

Press Release

The shareholders of RCS Diego Della Valle (owner of 7.32% of the share capital), Mediobanca S.p.A. (6.25%), UnipolSai Assicurazioni S.p.A. (4.59%) and Pirelli & C. S.p.A. (4.43%) (collectively, the "RCS Shareholders") have entered into an agreement with Investindustrial (together with the RCS Shareholders, the "Shareholders") aimed at strengthening and developing the publishing group.

The Shareholders intend to support and accelerate the restructuring process positively commenced by the current management and create a multimedia publishing group of international standing, starting from the existing business platform.

Particular emphasis will be placed on the world of sport events and expansion of the digital offer both through external growth and through the further enhancement of well established RCS newspapers in the European sport information landscape such as Marca and Gazzetta dello Sport.

Corriere della Sera, for 140 years a leader in Italian and European information, will be the newspaper on which the resources of the news business will concentrate. The process of digitalization of the products offered by the newspaper will also be accelerated.

In order to implement the project, the RCS Shareholders agreed to contribute their shares, together accounting for 22.6% of the share capital of RCS, into a newly incorporated company ("NewCo") that will launch a voluntary tender offer on the remaining 77.4% at a price of € 0.70 per share. The price, to be paid in cash, includes a premium of 68.4% on the market price of April 7, 2016, the date prior to the announcement of the voluntary exchange offer (OPS) launched by Cairo Communication S.p.A., and of 17.0% on the closing market price of Friday 13 May 2016.

NewCo will have no financial debt and will cover the payment of the tender offer through equity made available by Investindustrial and the RCS Shareholders. At completion of the transaction, Investindustrial and the RCS Shareholders will own respectively 45% and 55% of NewCo, this latter stake equally split among RCS Shareholders, i.e. 13.75% each.

The Shareholders intend to accelerate the growth and development of RCS and they have already committed to provide NewCo with additional financial resources to subscribe its quota of potential capital increases of RCS, up to a maximum of € 150 million, in order to allow the creation of one of the leading international multimedia groups.

Mediobanca S.p.A. acts as financial advisor to the transaction.

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