



## Press Release

### Programme to streamline and simplify the Group's corporate structure

#### • The Board of Directors of RCS MediaGroup approves plan for merger by incorporation of some of its directly or indirectly wholly-owned Italian companies

*Milan, 23 June 2011* – The Board of Directors of RCS MediaGroup, which met today under the chairmanship of Piergaetano Marchetti, has unanimously approved the Executive Board decision (as announced on the 16 June) and then has unanimously approved – with reference to the programme to streamline and simplify the Group's corporate structure to be implemented via the merger by incorporation into RCS MediaGroup of some of its directly or indirectly wholly-owned companies, as previously announced in its press release of 12 May – the proposal that the companies involved are: RCS Quotidiani – with RCS Digital and Trovocasa – RCS Periodici – with Editrice Abitare Segesta, Pubblibaby, RCS Direct, Rizzoli Publishing Italia and Sfera Editore – and RCS Pubblicità. With regard to the implementation of this programme, the Extraordinary Shareholders' Meeting of 20 June approved, as already advised, a broadening of the Company's object to include – in addition to the current holding company activities and activities typically associated therewith – activities relating to publishing, information, advertising and entertainment, and any other activities associated or connected therewith (previously carried out indirectly via subsidiaries), with the resulting right of withdrawal for shareholders that did not take part in the approval of the resolution.

As a result, the Board of Directors approved the related merger plan which includes, inter alia, the option for the merger to take place in one or more deeds, and thus at different times and to involve only some of the above-named companies. Notwithstanding these options, the merger will be effective, for legal purposes, in accordance with art. 2504-*bis*, paragraph 2, of the Italian Civil Code, from the date of the final registration of the merger deed in the Register of Companies or any later date established in the merger deed. For accounting purposes the transactions of the merged companies will be charged to the accounts of the incorporating company from the first day of the financial year in which the merger is legally effective; all tax effects pursuant to art. 172, paragraph 9 of Presidential Decree 917/1986 will also take effect from the same date.

As the merger by incorporation of companies that are wholly owned, either currently or at the time of the deed of merger, by RCS MediaGroup or by another company involved in the merger that is directly or indirectly wholly owned by RCS MediaGroup, the merger will be carried out in simplified form pursuant to art. 2505 of the Italian Civil Code.

Once the merger is effective (likely not before the end of 2011), the shares and/or holdings representing the entire share capital of each of the merged companies will be cancelled with no share swap or issue of new shares by RCS MediaGroup. Accordingly, no share exchange ratio has been determined, and the merger will not involve any change to the composition of the shareholding structure or the control system of RCS MediaGroup.

The merger will be decided by the Board of Directors of the Company by resolution in the form of a public deed, as permitted by art. 17 of the articles of association, and without prejudice of the provisions of art. 2505, paragraph 3, of the Italian Civil Code.



The merger is exempt from the application of Consob Regulation 17221/2010 and subsequent amendments, as stipulated by the procedure adopted by the Company on transactions with related parties (which may be viewed on the website [rcsmediagroup.it](http://rcsmediagroup.it) under Corporate Governance) with regard to operations carried out with subsidiaries, pursuant to the provisions of art. 14, paragraph 2 of the above Regulation.

For further information:

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