



PRESS RELEASE

DIGITAL BROS: The Board of Directors has approved the Group's first half results as of 31/12/2003

Consolidated revenues amounted to 48,513 million Euro (+57% compared to the same period in 2002)

Consolidated EBITDA at 4,643 million Euro (+90% compared to 2002), consolidated EBIT at 2,345 million Euro (+64% compared to the first half results of 2002)

Net profit at 255 thousand Euro

Requested admission to Techstar

The Board of Directors of Digital Bros, the digital entertainment group listed on Nuovo Mercato of the Italian Stock Exchange, has approved the Group's first half results as of 31 December 2003.

The Group's consolidated revenues at the end of 2003 reached 48,513 million Euro, with an increase of 57% compared to 30,859 million Euro realized in the same period 2002/2003.

The significant growth of the Group had a positive impact on the economic margins: consolidated EBITDA has increased by 90% year on year, peaking at 4,643 million Euro.

Consolidated EBIT amounted to 2,345 million Euro, with a 64% increase on the 1,427 million Euro year on year.

The Group closes the first half consolidated results at 31 December 2003 with a net profit of 255 thousand Euro after having accrued: a provision for losses on financial receivables of 3,069 million Euro; a provision for stock obsolescence for 0,366 million Euro, write-downs on holdings and investments for 0,690 million Euro. The net profit net of un-recurring items realized in the period was 1,185 million Euro because of the fact the group accounted a deferred tax assets of 3,395 million Euro.

The turnover of the holding company, which operates in the Italian videogame distribution, in the July-December 2003 period totalled 47,785 million Euro (+58%).

The EBITDA of the holding company has also shown a 41% increase, from 3,418 million Euro at 31 December 2002 to the value of 4,815 million Euro registered at the end of 2003. The holding company, after having accrued: a provision for losses on financial receivables of 3,069 millions Euro, a write-downs on holdings due to subsidiaries losses carry forward not affecting consolidated results for 7,767 millions, a write-downs on holdings for 0,566 million Euro, registered a 7,714 million Euro loss. The net profit net of un-recurring items realized in the period was 1,694 million Euro.

Significantly below revenues growth (+ 57%), net consolidated financial debts increased of 14% at 31 December 2003 and accounted at 22,3 million Euro, with a 2,8 million Euro increase on the 19,5 million Euro registered at 31 December 2002.

The Board of Directors has also confirmed revenue targets for 30 June 2004: EBITDA at 8,498 million Euro, EBIT at 6,898 million Euro and EBT at 4,274 million Euro. The consolidated turnover will exceed 91 million Euro (+80%), in reference to the target of 96,9% million Euro.

Through a mandate of the Board of Directors and for a greater safeguard of the stakeholders, Reconta Ernst & Young has carried out a full voluntary accounting auditing on the Group's half year results.

The Board of directors have delegated the President to proceed in the eventual request of admission to the Techstar which represents a further important opportunity for the Group in terms of visibility and national and international growth.

Consolidated
Thousands of Euro

6 months	31/12/2003	31/12/2002	%
Turnover	48.513	30.859	57%
EBITDA	4.643	2.446	90%
EBIT	2.345	1.427	64%
EBT	(2.918)	38	n.s
Net Profit	255		

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