



PRESS RELEASE

The Board of Directors of Dmail Group S.p.A. approved the Interim Management Report at 31 March 2010 ¹

- Consolidated results for the first quarter of 2010 ²:

- **Revenues:** 19.4 million euros (against 28.2 million euros at 31 March 2009);
 - **Gross Operating Income:** 1 million euros (against 1.5 million euros at 31 March 2009);
 - **Operating Income:** 0,4 million euros (against 0.9 million euros at 31 March 2009);
 - **Profit before tax** profits of 0.04 million euros (against losses of 0.4 million euros at 31 March 2009);
 - **Net financial position:** minus 24.6 million euros (minus 24.4 million euros at 31 December 2009);
- Appointment of the new Head of the Internal Audit Committee
- Appointment of three new directors of Buy On Web S.p.A..

Milan, 13 May 2010. The Board of Directors of **Dmail Group S.p.A.**, company listed in the Star segment of Borsa Italiana, held earlier today, approved the **Interim Management Report for the quarter ended 31 March 2010**.

Please note that the consolidation area of the Dmail Group - since 29 March 2010 - does not include the subsidiary Buy On Web S.p.A., of which Dmail Group S.p.A. owns a 51% share.

COMMENTARY ON THE CONSOLIDATED RESULTS AT 31 MARCH 2010

At 31 March 2010, the Dmail Group achieved **Revenues** amounting to 19.4 million euros, down 31% on the 28.2 million euros for the first quarter of 2009. The **Local Media** segment, in particular, reported Revenues of 7.3 million euros (up 3% compared to 31 March 2009) and the **Media Commerce** segment's Revenues amounted to 12.1 million euros (down 43% compared to 31 March 2009); the revenues of this last segment – considering the same scope of consolidation, that is to say excluding the revenues of the subsidiary Buy On Web at 31 March 2009 – at 31 March 2010 were in line with the figure for the first quarter of 2009.

The consolidated **Gross Operating Income** at 31 March 2010 amounted to 1 million euros, against 1.5 million euros at 31 March 2009. In particular, the **Local Media** segment reported a GOI of 0.5 million euros (up 11% on 31 March 2009) while the **Local Media** segment's GOI amounted to 0.9 million euros (down 37% on 31 March 2009). Considering the same scope of consolidation, i.e. excluding the gross operating income of Buy On Web at 31 March 2009, the segment was in line with the previous period.

¹ In the light of the deconsolidation of the 51% shareholding of Dmail Group in Buy On Web S.p.A. – as communicated to the market on 29 March 2010 – data at 31 March 2010 is not comparable to the data for the same period of the previous year, given that the change of the consolidation scope.

² At 31 March 2009, Buy On Web S.p.A. reported Net Revenues of 9 million euros, a Gross Operating Income amounting to 0.5 million euros, Operating Results of 0.5 million euros, Pre-tax profits of 0.4 million euros and a Net Financial Position negative by 1,3 million euros.



The Group's **Operating Results** for the first quarter of 2010 amounted to 0.4 million euros, against 0.9 million euros at 31 March 2009. In particular, the **Local Media** segment's operating results were 0.2 million euros (up 2% on 31 March 2009) and the **Media Commerce** segment's operating results were 0.7 million euros (down 36% on 31 March 2009). This segment, considering the same scope of consolidation, i.e. excluding the operating result of Buy On Web at 31 March 2009, shows an increase of 12% compared to the same period of the previous year.

The Group's **Profit before tax** for the first quarter of 2010 amounted to 0.04 million euros, against 0.4 million euros at 31 March 2009. In particular, the **Local Media** segment's pre-tax profit was 0.1 million euros (up 38% on 31 March 2009) and the **Media Commerce** segment's pre-tax profits were 0.6 million euros (down 41% on 31 March 2009). Considering the same scope of consolidation, i.e. excluding the pre-tax losses of Buy On Web at 31 March 2009, the latter shows an increase of 4% compared to the same period of the previous year.

The **Net Financial Position** of the Dmail Group shows an indebtedness of 24.6 million euros at 31 March 2010, against the indebtedness of 24.4 million euros at 31 December 2009.

SIGNIFICANT EVENTS AT 31 MARCH 2010

Waiver of intra group loans

On 19 January 2010 Dmail Group S.p.A. waived the loans granted to the subsidiaries Dmedia Group S.p.A. and D-Service S.r.l. for 3.5 million euros and 0.5 million euros respectively.

Subscription of a medium/ long-term loan

On 19 January 2010 a medium-long term loan for 4.5 million euros was subscribed with BNL-BNP-Paribas to maximize the corporate financial structure.

Buy On Web S.p.A.

For information on the situation of Buy On Web S.p.A., reference should be made to the press releases published on 29 March, 13 April and 29 April by Dmail Group S.p.A..

BUSINESS OUTLOOK

Consumer trends in the first quarter of 2010 did not change direction by comparison to the previous period. It is, therefore, reasonable to expect further uncertainty before economic recovery sets in.

The Dmail Group is engaged in the process of reducing operating costs and pursuing, with renewed enthusiasm, the actions which led us to achieve, even in the first quarter of 2010, a satisfactory degree of profitability, despite market conditions.

The strategic priority of our company will be a stronger focus on the management of core business.

Whereas the short-term evolution of the reference markets is hard to foresee, provided advertising investments in the Local Media segment do not decrease any further, the Company will presumably maintain the same level of profitability of operations as the previous year.

Finally, financial year 2010 will also have to account for any effects arising from the ongoing assessments on Buy On Web S.p.A. other than the costs already incurred by Parent Company at 31 March 2010 for an amount of 0.1 million euros.

§

Earlier today, the Board of Directors of **Dmail Group S.p.A.** appointed Andrea Galbiati as the Head of the Internal Control Committee. Therefore the Internal Control Committee that will hold office until the Meeting for the



approval of the Financial Statements for year ending 31 December 2010, now consists of the following members: Andrea Galbiati, Luca De Martini, Andrea Zanone Poma and Mario Volpi.

§

The Board of Directors of Dmail Group S.p.A. also acknowledged that Mr Paolo Chiaramida and Mr Giorgio Brojanigo, former managing directors of Buy On Web S.p.A., had resigned in order to facilitate an impartial assessment of the circumstances under investigation, as illustrated in the press releases dated 29 March 2010, 13 April 2010 and 29 April 2010.

The Shareholders' Meeting of Buy On Web S.p.A. appointed Patrizia Malerba, Maria Cristina Salami and Marco Lori as new directors. They joined the Chairman Adrio De Carolis and directors Gianluigi Viganò and Cristian Biasoni in the company's board.

Patrizia Malerba and Maria Cristina Salami were appointed Managing Directors of Buy On Web S.p.A..

§

DECLARATION OF THE COMPLIANCE OFFICER

For the purposes of Article 154 of the Italian Consolidated Finance Law, Dr. Mauro Albani, the compliance officer in charge of drawing up the company's accounting documents, declares that the accounting information disclosed in this press release matches the results of the accounting books and records of the company.

§

The Interim Management Report of Dmail Group S.p.A. at 31 March 2010 will be available by 14 May 2010 for public consultation at the offices of the Company and of Borsa Italiana S.p.A., as well as on the company's website: www.dmailgroup.it. (section Company's data → Registration of meetings documents).



Dmail Group S.p.A. (amounts in thousands of euro)	I st Quarter 2010	I st Quarter 2009	Change	% Change
Revenues	109	131	(22)	-17%
Other revenues	101	13	88	705%
Total revenues and other operating income	210	143	67	47%
Cost of goods	(3)	(4)	1	-18%
Cost of services	(419)	(303)	(116)	38%
Staff costs	(162)	(125)	(37)	30%
Other operating expenses	(17)	(29)	11	-40%
Gross operating income	(391)	(317)	(74)	23%
Amortisation, depreciation and write-downs	(10)	(210)	199	-95%
Operating income	(402)	(527)	125	-24%
Net financial income (expense)	(228)	(316)	87	-28%
Profit before tax	(630)	(843)	213	-25%

Local Media (amounts in thousands of euro)	I st Quarter 2010	% margin	I st Quarter 2009	% margin	Change	% Change
Revenues	7,183	99%	6,969	99%	215	3%
Other revenues	73	1%	46	1%	27	60%
Total revenues and other operating income	7,256	100%	7,014	100%	242	3%
Cost of goods	(615)	-8%	(683)	-10%	67	-10%
Cost of services	(4,965)	-68%	(4,683)	-67%	(282)	6%
Staff costs	(972)	-13%	(1,029)	-15%	58	-6%
Other operating expenses	(168)	-2%	(137)	-2%	(31)	23%
Gross operating income	536	7%	483	7%	53	11%
Amortisation, depreciation and write-downs	(373)	-5%	(323)	-5%	(50)	15%
Operating income	163	2%	159	2%	4	2%
Net financial income (expense)	(61)	-1%	(85)	-1%	25	-29%
Profit before tax	102	1%	74	1%	28	38%

Media Commerce (amounts in thousands of euro)	I st Quarter 2010	% margin	I st Quarter 2009	% margin	Change	% Change
Revenues	11,345	94%	20,347	96%	(9,002)	-44%
Other revenues	784	6%	872	4%	(88)	-10%
Total revenues and other operating income	12,129	100%	21,219	100%	(9,090)	-43%
Cost of goods	(5,080)	-42%	(12,933)	-61%	7,853	-61%
Gross contribution margin	7,049	58%	8,286	39%	(1,237)	-15%
Cost of services	(4,525)	-37%	(5,227)	-25%	702	-13%
Staff costs	(1,155)	-10%	(1,369)	-6%	214	-16%
Other operating expenses	(504)	-4%	(316)	-1%	(188)	60%
Gross operating income	865	7%	1,374	6%	(509)	-37%
Amortisation, depreciation and write-downs	(187)	-2%	(308)	-1%	121	-39%
Operating income	678	6%	1,066	5%	(388)	-36%
Net financial income (expense)	(75)	-1%	(49)	0%	(26)	53%
Profit before tax	603	5%	1,017	5%	(414)	-41%

Consolidated profit and loss account (amounts in thousands of euro)	I st Quarter 2010	% margin	I st Quarter 2009	% margin	Change	% Change
Revenues	18,537	96%	27,266	97%	(8,729)	-32%
Other revenues	862	4%	931	3%	(69)	-7%
Total revenues and other operating income	19,399	100%	28,196	100%	(8,798)	-31%
Cost of goods	(5,699)	-29%	(13,612)	-48%	7,914	-58%
Gross contribution margin	13,700	71%	14,584	52%	(884)	-6%
Cost of services	(9,808)	-51%	(10,041)	-36%	232	-2%
Staff costs	(2,289)	-12%	(2,524)	-9%	235	-9%
Other operating expenses	(593)	-3%	(480)	-2%	(113)	23%
Gross operating income	1,010	5%	1,539	5%	(529)	-34%
Amortisation, depreciation and write-downs	(606)	-3%	(649)	-2%	43	-7%
Operating income	404	2%	890	3%	(486)	-55%
Net financial income (expense)	(364)	-2%	(450)	-2%	86	-19%
Profit (losses) before tax from continuing activities	40	0%	440	2%	(400)	-91%
Profit (loss) before tax from discontinued operations	0		(850)	-3%	850	>100%
Consolidated profit (loss) before tax	40	0%	(410)	-1%	450	>100%

NET FINANCIAL POSITION (in thousands of euros)			31/03/2010	31/12/2009
A	Cash and cash equivalents		5,176	3,083
B	Held-for-trading securities		0	0
C	Cash and marketable securities	A+B	5,176	3,083
D	Current financial receivables		588	605
E	Current bank loans		(15,227)	(16,368)
F	Current portion of medium/long-term loans		(4,506)	(3,790)
G	Other current financial liabilities (financial leases)		(192)	(172)
H	Other current financial liabilities		(200)	(200)
I	Current financial liabilities	E+F+G+H	(20,124)	(20,530)
J	Net current financial liabilities	I+D+C	(14,360)	(16,842)
K	Non current bank loans		(6,899)	(4,179)
L	Other non-current financial liabilities (financial leases)		(1,262)	(1,308)
M	Other non-current liabilities		0	0
N	Other non current liabilities (towards minority shareholders)		(1,873)	(1,873)
O	Non current financial liabilities	K+L+M+N	(10,034)	(7,360)
P	Net financial indebtedness as per CONSOB Communication DEM/6064293/2006	J+O	(24,394)	(24,202)
Q	Other non current financial receivables (fair value derivatives)		0	0
R	Other non current financial receivables (from minorities)		0	0
S	Other non current liabilities (fair value derivatives)		(171)	(207)
T	Net financial indebtedness from continuing activities	P+Q+R+S	(24,565)	(24,410)
U	Net financial position of discontinued operations		0	0
V	Total net financial indebtedness	U+T	(24,565)	(24,410)



Dmail Group S.p.A.

Adrio Maria de Carolis
Chairman and Investor Relator
Tel. 02 5522941
investor.relations@dmailgroup.it

Image Building S.r.l.

Mara Baldessari, Simona Raffaelli
Tel. 02 89011300
dmail@imagebuilding.it

Dmail Group S.p.A., listed on the Star segment of the Italian Stock Exchange, operates in the areas of Media Commerce and Local Media.

In the Media Commerce area, the Group is leader in the direct, multi-channel sales, particularly online, in Italy and abroad, of innovative and good value products branded "Dmail - Idee utili e introvabili - www.dmail.it", "Dcomfort - Idee per vivere meglio - www.dcomfort.it", "DGarden - Idee per vivere il tuo spazio verde - www.dgarden.it", of small household appliances branded "Gli utilissimi - www.dmail.it/gliutilissimi"; of mass consumer electronics branded "Bow - Tentazioni tecnologiche - www.bow.it", of highly discounted branded products in the format "OVO - Online virtual outlet - www.ovo.it", reserved for members only and, in outsourcing, on behalf of leading companies of the Made in Italy and publishers.

Publishing activities are managed by Dmedia Group which controls Netweek, the first local media circuit in Northern Italy. Comprising 40 local publications and the leading regional weekly in terms of circulation, "IN Europa", Netweek has a circulation of 453 thousand copies and over two million readers every week. Dmedia also publishes Netweek.it website, the local news portal.

Further information on the company is available on the website: www.dmailgroup.it.