



Press Release

RCS MediaGroup Board of Directors Contract for the RCS Libri disposal signed

Milan, 4th October 2015 - Further to the pertinent unanimous decision of the Board of Directors of RCS MediaGroup, which met today under the Chairmanship of Maurizio Costa, Chief Executive Officer Pietro Scott Jovane has signed the contract relating to the disposal of the Group's entire holding in RCS Libri S.p.A. to Arnoldo Mondadori Editore S.p.A..

The transaction concerns the entire shareholding (equal to 99.99%) held by RCS MediaGroup in RCS Libri S.p.A., with the underlying shareholdings (which at closing shall include 94,71% of Marsilio Editore S.p.A.), but excluding the 58% stake in Adelphi Edizioni S.p.A., that will be sold to shareholder Roberto Calasso. During the 2014 FY the assets subject to the sale registered proforma revenues of Euro 221.6 million, EBITDA before non-recurring items of Euro 8.8 million and CAPEX of Euro 11 million, of which Euro 1.7 million were in respect of the Rizzoli bookstores' renewal.

The price (Equity Value) of the transaction equates to Euro 127.5 million on the basis of an Enterprise Value of Euro 130 million and a Net Financial Position both average (to neutralise the effect of seasonality) and adjusted (also including the buy-back of minorities in Marsilio) equal to Euro - 2.5 million. The transaction envisages price adjustment mechanisms for a maximum of +/- Euro 5 million on the basis of pre-agreed financial objectives linked to the 2015 results of RCS Libri and an earn-out in favour of RCS MediaGroup up to Euro 2.5 million should certain conditions be met in respect of the aggregate 2017 results of the related books activities. The transaction includes the customary guarantees and assurances.

In the Quarterly Report as at 30 September 2015, the Books business will be classified, as foreseen by accounting principles, and specifically by IFRS5, under activities destined for sale. The transaction will not impact significantly the Consolidated Financial Statements when compared to the values stated at 30 June 2015 at which point the Books unit was already listed at Fair Value. With regard to RCS MediaGroup S.p.A., the negative impact relative to the book value in the last approved statement of assets and liabilities (Balance Sheet as at 31 December 2014) also taking into account the costs associated with the transaction and before any fiscal considerations - is estimated to be of the order of Euro 65 million.

The agreement preserves for all RCS Group publications the possibility to continue book publishing



activities in line with those which they currently provide to their readers. RCS MediaGroup will retain ownership of the Rizzoli brand in respect of all uses and activities other than book publishing.

The consideration in respect of the transaction, that will be paid in cash at closing, will on the one hand, provide RCS MediaGroup with financial resources to invest in its business, and on the other hand to strengthen its financial structure, and also to move ahead with the revision of the main terms of the financing agreement with its lending banks.

The closing of the transaction is subject to the approval of the competent regulatory authorities; any eventual remedies will not effect the completion of the transaction and will not lead to any change in the economic conditions of the transaction for RCS MediaGroup.

Please note that, as already communicated, RCS MediaGroup S.p.A. exercises the option under Art 71, comma 1-bis (likewise the option under Art 70, comma 8) of the Regulation, referred to in Consob Decision 11971/1999, as subsequently amended.

Riccardo Taranto, the Director responsible for drawing up the company's accounting statements, hereby declares, pursuant to article 154-bis, paragraph 2 of the Consolidated Law on Finance (Testo Unico della Finanza, TUF), that the information contained in this press release accurately represents the figures contained in the Group's accounting records.

Per ulteriori informazioni:

RCS MediaGroup – Corporate Communications

Maria Verdiana Tardi - +39 02 2584 5412 - +39 347 7017627 - verdiana.tardi@rcs.it

RCS MediaGroup - Investor Relations

Federica De Medici - +39 02 2584 5508 - +39 335 230278 - federica.demedici@rcs.it

www.rcsmediagroup.it