DE AGOSTINI

De Agostini S.p.A. shareholders' meeting approves financial statements for the year ended 31 December 2011

REVENUES UP 18% TO EUR 5.1 BILLION
EBITDA UP 26% TO EUR 1.1 BILLION
CONSOLIDATED GROUP AND PARENT COMPANY BOTH BACK IN PROFIT

PRESS RELEASE

Novara, 10 July 2012. The De Agostini S.p.A. shareholders' meeting, which met under Chairman Marco Drago, approved the annual financial statements for the year ended 31 December 2011 and reviewed the consolidated financial statements for the same period, which were prepared in accordance with IAS/IFRS.

Summary of results:

- **Net revenues** of EUR 5,113 million (vs. EUR 4,317 million in 2010)
- **EBITDA** of EUR 1,100 million (vs. EUR 876 million in 2010)
- **"Recurring" EBIT**, i.e. before extraordinary items, of EUR 532 million (vs. EUR 428 million in 2010)
- **Consolidated net profit** of EUR 100 million (vs. a loss of EUR 551 million in 2010)

In what continued to be a critical year for the economy and the financial markets, particularly in Italy, the Group exceeded the "historical" thresholds of EUR 5 billion in revenues and EBITDA of EUR 1 billion, as a result of sharp increases in Net Revenues (+18%) and EBITDA (+26). All business areas made a positive contribution, including Lottomatica in particular.
This performance was also mirrored by "recurring" EBIT, i.e. before extraordinary items, which grew 24% to over EUR 100 million.

Despite still being affected by one-off charges of EUR 199 million, primarily linked to the aforesaid poor performance of the financial markets, the Group returned to a consolidated net profit of EUR 100 million from a loss of EUR 551 million posted in 2010.
The one-off charges mainly related to:

- impairment of EUR 91 million on the holding in Assicurazioni Generali, largely to bring the initial cost of acquisition into line with its value on 31 December 2011 (EUR 11.63 per share)
- other impairments, particularly on other financial investments, adjusted to fair value, totalling EUR 91 million.

After stripping out minority interests, the Group made a net profit of EUR 16 million, compared with a loss of EUR 560 million in 2010.

As of 31 December 2011, the Group had **net debt** of EUR 4,490 million, around EUR 100 million lower than at the end of 2010. This reflected the reduction in

INSTITUTIONAL AND MEDIA RELATIONS DEPARTMENT
De Agostini S.p.A.
via Borgonuovo 16, 20121 Milan
Tel. +39 02 62499592 Fax +39 02 62499553
E-mail: relazioni.media@deagostini.it
www.gruppodeagostini.it

net debt of Lottomatica (from EUR 2,960 million to EUR 2,726 million), partially offset by investments made in the Finance business, in particular the acquisition by DeA Capital of the majority stake in IDeA FIMIT SGR.
The **holding company structure** had **net debt** of EUR 809 million, compared with net debt of EUR 773 million at the end of 2010, due to lower dividends received and financial support provided to investees. In 2011 De Agostini S.p.A. and the subsidiary DeA Partecipazioni took out medium- and long-term bank loans totalling EUR 650 million, in order to lengthen the debt maturity and replace existing credit lines, to provide the holding company with the necessary financial flexibility during a critical period for the credit market.
Subsequently, in February 2012, the De Agostini S.p.A. bond, subscribed by B&D Holding, was converted before maturity through the issue of 9.8 million De Agostini S.p.A. shares, resulting in a EUR 130 million reduction in net debt.

"The macroeconomic environment in 2011 was split into two different phases: an initial phase of relative stability in the real economy and financial markets and a second phase of extreme uncertainty and concern about the "resilience of the system", particularly with regard to the sustainability of public debt of many countries.
Against this difficult backdrop, in 2011 we continued our efforts to strengthen the Group, in each of its businesses. On the one hand we continued to sustain investments and on the other hand we optimised our operational and financial resources, in order to maximise efficiency and maintain the ability to expand in markets offering the best growth opportunities, while also consolidating the financial structure of our operating and holding companies", stated Marco Drago, Chairman of De Agostini S.p.A..

The Parent Company **De Agostini S.p.A.** closed 2011 with a profit of EUR 16.1 million, compared with a loss of EUR 330.8 million in 2010. The shareholders' meeting approved the proposal of the Board of Directors not to pay a dividend, in line with the capital-strengthening policies adopted in recent years.

The same shareholders' meeting also approved the reappointment of the corporate bodies for the years 2012-2014, with the same Directors and Auditors and Marco Drago as Chairman of the Company. Immediately after the shareholders' meeting, the newly appointed Board of Directors met to renew the appointment of Lorenzo Pellicioli as CEO of De Agostini S.p.A..

* * *

INSTITUTIONAL AND MEDIA RELATIONS DEPARTMENT
De Agostini S.p.A.
via Borgonuovo 16, 20121 Milan
Tel. +39 02 62499592 Fax +39 02 62499553
E-mail: relazioni.media@deagostini.it
www.gruppodeagostini.it

Details on the performance of each business are given below.

PUBLISHING

In 2011, Publishing continued its strategy of growth in markets with the greatest potential and the development of new businesses, but was also affected by the continued generally poor performance of the traditional western European markets, and Italy in particular, which resulted in new restructuring costs.

Revenues were up 1.4% to EUR 1,344 million, mainly due to the Direct Marketing business. EBITDA, reflecting the difficult market conditions, fell slightly from EUR 27 million in 2010 to 23 million in 2011. The process of reorganisation was completed, with a focus on three separate, independent business areas: Partworks, Direct Marketing and Books.

MEDIA & COMMUNICATION

The Media & Communication business posted net revenues of EUR 740 million, up by EUR 99 million (+15.4%) compared with 2010. Overall, the business area posted a sharp increase in EBITDA, from EUR 75 million to EUR 96 million (+28%).

This result was attributable to the growth of **Zodiak Media**, which heads up the Group's international TV content production activities (particularly entertainment and fiction) and achieved revenues of around EUR 550 million, having benefited from the full-year consolidation of RDF.

Revenues for **Antena 3** (approximately 22% consolidated using the proportional method) were essentially unchanged at EUR 805 million, despite a Spanish advertising market in sharp decline (-7%). Antena 3 also increased its advertising market share by over 2.6 percentage points to 30.5%, partly as a result of the success of its digital channels. At the end of December 2011, Antena 3 finalised an agreement with La Sexta, one of the four Spanish free TV operators, for its merger into Antena 3.

GAMING & SERVICES

Revenues at **Lottomatica Group** came to EUR 2,974 million, a 28.5% increase compared with 2010, while EBITDA rose 19.5% to EUR 970 million. The increase was largely attributable to the positive performance of business in Italy, particularly the Lotto and the video lotteries. Lottomatica also strengthened its leadership in the interactive gaming and sports betting sector. GTECH posted a moderate increase in revenues in 2011, however, the momentum has increased sharply in the first quarter of 2012.

As of 31 December 2011, the Lottomatica Group's consolidated net debt was EUR 2,726 million, compared with EUR 2,960 million as of 31 December 2010, as a result of significant cash flow generation during the year.

INSTITUTIONAL AND MEDIA RELATIONS DEPARTMENT
De Agostini S.p.A.
via Borgonuovo 16, 20121 Milan
Tel. +39 02 62499592 Fax +39 02 62499553
E-mail: relazioni.media@deagostini.it
www.gruppodeagostini.it

FINANCIAL INVESTMENTS

In 2011, **DeA Capital** implemented significant measures to enhance its existing investment portfolio and develop its asset management activities. In the area of asset management, the merger of the subsidiary First Atlantic Real Estate SGR into Fimit SGR led to creation of the largest real estate management company in Italy (IDeA FIMIT SGR), in which DeA Capital holds a majority stake (61.3%). The reorganisation of the management of Private Equity funds was also completed, resulting in DeA Capital's acquisition of full direct control of IDeA Capital Funds SGR.

DeA Capital received the first significant cash distribution from the investment in Migros, in which it currently has an indirect stake of around 13%, realising a gain of about EUR 28 million.

Net Asset Value (NAV), which stood at EUR 2.38 per share at 31 December 2011 (EUR 2.60 per share at the end of 2010), subsequently rose to EUR 2.51 per share in March 2012.

Net debt rose from EUR 20 million to EUR 102.5 million, essentially due to the acquisition of the majority stake in IDeA FIMIT SGR.

In relation to the holding in **Assicurazioni Generali**, the insurance company posted a net profit, although it was down significantly on 2010, due to the poor performance of the financial markets and the exposure to the sovereign debt of southern European countries. The share price was again affected by the poor performance of the European insurance sector, as well as the deterioration in the risk profile of the Italian assets.

Lorenzo Pellicioli, CEO of De Agostini S.p.A., commented: "*The current year still reflects extreme uncertainty and complexity in the economic environment and financial markets that will continue to test the Group's ability to react to external events and strengthen its competitive position.*

The strategic guidelines of the new Plan are consistent with those adopted over the last two years: expansion in markets with the best growth opportunities, simplification of processes, and selectivity in investment and portfolio choices.

Within this complex scenario, the objectives for 2012 are to consolidate our overall business results, further strengthen our financial structure and seek competitive excellence in all our business areas".

* * *

PRESS RELEASE

INSTITUTIONAL AND MEDIA RELATIONS DEPARTMENT

De Agostini S.p.A.
via Borgonuovo 16, 20121 Milan
Tel. +39 02 62499592 Fax +39 02 62499553
E-mail: relazioni.media@deagostini.it
www.gruppodeagostini.it

Following the De Agostini S.p.A. shareholders' meeting, the parent company B&D Holding di Marco Drago e C. S.a.p.a. held the shareholders' meeting to approve the 2011 annual financial statements, which closed with a net profit of EUR 16.8 million (compared with EUR 15.6 million in 2010). In accordance with the recommendation made by the Board of General Partners, the shareholders' meeting approved payment of a dividend of EUR 15.4 million, representing an increase on the previous year.

PRESS RELEASE

For further information, please contact:
Elena Dalle Rive - De Agostini S.p.A. Press Office
Tel.: + 39 02 62499592 Fax: + 39 02 62499553 Mob.: +39 335 7835912
E-mail: elena.dallerive@deagostini.it

De Agostini

De Agostini is a family-owned international group, organised as a financial conglomerate, that operates in a wide range of industries (publishing, gaming, and media & communications) and in the financial sector.
De Agostini Editore operates in 30 countries, mainly in the Partworks and Mail Order businesses.
The Lottomatica Group is a leading player on the international gaming and lotteries market and on the market for associated services and technologies, not least through its US subsidiary GTECH.
De Agostini Communications operates in the media content production sector through its subsidiary Zodiak Media, which operates in 20 mainly European countries, and in the broadcasting sector through Antena 3 de Televisión (Spain), which is under the joint control of De Agostini Communications and the Spanish shareholder Planeta.
DeA Capital operates in the alternative investments sector, both through direct and indirect private equity investments and through controlling interests in alternative asset management platforms.
De Agostini also holds a 2.3% stake in Assicurazioni Generali.