



## Press Release

### RCS MediaGroup Board of Directors: RESULTS AT 30 JUNE 2008 APPROVED

#### Highlights<sup>1</sup>:

- Consolidated net revenues up 3.4%, from EUR 1,310.5 million to EUR 1,354.8 million (-1.8% including first quarter 2007 results for the Recoletos group not consolidated)
- Group advertising revenues up 5.4% from EUR 483.6 million to EUR 509.5 million (-1.3% including first quarter 2007 results for the Recoletos group not consolidated)
- EBITDA of EUR 127.2 million, compared to EUR 147.1 million in first half 2007 (a fall of EUR 33.2 million including first quarter 2007 results for the Recoletos group not consolidated)
- Net profit of EUR 36.4 million
- Launched a project to further increase revenues from the digital business

Milan, 6 August 2008 – At its meeting today, the Board of Directors of RCS MediaGroup, under the chairmanship of Piergaetano Marchetti, approved the consolidated results at 30 June 2008.

The key results for the first six months of 2008 are shown below, with the corresponding figures for the same period of 2007:

Consolidated figures (*) (EUR million)	1H 2008	1H 2007	2Q 2008	2Q 2007
Consolidated Group revenues	1,354.8	1,310.5	725.9	739.2
EBITDA	127.2	147.1	108.3	117.2
EBIT	72.2	104.7	80.2	91.6
Net profit	36.4	144.2	55.0	127.3

Balance sheet figures (EUR million)	30/06/2008	31/12/2007	30/06/2007
Net debt	1,259.7	966.2	1,052.0

<sup>1</sup> Note that Recoletos and Digicast were fully consolidated from the second quarter of 2007.

The activities of RCS Broadcast and CNR have been sold on 26 July 2007 and 17 December 2007 respectively. Economica SGPS, a subsidiary of Unidad Editorial is classified as held for sale with effect from 1H08.

The 1H07 figures have been restated to reflect the new accounting standards adopted by Dada, and the activities of CNR have been restated under assets held for sale or sold.

Alternative performance indicators:

- EBITDA refers to the operating result before depreciation, amortisation and fixed asset write-downs.

- Net debt, a financial structure indicator, is calculated as current and non-current financial debt, net of cash and equivalents and current financial assets.

## Group performance in the first half of 2008

The **Group's consolidated net revenues** increased by 3.4% in the first half of 2008, from EUR 1,310.5 million to EUR 1,354.8 million. However, including the first quarter 2007 revenues for the Recoletos group (consolidated only from the second quarter), this item shows a fall of 1.8%.

**Group advertising revenues** grew by 5.4% from EUR 483.6 million to EUR 509.5 million. If the (unconsolidated) figure for the Recoletos group for the first quarter of 2007 is taken into account, advertising revenues fell by EUR 6.9 million (-1.3%), mainly because of a fall in Spanish Newspapers division, which was only partly offset by the revenue growth of Dada and Blei.

**Other publishing revenues** went up by EUR 21.3 million, from EUR 143.9 million to EUR 165.2 million. The increase is EUR 4.6 million if the unconsolidated first quarter 2007 revenues of Recoletos and Digicast are included.

**Circulation revenues** fell by EUR 2.9 million from EUR 683 million to EUR 680.1 million. Taking into account the unconsolidated circulation revenues of the Recoletos group in the first quarter of 2007, this fall would have been EUR 22.1 million. The first half of 2008 saw a fall in revenues from add-on products in Italy, and in newspaper and magazine circulation, in line with the market. Bucking the trend was *La Gazzetta dello Sport*, whose average daily circulation was up 1.9%. The decline was partly offset also by positive results from the Books division, thanks to a number of best sellers launched, especially by Flammarion.

**EBITDA** fell by EUR 19.9 million from EUR 147.1 million to EUR 127.2 million. Taking into account the unconsolidated EBITDA of the Recoletos group in the first quarter of 2007, this fall would have been EUR 33.2 million. Despite a positive performance from Digicast and Dada, this result was affected by an increase in promotional and marketing costs (mainly in relation to *El Mundo*), and a sharp decline in the advertising market. EBITDA was further impacted by a change in the publishing schedule in the Italian Fiction and Non-fiction segment, advertising costs for a greater number of partwork launches abroad and a lower contribution from add-on sales. Lastly, it reflects the charges relating to the intensive promotional and advertising campaign for the launch of the full-colour *La Gazzetta dello Sport* and for the start-up of *Corriere Fiorentino*, added to the investment in new initiatives in the New Media segment of the Magazines division and non-recurring costs relating to personnel expenses for the restructuring of certain Group divisions.

**EBIT** was EUR 72.2 million (EUR 104.7 million in the first half of 2007), and in addition to reflecting the fall in EBITDA, was impacted by a EUR 13.2 million increase in amortisation charges, largely relating to the portion of goodwill attributable to the intangible assets of Recoletos and Digicast, higher depreciation charges for the full-colour *El Mundo*, and the change in the basis of consolidation following the acquisition of the Recoletos group and Digicast.

**Net financial charges** totalled EUR 28.2 million (EUR 7.2 million in the first half of 2007), an increase of EUR 21 million, largely due to the increase in the average debt level following the acquisition of Recoletos and the increase in interest rates compared to the same period of 2007.

The Group's **net profit** was EUR 36.4 million including the write-down of the stake in Poligrafici Editoriale (EUR 7.9 million) and net proceeds of EUR 13.2 generated by the end-June sale of Economica SGPS, Portuguese publisher of the daily *Diario Economico* and weekly *Semanario Economico*. In the same period of 2007, net profit benefited from capital gains on the sale of non-

strategic shares (EUR 51.9 million) and dividends (EUR 11.7 million), and totalled EUR 144.2 million.

**Net debt**, at EUR 1,259.7 million, rose by EUR 293.5 million compared to 31 December 2007, due mainly to the purchase of minority stakes equivalent to 44.6% of VEO Television (EUR 89.2 million), the exercise of an option on minority stakes in Digicast (EUR 16.2 million), investments made during the period, the use of cash in ordinary operations due to seasonal trends and weak market conditions, and a dividend payout (EUR 83.9 million). The sale of Economica SGPS made a positive contribution of EUR 26.7 million (net of EUR 0.8 million relating to the company's financial position).

The net financial position included an IRPEG tax credit, received in July, relating to the 1998 tax year of EUR 36 million plus interest of EUR 10 million (both items have already been recorded in the accounts).

## Comments on performance in the first half

### Key figures

The **Italian Newspapers Division** recorded revenues of EUR 379.9 million versus EUR 389.7 million in the first half of 2007, due to the expected drop in add-on sales, which was only partly offset by an increase in advertising revenues, the positive trend in circulation of *La Gazzetta dello Sport* and the continued growth of *online* operations.

During the first half of 2008, *Corriere della Sera* recorded a daily average circulation of 633,000 copies (-3.2%), while the new full-colour tabloid version of *La Gazzetta dello Sport*, which went on sale at the end of the March, proved popular with the public and posted growth of 1.9%, to an average daily circulation of 368,000 copies.

The multimedia system centred around the two publications (including supplements, local editions, online and mobile versions) again put in a positive performance. In particular, *corriere.it* had around 10 million unique visitors in June 2008 (+15% versus June 2007), with the daily average settling at around 1 million users per weekday (+14% versus June 2007). These results also reflect the continued growth of the video service *Corriere TV*, the new channel *Motori* and the classified website *automobili.com*.

In June, *gazzetta.it* reached a new high with over 7 million unique visitors per month (+49% versus June 2007), with excellent weekday averages of around 745,000 unique visitors (+34% versus June 2007) and a 44% increase in the number of page views.

**Circulation revenues** fell from EUR 198.3 million to EUR 182.9 million owing to a drop in add-on sales; excluding this segment, sales rose by 4.4%. **Advertising revenues** went up from EUR 172.5 million to EUR 178.5 million (+3.5%), thanks to the internet segment and strong growth in the *La Gazzetta dello Sport* multimedia system (+23.8%), also following a boost from the European football championships, which was only partly offset by a decline recorded by the *Corriere della Sera* multimedia system (-4%).

**EBITDA** decreased from EUR 67.6 million to EUR 60.9 million, mainly owing to the expected lower contribution of add-on sales and the costs relating to the launch of the new full-colour, tabloid version of *La Gazzetta dello Sport* and, to a lesser extent, *Corriere Fiorentino*.

The spring Audipress survey (published on 30 July) showed positive results for newspapers and confirmed that the Group's three newspapers are among the five most read papers in Italy, with higher growth rates than their main competitors. In particular, *La Gazzetta dello Sport* further strengthened its position as the most read newspaper in Italy, setting a record of over 3.7 million readers (+3.5% compared with the previous survey), while *Corriere della Sera* made significant

progress, with 2.9 million readers (+6.8% compared with last year's Audipress autumn survey, and +11.1% versus the 2007 spring survey). *City*, which recorded an increase of 5.3%, had almost 2 million readers, confirming it as the fifth most read newspaper in Italy.

**Unidad Editorial (Spanish Newspapers)**, which was boosted by the consolidation of Recoletos from the second quarter of 2007, reported an increase in **revenues** from EUR 282.4 to EUR 346.9 million (+22.8%). Taking into account the unconsolidated revenues of Recoletos for the first quarter of 2007, revenues would have shown a fall of EUR 4.2 million.

*El Mundo* registered average circulation of 340,000, confirming it as Spain's second-largest daily, despite a fall of 6,000 copies due to intensive promotional activity by the paper's competitors, and to the sharp deterioration in the economy. Sales of *Marca* and *Expansión* via newsstands did well, posting increases in circulation, as did the magazines *Telva* and *Actualidad Economica*.

Looking at online products, *elmundo.es* was once again the leading Spanish-language news website both nationally and worldwide, with 57.4 million visitors and 11.6 unique users in June. In the same month, *marca.com* achieved a record 7.7 million unique users, while the number of visitors jumped by 58% to 81 million. A positive performance also came from *expansion.com*, which registered 3.8 million visitors (+86% on the same month of 2007) and about 1 million unique users.

**Circulation revenues** went up by EUR 32.7 million, from EUR 119.7 million to EUR 152.4 million. Taking into account the unconsolidated revenues of Recoletos in the first quarter of 2007, revenues would have increased by EUR 7.7 million.

**Advertising revenues** rose 13.4%, from EUR 136.5 million to EUR 154.8 million. On a same-structure basis, the figure is EUR 14.5 million lower (-8.6%) owing to a fall in advertising sales at *El Mundo* and *Expansion*, which was only partly counteracted by increased advertising revenues at *Marca* and a good performance from online operations (+27.8%). **EBITDA** declined from EUR 60.2 million to EUR 50 million, a drop of EUR 10.2 million. Taking into account the unconsolidated figures for Recoletos in the first quarter of 2007, the fall would have been EUR 23.5 million (-32%). The result was due to the sharp contraction in the advertising market mentioned above, and to the intensive promotional and marketing activities launched in response to similar investments by competitors, plus non-recurring costs of EUR 2.5 million incurred as part of the ongoing restructuring process.

**Revenues** in the **Books** division were down from EUR 330.2 million to EUR 320.4 million, mainly because of a sharp fall in the number of partwork launches in Italy, and because of the euro's appreciation against sterling, which hit the revenues of GE Fabbri. Thanks partly to distribution for external publishers, and despite a changed publishing schedule, revenues from Italian Fiction and Non-Fiction remained broadly unchanged versus the first half of 2007, even though that period benefited from bestsellers such as "*Scusa ma ti chiamo amore*" by Federico Moccia and "*La Casta*" by Stella and Rizzo. The biggest successes in the first half of 2008 included Stella/Rizzo's "*La deriva*" and "*L'altra casta*" by Stefano Livadiotti. Flammarion posted a positive increase in revenues thanks to increased distribution to bookshops from its publishing houses, and to a positive performance from distribution on behalf of third parties. Rizzoli International Publications posted revenues broadly in line with the same period of last year, despite the unfavourable euro/dollar exchange rate.

On 30 July the book "*Un cappello pieno di ciliege*" by Oriana Fallaci was released, and is already selling extremely well.

**EBITDA** was negative to the tune of EUR 6.1 million (-EUR 0.6 million in the same period of last year), due mainly to the costs attached to launching a larger number of partworks abroad in the first quarter of 2008 and the distribution of a smaller number of new titles compared to the first half of 2007, and despite the benefits arising from the reorganisation of processes and restructuring of business areas implemented during the period under review.

Total **revenues** in the **Magazines division** declined from EUR 161.7 million to EUR 152.6 million. **Publishing revenues** stood at EUR 50.7 million (EUR 61.4 million in the first half of 2007), owing to a 5% fall in circulation (in line with the market), and a decrease in add-on sales. Despite the unfavourable market conditions, **advertising revenues** remained steady at EUR 84.3 million. **EBITDA** fell from EUR 8.8 million to EUR 6.4 million, for the reasons mentioned above, and because of investment in new initiatives in the New Media segment. The contraction in EBITDA was somewhat mitigated by the cost-containment plan aimed at tackling the difficulties caused by the economic downturn and the consequent drop in advertising revenues.

The international development programme continued, with the launch of *Abitare* in China, and thanks to licensing agreements with prestigious overseas partners, especially in the Asian and East European markets. The new *ATCASA.it* website, launched in March, fully met expectations in the second quarter as regards both revenues and traffic.

Regarding the Group's Italian periodicals, the results of the Audiopress survey (published 30 July) revealed difficulties, as did the market generally.

Revenues at **Dada**, which continues to expand abroad, increased by 10.9% from EUR 73.3 million to EUR 81.3 million (Dada.net accounted for 58.9% and Dada Pro for 41.1%). Foreign activities accounted for 44.5% of consolidated revenues during the first half. **EBITDA** rose by 40.8%, from EUR 9.8 million to EUR 13.8 million.

Note that last July, as part of its international expansion plan, Dada acquired the Amen Group, a key European player in web hosting and domain services and leader in France, Spain and Portugal.

The **Television division (Digicast)**, consolidated since the second quarter of 2007, posted an increase in **revenues**, from EUR 7.4 million to EUR 13.7 million, while **EBITDA** rose from EUR 2 million to EUR 6.3 million. Taking into account the unconsolidated results for the first quarter of 2007, revenues would show a fall of EUR 0.3 million, while EBITDA would show an increase of EUR 2.6 million, owing to cost curbs and to greater investment in productions with a useful life of several years.

Of particular importance during the period was the launch of *Yacht & Sail*, a multimedia system around boating, which includes TV programmes, a magazine and a website based on a single editorial structure. This model will lead to the development of multi-platform initiatives in other sectors.

## Outlook for 2008

The unfavourable signs emerging from the global macroeconomic indicators point to a substantial and continuing decline in industrial production and consumer spending, as well as a significant rise in raw materials prices. This year is therefore subject to a number of unknowns, affecting, in particular, the media sector both nationally and internationally. It is therefore difficult to make forecasts, even in the medium term, especially with regard to advertising revenues in Italy and Spain. The main risks and uncertainties that the Group will face in the second half of 2008 mainly relate to trends in macroeconomic variables and their influence on the media sector.

Circulation of the two paid-for newspapers in the Italian Newspapers Division is in line with forecasts, with an improvement for *La Gazzetta dello Sport* and a slight fall for *Corriere della Sera*. The first-half decline in add-on products is likely to be repeated in the second half.

Circulation of the Group's main Spanish newspapers is also in line with forecasts. Regarding the circulation of *El Mundo*, Unidad Editorial should be able to stand firm despite the intensive

promotional activity by the paper's competitors that is likely to continue in the second half, following on from the early part of the year.

The circulation revenues of Italian periodicals are likely to continue to decline, as in the first half, but remain broadly in line with the market.

Internet advertising continues to rise: it posted better-than-expected growth of over 25% in the first half, compared to the same period of 2007. The online business is performing particularly well as regards the number of unique users per month, which reached record levels of around 10 million readers for the *corriere.it* website and some 7.5 million for *gazzetta.it*.

Note the Dada group's positive operating performance, confirming the company's good positioning on its market and its continued international growth. Based on the information provided on performance for the current year and taking account of the extraordinary transactions carried out in July, full-year results for 2008 are likely to be higher than expectations and those previously advised by Dada.

Revenues from the Books division are in line with forecasts, especially Italian fiction and non-fiction, which has a different publishing schedule compared to last year. The Partworks division continues to publish fewer new titles in Italy than last year but is producing better results in terms of both sales and profitability, as per forecasts.

Italian magazine and newspaper advertising revenues experienced increasing difficulties in July and August, and we are currently unable to give any precise indication of trends in the next few months. Advertising revenues in Spain also slowed sharply in July, and we do not expect to see a reversal of this trend in the second half of the year.

In order to minimise the effects of the worsening macroeconomic scenario, and following the major changes under way in the publishing sector – which have gathered pace even since our most recent forecasts – RCS MediaGroup has implemented a number of efficiency improvement measures. In addition to maintaining a tighter grip on costs, we are also leveraging our strategic advantages, such as the strength and prestige of our brands in Italy and abroad.

The continuing unfavourable macroeconomic scenario leads us to believe, therefore, that even if the situation does not worsen further and no unforeseeable events arise, it will not be possible to achieve operating results in line with the previous year, although we are confident, thanks to the measures taken, that we will be able to curb the negative effects arising from the economy itself.

Lastly, the Group has launched a project to further increase revenues from the digital business, the results of which will be submitted to the Board of Directors of RCS MediaGroup by October, in order to give sufficient time to update the Group's industrial plan by the end of the current year.

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Riccardo Stilli, the Director responsible for drawing up the company's accounting statements, hereby declares, pursuant to article 154-bis, paragraph 2 of the *Testo Unico della Finanza* law, that the information contained in this press release accurately represents the figures contained in the group's accounting records.

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## RCS MediaGroup

### Restated consolidated profit and loss account for the first half of 2008

(EUR million)	1H 2008	%	1H 2007	%	Difference
	A		(5) (6)		
			B		A-B
<b>Net revenues</b>	<b>1,354.8</b>	<b>100.0</b>	<b>1,310.5</b>	<b>100.0</b>	<b>44.3</b>
<i>Circulation revenues</i>	680.1	50.2	683.0	52.1	(2.9)
<i>Advertising revenues (1)</i>	509.5	37.6	483.6	36.9	25.9
<i>Other circulation revenues (2)</i>	165.2	12.2	143.9	11.0	21.3
Operating costs	(946.1)	(69.8)	(909.2)	(69.4)	(36.9)
Personnel costs	(273.2)	(20.2)	(244.5)	(18.7)	(28.7)
Loan write-downs	(5.8)	(0.4)	(6.7)	(0.5)	0.9
Risk provisions	(2.5)	(0.2)	(3.0)	(0.2)	0.5
<b>EBITDA (3)</b>	<b>127.2</b>	<b>9.4</b>	<b>147.1</b>	<b>11.2</b>	<b>(19.9)</b>
Amortisation of intangible assets	(28.7)	(2.1)	(20.5)	(1.6)	(8.2)
Depreciation of tangible assets	(26.3)	(1.9)	(21.3)	(1.6)	(5.0)
Other asset write-downs	0.0	0.0	(0.6)	(0.0)	0.6
<b>EBIT</b>	<b>72.2</b>	<b>5.3</b>	<b>104.7</b>	<b>8.0</b>	<b>(32.5)</b>
Net financial income (expenses)	(28.2)	(2.1)	(7.2)	(0.5)	(21.0)
Income (expenses) from financial assets/liabilities	(8.7)	(0.6)	63.3	4.8	(72.0)
Income (expenses) from shareholdings valued at equity	4.1	0.3	4.1	0.3	0.0
<b>Pre-tax profit</b>	<b>39.4</b>	<b>2.9</b>	<b>164.9</b>	<b>12.6</b>	<b>(125.5)</b>
Tax	(15.4)	(1.1)	(5.2)	(0.4)	(10.2)
<b>Profit/loss from continuing operations</b>	<b>24.0</b>	<b>1.8</b>	<b>159.7</b>	<b>12.2</b>	<b>(135.7)</b>
Profit from assets held for sale or sold (4)	13.2	1.0	(5.6)	(0.4)	18.8
<b>Net profit before minority interests</b>	<b>37.2</b>	<b>2.7</b>	<b>154.1</b>	<b>11.8</b>	<b>(116.9)</b>
Net (profit)/loss pertaining to minority interests	(0.8)	(0.1)	(9.9)	(0.8)	9.1
<b>Net profit</b>	<b>36.4</b>	<b>2.7</b>	<b>144.2</b>	<b>11.0</b>	<b>(107.8)</b>

(1) Advertising revenues in 1H08 include EUR 296.1 million, realised through RCS Pubblicità (including EUR 208.9 million from Italian Newspapers, EUR 80 million from Magazines and EUR 7.2 million from the sale of advertising space on behalf of external publishers), as well as EUR 213.4 million generated directly by the Group's publishers (EUR 154.8 million by Spanish Newspapers, EUR 27.8 million by Blei, EUR 15.3 million by Magazines, EUR 15.8 million by Dada, EUR 1.3 million by Digidcast, EUR 0.9 million by Italian Newspapers and EUR 2.5 million by eliminations between Group companies).

Advertising revenues in 1H07 included EUR 301.2 million, realised through RCS Pubblicità (including EUR 204.4 million from Italian Newspapers, EUR 78.9 million from Magazines and EUR 17.9 million from the sale of advertising space on behalf of external publishers), as well as EUR 182.4 million generated directly by the Group's publishers (EUR 136.5 million by Spanish Newspapers, EUR 23 million by Blei, EUR 16.2 million by Magazines, EUR 7 million by Dada, EUR 1.4 million by Digidcast and EUR 1.7 million by eliminations between Group companies).

(2) Other circulation revenues chiefly include Dada's revenues, income from the sale of Unidad Editorial's film rights and the sale of royalties to third parties, receipts from sporting events and revenues arising from the sale of client lists and of children's boxed sets from companies in the Sfera group.

(3) Refers to operating profit before depreciation, amortisation and write-downs.

(4) Refers to the activities of Economica SGPS, a subsidiary of Unidad Editorial, held for sale with effect from 1H08, and the assets of RCS Broadcast and CNR, sold on 26 July 2007 and 17 December 2007, respectively.

(5) Figures for 1H07 have been restated to reflect the new accounting standards adopted by the Dada Group.

(6) The Recoletos Group and Digidcast were fully consolidated and the associated financial effects included in the consolidated accounts from 2Q07. In 1Q07, the Recoletos Group (excluding assets held for sale) posted revenues of EUR 68.7 million and EBITDA of EUR 13.3 million. In 1Q07, the Digidcast Group posted revenues of EUR 6.6 million and EBITDA of EUR 1.7 million.

## RCS MediaGroup

### Restated consolidated balance sheet at 30 June 2008

(EUR million)	30 June 2008	%	31 December 2007	%
Intangible assets	1,656.6	66.3	1,679.8	71.5
Tangible assets	499.8	20.0	478.1	20.4
Long-term investments	293.7	11.7	304.6	13.0
<b>Net assets</b>	<b>2,450.1</b>	<b>98.0</b>	<b>2,462.5</b>	<b>104.9</b>
Inventories	197.5	7.9	175.4	7.5
Trade receivables	884.3	35.4	845.6	36.0
Trade payables	(717.6)	(28.7)	(779.8)	(33.2)
Other assets/liabilities	(5.1)	(0.2)	(36.0)	(1.5)
<b>Working capital (1)</b>	<b>359.1</b>	<b>14.4</b>	<b>205.2</b>	<b>8.7</b>
Provisions for risks and future liabilities	(59.5)	(2.4)	(63.8)	(2.7)
Provisions for deferred taxes	(154.9)	(6.2)	(157.6)	(6.7)
Provisions for employee benefits	(95.3)	(3.8)	(98.0)	(4.2)
<b>Net invested capital: operations</b>	<b>2,499.5</b>	<b>100.0</b>	<b>2,348.3</b>	<b>100.0</b>
<b>Net invested capital: assets held for sale</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Net invested capital</b>	<b>2,499.7</b>	<b>100.0</b>	<b>2,348.3</b>	<b>93.9</b>
<b>Shareholders' equity</b>	<b>1,240.0</b>	49.6	<b>1,382.1</b>	58.9
Medium/long-term debt	1,065.1	42.6	914.3	38.9
Short-term debt	332.1	13.3	162.1	6.9
Non-current financial assets for derivatives	(13.5)	(0.5)	(5.5)	(0.2)
Cash and short-term financial receivables	(136.6)	(5.5)	(109.7)	(4.7)
Net debt (cash) pertaining to assets held for sale	(0.3)	(0.0)	0.0	0.0
<b>Net debt (cash)</b>	<b>1,259.7</b>	<b>50.4</b>	<b>966.2</b>	<b>41.1</b>
<b>Total funding sources</b>	<b>2,499.7</b>	<b>100.0</b>	<b>2,348.3</b>	<b>100.0</b>

(1) On 1 January 2008 Dada began recording the costs relating to new subscriptions directly on the profit and loss account, while in previous years it recorded these costs on the basis of expected future revenues. The change, made in compliance with the Exposure Draft of the international accounting standards improvement project issued at end-2007, required the comparative figures at 31 December 2007 to be restated. This led to a EUR 6.2 million fall in working capital at 31 December 2007, and a decrease of the same amount in shareholders' equity.

## RCS MediaGroup

### Breakdown of revenues by business for the first half of 2008

(EUR million)	1H 2008					1H 2007 (3) (4)				
	Revenues	EBITDA	% of revenues	EBIT	% of revenues	Revenues	EBITDA	% of revenues	EBIT	% of revenues
Italian Newspapers	379.9	60.9	16.0%	50.8	13.4%	389.7	67.6	17.3%	57.0	14.6%
Spanish Newspapers	346.9	50.0	14.4%	30.9	8.9%	282.4	60.2	21.3%	46.8	16.6%
Books	320.4	(6.1)	-1.9%	(9.6)	-3.0%	330.2	(0.6)	-0.2%	(4.4)	-1.3%
Magazines	152.6	6.4	4.2%	5.7	3.7%	161.7	8.8	5.4%	8.2	5.1%
Advertising	326.6	2.6	0.8%	2.5	0.8%	325.8	6.2	1.9%	6.1	1.9%
Dada (1)	81.3	13.8	17.0%	9.6	11.8%	73.3	9.8	13.4%	7.0	9.5%
Television	13.7	6.3	46.0%	0.4	2.9%	7.4	2.0	27.0%	(0.1)	-1.4%
Corporate	31.9	(6.7)	-21.0%	(18.1)	n.a	32.5	(6.9)	-21.2%	(15.9)	n.a
Sundry and eliminations	(298.5)	0.0	n.a	0.0	n.a	(292.5)	0.0	n.a	0.0	n.a
<b>Consolidated</b>	<b>1,354.8</b>	<b>127.2</b>	<b>9.4%</b>	<b>72.2</b>	<b>5.3%</b>	<b>1,310.5</b>	<b>147.1</b>	<b>11.2%</b>	<b>104.7</b>	<b>8.0%</b>
Assets held for sale or sold (2)	6.2	0.4	-	0.3	-	13.6	(2.3)	-	(5.7)	-
Sundry and eliminations	-	(0.9)	-	(0.9)	-	(8.8)	-	-	-	-
<b>Total</b>	<b>1,361.0</b>	<b>126.7</b>	<b>9.3%</b>	<b>71.6</b>	<b>5.3%</b>	<b>1,315.3</b>	<b>144.8</b>	<b>11.0%</b>	<b>99.0</b>	<b>7.5%</b>

(1) EBIT recorded by Dada in 2Q08 and the same period of 2007 includes goodwill amortisation of EUR 0.8 million relating to its first-time consolidation.

(2) Refers to the assets of Economica SGPS, a subsidiary of Unidad Editorial held for sale with effect from 1H08, and the assets of RCS Broadcast and CNR, sold on 26 July 2007 and 17 December 2007, respectively.

(3) Figures for 1H07 have been restated to reflect the new accounting standards adopted by the Dada Group.

(4) The Recoletos Group and Digicast were fully consolidated and the associated financial effects included in the consolidated accounts from 2Q07. In 1Q07, the Recoletos Group (excluding assets held for sale) posted revenues of EUR 68.7 million and EBITDA of EUR 13.3 million. In 1Q07, the Digicast group posted revenues of EUR 6.6 million and EBITDA of EUR 1.7 million.