

PRESS RELEASE

FININVEST GROUP

CONSOLIDATED NET REVENUES: € 5,333 MILLION (+10.3%)

OPERATING PROFIT: € 1,106 MILLION (+30%)
as a proportion of revenues and increase from 17.6% to 20.7%

NET PROFIT RISES TO € 332 MILLION (+38.4%)

The Shareholders' Meeting of Fininvest S.p.A., which was held today under the Chairmanship of Aldo Bonomo, has approved the consolidated annual report and the parent company's annual report for the year ended 31 December 2004.

FININVEST GROUP CONSOLIDATED ANNUAL REPORT 2004

*2004 saw Fininvest continue the **growth trend** that began several years ago, and record **very positive results**. All of the principal indicators showed an improvement on the previous year; in particular **operating profit was up by 30%**, breaking the billion euro barrier, and 20.7% as a proportion of revenues.*

*These results are a confirmation of both the **validity of a strategy** based of the concentration and development of the core **media and entertainment business**, and an **ability to achieve increasingly higher levels of efficiency**, through the realisation of projects and initiatives that have a positive impact on profitability.*

Here are the consolidated pro-forma highlights for the year 2004:

The Fininvest Group's **net revenues increased by 10.3%** to reach **€ 5,333 million**, compared with € 4.836 million in the previous year; an increase to which, to varying degrees, all of the Group's activities contributed.

Consolidated gross operating profit showed an **increase of 10%**: € 2,201 million, compared with € 2,001 million in 2003.

There was also a marked increase in **operating profit (+30%)** which in 2004 came to **€ 1,106 million**, compared with the € 851 million of the previous year. Particularly significant was the **proportion** of operating profit on net revenues (**operating profitability**) that **came to 20.7%**, an increase of **more than 3 percentage points** on the 17.6% of 2003. This is a further improvement in the Group's growing profitability, which **has increased five-fold between 1996 and 2004, from 4% to 20.7%**.

Again at the consolidated level, 2004 closed with **net profits of € 332 million, an increase of 38.4%** on the € 240 million of 2003. The Group achieved this result after **amortizations** for a total of **€ 1,081 million** (€ 1,134 million in 2003) and the allocation of **profit due to third party shareholders of € 398 million** (€ 289 million in the previous year).

The consolidated net financial position at 31 December 2004 showed a deficit of **€ 808 million**, a marked reduction on the € 1,175 million on 31 December 2003, thanks to a financial surplus of **€ 367 million**. Net of non-

recurring operations, the ordinary management of the Fininvest Group generated liquidity during 2004 of a value of more than **€ 650 million**.

There was a further improvement in the **debt/equity ratio**, which went from **0.36** on 31 December 2003 to **0.23** on 31 December 2004.

Net assets, including minority interests, increased by € 290 million, to reach, at the end of 2004, **€ 3,524 million**, compared with € 3,234 million on 31 December 2003.

ROE (Return On Equity) for the last year came to **20.5%**, compared with **16.7%** for the previous year.

ANNUAL REPORT 2004 FININVEST S.P.A.

The Annual Report for 2004 of the parent company Fininvest S.p.A. showed a **profit of € 172 million**, compared with the € 147 million of 2003, also after having made **amortizations for € 0.5 million** (€ 0.7 million in the previous year).

Milan, 14 June 2005

For further information:

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