



MONDADORI

Mandatory public notification (as per CONSOB Regulation N° 11971 of May 14, 1999) and subsequent modifications

PRESS RELEASE

MONDADORI REACHES AGREEMENT FOR THE ACQUISITION OF EMAP FRANCE FOR €545 MILLION

Segrate, 19 June 2006 – Arnoldo Mondadori Editore S.p.A. has announced the signing today of an agreement with Emap Plc for the acquisition of the entire capital of Emap France.

The price has been defined on the basis of an enterprise value of €545 million, corresponding to 9.2 times the EBITDA of Emap France in the last financial year ended on 31 March 2006.

Arnoldo Mondadori Editore S.p.A. will fund the operation entirely from available cash and specially agreed credit lines.

Emap France, which has a portfolio of more than 40 titles (in the television, women's lifestyle and specialised segments), is one of the leading consumer magazine publishers in France with a market share of 12%, in terms of circulation, and 10%, in terms of advertising.

In the last financial year, which ended on 31 March 2006, Emap France generated net revenues of €440 million, with a gross operating margin of €59 million and operating profit of €56 million.

"With this operation, which gives birth to a strong European group, from a big national publisher, Mondadori becomes a fully-fledged international publishing enterprise," declared Chairman Marina Berlusconi.

"I think that this acquisition can take on a much broader significance. If, as so many people have claimed, one of the central planks for the development of Italian business is a capacity and a determination to invest, internationalise and generate market value from our established strengths, Mondadori today confirms its position as an example. With a substantial economic commitment, in a country as important as France, and the aim of exporting also in the publishing field the assets and characteristics of what is known and understood by the expression 'Made in Italy'."

"The 'new' Mondadori will be even stronger in the publishing activities that are the company's primary assets and where we have generated a wealth of experience, creativity and business skills, that we want to exploit in an increasingly effective way outside of Italy," claimed Maurizio Costa, deputy chairman and chief executive of the group.

"The acquisition will give Mondadori a significant position in the French consumer magazine market, one of the world's largest and we are convinced," Costa continued, "that there are wide-ranging opportunities to integrate our editorial approach with that of

Emap France. Mondadori, which has historically had a cosmopolitan approach and always kept a keen eye on cultural trends around the world, has today found a transnational dimension, also on the industrial side.”

Finalisation is subordinate to antitrust authorisations from the relevant European bodies.

The management of the Mondadori Group will meet analysts and investors tomorrow, Tuesday 20 June, at 13.00 at the Auditorium Mondadori, Segrate (Milan).

The meeting is also open to accredited journalists. For accreditation please send details to rapporistampa@mondadori.it.

Mondadori

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