

“ARNOLDO MONDADORI EDITORE S.p.A.
BOARD OF STATUTORY AUDITORS’ REPORT
TO THE SHAREHOLDERS’ MEETING CALLED
FOR THE APPROVAL OF THE FINANCIAL STATEMENTS AT 31
DECEMBER 2015
(art. 153 of Legislative Decree no. 58/98)

Dear Shareholders,

in 2015, we carried out auditing activities as required by law and in compliance with the provisions set out in Consob Communication no. 1025564 of 6 April 2001 and subsequent amendments, taking also into account the Code of Conduct recommended by the Italian National Association of Certified and Professional Accountants.

Specifically:

- we monitored compliance with the law, the Company by-laws and the principles of correct administration;*
- we attended the Shareholders’ Meetings, the Board of Directors’ meetings and the meetings of the Board Committees, and we obtained from the Directors, also pursuant to art. 150 of Legislative Decree no. 58/1998, regular reports on the general performance of operations, on the outlook, as well as on transactions of greater operating, financial and equity relevance completed by the Company, making sure that the resolutions made and implemented were not openly incautious and risky, generating a potential conflict of interest, in contrast with the resolutions made by the Shareholders’ Meeting or such as to jeopardize the integrity of the Company’s capital;*

- *we obtained knowledge of and monitored the adequacy of the Company's organizational structure for the aspects falling under our competence, through direct auditing, collection of information and meetings with the representatives of Deloitte & Touche S.p.A., the independent auditing firm responsible for statutory auditing on the Group's consolidated and Company's financial statements as well as for limited auditing on the Group's consolidated and Company's interim reports, for the purpose of also exchanging relevant data and information. In this respect, no specific aspects were identified which needed to be reported;*
- *we assessed and monitored the adequacy of the internal control and risk management system, the activity performed by the Internal Audit Officer and of the administrative-accounting system, as well as the latter's reliability to correctly reflect data on operations by collecting information, examining corporate documents and analyzing the outcomes resulting from the audits carried out by the independent auditors. We also regularly met with the Internal Audit Officer, with whom we exchanged information on the outcome of the audits made on the subsidiaries, and we also attended the meetings of the Internal Control and Risk Committee;*
- *we monitored the correct implementation of corporate governance rules as envisaged in the relevant Corporate Governance Code, with which the Company complies according to the criteria set out in the Report on Corporate Governance and Ownership Structure. Specifically, we checked, on an annual basis, compliance with the independence requirements of non-executive Directors qualified as independent by the*

Board of Directors, and we also verified the fulfilment of the same requirements of independence by the Statutory Auditors;

- *with reference to Legislative Decree no. 39/2010, we verified the compliance with independence requirements by the independent auditing firm, Deloitte & Touche S.p.A. also based on the statement released pursuant to art. 17, par. 9, letter a) of the aforementioned Legislative Decree no. 39/2010;*
- *we assessed and monitored the adequacy of the guidelines given to subsidiaries pursuant to art. 114, par. 2, of Legislative Decree no. 58/1998. These guidelines enabled subsidiaries to promptly provide the parent company with the necessary information to comply with disclosure obligations required by law;*
- *we verified compliance with law provisions in relation to the preparation of the Group's consolidated and Company's annual financial statements at 31 December 2015, drafted according to IAS/IFRS international accounting standards, the relevant reports on operations, through direct audits and information obtained from the independent auditors; this Board of Statutory Auditors shared the criteria adopted by the Board of Directors in relation to the impairment tests reflected in the Group's consolidated and Company's financial statements;*
- *we monitored compliance with the procedures regarding transactions with related parties, adopted by the Board of Directors, following to the principles set out in Consob Regulation no. 17221 of 12 March 2010 and its implementation;*

- *we gave, pursuant to art. 2389, par. 3, of the Italian Civil Code, our favourable opinion on the proposals made to the Board of Directors by the Remuneration Committee in relation to the determination of compensation to the directors holding special offices in compliance with the Company by-laws (CEO and Chairman), and to compensation to the directors who are members of Board Committees.*
- *In the performance of the auditing activities described above, no omissions, reprehensible events or irregularities were identified that would have required reporting to the competent supervisory boards or mentioning in this report.*

In 2015, the Committee responsible for monitoring the effectiveness, compliance and updating of the Company's organizational, management and control model adopted pursuant to Legislative Decree no. 231/2001, did not report any events to us.

Also, the annual Report on Corporate Governance and Ownership Structure drafted by the Board of Directors did not identify any issues that would need to be submitted to your attention.

In compliance with the recommendations and indications provided by Consob, this Board of Statutory Auditors also points out that:

- *it verified that no atypical and/or unusual transactions, both at intercompany level or with related parties, were carried out;*

The information provided by the Board of Directors also with specific reference to intercompany transactions and transactions with related parties is considered adequate. Specifically, the latter transactions are to be considered correlated and inherent to the Company's purpose. The characteristics and the economic effects

of the ordinary transactions performed are reported in the Notes to the Financial Statements and are considered congruent and fulfilling the Company's interests. In addition, in this respect, no conflicts of interest were identified.

- The Company has essentially adhered to the Code of Corporate Governance for Listed Companies issued by Borsa Italiana S.p.A., as specified in the relevant report by the Board of Directors.*

During the financial year:

- the Board of Statutory Auditors regularly met and exchanged information with the representatives of Deloitte & Touche S.p.A.. On 29 March 2016, the independent auditing firm issued the reports on the Group's consolidated and the Company's financial statements and the same do not contain any event subject to disclosure;*
 - the Board of Directors had no. 12 meetings and the Board of Statutory Auditors had no. 13 meetings;*
 - the Company assigned to Deloitte & Touche S.p.A., the independent auditing firm responsible for auditing the Group's consolidated and the Company's financial statements, also the following tasks:*
 - ADS audits for 2015 for a price of 55,000 euro.*
 - auditing of the Company's financial statements at 31 December 2015 for a price of 33,000 euro;*
 - audits for the underwriting of the tax returns for a price of 14,300 euro (of which 2,700 euro relating to the parent company) and 10,500 euro relating to the "approval of compliance" for VAT and IRAP returns;*
- The company assigned the following tasks to entities having ongoing relations with the independent auditing firm:*

- Deloitte & Associates S.A. was given the task to carry out audits for the purpose of obtaining reduced mail fees for a price of 20,500 euro.

The Board of Statutory Auditors did not receive any reports, pursuant to art. 2408 of the Italian Civil Code, nor complaints.

In brief, taking into account the foregoing and within the scope of its duties, this Board of Statutory Auditors did not identify any events or facts that may prevent the approval of the financial statements at 31 December 2015, showing a loss of 31,981,679.37 euro, nor of the proposal to cover said loss by fully resorting to the stock option reserves, amounting to 1,100,690.02 euro, under "Other reserves and profit/(loss) carried forward", and for the residual amount of 30,880,989.35 euro by partly using the Extraordinary Reserve allocated under "Other reserves and profit/(loss) carried forward", as proposed by the Board of Directors.

Milan, 29 March 2016

For the Board of Statutory Auditors

The Chairman

(Ferdinando Superti Furga)"