



## CAIROCOMMUNICATION

### Press Release

#### **Results much better than expected for “Settimanale DIPIU” for Cairo Editore**

**Milan, 24 May 2004** – The launch of the new “ Settimanale DIPIU ” has proved to be better than the original forecasts. The first 5 editions of the weekly magazine have been extremely successful in distribution and advertising terms.

Sales figures for the first four editions averaged 490,000 copies each. Sales have been growing steadily, with the fourth edition selling 542,000 copies, sales of 600,000 forecast for the fifth and a print run of 810,000 for the sixth - a strongly growing sales trend.

Also, the advertising revenue has increased sharply, driven by distribution figures, with reservations for the last four weeks of around €2.5 million.

Initially, as forecast, the breakeven point for this magazine was estimated at 232,000 copies at a price of one euro each, advertising revenues of around €9 million gross annually and total annual revenue for the Group of in excess of €17 million. The successful launch has led to a forecast of decisive acceleration in distribution and advertising revenue from this title, and subsequently to the margins of the Cairo Communication Group.

In view of the results already achieved, the budget for gross advertising revenues has been revised to €15 million for a year (12 months with effect from April 2004).

With a revision distribution of 370,000 copies per year, the total revenue of the “Settimanale DIPIU” at the Group level could be around €28.5 million.

Thanks to “Settimanale DIPIU”, and the advertising and distribution results of the two successful titles launched in 2003, “For Men Magazine” and “Natural Style”, Cairo Editore will generate at least €40 million in a full year for the Cairo Communication Group. Together with revenues of at least €20 million generated by Editoriale Giorgio Mondadori, will provide annual sales by the publishing sector of around €60 million.

Thanks to these new initiatives, advertising revenues of the publishing division of Cairo Communication have grown by around 64% in the five months January to May 2004.

*Cairo Communication Group is a leading Italian advertising sales and magazine publishing Group, recognised as one of the first to have developed a multimedia sales approach, beginning with print media and expanding later into pay and digital TV and the Internet.*

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