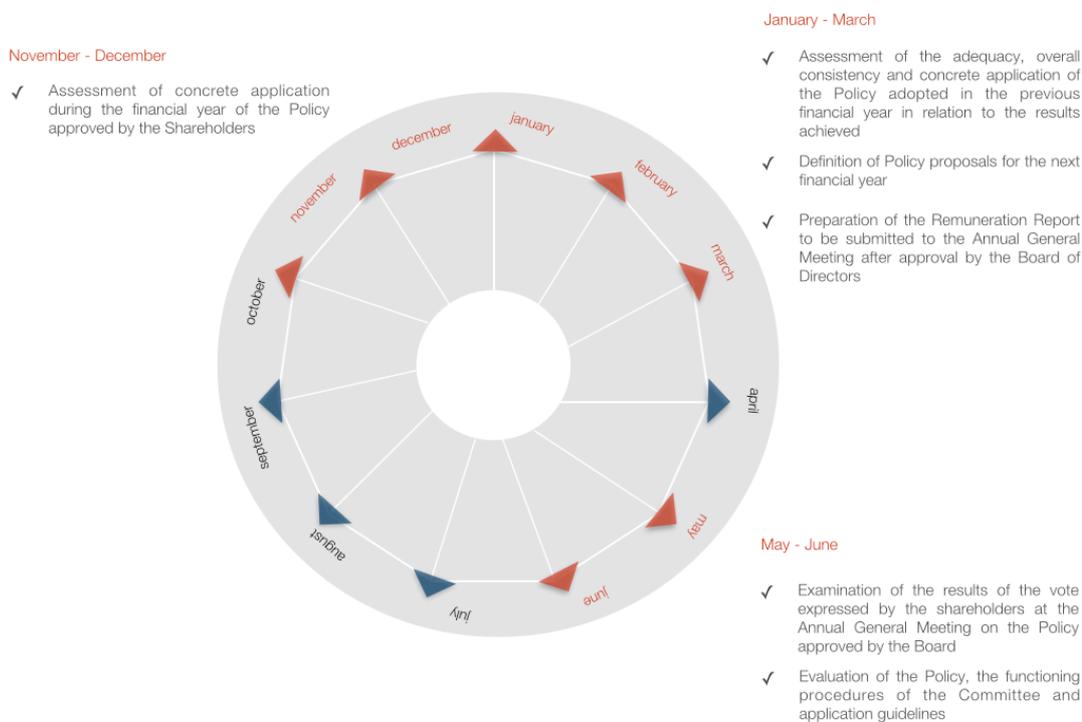
- ✓ Definition of the proposal to the Board of Directors regarding the adoption of the Remuneration Report in accordance with article 123-ter of the Consolidated Law on Finance (T.U.F.); implementation 2014 and forecast 2015

11 May 2015

- ✓ Approval of the operating rules of the committee
- ✓ Proposal to the Board of Directors regarding the remuneration of the Directors holding key positions

Activities scheduled for 2016

In 2016, the activities of the Committee will take place in implementation of the annual programme, which contains the phases summarized in the chart below.



2 - Purposes of the Policy

In general terms, in line with the governance model adopted by the Company and the recommendations contained in the Code of Conduct, the Policy is set in order to attract, motivate and ensure the loyalty of individuals who possess the professional qualities required to ensure that the main objective of creating sustainable value for the Company and the Group is reached in the medium to long-term.

To that end, the Policy has identified the correlation between remuneration and performance as the focal point where Shareholders' and Management's interests meet.

It follows that a significant part of the total remuneration for Executive Directors and Key Management Personnel is linked to the achievement of specific targets. Said targets are set in reference to both the Group's overall performance and to the performance measured on a consolidated basis and in specific business areas or corporate functions, over both the short term and the medium-to-long term.

3 - General Principles of the Policy

In keeping with the general aims outlined above, the Policy is based on the following principles:

- an appropriate balance between base pay and variable pay, which shall depend on the Company's strategic objectives and risk management policy, as well as on the line of business involved and the nature of the work that has actually been carried out;
- the establishment of limits on variable pay;
- as relates to variable pay, setting measurable performance objectives beforehand;
- as far as medium-to-long-term plans are concerned, the payout of a significant portion of variable pay is to be appropriately deferred in relation to its accrual, as it is contingent on the achievement of targets that regard the plan's entire time span.

4 - Policies in terms of fixed and variable remuneration components

In this matter, the Remuneration Policy is structured around different principles and procedures regarding base pay packages and short, medium or long-term variable pay packages: it depends on the recipients of said packages.

The table below shows the composition of the remuneration for the main personnel.

Composition of the remuneration			
Office	Base pay	Variable pay	Approval
Non - executive Directors	Annual compensation Annual compensation for participation in committees		AGM BoD
Directors holding key positions			BoD
Chairman	Annual compensation		
CEO	Annual compensation	MBO and LTI	
Key Management Personnel	Gross Annual Salary	MBO and LTI	CEO

In particular:

A) Non-executive Directors

Non-executive Directors are directors that do not hold individual management authority or executive positions in the Company or in other legal entities belonging to the Group.

Non-executive Directors are entitled to a base pay that is determined by the Ordinary Shareholders' Meeting at the time of their appointment.

At the recommendation of the Remuneration Committee, and with the approval of the Board of Statutory Auditors, the Board of Directors may determine an additional amount of base pay depending on participation in committees instituted by the Board of Directors itself.

The principle underlying this procedure is to pay non-executive members of the Board of Directors a lump sum as compensation.

The compensation of non-executive Directors is not linked to the Company's economic performance or to the economic performance of the Group as a whole, nor is it linked to any type of performance objective in general.

B) Directors holding key positions, in accordance with the Bylaws: Chairman/Chief Executive Officer

The compensation of Directors holding key positions is determined by the Board of Directors, at the specific recommendation of the Remuneration Committee and with the approval of the Board of Statutory Auditors, and in accordance with the provisions of article 2389, paragraph III of the Italian Civil Code.

C) Key Management Personnel

As stated in Consob Regulation no. 17221 of 12 March 2010, which regulates related-party transactions and which was subsequently amended by International Accounting Standard no. 24, Key Management Personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly, including any Directors of the Company itself.

In relation to this principle, the Key Management Personnel are

1. The *Executive Directors*, as they are the Directors with individual management mandates or management duties within the Company,
2. the *Managers of Business Areas* in which the Mondadori Group operates,
3. the *Heads* of corporate functions.

The compensation package for Key Management Personnel reflects the responsibility they bear in exercising their executive authority to manage the Company, and it is generally structured in the following way:

- i) annual base pay
 - ii) annual variable pay (*MBO*)
 - ii) medium-to-long-term variable pay (*LTI*)
- i) the fixed component the annual base pay may be made up of the base salary and other forms of remuneration of a non-variable nature. Its weight may *not exceed 70%* of total compensation. The amount of base pay depends on the size of the business managed and on the capacity to contribute to the Group's consolidated results;
- ii) the annual variable pay (*MBO*) is attainable by reaching yearly quantitative objectives. These are set beforehand and are linked to performance indicators, both on a consolidated level regarding the Group as a whole and an individual level regarding the business areas or corporate functions.

The KPIs used (as shown in the table below), are usually taken from budget data and are mainly of a quantitative nature, as the qualitative objectives are allowed only in particular circumstances and in any case only if they are related to objective assessment elements (e.g. time or completion of projects) while they are not subject to operating discretion.

To guarantee the method adopted, the targets are certified by the Group Control System, at the time of assignment as well as upon completion and the process is transparent and can be tracked at every phase.

Furthermore, the composition of the MBOs for top management is structured so as to ensure assessment and monitoring of the main aspects of management.

KPIs' balance in MBO system		
Office	Group consolidated targets	Business area targets
CEO	<p>100% KPI</p> <p>Group EBITDA Revenue Financial indicators (Free Cash Flow / PFN)</p>	
CFO	<p>100% KPI</p> <p>Group EBITDA Revenue Financial indicators (Free Cash Flow / PFN) Cost management</p>	
Business area managers	<p>30-40% KPI</p> <p>Group EBITDA Revenue Financial indicators (Free Cash Flow / PFN)</p>	<p>70-80% KPI</p> <p>Business Area EBITDA Revenue Financial indicators (Free Cash Flow / PFN) Business Area revenue</p>

 weight

The mechanism for the calculation of the annual *MBOs* provides for a minimum access threshold **equal to 90%** of the objectives assigned and a maximum payable amount of **120%** of the basic premium, which can be obtained only if **110%** of the same objectives are reached or exceeded.

The definition of the target levels underlying the annual objectives (*MBOs*) is generally connected to performance objectives based on budget forecasts as indicated by the Board of Directors. The amount of variable pay that can be paid out is determined by a comparison of the final result with the objectives that have been assigned.

	Targets achievement	Bonus payment
Targets achievement levels	less than 90%	0
	between 90% and 100%	reduced by 5% each point less on the achievement of objectives
	100%	100%
	between 100% and 110%	increased by every point of exceeding the objectives
	more than 110%	120% (cap)

iii) the medium-to-long-term variable pay (LTI) is made up of a special bonus, subject to achieving the following objectives:

(1) individual performance objectives: which refer to reaching, in every year of the three-year period, the annual objectives which have been assigned through the *MBOs*. This objective accrues annually, but is payable only at the end of the period, subsequent to confirmation of the performance during the entire time period (weight of 25%);

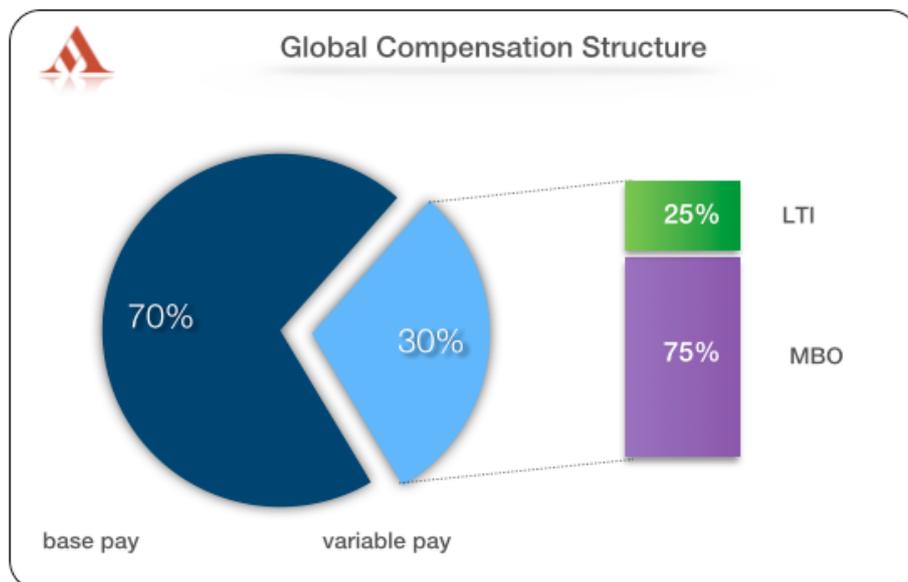
(2) individual business objectives: which refer to reaching the economic targets indicated in the business plans, relative to the manager's own Business Area which are calculated only upon completion of the entire reference period (weight of 25%);

(3) consolidated objective at the Group level: referring to economic forecasts (e.g. EBITDA or net profit) as defined in the Group's three-year business plan approved by the Board of Directors and covering the entire period of reference (weight of 50%).

Long Term Incentive		
Targets	CEO, CFO, HR Director	Business Area Managers
Individual performance target	KPI → MBO weight → 50% parameter → continuity in the three years bonus accrual → on-off	KPI → MBO weight → 25% parameter → continuity in the three years bonus accrual → on-off
Target of Business Area		KPI → Ebitda Area di Business weight → 25% parameter → target achievement at the end of the period bonus accrual → on-off
Group Consolidated target	KPI → Net income / consolidated EBITDA weight → 50% parameter → target achievement at the end of the period bonus accrual → on-off	KPI → Net income / consolidated EBITDA weight → 50% parameter → target achievement at the end of the period bonus accrual → on-off

The combination of the annual variable pay and the medium-to-long-term variable pay is itself a variable percentage, which is generally not less than 30% of the total annual remuneration.

As part of the overall variable remuneration, the component referring to the medium to long-term result will have a weight, on an annual basis, of no less than 25%.



As these forms of compensation are designed to retain key managers so as to ensure the company's good governance over the medium term, a final assessment of the achieved results is only usually possible at the conclusion of the LTI period; furthermore, should employment be terminated over the course of the bonus accrual period, all rights to such bonuses will be automatically forfeited.

5 - Claw-back mechanism

Provision has been made for a claw-back mechanism through which the variable component of remuneration already paid can be claimed back or deferred variable remuneration can be withheld, if it was earned on the basis of data that was later shown to be manifestly inaccurate, or through which demand can be made for the repayment of all incentives relative to the financial year (or financial years) in reference to which information is found to have been maliciously altered for the purpose of achieving the results and earning the bonus. Similarly, repayment can be demanded in the event of serious and intentional violations of the laws and/or regulations of the Code of Conduct adopted by the Company or the Company procedures.

This principle is formalised within the regulation which is available for viewing on the Company intranet.

6 - Equity incentive plans

Any current or future compensation plans based on the allocation of financial instruments are to be submitted to the Shareholders for approval, in accordance with article 114 *bis* of Legislative Decree no. 58/1998; in the event of approval, these plans are also subject to market disclosure, in compliance with current regulations. The details and application procedures of the plans are established by the Board of Directors, which is supported by the advice and recommendations of the Remuneration Committee. The Company's risk profile is also carefully considered, and reference is made to the following general principles:

- i. consolidation of the sustainable value creation process for the Company and the Group over the medium to long-term and the provision of incentives and assurance of the loyalty of management through definition of multiple year vesting terms and conditions;
- ii. assignment or exercising of financial instruments subject to achieving company and/or market performance objectives which are predefined and measurable;
- iii. contractual commitments regarding the recipients' tenures with the company.

The stock option plans that have already been established by the Shareholders, and which are currently in their exercise period, do not include clauses aimed at holding financial instruments in the company's portfolio after they have been traded. This is because a three-year vesting period after the option grant was

deemed an effective way to provide incentives, improve retention and create value.

Please see the description and relative table in section II and the information documents published pursuant to art. 84-*bis* of the Consob Regulation no. 11971/1999 which are available on the website www.mondadori.it (*Governance Section*).

7 – Non-monetary benefits

Fringe benefits provided by the Company are not normally granted to members of the Board of Directors and Key Management Personnel. The only exception is supplemental medical insurance for Key Management Personnel, meaning insurance coverage that goes beyond the mandatory coverage provided for in the relative collective agreements.

8 - Treatment in the event of termination of office or termination of the employment relationship

For Executive Directors or Key Management Personnel, the Company does not provide for ex ante agreements covering termination of office or of the employment relationship that are not in line with the recommendations of the Code of Conduct and compliant with the laws and reference union contracts.

9 - Benchmarks for definition of the Policy

The definition of the Policy has been drafted in consideration of the best practices on the market, without this being a specific reference to particular company entities.

Generally speaking, the total compensation of Key Management Personnel has been determined in consideration of a number of factors, including: the size of the business being managed; the capacity to contribute to company results; job performance; and comparable compensation packages within the company, while another factor considered was the correspondence with compensation packages in other companies of a similar size on the market.

SECTION II – Remuneration / Compensation paid out during the 2015 fiscal year

This section of the Report provides an explanation of each of the items that compose the remuneration of the Directors and the Key Management Personnel of the Group, with an indication of compliance with the policies described in the first section of the document published in 2015.

PART ONE - IMPLEMENTATION OF THE POLICY

Over the course of the 2015 fiscal year, the operating procedures pertaining to the Remuneration Policy were applied in conformity with the Policy's general aims and principles for that year. These were outlined in Section I of the Remuneration Report, which was approved by the Board of Directors at the recommendation of the Remuneration Committee on 12 March 2015. Section I was also resolved upon and approved at the Ordinary Shareholders' Meeting on 23 April 2015.

There are principles and procedures for base pay and variable pay that change depending on the recipient; in accordance with the information outlined above, the items that make up the remuneration paid to members of the Board of Directors, the Board of Statutory Auditors and Key Management Personnel during the 2015 fiscal year are structured accordingly.

In particular, please refer to the detailed figures reported in Tables 1 and 3B:

A - Remuneration of Directors

Non-executive Directors

According to the definition provided in section I, Non-executive Directors are directors that do not hold individual management authority or executive positions in the Company or in other legal entities belonging to the Group.

In line with the procedural guidelines set out in the Policy, the following compensation was paid out during the 2015 fiscal year:

- fixed annual remuneration for the office of Director, including Non-Executive Directors, as determined by the Ordinary Shareholders' Meeting held on 23 April 2015 which, at the time that the Board of Directors was appointed for the three financial years 2015/2016/2017, confirmed the terms and conditions for remuneration that had already been decided upon by the Shareholders' Meeting held on 19 April 2012 for the previous three-year period. In particular, the Shareholders' Meeting set a fixed annual amount of Euro 10,000 payable, in equal measure, for all the Directors plus an additional 50% for the Chairman.

The individual sums paid out in 2015 are in line with the sums paid out during the previous fiscal year (2014) and the previous three-year term of the Board of Directors;

- additional fixed annual remuneration relating to participation, on the part of Non-Executive Directors, in committees set up by the Board of Directors (Internal Control and Risk Management Committee and Remuneration and Appointments Committee). This pay had already been established during the previous fiscal year (2014) by the Board of Directors at the recommendation of the Remuneration Committee, and gained the approval of the Board of Statutory Auditors in accordance with article 2389 of the Italian Civil Code; it concerns each year of the term of office for the Directors involved.

The individual sums paid out in 2015 are in line with the sums paid out during the previous fiscal year (2014):

- Euro 25,000 for the Chairman,
- Euro 20,000 for Directors who are Committee members.

Additional fixed remuneration has been decided upon for participation of the Directors in the Related Parties Committee for which, in consideration of the significant number of meetings that took place during the year, the attendance fee has been set at Euro 2,000 for each Director who is a member of the Committee, and an additional 50% for the Chairman.

The compensation of Non-Executive Directors is not linked to the Company's economic performance or to the economic performance of the Group as a whole, nor is it linked to any type of performance objective in general.

Directors holding key positions, in accordance with the Bylaws: Chairman and Chief Executive Officer

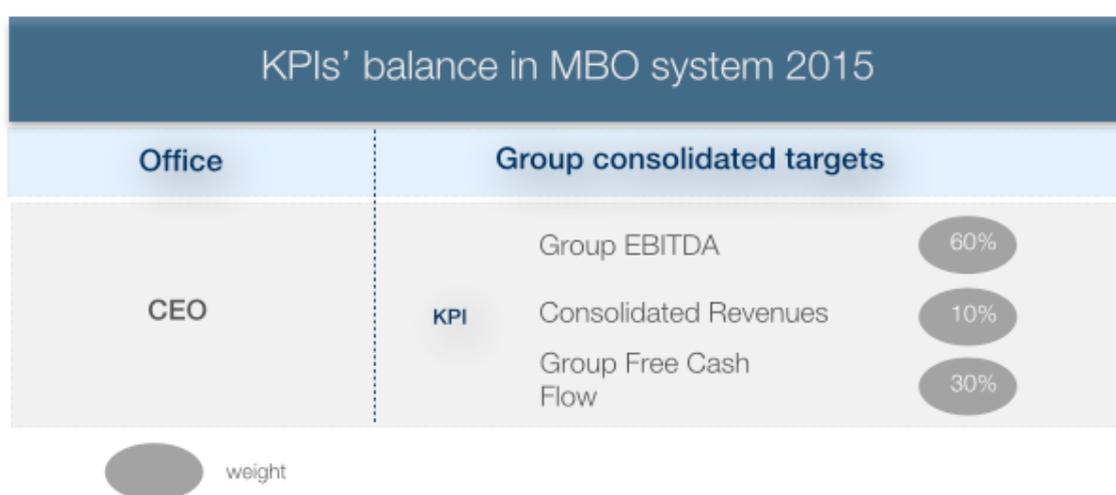
During the 2015 fiscal year:

- the remuneration of the Chief Executive Officer, Ernesto Mauri, did not change from the amount determined by the Board of Directors in its meeting of 12 May 2015, which confirmed the remuneration package established by the Board of Directors in its meeting of 20 March 2013 (in force until 31 December 2014) with the only difference being the long term incentive (*LTI*) which is reset on a three year basis in compliance with the procedures defined in the Policies and therefore in compliance with the specific proposal of the Remuneration Committee with the approval of the Board of Statutory Auditors.

Said compensation, in line with the principles and purposes of the Policy, is broken down as follows:

- a) *fixed component*: the emolument for the office equal to Euro 1,100,000 and consideration for the non-compete agreement, the duration of which corresponds to the validity of the mandate, plus one year subsequent to the expiration thereof equal to Euro 350,000;
- b) *variable component*: which refers to the single year objectives (Annual MBO) of Euro 500,000, and those for the medium term referring to the entire duration of the mandate which will expire upon approval of the financial statements of 2017, amounting to Euro 2,700,000.

As set out in the Policy, variable pay counts towards 49% of total compensation; while within the variable pay itself, the portion referring to medium-term objectives is equal to 64% of the variable pay in its entirety.



- The amount of the remuneration of the Chairman Marina Berlusconi, as resolved by the Board of Directors in its meeting of 12 May 2015, has not changed compared to the corresponding prior three-year period, which consists of a fixed annual amount for the office set at Euro 500,000 in compliance with the specific proposal of the Remuneration Committee and the approval of the Board of Statutory Auditors expressed pursuant to article 2389 of the Italian Civil Code.

B - Remuneration of Key Management Personnel

According to the definition cited in Section I, Key Management Personnel are those persons having authority and responsibility for planning, managing, and controlling the activities of the Company, directly or indirectly, including any Directors of the Company itself.

As such, Key Management Personnel are equated with Executive Directors, as they hold individual management authority or executive positions in the Company; they are also equated with the General Managers of the business areas in which the Mondadori Group operates, as well as with the Heads of corporate functions.

The following changes took place during the 2015 fiscal year:

- Riccardo Cavallero – Manager of Trade Books Business Area submitted his resignation on 31 January 2015;
- Enrico Selva Coddè – took over the Trade Books Business Area, while maintaining his role as Group Head of Human Resources and Organization until 13 September 2015;
- Carlo Mandelli, following the sale by the Company of its 80% share in Monradio S.r.l. to R.T.I. S.p.A., is no longer the Manager of the Business Radio Area effective as of 30 September 2015, while his other duties remain unchanged;
- Federico Rampolla – Manager of the Digital Innovation Business Area submitted his resignation on 30 December 2015;
- Simonetta Bocca¹ became Group Head of Human Resources and Organization on 14 September 2015.

As a result of the organizational changes that occurred, as described above, as of 31 December 2015, the team of Key Management Personnel was composed as follows:

Key Management Personnel (at 31 December 2015)	
Enrico Selva Coddè	Head of Trade books business area
Mario Maiocchi	Head of Retail business area
Carlo Mandelli	Head of Magazine Italia, Advertising and International business
Carmine Perna	Head of Mondadori France business area
Antonio Porro	Head of Educational Books business area
Simonetta Bocca	Director of Group Human Resources and Organization

The following persons also fall under the category of Key Management Personnel:

Ernesto Mauri	CEO
Oddone Maria Pozzi	Executive Director CFO, Director of Group Finance, Procurement and IT

¹ In the meanwhile, Simonetta Bocca temporarily assumed the position of Manager of the Digital Innovation Area, replacing Federico Rampolla.

In keeping with the Policy's principles, the remuneration package granted to Key Management Personnel is structured around the following parts:

- i. a fixed element, which consists of a basic salary and other non-variable monetary components. During 2015, the fixed component was reviewed 1 time, pursuant to the policies and parameters defined, so that the overall increase in the remuneration amounted to 1.5%. The fixed annual remuneration at the aggregate level is Euro 2,224,148 and represents, on the average, 61% of total remuneration (with a limit of 70% as indicated in the Policy);
- ii. the annual variable pay (MBO), which is paid out based on the level of achievement of annual budget targets.

In 2014, in consideration of the corporate need to achieve particularly challenging management targets within a market still characterised by a high level of uncertainty and difficulties, and so as to maintain the motivational leverage provided by the MBO instrument unchanged, the Board of Directors approved, upon the proposal of the Remuneration Committee, an adjustment of the parameters relative to the minimum and maximum thresholds required for reaching the MBO targets, rendering them more appropriate insofar as rewarding change management within a difficult environment.

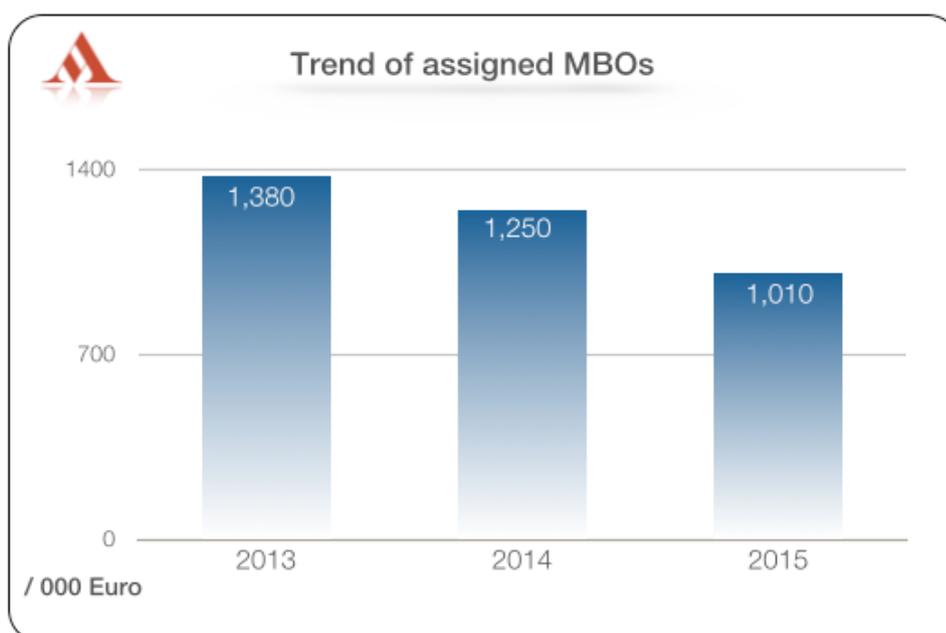
With this purpose in mind, for 2015 we confirm that 90% of the objectives were maintained as minimum threshold for payment of the MBO, and 120% of the objectives were maintained as maximum threshold of the bonus that can be obtained in the event that the targets set have been exceeded by 110%.

In 2015 the objectives were generally structured in the following way: 44% were related to Group-wide economic indicators (in 2014 this was 37%), and 56% were related to specific economic indicators on a business area level or corporate function level.

In 2015 the total value of the MBOs assigned decreased by 19.2% compared to 2014, following the changes that took place in the composition of the total Key Management Personnel and the adjustment of the amount of the MBO for a manager (equal to 3% of the total amount). The value of the annual bonuses for 2015 is equal to Euro 1,029,143.

KPIs' balance in MBO system 2015			
Office	Group consolidated targets	Business Area targets	
CFO	Group EBITDA	40%	
	KPI Free Cash Flow	40%	
	Cost Management	20%	
Head of Business	Group EBITDA	30%	
	KPI Free Cash Flow	10%	
	KPI Business Area EBITDA	40%	
		KPI Business Area Free Cash Flow	10%
		KPI Business Area Revenue	10%

● weight



- iii. the medium-to-long-term variable pay (LTI). During 2014 on the proposal of the Remuneration Committee, the Board of Directors decided that the conditions were ripe for reaching the extremely ambitious management objectives set forth in the Three-Year Plan and resolved to revive the Long Term Incentive Plan for Key Management Personnel, which had been suspended for fiscal year 2013.

The incentive therefore refers to the three-year period from 2014 to 2016 and requires that the recipient continue to be an employee of a Mondadori Group Company who has not resigned as at 1 January 2017.

The main principles underlying the long term incentive (LTI), as defined in the Policies, make the payment of the incentive subordinate to achieving the following objectives:

- i. individual performance objectives: these refer to reaching, in every year of the three-year period, the annual objectives which have been assigned;
- ii. individual business objectives: these refer to reaching the target set in the three-year plan as at 31 December 2016, relative to the specific business area;
- iii. consolidated objective at the Group level: this is accounted as at the end of 2016 and refers to the Group Net Profit as defined in the Three-Year Plan approved by the Board of Directors in its meeting of 30 January 2014.

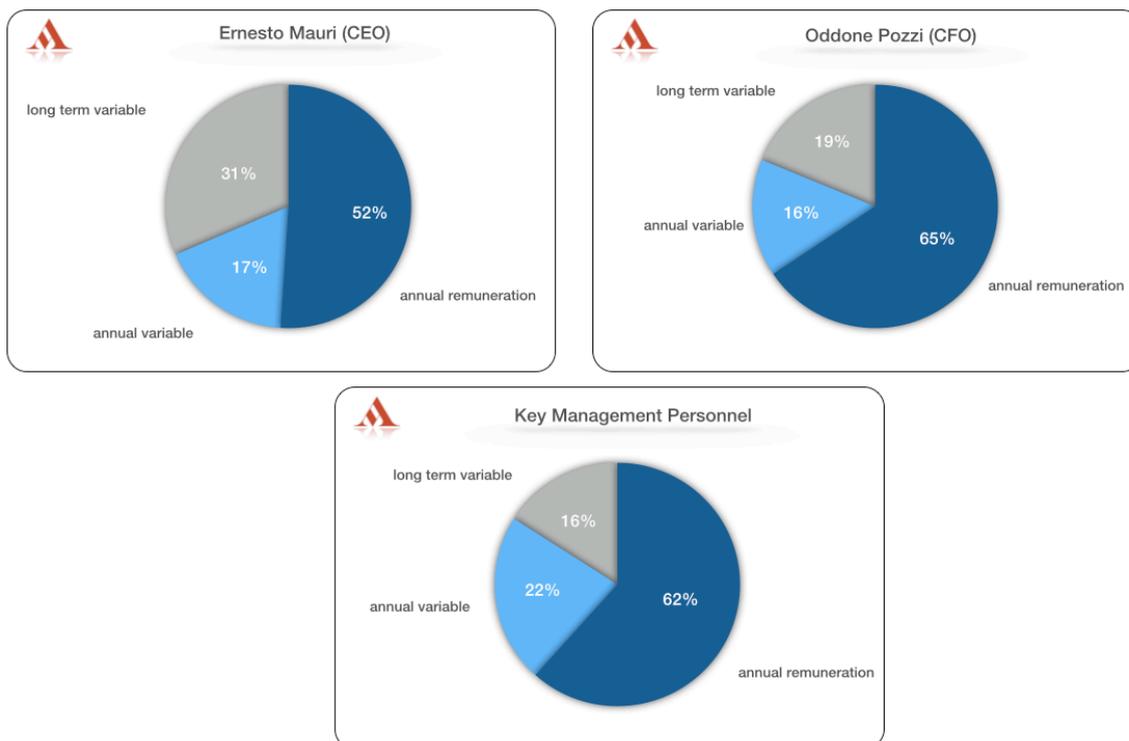
The three-year bonus (*LTI*) is payable upon reaching each of the objectives indicated above, according to the weight specifically assigned to them: 25% for each of the individual targets and 50% for the consolidated Group objective.

The amount of the remuneration connected to medium-long term objectives assigned to Key Management Personnel, following the changes in the composition of the group of Key Management Personnel was reduced overall by 8.5% in 2015.

We reconfirm that the weight of the variable component of the remuneration described above for 2015 are in line with the parameters indicated in the Policy. The total variable, annual and medium-long term components comprise a percentage of 38% of the total annual remuneration (as compared to a percentage of variable components of no less than 30% of total annual remuneration established in the Policy).

In terms of 100% of the variable remuneration, the component which is dependent upon the medium-long term period has a weight of 42% on an annual basis (as compared to a percentage of the component dependent on the medium-long term period, established by the Policies, of no lower than 25% of the total overall variable remuneration).

MIX PAY TABLES:



C - Severance pay in the event of early termination of employment

During 2015, in compliance with the principles of the Policy, severance pay was paid to 2 Key Management Personnel. In both cases, the severance pay was of a lesser amount respectively than the maximum allowed by the union agreement for managers and the amount of no. 1 year of the consulting contract terminated early. The total amounts are shown in table 1.

D - Information on Stock Option Plans

In the 2015 fiscal year, no financial instruments were allocated in connection to equity-based compensation packages; furthermore, no stock options were exercised in reference to the Stock Option (Plan), established by the Shareholders' Meeting and with a duration for the three-year period 2009/2010/2011.

Table 2 shows the details regarding the options assigned as part of the Plan.

For more detailed information on the Stock Option Plan, please refer to the publications made available in accordance with article 84 bis of Consob Regulation no. 11971/1999 which can be viewed on the Company's website.

PART TWO – ANALYTICAL DESCRIPTION OF COMPENSATION PAID OUT DURING THE FISCAL YEAR

Schedule 7-bis: report on remuneration

TABLE 1: Compensation paid out to members of the Board of Directors, members of the Board of Statutory Auditors, Corporate Officers and other Key Management Personnel

TABLE 2: Stock options granted to members of the Board of Directors, Corporate Officers and other Key Management Personnel

TABLE 3B: Cash incentive plans for members of the Board of Directors, Corporate Officers and other Key Management Personnel

Schedule no. 7-ter reporting information on the equity participation of members of the Board of Directors, members of the Board of Statutory Auditors, Corporate Officers and other Key Management Personnel

Table 1: Equity participation of members of the Board of Directors, members of the Statutory Board of Auditors and Corporate Officers

Table 2: Equity participation of other Key Management Personnel

TABLE 1: Compensation paid out to members of the Board of Directors, members of the Board of Statutory Auditors, Corporate Officers and other Key Management Personnel.

(A)	(B)	(C)		(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and Surname	Office	Term of Office		Expiration of Term of Office	Base Pay	Compensation for participation in committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair Value of equity compensation	Severance pay for termination of office or employment
							Bonuses and other incentives	Profit sharing					
MARINA ELVIRA BERLUSCONI	CHAIRMAN	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	15.000 a)						515.000		
					500.000 b)								
ERNESTO MAURI	CHIEF EXECUTIVE OFFICER	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)		538.000			350.000 h)	1.998.000		
					1.100.000 b)								
ODDONE POZZI	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)		112.000		5.670		547.670		
					420.000 c)								
PIERSILVIO BERLUSCONI	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)						10.000		
PASQUALE CANNATELLI	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)						10.000		
BRUNO ERMOLLI	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)	20.000 e)					30.000		
MARTINA FORNERON MONDADORI	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)						10.000		
ALFREDO MESSINA	DIRECTOR	23 April 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	6.666 a)						6.666		
PELLEGRINO DANILO	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)						10.000		
ROBERTO POLI	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)						10.000		
ANGELO RENOLDI	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)	3.000 g)				20.000 f)	58.000		
						25.000 d)							
MARIO RESCA	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)						10.000		
CRISTINA ROSSELLO	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)	20.000 d)					45.333		
						13.333 e)							
						2.000 g)							
CARLO SANGALLI	DIRECTOR	01 JANUARY 2015	23 April 2015	APPROVAL 2014 FINANCIAL STATEMENTS	3.333 a)	6.666 e)					9.999		
MARCO SPADACINI	DIRECTOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	10.000 a)	20.000 d)					57.000		
						25.000 e)							
						2.000 g)							

FERDINANDO SUPERTI FURGA	CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	60.000	a)					25.000	f)	85.000			
FLAVIA DAUNIA MINUTILLO	STANDING STATUTORY AUDITOR	23 April 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	26.666	a)							26.666			
ANTONIO GIAMPAOLO FRANCESCO	STANDING STATUTORY AUDITOR	01 JANUARY 2015	31 DECEMBER 2015	APPROVAL 2017 FINANCIAL STATEMENTS	40.000	a)							40.000			
FRANCO CARLO PAPA	STANDING STATUTORY AUDITOR	01 JANUARY 2015	23 April 2015	APPROVAL 2014 FINANCIAL STATEMENTS	13.333	a)							13.333			
KEY MANAGEMENT PERSONNEL	5 (m)				1.477.850	i)		798.133	n)		20.969		2.296.952		1.662.919	l)
(I) Fees for the company that prepares the financial statements					3.782.848			136.999	1.448.133		26.639		395.000	5.789.619		1.662.919
MARIO RESCA	MONDADORI DIRECT SPA PRESIDENT	01 JANUARY 2015	31 December 2015	APPROVAL 2017 FINANCIAL STATEMENTS	120.000	a)							120.000			
KEY MANAGEMENT PERSONNEL	3 (m)				766.298	i)		312.000			20.514	o)	1.098.812			
(II) Compensation from subsidiaries and affiliates					886.298			312.000			20.514		1.218.812			
(III) Total					4.669.146			136.999	1.760.133		47.153		395.000	7.008.431		1.662,919

COLUMN (1): a) emoluments approved by shareholders b) compensation for the performance of key roles c) base salary i) fixed employee or associate remuneration

COLUMN (2): d) Internal Control and Risk Management Committee e) Remuneration and Appointments Committee g) Related Parties Committee

COLUMN (3) = n) amount including 1 extraordinary bonus of 100,000 Euro for the successful outcome of the sale of 80% of Monradio and an amount for the partial settlement of an LTI following a change of function during the period (see table 3B column 3B)

COLUMN (4) = o) amount including the value of an apartment provided to one member of the Key Management Personnel residing abroad

COLUMN (5): h) non-compete agreement for 2015 f) remuneration of a member of the Supervisory and Oversight Body

COLUMN (8): l) related to 2 members of the Key Management Personnel including severance pay

COLUMN (B): m) number of Key Management Personnel in office as at 31/12/2015 including the 2 Managers who resigned on 31/1/2015 and 30/12/2015 respectively)

Under "Base pay", the following forms of compensation are shown separately, possibly footnoted and on an accrual basis: i) emoluments approved by shareholders, even if not yet paid out; (ii) attendance fees; (iii) lump-sum reimbursement of expenses; (iv) compensation received for the performance of key roles, as per article 2389, paragraph 3 of the Italian Civil Code (for example: chairman, vice-chairman) (v) base salary before taxes and social security contributions charged to the employee, and excluding mandatory, collectively-bargained social security contributions charged to the company and severance pay accrual. Any other forms of compensation tied to employment (bonuses, other compensation, non-monetary benefits, etc.) are shown in the relative columns, with a footnote specifying payment made for a role in corporate governance and payment made under contract of employment.

"Compensation for participation in committees" is shown on an accrual basis, and they may be shown as an aggregate item. A footnote provides information on which committees the director participated in, and in the event of participation in more than one committee, the compensation received for each one is reported.

The column "Bonuses and other incentives" includes accrued compensation that - based on cash incentive plans - has vested due to the achievement of objectives over the course of the fiscal year, even if it has not yet been paid out. The values of granted or exercised stock options, or of other financial instruments, are not included at any point in this column. That value can be found by summing the figures shown in Table 3B, columns 2A, 3B and 4, row (III).

In the column "Profit sharing", the sum is indicated on an accrual basis, even though the financial statements and profit distribution plan have not yet been approved.

The column "Non-monetary benefits" shows the value of fringe benefits (on a taxable basis) included any insurance policies or supplemental pension funds.

The column "Other compensation" lists separately, and on an accrual basis, all other possible remuneration that may derive from other services provided. A footnote provides information on any loans, advances or indemnities that have been granted by the company or its subsidiaries to Executive Directors or the Chairman of the Board of Directors, which might represent a form of indirect compensation under certain conditions (which differ from market conditions or standard conditions that can be applied to specific categories of entities).

Column (6) "Total" represents the sum of the items from (1) to (5).

The column "Fair value of equity compensation" shows the fair value - estimated in accordance with International Accounting Standards- on the date the year's accrued compensation was granted as a result of equity incentive plans.¹ This value corresponds to the sum of the figures reported in column 16, row III in Table 2 and in column 12, row III in Table 3A.

¹ This item does not refer to the entire allocation of equity compensation over the course of the fiscal year, but only the part which is recorded in the financial statements. This is in keeping with accounting principles that respect the vesting period of the rights to equity compensation, and as such, redistribute the relative cost over the course of the vesting period.

TABLE 2: Stock options granted to members of the Board of Directors, Corporate Officers and other Key Management Personnel.

no. 1/2

A	B	(1)	Options held at beginning of fiscal year			Options granted during fiscal year						Options exercised during the fiscal year			Options expired during the fiscal year	Options held at the end of the fiscal year	Options accrued during the fiscal year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)=(2)+(5)-(11)-(14)	(16)
Name and Surname	Office	Plan	Number of Options	Exercise Price	Possible exercise period (from-to)	Number of Options	Exercise Price	Possible exercise period (from-to)	Fair value on option grant date	Option grant date	Market price of underlying shares on option grant date	Number of Options	Exercise Price	Market price of underlying shares on exercise date	Number of Options	Number of Options	Fair value ^①
Marina Berlusconi	Chairman																
	Stock Option Plan 2009/2010/2011 granted on 29/04/2009	2009 BoD 15.10.2009 RC 8.10.2009	360.000	3.4198	from 16.10.2012 to 15.10.2015										360.000		
	Stock Option Plan 2009/2010/2011 granted on 29/04/2009	2010 BoD 21.07.2010 RC 19.07.2010	360.000	2.4693	from 22.07.2013 to 21.07.2016											360.000	
(II) Compensation from subsidiaries and affiliates	Plan A (date of relative resolution)																
	Plan B (date of relative resolution)																
(III) Total			720.000												360.000	360.000	0
Ernesto Mauri	CEO																
(I) Fees for the company that prepares the financial statements	Stock Option Plan 2009/2010/2011 granted on 29/04/2009	2010 BoD 21.07.2010 RC 19.07.2010	70.000	2.4693	from 22.07.2013 to 21.07.2016											70.000	
(II) Compensation from subsidiaries and affiliates	Plan A (date of relative resolution)																
	Plan B (date of relative resolution)																
(III) Total			70.000												0	70.000	0

Legend

COLUMN (14):

COLUMN (16):

COLUMN (B):

a) cancelled following the termination of 1 Key Management Personnel during 2015.

① For the 2015 fiscal year, the fair value of stock options does not have an impact on the income statement, as the costs of the stock options were recorded starting from the option grant date and with respect to the vesting period.

As such, the cost of stock options relative to the 2009 Plan was recorded in the 2009/2010/2011 fiscal years, and the cost of stock options relative to the 2010 Plan was recorded in the 2010/2011/2012 fiscal years.

② number of Key Management Personnel in office as at 31 December 2015 (including the Key Management Personnel terminated on 31.01.2015 and 30.12.2015)

TABLE 2: Stock options granted to members of the Board of Directors, general managers and other Key Management Personnel

A	B	(1)	Options held at beginning of fiscal year			Options granted during fiscal year						Options exercised during the fiscal year			Options expired during the fiscal year	Options held at the end of the fiscal year	Options accrued during the fiscal year
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)=(2)+(5)-(11)-(14)	(16)
Name and Surname	Office	Plan	Number of Options	Exercise Price	Possible exercise period (from-to)	Number of Options	Exercise Price	Possible exercise period (from-to)	Fair value on option grant date	Option grant date	Market price of underlying shares on option grant date	Number of Options	Exercise Price	Market price of underlying shares on exercise date	Number of Options	Number of Options	Fair value ⁽¹⁶⁾
Key Management Personnel	^{8 (II)}																
	Stock Option Plan 2009/2010/2011 granted on 29/04/2009	2009 BoD 15.10.2009 RC 8.10.2009	165.000	3,4198	from 16.10.2012 to 15.10.2015										165.000		0
	Stock Option Plan 2009/2010/2011 granted on 29/04/2009	2010 BoD 21.07.2010 RC 19.07.2010	190.000	2,4693	from 22.07.2013 to 21.07.2016										70.000 ^{a)}	120.000	
(II) Compensation from subsidiaries and affiliates	Plan A (date of relative resolution)																
	Plan B (date of relative resolution)																
(III) Total			355.000												235.000	120.000	0
(III) Grand Total			1.145.000												595.000	550.000	0

Legend

COLUMN (14): a) cancelled following the termination of 1 Key Management Personnel during 2015.
 COLUMN (16): ⁽¹⁶⁾ For the 2015 fiscal year, the fair value of stock options does not have an impact on the income statement, as the costs of the stock options were recorded starting from the option grant date and with respect to the vesting period. As such, the cost of stock options relative to the 2009 Plan was recorded in the 2009/2010/2011 fiscal years, and the cost of stock options relative to the 2010 Plan was recorded in the 2010/2011/2012 fiscal years.
 COLUMN (B): ^(II) number of Key Management Personnel in office as at 31 December 2015 (including the Key Management Personnel terminated on 31.01.2015 and 30.12.2015)

For each individual concerned, and for each stock option plan assigned to them, this table reports the following information:
 - options held at the beginning of the year, with information on the exercise price and the possible exercise period;
 - options **granted** over the course of the year, with information on the exercise price, possible exercise period, the *fair value* on the option grant date¹, the option grant date and the market price of underlying shares on that date;
¹The *fair value* on the option grant date is indicated in reference to all granted options for each plan, and not in reference to each option.
 - the options **exercised** over the course of the year, with information on the exercise price and the market price of underlying shares at the moment of exercise;
 - options **expired** during the year;
 - options **held** at the end of the year;
 - the *fair value* of options accrued during the year.

Note: each option corresponds to the subscription or purchase of a share.
 The total (III) is shown in reference to columns (2), (5), (8), (11), (14), (15), (16).
 Should the data be represented in aggregate form, the following information must be shown in the Table:
 - the total number of options held at the beginning of the fiscal year, with information on the total exercise price paid and the average maturity;
 - the total number of options assigned during the fiscal year, with information on the total exercise price paid, average maturity, the total fair value and the average price of the underlying shares on the option grant date;
 - the total number of options exercised during the fiscal year, with information on the total exercise price paid and the average price of the underlying shares on the date the options were exercised;
 - the total number of options expired during the fiscal year;
 - the total number of options held at the end of the fiscal year;
 - the total fair value of options accrued during the fiscal year.

2015

TABLE 3B: Cash incentive plans for members of the Board of Directors, Corporate Officers and other Key Management Personnel¹¹ It should be noted that this Table includes all incentive plans of a monetary nature, for both the short and medium-to-long term.

A		B	(1)	(2)			(3)			(4)
Surname and Name		Office	Plan	Bonuses for this year			Bonuses from previous years			Other Bonuses*
				(A)	(B)	(C)	(A)	(B)	(C)	
				Payable/Paid	Deferred	Deferral Period	No longer payable	Payable/Paid	Still Deferred	
ERNESTO MAURI		CHIEF EXECUTIVE OFFICER								
(I) Fees for the company that prepares the financial statements			Plan 2015-2017 BoD 05/02/2015		450.000 a)	2017				538.000
					2.250.000 b)	2017				
(II) Compensation from subsidiaries and affiliates										
(III) Total					2.700.000					538.000
ODDONE POZZI		DIRECTOR		Payable/Paid	Deferred	Deferral Period	No longer payable	Payable/Paid	Still Deferred	
(I) Fees for the company that prepares the financial statements			Plan 2014-2016 BoD 27/03/2014		60.000 c)	2016			60.000 e)	112.000
					240.000 d)	2016				
(II) Compensation from subsidiaries and affiliates										
(III) Total					300.000				60.000	112.000
KEY MANAGEMENT PERSONNEL				Payable/Paid	Deferred	Deferral Period	No longer payable	Payable/Paid	Still Deferred	
(I) Fees for the company that prepares the financial statements			Plan 2015-2017 BoD 05/02/2015		33.333 a)	2017				
					166.667 b)	2017				
			Plan 2014-2016 BoD 27/03/2014		100.000 c)	2016	240.000 g)	116.666 f)	41.667 e)	681.467
					591.667 d)	2016				
(II) Compensation from subsidiaries and affiliates			Plan 2014-2016 BoD 27/03/2014		41.667 c)	2016	400.000 g)		41.667 e)	312.000
					416.667 d)	2016				
(III) Total					1.350.000			116.666	83.334	993.467
(IV) Total					4.350.000		640.000	116.666	143.334	1.643.467

a) this refers to 2015 objectives which are subject to further conditions, to be verified on 31/12/2017

a) this refers to objectives which are subject to further conditions, to be verified on 31/12/2017

a) this refers to 2015 objectives which are subject to further conditions, to be verified on 31/12/2016

d) this refers to objectives which are subject to further conditions, to be verified on 31/12/2016

e) this refers to 2014 objectives which are subject to further conditions, to be verified on 31/12/2016

f) refers to objectives set in 2015

g) the amount is no longer payable as the employment relationship has been terminated

* In column (4) Other Bonuses indicates the bonuses for the year which are included in the total amount in tab.1 column 3.

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

"Column 2A" shows bonuses accrued for objectives achieved during the fiscal year, and which have been paid or are payable as they are not subject to further conditions (Upfront compensation).

"Column 2B" shows bonuses linked to objectives to be achieved during the fiscal year or subsequent years, but which are not payable as they are subject to further conditions (deferred bonus).

"Column 3A" shows the sum of deferred bonuses from previous years that are to be paid at the beginning of the fiscal year, but that are no longer payable due to the failure to meet the relative conditions.

"Column 3B" shows the sum of deferred bonuses from previous years which are to be paid at the beginning of the fiscal year, have been paid during the fiscal year, or are still payable.

"Column 3C" shows the sum of deferred bonuses from previous years that are still to be paid at the beginning of the fiscal year and have been still further deferred.

The column "Other Bonuses" shows bonuses accrued during the fiscal year that are not explicitly included in specific ex ante incentive plans.

Should the data be represented in aggregate form, the following information must be shown in the Table:

- total bonuses for the year, divided into paid bonuses and deferred bonuses, with information on the average deferral period of the latter;

- total bonuses from previous years, divided into bonuses that are no longer payable, paid bonuses, and bonuses that are still deferred;

- other total bonuses.

Schedule no. 7-ter reporting information on the equity participation of members of the Board of Directors, members of the Board of Statutory Auditors, Corporate Officers and other Key Management Personnel

The following tables report information on the equity participation in Arnoldo Mondadori Editore S.p.A. of Board Members and Statutory Auditors, as well as that of Key Management Personnel in aggregate form. It should be specified that, unless otherwise noted, the listed shares are held directly by the shareholder.

TABLE 1: Equity participation of members of the Board of Directors, members of the Statutory Board of Auditors and Corporate Officers

Surname and Name	Office	Investee Company	Number of shares held at the end of the previous fiscal year	Number of shares bought	Number of shares sold	Number of shares held at the end of the current fiscal year
Marina Berlusconi	Chairman	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Ernesto Mauri	Chief Executive Officer	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Piersilvio Berlusconi	Director	Arnoldo Mondadori Editore S.p.A.	172.000	-	-	172.000
Pasquale Cannatelli	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Bruno Ermolli	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Martina Forneron Mondadori	Director	Arnoldo Mondadori Editore S.p.A.	137.127	-	-	137.127
Danilo Pellegrino	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Roberto Poli	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Oddone Maria Pozzi	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Angelo Renoldi	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Mario Resca	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Cristina Rossello	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Carlo Sangalli*	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Marco Spadacini	Director	Arnoldo Mondadori Editore S.p.A.	8,000 ¹	-	-	8,000 ¹
Alfredo Messina **	Director	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Ferdinando Superti Furga	Chairman of the Board of Statutory Auditors	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Francesco Antonio Giampaolo	Standing Statutory Auditor	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Flavia Daunia Minutillo **	Standing Statutory Auditor	Arnoldo Mondadori Editore S.p.A.	-	-	-	-
Franco Carlo Papa	Standing Statutory Auditor	Arnoldo Mondadori Editore S.p.A.	-	-	-	-

¹ shares held by spouse.

*in office until 23 April 2015.

**in office since 23 April 2015.

TABLE 2: Equity participation of other Key Management Personnel

Number of Key Management Personnel	Investee Company	Number of shares held at the end of the previous fiscal year	Number of shares bought	Number of shares sold	Number of shares held at the end of the current fiscal year
8	Arnoldo Mondadori Editore S.p.A.	1.000	-	-	1.000

Equity participation in the listed parent company and its subsidiaries - on the part of members of the Board of Directors and Board of Statutory Auditors, Corporate Officers and Key Management Personnel - is reported in the form of a table.

In particular, the number of shares held in each company is reported alongside the name of each member of the Board of Directors, each member of the Board of Statutory Auditors, and each Corporate Officer, while this information is reported in aggregate form for other Key Management Personnel. The shares are divided into the following categories:

- shares held at the end of the previous fiscal year;
- shares bought during the current fiscal year;
- shares sold during the current fiscal year;
- shares held at the end of the current fiscal year.

In addition, the table shows the security and its terms.

The table includes all individuals who, at some point during the current fiscal year, held office as a member of the Board of Directors, as a member of the Board of Statutory Auditors, as a Corporate Officer or as a member of Key Management Personnel.

Resolution proposal (article 123-ter, paragraph 6 of Legislative Decree no. 58/1998)

Pursuant to art. 123-ter, par. 6, of Legislative Decree no. 58/1998, the Shareholders are called to vote in favour of or against the first section of the Remuneration Report. This resolution is non-binding.

In reference to the above, the following resolution is proposed:

"The Ordinary Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A.

resolves

to approve the first section of the Remuneration Report, which concerns the policy to be adopted in compensating members of governing bodies and Key Management Personnel, and the procedures used to adopt and implement said policy."

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

The Chairman
Marina Berlusconi