

Disclosure of information as requested by Consob pursuant to art. 114 of Italian Legislative Decree 58/1998 (TUF)

Pursuant to art. 114, par. 5, of the TUF, as requested by Consob, disclosure is made of the Directors' observations on:

- A. the conclusions of the Expert tasked with verifying the possibility of recovering the amounts of the fixed assets recognized in the financial statements, according to whom "*the results of Phase One can in no way be considered the final outcome of the impairment test under IAS 36*", as pointed out by the Independent Auditors and the Board of Statutory Auditors;
- B. the impact of the review of the Business Plan and Financial Plan on the assessments made by the Company and the Expert on the possibility of recovering the assets recognized in the financial statements, with particular regard to the possible impact on estimated cash flows as a result of the proposed operation regarding the Training Area.

Milan, 9 May 2017 - The Board of Directors met today, under the chairmanship of Giorgio Fossa, and resolved on supplementing the Annual Financial Report at page 136 in the paragraph on "*Impairment test - Section Group Consolidated Financial Statements as at 31 December 2016*" and the corresponding paragraph *Impairment test* at page 259 - Section *Separate Financial Statements of the Parent Il Sole 24 ORE S.p.A. as at 31 December 2016* - with the following information:

Impairment test

The impairment test for 2016 moves from the premise that the Parent Company, before the impairment results, finds itself in the situation set out in art. 2446 of the Italian Civil Code. Accordingly, the impairment test was broadened to include not only goodwill and intangible assets with an indefinite useful life, but also fixed assets with a definite useful life.

The assessment on the possibility of recovering the amounts of fixed assets recognized in the financial statements as at 31.12.2016, is divided into two phases:

1. Preliminary estimate of impairment losses based on the 2020 Business Plan in place, excluding the Financial Plan to date (capital increase and debt restructuring);
2. Building of the Financial Plan and validation of the impairment test results at Group level (second level of impairment).

Phase One. The analysis of Phase One is structured as follows:

- Assessment on the possibility of recovering intangible assets with an indefinite useful life (radio broadcasting frequencies), based on a fair value estimate performed, as in the past, by an appointed external expert. Impairment losses, if any, will be equal to the difference between the carrying amount and the recoverable amount as determined.
- Assessment on the possibility of recovering fixed assets with a definite useful life, based on the value in use of the relevant CGUs. There are seven CGUs:
 - o Publishing & Digital;

- Tax & Legal;
- System;
- Radio;
- Radiocor Plus Agency;
- Training;
- Culture.

The difference between the recoverable amount and the respective carrying amount, where negative, results in an impairment loss attributable to the CGU's fixed assets. However, as the amount of the fixed assets cannot be booked at less than the fair value, estimates must be made on the main assets, such as property, plant, rotary printing presses and software.

Assessment on the possibility of recovering goodwill (allocated solely to the Tax & Legal CGU) by estimating the value in use of the Tax & Legal CGU. Impairment losses, if any, on goodwill will be equal to the difference between the value in use of the GCU and its carrying amount (including goodwill and impairment losses, if any, on other assets under the CGU as mentioned above).

A sensitivity analysis was also performed to determine the amount of the key variables (cost of capital, growth rate of income in terminal value, EBITDA), which makes the recoverable amount equal to the carrying amount in the consolidated financial statements of those CGUs whose value in use is higher than the carrying amount.

Phase Two: the Company has prepared a second-level impairment test calculation, built on the feasibility of the Company's recapitalization plan, as explained in the section "Directors' assessment on the going concern assumption and business outlook": through a series of concurrent measures, a transaction is planned to bring the share capital back into positive territory and strengthen the capital for an amount up to 70 million euro.

It should be noted that the impairment test, both at first and second level, has been prepared based on the feasibility of the Company's recapitalization plan and on the Financial Plan, based, therefore, on speculations at this point in time.

The above update to the second-level impairment test calculation confirms that a further impairment of assets is no longer required.

It should be noted that the proposed Financial Plan, for the purpose of preparing the second-level impairment test, which takes into account the planned transaction regarding the *Training and Events* BU, does not result in a negative change in the possibility of recovering the assets recognized in the financial statements.

It should additionally be noted that the appointed Expert concludes that "*the results of Phase One can in no way be considered the final outcome of the impairment test under IAS 36*", given the uncertainties arising from the going concern assumption which, to date, is based on speculations that can be verified following completion of the Financial Plan.

In this regard, the Directors believe there are reasonable expectations for the Company to successfully conclude the Financial Plan, which would ensure long-term structural stability and lay the groundwork for the success of the industrial actions set out in the Business Plan.

The capital and financial scheme envisages in fact:

(i) the enhancement of the "Training and Events" Area by means of a competitive bidding procedure on the minority interest of the relating business. In this regard, non-binding bids are expected to be received by the end of May and binding bids by early June; (ii) a cash capital increase with pre-emptive rights of at least 50 million euro. In this connection, Confindustria has reiterated its willingness to take part in the capital increase up to the amount of 30 million euro,

provided it maintains control over the Company and the Company obtains the full capital and financial resources needed to execute the Plan; the residual and possibly unsubscribed 20 million euro will see the establishment of a guarantee syndicate; (iii) the conclusion of an agreement with the lenders, which will hopefully be signed by the end of June.

Lastly, while the results of the first- and second-level impairment test are based on speculations, the Directors have assessed that the results can be considered final, given the reasonable expectations of carrying out the recapitalization and implementing the Financial Plan, assumptions on which the above impairment test results are based.

The Annual Financial Report as at 31 December 2016, with the above supplements, has been published today on the NIS and on the Company website www.gruppo24ore.ilsole24ore.com/it-it/Investors section.

Under paragraph 2, article 154-bis of the Consolidated Finance Law (TUF), Giancarlo Coppa, in his capacity as corporate financial reporting manager, attests that the accounting information contained herein is consistent with the Company's document results, books and accounting records.

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