

Supplements required by Consob pursuant to art. 114 of Legislative Decree 58/1998

Update to 31 December 2016

Net financial position of Il Sole 24 ORE S.p.A. and the 24 ORE Group, with separate disclosure of current and non-current components

Consolidated net debt

NET DEBT OF THE 24 ORE GROUP		
(in thousands of euro)	31.12.2016	31.12.2015 Restated
A. Cash in hand	88	120
B. Other cash and cash equivalents (bank and post office accounts)	29,916	39,078
C. Securities held for trading	-	-
D. Liquidity (A) + (B) + (C)	30,004	39,198
E. Current loan assets	1,019	-
F. Current portion of amounts due to banks	(23,017)	(15,457)
G. Current portion of non-current loans	(51,036)	(50,996)
H. Other current loans and borrowings	(1,299)	-
I. Current debt (F)+(G)+(H)	(75,353)	(66,453)
J. Net current debt (I) – (E) – (D)	(44,330)	(27,255)
K. Non-current bank loans and borrowings	(6,163)	(6,687)
L. Bonds issued	-	-
M Other non-current borrowings	-	-
N. Non-current debt (K) + (L) + (M)	(6,163)	(6,687)
O. Net debt (J) + (N)	(50,493)	(33,942)

Group net debt amounts to -50.5 million euro at 31 December 2016 versus the restated figure of 33.9 million euro at 31 December 2016, increasing by 16.6 million euro; the change is mainly attributable to the negative cash flow from operations, to operating investments and to the payment of non-recurring charges.

Mention should be made of the early cash-in of the vendor loan of 24.5 million euro in March 2016, referring to the portion of the deferred payment of the price for the disposal of the Software Area.

Net debt of the Parent Il Sole 24 ORE S.p.A. is shown below, with separate disclosure of current and non-current components:

Net debt of the Parent Il Sole 24 ORE S.p.A.

NET DEBT OF IL SOLE 24 ORE SPA		
(in thousands of euro)	31.12.2016	31.12.2015 Restated
A. Cash in hand	68	51
B. Other cash and cash equivalents (bank and post office accounts)	27,101	33,248
C. Securities held for trading	-	-
D. Liquidity (A) + (B) + (C)	27,169	33,299
E. Current loan assets	10,960	17,262
F. Current portion of amounts due to banks	(23,017)	(14,486)
G. Current portion of non-current loans	(51,036)	(50,980)
H. Other current loans and borrowings	(2,833)	(7,324)
I. Current debt (F)+(G)+(H)	(76,886)	(72,790)
J. Net current debt (I) – (E) – (D)	(38,757)	(22,229)
K. Non-current bank loans and borrowings	(6,163)	(6,687)
L. Bonds issued	-	-
M Other non-current borrowings	-	-
N. Non-current debt (K) + (L) + (M)	(6,163)	(6,687)
O. Net debt (J) + (N)	(44,920)	(28,916)

The net debt of the Company amounts to -44.9 million euro at 31 December 2016 versus a restated -28.9 million euro at 31 December 2015, increasing by 16.0 million euro.

The change in net debt is attributable to the negative cash flow from operations, to operating investments and to the payment of non-recurring charges.

Mention should be made of the early cash-in of the vendor loan of 24.5 million euro in March 2016, referring to the portion of the deferred payment of the price for the disposal of the Software Area.

Amounts due from the Company and its Group, split up by nature (financial, trade, tax, social security and to employees) and any associated action by creditors (reminders, orders for payment, suspended deliveries, etc.)

Amounts due from the 24 ORE Group split up by nature

AMOUNTS DUE FROM THE 24 ORE GROUP								
(in thousands of euro)	Dues split up by days overdue						total due	
	0-30	31-60	61-90	91-120	121-150	151-180	By more than 180 days	
Loans and borrowings	-	-	-	-	-	-	-	-
Trade payables	9,849	1,878	525	1,090	913	989	2,329	17,783
Social security institutions	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-
Tax liabilities	-	-	-	-	-	-	-	-

Amounts due from Il Sole 24 Ore S.p.A. split up by nature

AMOUNTS DUE FROM IL SOLE 24 ORE SPA								
(in thousands of euro)	Dues split up by days overdue						total due	
	0-30	31-60	61-90	91-120	121-150	151-180	By more than 180 days	
Loans and borrowings	-	-	-	-	-	-	-	-
Trade payables	9,311	1,738	497	955	802	977	1,706	16,185
Social security institutions	-	-	-	-	-	-	-	-
Payables to employees	-	-	-	-	-	-	-	-
Tax liabilities	-	-	-	-	-	-	-	-

Amounts due from the 24 ORE Group and the Parent Il Sole 24 ORE S.p.A. refer to trade payables past due mainly from 0 to 30 business days.

Regarding action by creditors, mention should be made that the reminders received fall into ordinary administrative activities. From the statement of the previous month we have no evidence of orders for payment served referring to the above amounts due and no suspended delivery has been made such as to affect normal business operations.

Main changes in related party transactions of the Company and its Group since the latest Annual or Half-Year Financial Report approved, pursuant to art. 154-ter of the TUF

Related parties of the Group

RELATED PARTY TRANSACTIONS								
Company	Trade and other receivables	Loan assets	Trade and other payables	Loans and borrowings	Revenue and operating income	Costs	Financial income	Financial expense
Confederazione Generale dell'Industria Italiana (Confederation of Italian Industry)	23	-	-	-	93	-	-	-
Total Ultimate Parent	23	-	-	-	93	-	-	-
Newton Management Innovation S.p.A.	-	310	(52)	-	19	(143)	14	-
Newton Lab S.r.l.	15	508	(23)	-	43	(291)	19	-
Total joint venture companies	15	817	(74)	-	61	(434)	33	-
Sipi S.p.A.	24	-	(24)	-	59	(95)	-	-
Key management personnel			(94)			(3,963)		
Other managers			(528)			(5,563)		
Board of Directors			(705)			(1,028)		
Board of Statutory Auditors			(289)			(297)		
Other related party persons	192	-	(192)	-	1,686	(1,077)	-	(43)
Total other related parties	216	-	(1,833)	-	1,745	(12,022)	-	(43)
Total related parties	253	817	(1,907)	-	1,900	(12,456)	33	(43)

Trade and other receivables refer mainly to:

- sale of daily newspapers, books and magazines;
- sale of computer-based products by subscription;
- sale of advertising space.

Financial receivables refer to current accounts relating to cash management agreements with Newton Management Innovation S.p.A. and Newton Lab S.r.l.. To its credit balances, the Parent applies a one-month Euribor interest rate at a 365 basis +5.5%. To its debit balances, the Parent applies a one-month Euribor interest rate at a 365 basis.

Trade and other payables refer mainly to payables for event management and editorial costs.

Revenue refers mainly to the sale of advertising space in the Group's titles and subscriptions to the Daily Newspaper.

Costs refer mainly to editorial services, press agency information, development of digital radio broadcasting, and management of events and training.

Costs include factoring fees of 140 thousand euro. Financial charges refer to the sale of receivables.

Key management personnel at this time are two heads of business and one central unit manager. Costs refer to salaries, social security contributions and treatment of post-employment benefits. These costs include charges from the departure of the previous CEO, Donatella Treu.

Related parties of Il Sole 24 Ore S.p.A.

RELATED PARTY TRANSACTIONS								
Company	Trade and other receivables	Loan assets	Trade and other payables	Loans and borrowings	Revenue and operating income	Costs	Financial income	Financial expense
Confederazione Generale dell'Industria Italiana (Confederation of Italian Industry)	23	-	-	-	93	-	-	-
Total Ultimate Parent	23	-	-	-	93	-	-	-
Il Sole 24 ORE - Trading Network S.p.A.	-	523	-	-	725	(9,614)	1,037	-
24 Ore Cultura S.r.l.	-	8,045	-	-	670	(697)	620	-
Ticket 24 ORE S.r.l.	-	-	-	(1,518)	55	-	-	-
Il Sole 24 Ore Uk Ltd	-	-	(403)	-	-	(670)	800	-
Food 24 S.r.l.	-	801	-	-	-	(19)	50	-
BacktoWork 24 S.r.l.	-	572	-	-	74	-	31	-
Next 24 S.r.l.	-	-	-	(16)	30	(605)	72	-
EMC	-	-	(132)	-	-	(1,013)	-	-
Total subsidiaries	-	9,941	(535)	(1,534)	1,555	(12,618)	2,610	-
Newton Management Innovation S.p.A.	-	310	(52)	-	19	(143)	14	-
Newton Lab S.r.l.	-	508	(23)	-	1	(291)	19	-
Total joint venture companies	-	817	(74)	-	19	(434)	33	-
Sipi S.p.A.	24	-	(24)	-	59	(95)	-	-
Key management personnel	-	-	(94)	-	-	(3,963)	-	-
Other managers	-	-	(528)	-	-	(4,993)	-	-
Board of Directors	-	-	(705)	-	-	(1,028)	-	-
Board of Statutory Auditors	-	-	(199)	-	-	(199)	-	-
Other related party persons	95	-	(289)	-	1,589	(1,173)	-	(43)
Total other related parties	118	-	(1,839)	-	1,648	(11,452)	-	(43)
Total related parties	141	10,758	(2,448)	(1,534)	3,315	(24,504)	2,643	(43)

Financial receivables refer to:

- current accounts with the subsidiaries 24 ORE Cultura S.r.l., Food 24 S.r.l., Il Sole 24 ORE Trading Network S.p.A. and BacktoWork S.r.l. to maximize the yield of cash deposits of the Group. To its credit balances, the Parent applies a one-month Euribor interest rate at a 365 basis +5.5%. To its debit balances, the Parent applies a one-month Euribor interest rate at a 365 basis;
- current accounts referring to cash management dealings with Newton Management Innovation S.p.A. and Newton Lab S.r.l.. To its credit balances, the Parent applies a one-month Euribor interest rate at a 365 basis +5.5%. To its debit balances, the Parent applies a one-month Euribor interest rate at a 365 basis.

Trade and other receivables refer mainly to advertising sales.

Trade and other payables refer mainly to:

- payables to the subsidiary Il Sole 24 ORE UK Ltd. for brokerage relating to the sale of advertising space in the UK;
- payables to Newton Management Innovation S.p.A. for production services.

Financial payables refer to the current accounts with the subsidiary Ticket 24 ORE S.r.l. and with Next 24 S.r.l..

Revenue and operating income refer mainly to:

- charging of centralized services to Group companies;
- sale of daily newspapers, books and magazines;
- sale of computer-based products by subscription;
- sale of advertising space in Group titles.

Costs refer mainly to:

- a contractual agreement with the subsidiary Il Sole 24 ORE UK Ltd. for brokerage relating to the sale of advertising space in the UK;
- a contractual agreement with the subsidiary Il Sole 24 ORE Trading Network S.p.A. for business activities relating to the sale of products of Il Sole 24 Ore S.p.A.;
- costs for the development of digital radio broadcasting;
- costs for management of events and training;
- costs for press agency and editorial consulting.

Costs include factoring fees of 140 thousand euro. Financial charges refer to the sale of receivables.

Key management personnel at this time are two heads of business and one central unit heads. Costs refer to salaries, social security contributions and treatment of post-employment benefits. These costs include charges from the departure of the previous CEO, Donatella Treu.

Financial income refers to interest income on the financial receivables above and to the cash-in of the dividend of 1 million euro distributed by Il Sole 24ORE Trading and of 800 thousand euro by Il Sole 24 ORE UK Ltd.

From the latest Half-Year Financial Report approved on 30 September 2016, changes in related party transactions of the 24 ORE Group and the Parent Il Sole 24 ORE S.p.A. are as follows:

1. Key management personnel dropped from 5 to 3 units following the departure of two manager on September and December 2016;

2. Other related party managers have decreased by four units following the departure of three managers of the Parent and of a manager of a subsidiary.

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.

Media contacts:

Press Office Manager 24 ORE Group:

Ginevra Cozzi - Tel. 02/3022.4945 – Mob. 335/1350144

Investor Relations

Raffaella Romano - Tel. 02/3022.3728