



CAIRO COMMUNICATION

Press Release

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

Milan, 3 May 2011: at its meeting today, the Board of Directors of Cairo Communication , among others:

- assessed, with the Board of 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 of the Corporate Governance Code issued by Borsa Italiana S.p.A., of independent directors avv. Marco Janni, dott. Roberto Rezzonico and dott. Mauro Sala;
- assigned:
 - o to Chairman dott. Urbano Cairo, the main executive and management powers (with the exception, among others, of significant transactions and related parties transactions of greater importance);
 - o to dott. Uberto Fornara, as managing director, the powers to manage and develop advertising sales, as well as the sales network staff involved;
 - o to dott. Marco Pompignoli, the powers of overseeing and supervising Group administration, finance and management control functions;
- approved the guidelines to conduct significant transactions and to treat classified information;
- appointed:
 - o the members of the Compensation Committee, composed of non-executive directors avv. Antonio Magnocavallo, President, dott. Roberto Rezzonico (independent) and avv. Marco Janni (independent),
 - o the members of the Audit Committee, composed of non-executive directors dott. Roberto Rezzonico (independent), President, dott. Mauro Sala (independent) and avv. Antonio Magnocavallo,
 - o the members of the Related Parties Committee, composed of the three independent directors avv. Marco Janni, President, dott. Roberto Rezzonico and dott. Mauro Sala,
 - o avv. Marco Janni as Lead independent director.

In particular, the Board, regarding the assessment of the independence requirements of avv. Marco Janni and dott. Roberto Rezzonico (who have been directors of the Company for more than nine years in the last twelve), and of dott. Mauro Sala (who has been auditor of the Company for more than nine years in the last twelve), with the abstention of the persons involved, in consideration of the persistence of the independence requirements under art. 148, paragraph 3 of the Consolidated Finance Act, and non-persistence 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, broadly speaking, of objective and unequivocal cases in fact proving the existence of specific relations with the Company or with subjects associated with the Company (such as, for instance, the majority shareholder, etc.) and, in particular:

- (i) the absence of business, professional or personal relations between avv. Janni, dott Rezzonico and dott. Sala, on the one side, and the Company, 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 a solid background;
- (iii) the small incidence of compensation established by the Shareholders' Meeting for the Board of Directors, inclusive of compensation for participation of some 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,

after acknowledging the relevant legal opinion expressed, upon the Company's request, by prof. Matteo Rescigno (full professor of business law at the University of Milan), confirmed the persistence of the independence requirements of the foregoing directors. The Board of 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 publishing and advertising sales Group, recognised 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.

For further information:

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