



CAIRO COMMUNICATION

Press Release

Annual General Meeting approves financial statements as at 31 December 2010, renewal of the Board of Directors and Board of Auditors and their compensation, appointment of the Audit Firm, proposal to purchase treasury shares, and a number of amendments to the bylaws

Milan, 28 April 2011 - The Annual General Meeting, called today:

- approved the financial statements as at 31 December 2010, and the distribution of a dividend of 0.25 Euro per share, inclusive of tax, with coupon detachment date (coupon n. 3 post split) on 9 May 2011, and payable on 12 May 2011. The dividend will be payable through the authorised intermediaries of the Monte Titoli S.p.A. central management system. For tax purposes, the dividend is considered to be originated for Euro 0.230 from profit reserves and for Euro 0.020 from capital reserves.
- appointed, for a three-year period, with term expiring upon approval of the financial statements as at 31 December 2013, based on the single list submitted by the majority shareholder UT Communications S.p.A., the Board of Directors of the Company, composed of Urbano Cairo, Chairman, Uberto Fornara, Marco Pompignoli, Roberto Cairo, Antonio Magnocavallo, Mauro Sala (independent), Roberto Rezzonico (independent), Marco Janni (independent), also determining their total annual compensation, pursuant to art. 2389, paragraph 1 of the Civil Code, which amounts to Euro 220 thousand for each financial year;
- appointed, for a three-year period, until approval of the financial statements as at 31 December 2013, based on the single list submitted by the majority shareholder UT Communications S.p.A., the Board of Auditors, composed of the three statutory auditors Dott. Marco Moroni, Chairman, Dott.ssa Maria Pia Maspes and Dott. Marco Giuliani, and of the two alternate auditors, Dott. Mario Danti and Dott. Enrico Tamborini, also determining their total annual compensation according to minimum professional fees and up to a maximum of Euro 70 thousand;
- upon motivated proposal of the Board of Auditors, appointed KPMG S.p.A. as the Audit Firm, also approving its fee;
- prior to revoking similar decision of 28 April 2010, also approved the proposal to purchase treasury shares pursuant to art. 2357 and following articles of the Civil Code, with the aim, on the one hand, of stabilising the Company's share and sustaining liquidity and, on the other, if deemed necessary by the Board of Directors, of establishing a "shares stock" as provided by market practice n. 2 under Consob Resolution 16839/2009. The Board was authorised to purchase treasury shares up to the maximum number permitted by law, for a period of 18 months from the date of authorisation, by use of available reserves, including the share premium reserve, as resulting from the last approved annual financial statements. In particular, the Board of Directors will be authorised to purchase treasury shares on one or more occasions, purchasing shares directly on the market - according to the procedures provided by art. 144 bis, paragraph 1, letter b, of the Issuers' Regulations, and through specialised intermediary, in conformity with the provisions of the Stock Exchange Regulations and relevant Instructions and, in the event of operations carried out according to accepted market practices under the Consob Resolution 16839/2009, with the provisions of such Resolution. Minimum and maximum purchase price per share are set at an amount equal to the average official purchase price of the share on Borsa Italiana S.p.A. in the 15 working days preceding the purchase, respectively reduced or increased by 20%, in any event within a maximum limit of Euro 6.5 per share. Should the buyback operations be carried out according to accepted market practices under Consob Resolution

16839/2009, the purchase of treasury shares is subject to further limits, including price limits, provided for thereto. The Board has also been authorised to sell, on one or more occasions, any purchased treasury shares, setting the minimum sale price per share no lower than the minimum price calculated following the criteria adopted for their purchase. Should the treasury shares be sold according to accepted market practices under Consob Resolution 16839/2009, the sale of treasury shares is subject to further limits, including price limits, provided for thereto.

Regarding the buyback plan approved by the Shareholders' Meeting of 28 April 2010, from such date until 28 April 2011, no treasury shares were purchased or sold. As at 28 April 2011, the Company held n. 771,326 treasury shares, or 0.98% of the share capital, purchased at an average weighted price of approximately Euro 3.05 for a total of Euro 2,351,293;

- approved the proposal to amend the bylaws, specifically, harmonising art. 26 on the appointment of the Board of Auditors to the latest changes introduced in the Issuers' Regulations and adding, to art. 29, the possibility of approving interim dividends, pursuant to art. 2433 *bis* of the Civil Code.

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