



## CAIRO COMMUNICATION

### Press Release

#### **CAIRO COMMUNICATION: GROWTH PROSPECTS**

**Milan, 2 October 2007:** For the July-September 2007 quarter the advertising revenue of the weekly women's magazine "Diva e Donna" had an extremely positive trend, with growth of 12 % compared to the same period of the previous year (in the quarter +7% at Euro 13,5 million the advertising revenue of Cairo Group titles overall).

The good distribution results of "Diva e Donna" led to an increase in the sales price of 20 cents from the end of September 2007. This results in the expectation of an increase of operating margins at Group level of around €1.6 million for the 2007/08 financial year. A 10 cent increase in the cover price of "DipiùTV" is anticipated with effect from October 2007 with an expected increase of operating margins at Group level of around €1.5 million for the 2007/08 financial year.

In the next year 2007/08, Cairo Editore will thus continue to optimise its production, publishing and distribution costs. Particular attention will be paid also to increasing advertising revenue, both in terms of price and number of pages, especially "Diva e Donna", but also "Settimanale Dipiù" and "DipiùTV". After the year 2006/07, which saw the consolidation of successful initiatives undertaken in the previous four years, the publishing and economics feasibility of launching new initiatives will be evaluated.

Also, the performance of advertising revenue on La 7 for the quarter July-September 2007 was excellent, totalling Euro 20,1 million with growth of 29% compared to the same quarter of the previous year. Similar results were achieved for advertising revenue on the thematic channels Cartoon Network and Boomerang with growth of 17% in the nine months January – September 2007 compared to the same period of the previous year.

#### ***About Cairo Communication***

*Cairo Communication Group is a leading Italian 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 TV and the Internet.*

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