



CAIRO COMMUNICATION

Press Release

Assignment of powers, assessment of independence requirements, appointment of committees

Milan, 14 May 2014: at its meeting today, the Board of Directors of Cairo Communication, among other things:

- assessed, together with the Board of Statutory Auditors, compliance with the independence requirements prescribed by art. 148, paragraph 3 of Legislative Decree n. 58 of 24 February 1998, and with subsequent requirements prescribed by the Corporate Governance Code issued by Borsa Italiana S.p.A., of independent directors Marco Janni, Roberto Rezzonico, Mauro Sala and Stefania Petruccioli;
- assigned:
 - o to Chairman Urbano Cairo the main executive and management powers (with the exception of the acquisition or transfer of business units or companies and granting of securities to third parties for value exceeding given thresholds, significant transactions and related party transactions of greater importance);
 - o to Uberto Fornara, as managing director, the powers to manage and develop advertising sales, as well as the sales network staff involved;
 - o to Marco Pompignoli, the powers of overseeing and supervising Group administration, finance and management control functions;
- approved the guidelines to conduct significant transactions and the procedures for the internal management and external communication of documents and information concerning the Issuer, with particular reference to classified information;
- appointed:
 - o the members of the Control and Risk Committee, composed of non-executive directors Roberto Rezzonico (independent), Mauro Sala (independent) and Antonio Magnocavallo,
 - o the members of the Remuneration Committee, composed of non-executive directors Antonio Magnocavallo, Roberto Rezzonico (independent) and Stefania Petruccioli (independent),
 - o the members of the Related-Party Committee, composed of the three independent directors Marco Janni, Mauro Sala and Stefania Petruccioli.

In particular, the Board, regarding the assessment of the independence requirements of Directors Marco Janni, Roberto Rezzonico (who have been directors of the Company for more than nine years in the last twelve) and Mauro Sala (who has been statutory auditor of the Company for more than nine years in the last twelve), with the abstention of the persons involved, in consideration of the recurrence of the independence requirements under art. 148, paragraph 3 of the Consolidated Finance Act, and non-recurrence of the most common cases that are indicative of absence of independence listed in application criterion 3.C.1 of the Corporate Governance Code (letters from a) to h), with the exception of the case referred to in sub e), given the non-binding nature of the foregoing application criteria for the purposes of attributing the qualification of independence, considering the absence, generally speaking, of objective and unequivocal cases in fact proving the existence of specific relations with the Issuer or with subjects associated with the Issuer (such as, for instance, the majority shareholder, etc.) and, in particular:

- (i) the absence of business, professional or personal relations between Marco Janni, Roberto Rezzonico and Mauro Sala, on the one side, and the Issuer, and companies belonging to the same group and the controlling partner, on the other, and
- (ii) the acknowledged professional qualities and integrity of the directors in question, who are renowned professionals with their own business activity;
- (iii) the minor impact of compensation established by the Shareholders' Meeting for the Board of Directors, inclusive of compensation for participation of a number of directors in committees prescribed by law and regulations, on the total remuneration of the foregoing directors;
- (iv) taking also into account the Company's interest to still avail itself of the directors' professional qualities, specific experience and deep knowledge of its inner workings, gained during their tenure,

confirmed the existence of the independence requirements of the foregoing directors.

Regarding the independence of Stefania Petruccioli, the Board, after assessing recurrence of the independence requirements prescribed by art. 148, paragraph 3, of the Consolidated Finance Act, and non-recurrence of all the cases that are indicative of absence of independence listed in application criterion 3.C.1 of the Corporate Governance Code (letters from a) to h), considering the absence, generally speaking, of objective and unequivocal cases in fact proving the existence of specific relations with the Issuer or with subjects associated with the Issuer (such as, for instance, the majority shareholder, etc.), confirmed the existence of the independence requirements of the foregoing director.

The Board of Statutory Auditors, after taking note, verified the proper application of the criteria adopted by the Board of Directors to assess the independence of its members.

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

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