

PRESS RELEASE

FININVEST GROUP – 2006 RESULTS

CONSOLIDATED NET REVENUES OF €5,651 MILLION (+2.8%)

OPERATING PROFIT OF € 1,181 MILLION (-8.9%)
20.9% as a proportion of revenues

INVESTMENTS OF € 2.3 BILLION (+67%)

NET PROFIT OF € 316 MILLION

The Shareholders' Meeting of Fininvest S.p.A., which was held today under the chairmanship of Marina Berlusconi, has approved the consolidated annual report and the parent company's annual report for the year ended 31 December 2006.

FININVEST GROUP CONSOLIDATED ANNUAL REPORT 2006

*Despite a range of critical elements in the overall scenario, and in particular trends in the advertising market, during 2006 the **Fininvest Group** increased its commitment to **strategic development** in its core business with record **investments of € 2.3 billion** (+67% on 2005). Such significant resources have been focused on the development of digital terrestrial television and the internationalisation process of the publishing activities.*

*Despite the impact of the overall economic and business scenario and the substantial investments made during the period on operating margins, the Group nevertheless ended the year with **growing consolidated revenues and net profit**, on a like-for-like basis, substantially **in line** with that of 2005.*

Here are the consolidated pro-forma highlights for the year 2005:

The Fininvest Group's **consolidated net revenues increased by 2.8%** to reach **€ 5,651 million**, compared with €5,496 million in the previous year. On a like-for-like basis, excluding for 2005 the revenues of Pagine Italia S.p.A. (no longer fully consolidated since the sale of a controlling stake on 1 January 2006) and, in 2006, the revenues of Mondadori France (consolidated since 1 September 2006), revenues saw a rise of 1%.

Consolidated gross operating profit amounted to € 2,130 million, compared with €2,179 million in 2005.

The Group's **operating profit** rose from € 1.297 million in 2005 to €1,181 for 2006, a fall of 8.9%. **Operating profitability** for the period was 20.9%, compared with 23.6% in 2005. Excluding the impact of the consolidation of Mondadori France, operating profitability was 21.1%.

Net profit for the period came to **€ 316 million** (€ 1,805 million in 2005). It should be remembered that the net profit figure for 2005 was markedly affected by extraordinary operations, particularly the sale by Fininvest S.p.A. of a 16.68% stake in Mediaset, which resulted in a capital gain, at a consolidated level, of around € 1.5 billion. On a like-for-like basis, net profit for 2006 was substantially in line with that of the previous year.

The Group achieved these results after booking total **amortizations** of **€ 949 million** (€ 882 million in 2005) and allocated profit for minority interest of **€ 530 million** (€584 million in the previous year).

The Group's (pro forma) **net financial position** on 31 December 2006 showed a surplus of **€ 7 million**, compared with a surplus of € 759 million on 31 December 2005. The change is due to the substantial investments made during the course of the year and indicated above.

At the end of 2006, **net assets**, including minority interests, amounted to **€ 5,616 million**, compared with € 5,408 million on 31 December 2005.

ANNUAL REPORT 2006 FININVEST S.P.A.

The statutory accounts for 2006 of the parent company Fininvest S.p.A. showed a profit of € 328 million, compared with the € 1,987 million of 2005. The 2005 result was due to the impact of the extraordinary operation connected to the sale of shares of Mediaset S.p.A.

On 31 December 2006, the **net financial position** of the Fininvest Group showed a surplus of € 1,066 million, compared with surplus of € 1,049 million on 31 December 2005.

Milan, 27 June 2007

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