



CAIRO COMMUNICATION

Press Release – Interim Management Report at 30 September 2015

In 9M15, the Cairo Communication Group continued to achieve very positive results in its magazine publishing segment and worked on strengthening the results of the cost rationalization measures in the TV publishing segment (La7) implemented in 2013 and 2014 in an advertising market still weak:

- consolidated gross revenue amounted to Euro 185.7 million (Euro 198.6 million in 2014)
- consolidated gross operating profit (EBITDA) and operating profit (EBIT) came to Euro 10.8 million and Euro 4.8 million (Euro 21.6 million and Euro 17.6 million in 9M14)
- consolidated profit was Euro 6.6 million (Euro 18.9 million in 9M14)
- gross operating profit (EBITDA) and operating profit (EBIT) in the magazine publishing segment came to Euro 12.5 million and Euro 11.7 million, up by 14.6% and 15.8% versus 9M14 (Euro 10.9 million and Euro 10.1 million), despite the costs (Euro 0.9 million) incurred to launch the new weekly “Nuovo TV”
- “Nuovo TV”, out on newsstands from 21 September, in the first 6 issues posted average sales of 197 thousand copies
- for the TV publishing segment (La7) the Group foresees, thanks to the 4Q results, the achievement of a substantial break even at gross operating profit (EBITDA) level in full year 2015

Milan, 13 November 2015: at its meeting today, the Board of Directors of Cairo Communication reviewed and approved the Interim Management Report at 30 September 2015.

In 9M15, despite the high degree of uncertainty of the economic context in general and specifically of its relevant markets (advertising and publishing), and despite the drop reported by its advertising revenue also as a result of the market trend, the Cairo Communication Group:

- continued its growth strategy by launching “Nuovo TV”, the new TV weekly edited by Riccardo Signoretti, out on newsstands from 21 September; in the first 6 issues, it posted average sales of approximately 200 thousand copies, highly satisfactory results in line with forecasts;
- reported a strong growth in results in the magazine publishing segment which, despite incurring costs of Euro 0.9 million in September to launch the new weekly, achieved gross operating profit (EBITDA) and operating profit (EBIT) of Euro 12.5 million and Euro 11.7 million (up by approximately 14.6% and 15.8% versus 9M14), confirming the high circulation levels of the publications, and worked on improving the levels of efficiency reached in containing costs (production, publishing and distribution);
- continued to work on strengthening the results of the rationalization and cost-curbing measures achieved in the TV publishing segment (La7) in 2013 and 2014 in an advertising market still weak.

In 9M15, consolidated gross revenue came to approximately Euro 185.7 million (Euro 198.6 million in 2014). Consolidated gross operating profit (EBITDA) and operating profit (EBIT) came to Euro 10.8 million and Euro 4.8 million (Euro 21.6 million and Euro 17.6 million in 9M14). Net profit attributable to the owners of the parent came to approximately Euro 6.6 million (Euro 18.9 million in 9M14).

Specifically:

- in the **magazine publishing segment**, gross operating profit (EBITDA) and operating profit (EBIT) came to Euro 12.5 million and Euro 11.7 million (Euro 10.9 million and Euro 10.1 million in 9M14). The period under review confirmed the excellent circulation results (Euro 55.1 million versus Euro 56 million in 9M14). Total costs of approximately Euro 0.9 million were incurred in September 2015 for the launch of “Nuovo TV”, which was supported by an advertising campaign also at newsstands. Regarding weeklies, with over 1.8 million average copies sold in the January-September nine-month period of 2015, the Group retains its position as the leading publisher in copies of weeklies sold at newsstands, with about 28% market share. Taking also into account the average sales of “Nuovo TV” in the first 6 issues, overall copies sold increase to approximately 2 million;
- in the **TV publishing segment (La7)**, the Group continued to work on strengthening the results of the rationalization and cost-curbing measures achieved in 2013 and 2014 in an advertising market still weak. As a result of the trend of advertising revenue, gross operating profit (EBITDA) and operating profit (EBIT) came to a negative figure of approximately Euro -3.1 million and Euro -7.7 million. Operating profit (EBIT) benefited in the consolidated financial statements from lower amortization and depreciation of Euro 7.9 million, due to the write-down of tangible and intangible assets made in 2013 in the purchase price allocation of the investment in La7. In 9M14, gross operating profit (EBITDA) and operating profit (EBIT) came to approximately Euro 5.9 million and Euro 3.9 million. Operating profit (EBIT) benefited in the consolidated financial statements from lower amortization and depreciation of Euro 15.5 million;
- in the **advertising segment**, gross operating profit (EBITDA) and operating profit (EBIT) came to Euro 1.3 million and Euro 0.7 million (Euro 4.8 million and Euro 3.6 million in 9M14). In 9M15, gross advertising sales on La7 and La7d channels amounted to Euro 96.1 million (Euro 107.4 million in 2014).

The consolidated **net financial position** at 30 September 2015 came to a positive figure of approximately Euro 110.5 million (approximately Euro 124.1 million at 31 December 2014). At their Meeting on 28 April 2015, the shareholders approved the distribution of a dividend of 0.27 Euro per share, inclusive of tax, with coupon detachment date on 11 May 2015, for a total of Euro 21.2 million. At 30 September 2015, the net financial position of La7 came to Euro 111.1 million (Euro 106.5 million at 31 December 2014).

In the following months of 2015, the Cairo Communication Group will continue to:

- pursue the development of its traditional segments (magazine publishing and advertising sales). Despite the economic and competitive backdrop, given the high quality of the publications and of the media under concession, the Group considers it a feasible target to continue to achieve positive operating results;
- work on strengthening the results of the rationalization and cost-curbing measures achieved in 2013 and 2014 in the TV publishing segment, for which the Group foresees, thanks to the 4Q results, the achievement of a substantial break even at gross operating profit (EBITDA) level in full year 2015.

However, the evolution of the general economic situation could affect the full achievement of these targets.

The Financial Reporting Manager of Cairo Communication S.p.A., Marco Pompignoli, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Finance Law, that the accounting information contained in this document is consistent with the underlying accounting documents, books and records.

Cairo Communication is one of the leading groups in the weekly magazine, TV publishing and advertising sales segments, recognized as one of the first to have developed a multimedia sales approach, beginning with magazine and expanding later into free, digital and pay TV and the Internet

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This press release is also available on the Company's website www.cairocommunication.it

in the section NOTICES AND DOCUMENTS / PRESS RELEASE

Summary of the main consolidated income statement figures at 30 September 2015

The main consolidated income statement figures in 9M15 and 3Q15 can be compared as follows with those in 9M14 and 3Q14:

(€ thousands)	30/09/2015 (Nine months)	30/09/2014 (Nine months)
Gross operating revenue	177,377	190,804
Advertising agency discounts	(16,560)	(18,309)
Net operating revenue	160,817	172,495
Change in inventory	46	(27)
Other revenue and income	8,284	7,799
Total revenue	169,147	180,267
Production cost	(114,296)	(114,632)
Personnel expense	(44,100)	(44,079)
Gross operating profit (EBITDA)	10,751	21,556
Amortization, depreciation, provisions and impairment losses	(5,952)	(3,967)
EBIT	4,799	17,589
Net financial income	520	1,723
Income (loss) on investments	-	(1)
Pre-tax profit	5,319	19,311
Income tax	1,295	(378)
Non-controlling interests	(14)	(14)
Profit from continuing operations attributable to the owners of the parent	6,600	18,919
Profit/ (loss) from discontinued operations attributable to the owners of the parent	-	-
Profit attributable to the owners of the parent	6,600	18,919

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(€ thousands)	30/09/2015 (Three months)	30/09/2014 (Three months)
Gross operating revenue	49,936	53,609
Advertising agency discounts	(4,111)	(4,480)
Net operating revenue	45,825	49,129
Change in inventory	57	8
Other revenue and income	2,714	2,756
Total revenue	48,596	51,893
Production cost	(32,234)	(33,276)
Personnel expense	(13,676)	(13,043)
Gross operating profit (EBITDA)	2,686	5,574
Amortization, depreciation, provisions and impairment losses	(2,379)	(1,939)
EBIT	307	3,635
Net financial income	121	516
Income (loss) on investments	0	(1)
Pre-tax profit	428	4,150
Income tax	716	272
Non-controlling interests	(4)	(6)
Profit from continuing operations attributable to the owners of the parent	1,140	4,416
Profit/ (loss) from discontinued operations attributable to the owners of the parent	-	-
Profit attributable to the owners of the parent	1,140	4,416

Unaudited reclassified statements

The Group **statement of comprehensive income** can be analyzed as follows:

(€ thousands)	30/09/2015 (Nine months)	30/09/2015 (Quarter)	30/09/2014 (Nine months)	30/09/2014 (Quarter)
Consolidated statement of comprehensive income				
Profit attributable to owners of the parent	6,600	1,140	18,919	4,416
<i>Other non-reclassifiable items of the comprehensive income statement</i>				
Actuarial profit (loss) from defined benefit plans	477	-	(695)	-
Tax effect	(131)	-	191	-
Total comprehensive income for the period	6,946	1,140	18,415	4,416
<i>Unaudited reclassified statements</i>				

Summary of the main consolidated statement of financial position figures at 30 September 2015

The main figures of the consolidated **statement of financial position** at 30 September 2015 can be analyzed versus the situation at 31 December 2014:

(€ thousands)	30/09/2015	31/12/2014
Statement of financial position		
Property, plant and equipment	3,047	3,069
Intangible assets	61,588	56,871
Financial assets	1,341	1,175
Deferred tax assets	3,367	3,983
Net current assets	(25,470)	(19,071)
Total assets	43,873	46,027
Non-current borrowings and provisions	42,237	43,741
(Net financial position)/Net debt	(110,515)	(124,061)
Equity attributable to the owners of the parent	112,102	126,311
Equity attributable to non-controlling interests	49	36
Total equity and liabilities	43,873	46,027

Unaudited reclassified statements

The consolidated **net financial position** at 30 September 2015, versus the situation at 31 December 2014, can be summarized as follows:

(€ thousands)	30/09/2015	31/12/2014	Change
Cash and cash equivalents	131,765	149,061	(17,296)
Current financial assets	-	-	-
Bank loans	(21,250)	(25,000)	3,750
Total	110,515	124,061	(13,546)

Unaudited reclassified statements

Segment reporting at 30 September 2015

The results in 9M15 and 3Q15 for each main business segment (magazine publishing, advertising, TV publishing (La7), network operator (Cairo Network) and Il Trovatore) can be analyzed as follows comparing them with the results of 9M14 and 3Q14:

2015 (Nine months) (€ thousands)	Magazine Publishing	Adver tising	TV publishing La7	Trovatore	Network operator (Cairo Network)	Intra- group and unallocated	Total
Gross operating revenue	71,252	115,757	69,896	662	-	(80,190)	177,377
Advertising agency discounts	-	(16,560)	-	-	-	-	(16,560)
Net operating revenue	71,252	99,197	69,896	662	-	(80,190)	160,817
Change in inventory	46	-	-	-	-	-	46
Other income	1,346	768	6,090	2	78	-	8,284
Total revenue	72,644	99,965	75,986	664	78	(80,190)	169,147
Production cost	(45,915)	(93,398)	(54,634)	(506)	(33)	80,190	(114,296)
Personnel expense	(14,273)	(5,240)	(24,457)	(57)	(73)	-	(44,100)
Gross operating profit (EBITDA)	12,456	1,327	(3,105)	101	(28)	-	10,751
Amortization, depreciation, provisions and impairment losses	(784)	(592)	(4,575)	-	(1)	-	(5,952)
EBIT	11,672	735	(7,680)	101	(29)	-	4,799
Income (loss) on investments	-	-	-	-	-	-	-
Net financial income	(2)	75	443	4	-	-	520
Pre-tax profit	11,670	810	(7,237)	105	(29)	-	5,319
Income tax	(3,926)	(493)	5,743	(37)	8	-	1,295
Non-controlling interests	-	-	-	(14)	-	-	(14)
Profit from continuing operations attributable to the owners of the parent	7,744	317	(1,494)	54	(21)	-	6,600
Profit / (loss) from discontinued operations	-	-	-	-	-	-	-
Profit for the period	7,744	317	(1,494)	54	(21)	-	6,600

Unaudited reclassified statements

2014 (Nine months) (€ thousands)	Magazine Publishing	Adver tising	TV publishing La7	Trovatore	Network operator (Cairo Network)	Intra- group and unallocated	Total
Gross operating revenue	72,650	127,708	77,273	611	-	(87,438)	190,804
Advertising agency discounts	-	(18,309)	-	-	-	-	(18,309)
Net operating revenue	72,650	109,399	77,273	611	-	(87,438)	172,495
Change in inventory	(27)	-	-	-	-	-	(27)
Other income	1,118	605	6,075	-	1	-	7,799
Total revenue	73,741	110,004	83,348	611	1	(87,438)	180,267
Production cost	(48,774)	(100,444)	(52,283)	(486)	(83)	87,438	(114,632)
Personnel expense	(14,098)	(4,766)	(25,190)	(25)	-	-	(44,079)
Gross operating profit (EBITDA)	10,869	4,794	5,875	100	(82)	-	21,556
Amortization, depreciation, provisions and impairment losses	(786)	(1,157)	(2,023)	-	(1)	-	(3,967)
EBIT	10,083	3,637	3,852	100	(83)	-	17,589
Income (loss) on investments	-	(1)	-	-	-	-	(1)
Net financial income	36	377	1,310	-	-	-	1,723
Pre-tax profit	10,119	4,013	5,162	100	(83)	-	19,311
Income tax	(3,727)	(1,482)	4,862	(31)	-	-	(378)
Non-controlling interests	-	-	-	(14)	-	-	(14)
Profit from continuing operations attributable to the owners of the parent	6,392	2,531	10,024	55	(83)	-	18,919
Profit / (loss) from discontinued operations	-	-	-	-	-	-	-
Profit for the period	6,392	2,531	10,024	55	(83)	-	18,919

Unaudited reclassified statements

2015 (Three months) (€ thousands)	Magazine Publishing	Adver tising	TV publishing La7	Trovatore	Network operator (Cairo Network)	Intra- group and unallocated	Total
Gross operating revenue	25,247	28,450	15,989	206	-	(19,956)	49,936
Advertising agency discounts	-	(4,111)	-	-	-	-	(4,111)
Net operating revenue	25,247	24,339	15,989	206	-	(19,956)	45,825
Change in inventory	57	-	-	-	-	-	57
Other income	423	353	1,863	-	75	-	2,714
Total revenue	25,727	24,692	17,852	206	75	(19,956)	48,596
Production cost	(16,443)	(23,650)	(11,947)	(141)	(9)	19,956	(32,234)
Personnel expense	(4,529)	(1,609)	(7,490)	(16)	(32)	-	(13,676)
Gross operating profit (EBITDA)	4,755	(567)	(1,585)	49	34	-	2,686
Amortization, depreciation, provisions and impairment losses	(302)	(265)	(1,812)	-	-	-	(2,379)
EBIT	4,453	(832)	(3,397)	49	34	-	307
Income (loss) on investments	-	-	-	-	-	-	-
Net financial income	3	13	105	-	-	-	121
Pre-tax profit	4,456	(819)	(3,292)	49	34	-	428
Income tax	(1,447)	210	1,993	(31)	(9)	-	716
Non-controlling interests	-	-	-	(4)	-	-	(4)
Profit from continuing operations attributable to the owners of the parent	3,009	(609)	(1,299)	14	25	-	1,140
Profit / (loss) from discontinued operations	-	-	-	-	-	-	-
Profit for the period	3,009	(609)	(1,299)	14	25	-	1,140

Unaudited reclassified statements

2014 (Three months) (€ thousands)	Magazine Publishing	Adver tising	TV publishing La7	Trovatore	Network operator (Cairo Network)	Intra- group and unallocated	Total
Gross operating revenue	26,107	30,970	17,912	179	-	(21,559)	53,609
Advertising agency discounts	-	(4,480)	-	-	-	-	(4,480)
Net operating revenue	26,107	26,490	17,912	179	-	(21,559)	49,129
Change in inventory	8	-	-	-	-	-	8
Other income	253	124	2,378	-	1	-	2,756
Total revenue	26,368	26,614	20,290	179	1	(21,559)	51,893
Production cost	(17,336)	(25,156)	(12,128)	(132)	(83)	21,559	(33,276)
Personnel expense	(4,432)	(1,449)	(7,155)	(7)	-	-	(13,043)
Gross operating profit (EBITDA)	4,600	9	1,007	40	(82)	-	5,574
Amortization, depreciation, provisions and impairment losses	(241)	(551)	(1,146)	-	(1)	-	(1,939)
EBIT	4,359	(542)	(139)	40	(83)	-	3,635
Income (loss) on investments	-	(1)	-	-	-	-	(1)
Net financial income	19	52	445	-	-	-	516
Pre-tax profit	4,378	(491)	306	40	(83)	-	4,150
Income tax	(1,664)	54	1,892	(10)	-	-	272
Non-controlling interests	-	-	-	(6)	-	-	(6)
Profit from continuing operations attributable to the owners of the parent	2,714	(437)	2,198	24	(83)	-	4,416
Profit / (loss) from discontinued operations	-	-	-	-	-	-	-
Profit for the period	2,714	(437)	2,198	24	(83)	-	4,416

Unaudited reclassified statements

Details of consolidated revenue at 30 September 2015

The breakdown of **gross operating revenue** in **9M15** and **3Q15**, split up by main business segment (magazine publishing, advertising, TV publishing (La7), network operator (Cairo Network) and II Trovatore), can be analyzed as follows by comparing the amounts in 9M14 and 3Q14:

Gross revenue (€ thousands)	Quarter at 30/09/2015 (Nine months)						
	Magazine publishing	Advertising	TV publishing (La7)	Trovatore	Network operator (Cairo Network)	Intra-group eliminations and unallocated	Total
Magazine over-the-counter sales	55,136	-	-	-	-	-	55,136
Print media advertising	14,592	19,231	-	-	-	(14,417)	19,406
TV advertising	-	93,408	67,961	-	-	(64,425)	96,944
Stadium signage	-	2,084	-	-	-	-	2,084
Internet advertising	-	583	329	408	-	(717)	603
Revenue from programming schedule space	-	-	818	-	-	-	818
Other TV revenue	-	-	788	-	-	-	788
Subscriptions	2,141	-	-	-	-	-	2,141
Books and catalogues	463	-	-	-	-	-	463
Other revenue	2	451	-	254	-	(631)	76
VAT relating to publications	(1,082)	-	-	-	-	-	(1,082)
Total gross operating revenue	71,252	115,757	69,896	662	-	(80,190)	177,377
Other revenue	1,346	768	6,090	2	78	-	8,284
Total revenue	72,598	116,525	75,986	664	78	(80,190)	185,661

Gross revenue (€ thousands)	Quarter at 30/09/2014 (Nine months)						
	Magazine publishing	Advertising	TV publishing (La7)	Trovatore	Network operator (Cairo Network)	Intra-group eliminations and unallocated	Total
Magazine over-the-counter sales	56,004	-	-	-	-	-	56,004
Print media advertising	15,158	20,101	-	-	-	(15,110)	20,149
TV advertising	-	105,005	74,839	-	-	(71,035)	108,809
Stadium signage	-	1,481	-	-	-	-	1,481
Internet advertising	-	669	314	357	-	(663)	677
Revenue from programming schedule space	-	-	655	-	-	-	655
Other TV revenue	-	-	1,465	-	-	-	1,465
Subscriptions	2,178	-	-	-	-	-	2,178
Books and catalogues	445	-	-	-	-	-	445
Other revenue	-	452	-	254	-	(630)	76
VAT relating to publications	(1,135)	-	-	-	-	-	(1,135)
Total gross operating revenue	72,650	127,708	77,273	611	-	(87,438)	190,804
Other revenue	1,118	605	6,075	-	1	-	7,799
Total revenue	73,768	128,313	83,348	611	1	(87,438)	198,603

Gross revenue (€ thousands)	Quarter at 30/09/2015 (Three months)						
	Magazine publishing	Advertising	TV publishing (La7)	Trovatore	Network operator (Cairo Network)	Intra-group eliminations and unallocated	Total
Magazine over-the-counter sales	19,968	-	-	-	-	-	19,968
Print media advertising	4,885	6,425	-	-	-	(4,853)	6,457
TV advertising	-	21,273	15,422	-	-	(14,668)	22,027
Stadium signage	-	393	-	-	-	-	393
Internet advertising	-	208	116	122	-	(226)	220
Revenue from programming schedule space	-	-	224	-	-	-	224
Other TV revenue	-	-	227	-	-	-	227
Subscriptions	707	-	-	-	-	-	707
Books and catalogues	138	-	-	-	-	-	138
Other revenue	-	151	-	84	-	(209)	26
VAT relating to publications	(451)	-	-	-	-	-	(451)
Total gross operating revenue	25,247	28,450	15,989	206	-	(19,956)	49,936
Other revenue	423	353	1,863	-	75	-	2,714
Total revenue	25,670	28,803	17,852	206	75	(19,956)	52,650

Gross revenue (€ thousands)	Quarter at 30/09/2014 (Three months)						
	Magazine publishing	Advertising	TV publishing (La7)	Trovatore	Network operator (Cairo Network)	Intra-group eliminations and unallocated	Total
Magazine over-the-counter sales	21,155	-	-	-	-	-	21,155
Print media advertising	4,641	6,088	-	-	-	(4,615)	6,114
TV advertising	-	24,261	17,528	-	-	(16,557)	25,232
Stadium signage	-	322	-	-	-	-	322
Internet advertising	-	148	83	96	-	(178)	149
Revenue from programming schedule space	-	-	134	-	-	-	134
Other TV revenue	-	-	167	-	-	-	167
Subscriptions	718	-	-	-	-	-	718
Books and catalogues	115	-	-	-	-	-	115
Other revenue	-	151	-	83	-	(209)	25
VAT relating to publications	(522)	-	-	-	-	-	(522)
Total gross operating revenue	26,107	30,970	17,912	179	-	(21,559)	53,609
Other revenue	253	124	2,378	-	1	-	2,756
Total revenue	26,360	31,094	20,290	179	1	(21,559)	56,365

Summary of the main income statement figures of the Parent at 30 September 2015

The main **income statement figures of Cairo Communication S.p.A.** in 9M15 and 3Q15 can be compared as follows with those in 9M14 and 3Q14:

(€ thousands)	30/09/2015 (Nine months)	30/09/2015 (Quarter)	30/09/2014 (Nine months)	30/09/2014 (Quarter)
Gross operating revenue	72,269	16,801	81,789	19,211
Advertising agency discounts	-	-	-	-
Net operating revenue	72,269	16,801	81,789	19,211
Other revenue and income	415	151	186	42
Total revenue	72,684	16,952	81,975	19,253
Production cost	(69,153)	(16,151)	(75,742)	(17,862)
Personnel expense	(2,172)	(673)	(2,149)	(669)
Gross operating profit (EBITDA)	1,359	128	4,084	722
Amortization, depreciation, provisions and impairment losses	(183)	(62)	(149)	(49)
EBIT	1,176	66	3,935	673
Net financial income	24	4	363	53
Income (loss) on investments	7,465	-	1,039	-
Pre-tax profit	8,665	70	5,337	726
Income tax	(531)	(39)	(1,450)	(279)
Profit from continuing operations	8,134	31	3,887	447
Loss from discontinued operations	-	-	-	-
Profit	8,134	31	3,887	447

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The **statement of comprehensive income** of the Parent can be analyzed as follows:

(€ thousands)	30/09/2015 (Nine months)	30/09/2015 (Quarter)	30/09/2014 (Nine months)	30/09/2014 (Quarter)
Statement of comprehensive income of the Parent				
Profit for the period	8,134	31	3,887	447
<i>Other non-reclassifiable items of the comprehensive income statement</i>				
Actuarial profit (loss) from defined benefit plans	96	-	(39)	-
Tax effect	(26)	-	11	-
Total comprehensive income	8,204	31	3,859	447

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Summary of the main figures of the statement of financial position of the Parent at 30 September 2015

The main figures of the **statement of financial position** of Cairo Communication S.p.A. at 30 September 2015 can be analyzed versus the situation at 31 December 2014:

(€ thousands)	30/09/2015	31/12/2014
Statement of financial position		
Property, plant and equipment	394	457
Intangible assets	289	320
Financial assets	23,123	23,124
Other non-current financial assets	7,363	1,663
Net current assets	5,312	7,325
Total assets	36,481	32,889
Non-current borrowings and provisions	1,364	1,485
(Net financial position)/Net debt	(9,106)	(25,768)
Equity	44,223	57,172
Total equity and liabilities	36,481	32,889

Unaudited reclassified statements

The **net financial position** of the Parent at 30 September 2015, versus the situation at 31 December 2014, is summarized as follows:

(€ thousands)	30/09/2015	31/12/2014	Change
Cash and cash equivalents	9,106	25,768	(15,127)
Current financial assets		-	-
Total	9,106	25,768	(15,127)

Alternative performance indicators:

In this press release, in order to provide a clearer picture of the financial performance of the Cairo Communication Group, besides of the conventional financial indicators required by IFRS, a number of alternative performance indicators are shown that should, however, not be considered substitutes of those adopted by IFRS.

The alternative indicators are:

- **EBITDA**: used by Cairo Communication as a target to monitor internal management, and in public presentations (to financial analysts and investors). It serves as a unit of measurement to evaluate Group and Parent operational performance, with the **EBIT**, and is calculated as follows:

Profit from continuing operations, pre tax

+/- Net finance income

+/- Share in associates

EBIT- Operating profit

+ Amortization & depreciation

+ Bad debt impairment losses

+ Provisions for risks

EBITDA – Operating profit, before amortization, depreciation, write-downs and impairment losses

The Cairo Communication Group also considers the **net financial position** as a valid indicator of the Group's ability to meet financial obligations, both current and future. As can be seen in the table used in this Report, which details the equity figures used for the calculation of Group net financial position, this figure includes cash and other cash equivalents, bank deposits, securities and other current financial assets, reduced by current and non-current bank borrowings.