

3. Key Financials

The DeA Capital Group's key operating performance and financial position figures at 31 December 2019 are shown below, compared with the corresponding figures at 31 December 2018.

(Eur million)	31 December 2019	31 December 2018	Change
Combined Asset Under Management	22,609	11,881	90.3%
Asset Under Management "AUM"	14,830	11,881	24.8%
Fee-Paying AUM (*)	12,784	10,457	22.3%
Management fees	64.9	63.3	2.5%
Platform Net Operating Profit (#)	14.6	15.3	(4.6%)
Group Net Profit/(Loss)	12.3	11.1	10.8%

(*) Amount for management fees calculation.

(#) Sum of the Net Operating Profit of the two subsidiaries asset management companies before the impact of purchase Price Allocation ("PPA"), impairment, and other non recurring items.

(Eur million)	31 December 2019	31 December 2018 (\$)	Change
Investment portfolio	387.1	366.6	20.5
Consolidated Net Financial Position	105.6	101.0	4.6
Net Financial Position - Holding companies	65.8	65.3	0.5
NAV/share (EUR)	1.76	1.72	0.04

(\$): Data at 31.12.18 "adjusted". Data reflects the extraordinary dividend distribution of 0.12 € / share, namely total 31.2 million €, carried in may 2019 and the IFRS 16 effect from 1.1.2019 on the Consolidated Net Financial Position and on the Net financial Position of Holding companies (respectively for -16.1 million € and -2,9 million €).

It is hereby specified that "Combined assets under management" are defined as assets managed by the asset management companies in which the Group holds an absolute or relative (non-consolidated) majority interest, and the assets managed by the international subsidiaries; overall commitments are considered where Private Equity funds are concerned.

The table below shows the change in the Group's NAV in 2019:

Change in Group NAV	Total value (EUR m)	No. shares (millions)	Value per share (EUR)
Group NAV at 31.12.2018	466.5	253.8	1.84
Extraordinary dividend distributed	(31.2)		(0.12)
Group NAV at 31.1.2018 "adjusted"	435.3	253.8	1.72
Treasury shares delivered under acquisition minorities	8.0	5.2	1.56*
Treasury shares delivered under incentive plans	0.3	1.0	1.45*
Comprehensive income - Statement of Performance - IAS 1	12.5		
Other changes in NAV	1.4		
GROUP NAV AT 31.12.2019	457.5	260.0	1.76

(*) Market price at the delivery date of the shares.

The table below provides details of the Group's Statement of Financial Position at 31 December 2019:

	31 December 2019		31 December 2018 "adjusted"	
	M€	€/Sh.	M€	€/Sh.
<i>Alternative Asset Management</i>				
- DeA Capital Real Estate SGR	141.2	0.54	140.4	0.56
- DeA Capital Alternative Funds SGR	55.6	0.21	43.4	0.17
- Quaestio Holding	14.3	0.06	0.0	0.00
- Other (YARD, DeA Capital RE France, Iberia..)	6.6	0.03	6.8	0.03
Total AAM (A)	217.7	0.84	190.6	0.76
<i>Alternative Investment</i>				
- AI Platform Investments	118.0	0.45	116.0	0.45
- AI Other Investments	51.4	0.20	60.0	0.24
Total AI (B)	169.4	0.65	176.0	0.69
Investment Portfolio (A+B)	387.1	1.49	366.6	1.45
Other net assets (liabilities)	4.6	0.02	3.4	0.01
Net Financial Position Holdings	65.8	0.25	65.3	0.26
NAV	457.5	1.76	435.3	1.72

4. Significant events during the year

The significant events that occurred in 2019 are reported below.

ALTERNATIVE ASSET MANAGEMENT

New Funds of the Alternative Asset Management Platform

During 2019, the Alternative Asset Management Platform **launched/acquired the management of new funds for Assets Under Management totalling approximately EUR 3 billion.**

In particular, on 05 November 2019 the subsidiary DeA Capital Alternative Funds SGR incorporated the business unit constituted by the assets of **NPL Management of Quaestio SGR**, including the management of the Italian Recovery Fund, **with Assets Under Management of over EUR 2,300 million.** During 2019, the company also launched the "DeA Endowment Fund" fund of funds, obtained the mandate for the management of a portion of the non-reserved closed-end AIF called "Azimut Private Debt" and completed further closings of the IDeA CCR I and IDeA CCR II funds (for more than EUR 200 million).

At the same time, during 2019, the subsidiary DeA Capital Real Estate SGR launched 6 new real estate funds (over EUR 400 million of new assets under management).

Internationalisation of the Alternative Asset Management Platform

DeA Capital Real Estate Iberia was established on 27 February 2019, a company under Spanish law. The DeA Capital Group holds 73% with the remaining portion owned by local key managers. The company is designed to develop real estate advisory businesses for raising funds and real estate advisory and management activities in Spain and Portugal, with a special focus on *core+*, value-added and opportunistic investments.

On 18 December 2019, DeA Capital Real Estate Poland, a company incorporated under Polish law, was formed to develop the management of real estate assets on the Polish market; the company is 50% held by the DeA Capital Group, with the other 50% held by Ksiazek Holding, which, in turn, controls Marvipol Development, a company listed on the Warsaw Stock Exchange (active in real estate services and with which a collaboration agreement has also been signed).

Through these initiatives DeA Capital S.p.A. is continuing the project of developing the platform of the real estate segment on a pan-European basis, through subsidiaries and jointly-controlled companies and with the involvement of local senior management teams (already launched through the establishment in 2018 of DeA Capital Real Estate France).