



**INTERIM MANAGEMENT
REPORT
AT 31 MARCH 2020**

1st Quarter 2020

*Board of Directors
Milan, 12 May 2020*

DeA Capital S.p.A.

Corporate information

DeA Capital S.p.A. is subject to the management and coordination of De Agostini S.p.A.
Registered office: Via Brera 21, Milan 20121, Italy
Share capital: EUR 266,612,100 (fully paid up), comprising 266,612,100 shares with a nominal value of EUR 1 each (including 6,636,485 treasury shares at 31 March 2020)
Tax code and registration in the Milan Companies Register No. 07918170015. Member of the "IVA B&D Holding Group"
VAT No. 02611940038, Milan REA 1833926

Board of Directors (*)

Chairman	Lorenzo Pellicoli
Chief Executive Officer	Paolo Ceretti
Directors	Marco Boroli Donatella Busso ^(2/5) Marco Drago Carlo Enrico Ferrari Ardicini Dario Frigerio Francesca Golfetto ^(3 / 5) Davide Mereghetti ^(3/5) Daniela Toscani ^(1/5) Elena Vasco ^(1/4/5)

Board of Statutory Auditors (*)

Chairman	Cesare Andrea Grifoni
Permanent Auditors	Annalisa Raffaella Donesana Fabio Facchini
Deputy Auditors	Andrea Augusto Bonafè Michele Maranò Marco Sguazzini Viscontini
Manager responsible for preparing the Company's accounts	Manolo Santilli
Independent Auditors	PricewaterhouseCoopers S.p.A.

() In office until the approval of the Financial Statements at 31 December 2021*

⁽¹⁾ Member of the Control and Risks Committee

⁽²⁾ Member and Chairman of the Control and Risks Committee

⁽³⁾ Member of the Remuneration and Appointments Committee

⁽⁴⁾ Member and Chairman of the Remuneration and Appointments Committee

⁽⁵⁾ Independent Director

Contents

Interim Management Report

1. Profile of DeA Capital S.p.A.
2. Information for shareholders
3. Key Financials
4. Significant events in the first quarter of 2020
5. Results of the DeA Capital Group
6. Other information

Consolidated Financial Statements and Notes to the Financial Statements for the period 1 January - 31 March 2020

Certification of the Interim Management Report at 31 March 2020

Interim Management Report

1. Profile of DeA Capital S.p.A.

With Combined Assets Under Management ^(*) of over EUR 22,000 million and an investment portfolio of approximately EUR 380 million, DeA Capital S.p.A. is Italy's main independent operator in the Alternative Asset Management segment (in terms of assets under management).

The Group Platform – concentrated on the two subsidiaries, DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR, as well as on the indirect majority equity investment in Quaestio SGR – is engaged in the promotion, management and development of real estate, private equity and credit investment funds and investment solutions for institutional investors.

To support the platform's activities, exploiting the available capital, over time DeA Capital S.p.A. has also built up a portfolio of Alternative Investments which mainly comprises funds managed by the two subsidiary asset management companies.

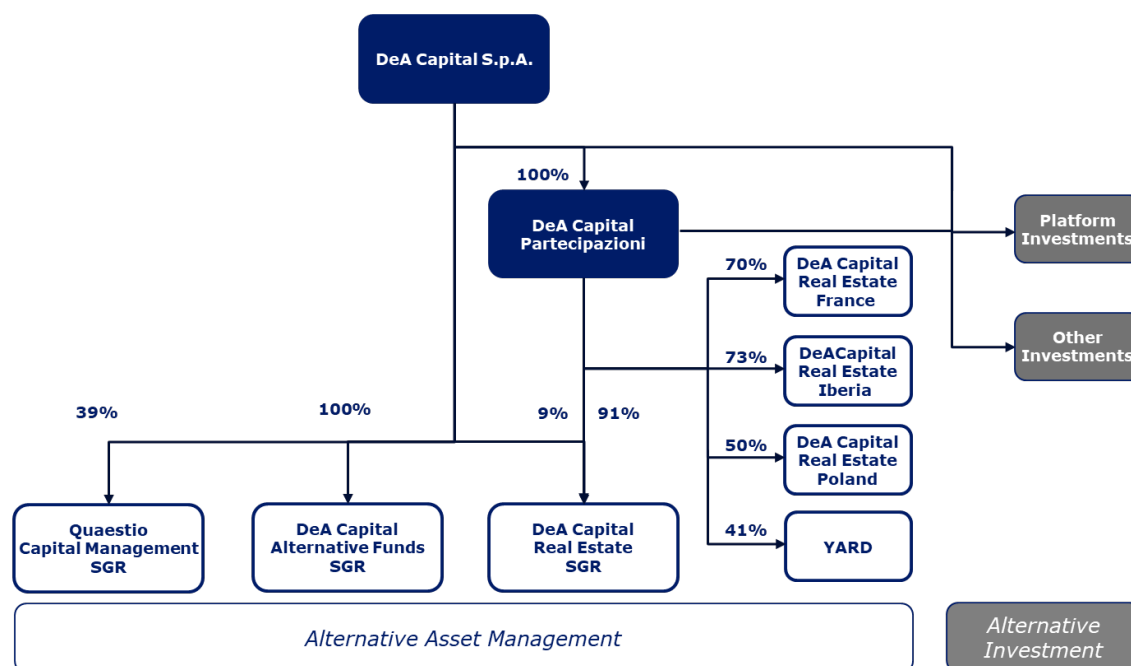
The Company's ability to carry out investment initiatives that are structurally very complex and to raise funds through its asset management companies, is proof of the effectiveness of its business model, which combines alternative asset management and investment activities to create value in Italy's alternative asset management sector, through:

- the quality of the management team which has been built up over time and now has over 200 professionals dedicated to making investments and managing funds in the most attractive alternative investment asset classes (Real Estate, Private Equity and Non-Performing Exposures);
- its solid financial position, which enables it to support the launch of new initiatives with its own capital, and hence substantially align its interests with those of the investors in the managed funds;
- an extensive network of international relationships, which makes the DeA Capital Group the preferred Gate-to-Italy for alternative investment decisions in our country and that supported the recent launch of the internationalisation strategy in the Real Estate field;
- its membership of one of Italy's leading business groups, whose structure is built on a long-term approach that best supports the Company's growth path.

DeA Capital S.p.A. is listed on the FTSE Italia STAR section of the Milan stock exchange and heads the De Agostini Group in the area of financial investments.

() "Combined Assets Under Management" are defined as assets managed by the asset management companies in which the Group holds an absolute or relative (unconsolidated) majority interest, as well as the assets managed by the international subsidiaries. Total commitments are considered for private equity funds.*

At 31 March 2020, the corporate structure of the Group headed by DeA Capital S.p.A. (the DeA Capital Group or the Group) was summarised as follows:



▪ **ALTERNATIVE ASSET MANAGEMENT**

- ⇒ 100% control of **DeA Capital Real Estate SGR**, Italy's largest independent real estate asset management company, with assets under management of approximately EUR 9.6 billion and 51 funds under management (including 2 listed funds);
- ⇒ 100% control of **DeA Capital Alternative Funds SGR**, which manages alternative investment funds (private equity and credit funds) with assets under management (AuM) of over EUR 5.0 billion and 14 funds under management;
- ⇒ a relative majority stake in **Quaestio SGR** (38.8%, held indirectly through Quaestio Holding), which is mainly active in investment solutions for institutional investors, with assets under management of approximately EUR 7.2 billion
- ⇒ a controlling interest in **DeA Capital Real Estate France** (70.0%) and **DeACapital Real Estate Iberia** (73.0%), as well as a co-controlling interest in **DeA Capital Real Estate Poland** (50.0%), companies established with the aim of developing the real estate advisory business for raising funds and real estate advisory and management activities in the French, Spanish and Polish markets
- ⇒ a strategically important stake in **YARD** (40.6%), which operates in project, property and facility management, appraisals and due diligence, as well as in real estate brokerage.

- **ALTERNATIVE INVESTMENT**

- **PLATFORM INVESTMENTS**

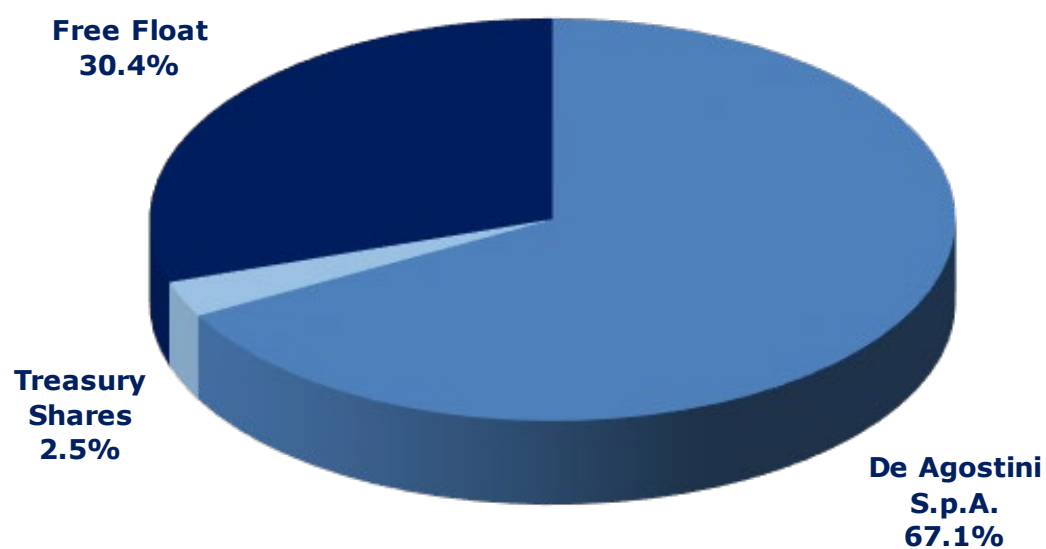
- ⇒ units in 9 funds managed by the subsidiary DeA Capital Alternative Funds SGR i.e. in the 3 funds of funds **IDeA I Fund of Funds**, **ICF II** and **ICF III**, and the co-investment fund **IDeA Opportunity Fund I**, in the theme funds **IDeA Efficienza Energetica e Sviluppo Sostenibile**, **IDeA Taste of Italy** and **IDeA Agro**, and in the credit funds **IDeA Corporate Credit Recovery I** and **II**;
- ⇒ units in 2 funds managed by the subsidiary DeA Capital Real Estate SGR
- ⇒ other direct investments in companies that have co-invested within the context of initiatives promoted by the two subsidiary asset management companies.

- **OTHER INVESTMENTS**

- ⇒ a minority shareholding in **Migros**, Turkey's leading food retail chain operator, whose shares are listed on the Istanbul Stock Exchange; the investment is held through the Luxembourg-registered company Kenan Investments S.A. (with a stake of 17.1% in Kenan Investments, equating to a fully diluted stake of about 2.0% in Migros);
- ⇒ minority shareholdings in **Cellularline** (4.4% of the total shares issued), a combined entity of Crescita SPAC and the Cellular Group, listed on Borsa Italiana and owner of the Cellularline brand, an Italian leader in accessories for smartphones and tablets
- ⇒ a minority interest in **IDeaMI** (9.7% of total shares issued), a Special Purpose Acquisition Company (SPAC) under liquidation
- ⇒ units in 5 venture capital funds.

2. Information for shareholders

➤ Shareholder structure of DeA Capital S.p.A. (#)

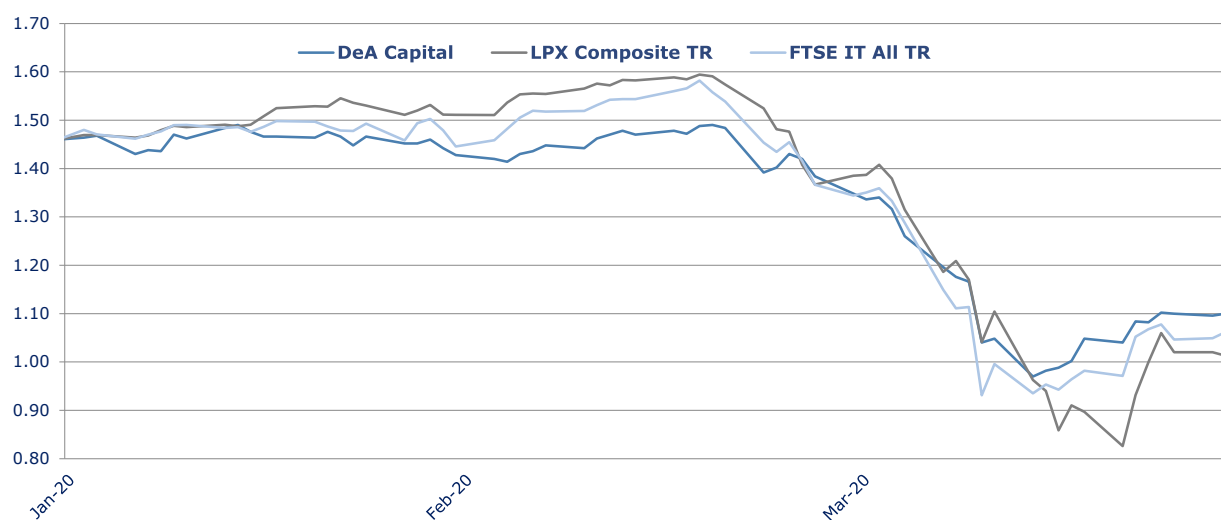


(#) Composition at 31 March 2020

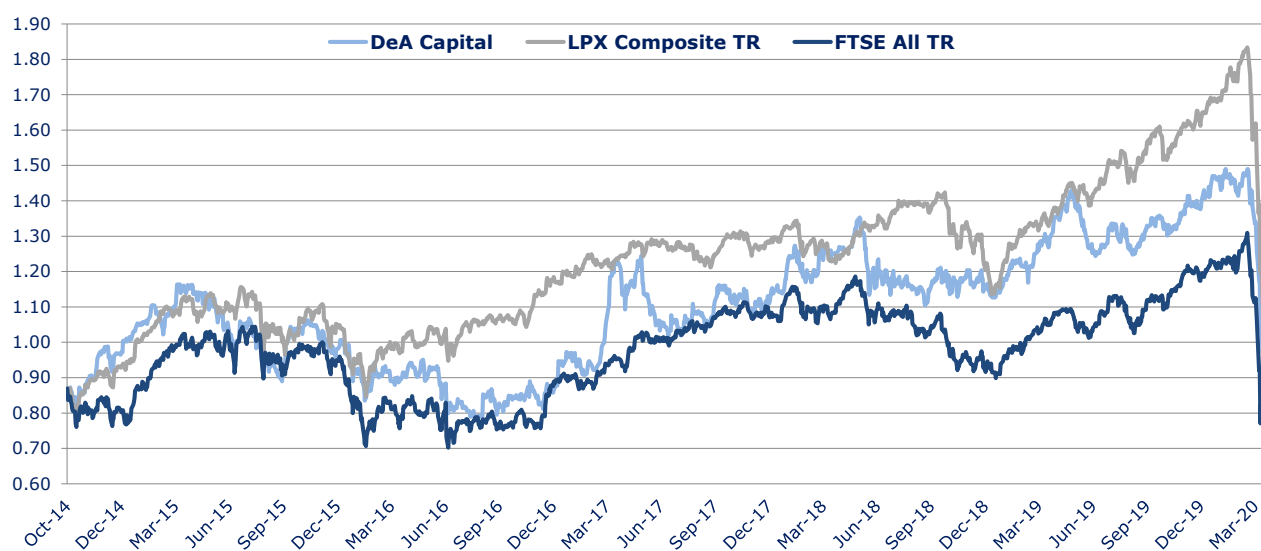
Note: at 12 May 2020, the number of treasury shares was 5,451,579 (2.0%)

➤ Share performance

- From 1 January 2020 to 31 March 2020

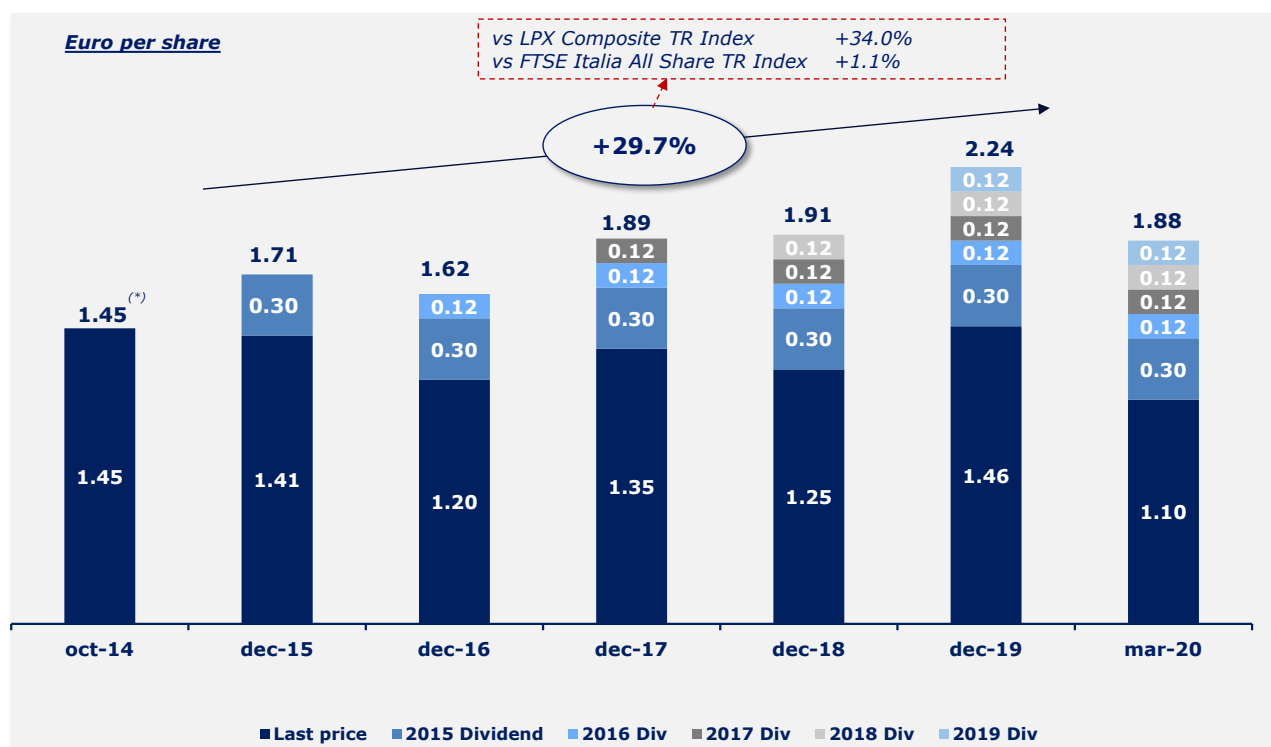


- From 1 October 2014 to 31 March 2020



➤ **Total Shareholder Return (*) – DeA Capital S.p.A.**

(Base 1 October 2014, closing date for the sale of Générale de Santé)



(*) Based on the closing price at 31 March 2020

Performance of the DeA Capital share

With reference to performance in the first quarter of 2020, the Company's share price fluctuated by -24.7%. In the same period, the FTSE All-Share® TR and LPX Composite® TR recorded performances of -27.3% and -30.6% respectively.

From 1 October 2014, (the closing date for the sale of the investment in GDS) to 31 March 2020, the performance of DeA Capital shares was up +29.7%, while the Italian FTSE All-Share® TR index was +1.1% and the LPX Composite® TR index was +34.0% (source Bloomberg).

With regard to the share's liquidity, average daily trading volumes in Q1 2020 stood at around 235,000 shares, up compared to the daily average of 2019.

DeA Capital's share prices recorded in 2020 are listed below:

in EUR	1 Jan – 31 March 2020
Maximum price	1.49
Minimum price	0.97
Average price	1.34
Price at 31 March 2020 (EUR per share)	1.10
Market capitalisation at 31 March 2020 (EUR million)	286

Investor Relations

DeA Capital S.p.A. maintains a stable and structured relationship with institutional and individual investors, even in the current complex situation with the global spread of COVID-19. During 2020, the Company plans to continue its **communication activities**, including through participation in various events and roadshows, starting with the Virtual STAR Conference in Milan, organised by Borsa Italiana, which generally takes place in March but which, for obvious reasons, has been postponed to the end of May 2020 and shall be held in videoconferencing mode. During the event there will be one-to-one meetings between management and institutional investors.

The security is currently covered by **research** by the two main intermediaries on the Italian market, Equita SIM and Intermonte SIM, the latter in its specialist capacity. In addition, at the beginning of 2015, Edison Investment Research, an independent company specialising in equity research based in London, began to cover the security. In 2020, Edison's research and insights relating to DeA Capital S.p.A. was read by around 1,200 institutional investors and analysts in countries in Europe, Australia, North America, Africa and Asia. The research carried out by these intermediaries is available in the *Investor Relations/Analyst Coverage* section of the website www.deacapital.com. www.deacapital.com.

In December 2008, the DeA Capital security joined the LPX® **indices**, specifically the LPX Composite® and LPX Europe®. The LPX® indices measure the performance of the main listed companies operating in private equity (Listed Private Equity, or LPE) and, thanks to the strong diversification by region and type of investment, have become one of the most popular benchmarks for the LPE asset class. The methods used to construct the indices is published in the *LPX Equity Index Guide*. For further information, please visit the website: www.lpx.ch.

In January 2020, the DeA Capital security became part of the **FTSE Italia Mid Cap** index, which consists of the main Italian companies by capitalisation: <https://www.borsaitaliana.it/borsa/azioni/mid-cap/lista.html>.

The DeA Capital S.p.A. **website** is available in Italian and English at www.deacapital.com. The site has a wealth of information, financial data, tools, documents and news about the DeA Capital Group. The social networks where DeA Capital S.p.A. has a presence can also be accessed from the homepage; while articles, communications and interesting sections can also be shared on social media.

In addition, DeA Capital S.p.A. has published an **interactive report** containing the annual financial results. These are available from the "Annual and quarterly reports" section of the website.

The web is the main point of contact for investors, who can subscribe to various mailing lists to receive all news on the DeA Capital Group in a timely manner, as well as send questions or requests for information and documents to the Company's Investor Relations area, which is committed to answering queries promptly, as stated in the Investor Relations Policy published on the site.

In this way, DeA Capital S.p.A. is continuing its efforts to strengthen its presence on the web and to make information for stakeholders available through many channels.

3. Key Financials

The DeA Capital Group's key Statement of Financial Position and Income Statement figures at 31 March 2020 are shown below, compared with the corresponding figures for the previous period.

(Eur million)	31 March 2020	31 March 2019
Combined Asset Under Management	22,051	11,870
Asset Under Management "AUM"	14,596	11,870
Fee-Paying AUM (*)	12,766	10,378
Management fees	15.3	16.9
Platform Net Operating Profit (#)	2.8	4.2
Group Net Profit/(Loss)	(6.6)	(3.9)

(*) 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 March 2020	31 December 2019
Investment portfolio	382.1	387.1
Consolidated Net Financial Position	110.4	105.6
Net Financial Position - Holding companies	63.3	65.8
NAV/share (EUR)	1.73	1.76

It is hereby noted that Combined Assets Under Management are assets managed by the asset management companies in which the Group holds an absolute or relative (unconsolidated) majority interest, as well as the assets managed by the international subsidiaries; for Private Equity funds total commitments are considered.

	31 March 2020		31 December 2019	
	MC	€/Sh.	MC	€/Sh.
Alternative Asset Management				
- DeA Capital Real Estate SGR	141.7	0.55	141.2	0.54
- DeA Capital Alternative Funds SGR	56.3	0.22	55.6	0.21
- Quaestio Holding	13.7	0.05	14.3	0.06
- Other (YARD, DeA Capital RE France, Iberia, Polonia)	6.7	0.02	6.6	0.03
Total AAM (A)	218.4	0.84	217.7	0.84
Alternative Investment				
- AI Platform Investments	118.5	0.46	118.0	0.45
- AI Other Investments	45.2	0.17	51.4	0.20
Total AI (B)	163.7	0.63	169.4	0.65
Investment Portfolio (A+B)	382.1	1.47	387.1	1.49
Other net assets (liabilities)	5.4	0.02	4.6	0.02
Net Financial Position Holdings	63.3	0.24	65.8	0.25
NAV	450.8	1.73	457.5	1.76

4. Significant events in Q1 2020

ALTERNATIVE ASSET MANAGEMENT

➤ Acquisition of Quaestio Holding / Quaestio SGR - Payment of the price supplement following the sale of the NPL Servicing business

In February 2020, following the sale by Quaestio Holding of its stake in Quaestio Cerved Credit Management (NPL Servicing business) and on the basis of the agreements signed by DeA Capital in connection with the acquisition of a stake in Quaestio Holding, DeA Capital S.p.A. paid EUR 16.5 million as a price supplement (with the amount already recognised under financial liabilities at 31 December 2019).

Again on the basis of the above agreements, DeA Capital S.p.A. is entitled to receive an equivalent amount from Quaestio Holding, based on the amount collected by the latter in the context of the above mentioned sale (with this right already recognised as an asset in the consolidated financial statements at 31 December 2019).

ALTERNATIVE INVESTMENT

➤ Funds managed by the Alternative Asset Management Platform - Deposits / Distributions

During the 1st Quarter of 2020, DeA Capital S.p.A. increased its respective investments by a total of EUR 0.3 million in relation to the funds in its portfolio; at the same time, distributions totalling EUR 1.1 million were collected.

Thus, in 1st Quarter 2020, the funds in which DeA Capital S.p.A. has invested resulted in a net positive cash balance of EUR 0.8 million for the portion relating to the Group.

5. Results of the DeA Capital Group

The results for the period relate to the operations of the DeA Capital Group in the following areas:

- *Alternative Asset Management*, which includes asset management activities and related services, focused on the management of real estate, private equity and credit funds and also investment solutions for institutional investors.
- Alternative Investment, which includes:
 - The investments supporting the Alternative Asset Management platform – “Platform Investments”, which are distributed between investments in Funds and Holdings.
 - other investments in Funds and Holdings (“Other Investments”)

➤ **ALTERNATIVE ASSET MANAGEMENT**

At 31 March 2020, the DeA Capital Group owned:

- 100% of **DeA Capital Real Estate SGR**
- 100% of **DeA Capital Alternative Funds SGR**
- 70.0% of **DeA Capital Real Estate France**
- 73.0% of **DeA Capital Real Estate Iberia**
- 50.0% of **DeA Capital Real Estate Poland**
- 40.6% of **YARD**
- 38.8% of **Quaestio SGR** (through Quaestio Holding, which owns 100% of Quaestio SGR)

- **DeA Capital Real Estate SGR**

 DEA CAPITAL REAL ESTATE SGR	Registered office: Italy
Sector: <i>Alternative Asset Management – Real Estate</i>	Website: www.deacapitalre.com
Investment details	
<p>DeA Capital Real Estate SGR is the largest independent real estate asset management company in Italy, with around EUR 9.6 billion in assets under management and 51 managed funds (including 2 listed funds). This makes it a benchmark operator for Italian and international institutional investors in the promotion, creation and management of mutual real estate investment funds.</p>	
<p>The company has concentrated investments in transactions with low risk, stable returns, low volatility and, most importantly, an emphasis on property value. In particular, the asset management company specialises in “core” and “core plus” properties, although its major investments also include “value added” transactions.</p>	
<p>Due in part to successful transactions concluded in recent years, the asset management company is able to rely on a panel of prominent unit-holders consisting of Italian and international investors of high standing, such as pension funds, banking and insurance groups and sovereign funds.</p>	

The table below summarises the value of assets under management, Fee-Paying AUM and Management Fees for DeA Capital Real Estate SGR at 31 March 2020:

(Eur million)	at 31 March 2020		
	Asset Under Management (*)	Fee-Paying AUM (**)	Management fees
Listed Real Estate funds	439	418	0.9
Real Estate funds	9,141	8,095	8.1
Total DeA Capital Real Estate SGR	9,580	8,513	9.0

(*) the figures refer to Asset Under Management calculated as the sum of funds managed assets


(**) the amount for management fees calculation.

DeA Capital Real Estate SGR (EUR million)	31 March 2020	31 March 2019
AUM	9,580	9,336
Management fees	9.0	9.7
Net Operating Profit (#)	2.0	2.1
Net profit	0.7	2.7
-of which:		
- Shareholders	0.7	2.7
- Owners of financial equity instruments	0.0	0.0
Net Financial Position(°)	24.2	22.2

(#) Before the impact of Purchase Price Allocation (“PPA”), impairment, other non-recurring items

(°) Data at 31 December 2019: 20,5 € million

- **DeA Capital Alternative Funds SGR**


Registered office: Italy
Sector: Alternative Asset Management – Private Equity/Credit
Website: www.deacapitalaf.com
Investment details <p>The company manages alternative investment funds (funds of funds, private equity theme funds, as well as credit funds); the asset management company manages 14 closed-end funds, consisting of 5 funds of funds (IDeA I FoF, ICF II, ICF III, IDeA Crescita Globale and DeA Endowment Fund), 3 theme funds (IDeA EESS, IDeA ToI, IDeA Agro), the "direct" co-investment fund (IDeA OF I), 4 NPE funds (IDeA CCR I and II, with a focus on debtor-in-possession financing funds, and the NPL funds Atlante and Italian Recovery Fund - "IRF") and the Investitori Associati IV fund (under liquidation). The asset management company also has management delegations for a portion of the closed-end, non-reserved AIF called "Azimut Private Debt" instituted by Azimut Capital Management SGR.</p>

The table below summarises the value of assets under management and Fee-Paying AUM and Management Fees for DeA Capital Alternative Funds SGR at 31 March 2020:

	at 31 March 2020		
(Eur million)	Asset Under Management (*)	Fee-Paying AUM (**)	Management fees
Funds of funds	1,183	672	0.9
Direct funds	611	359	1.4
Non Performing Exposures ("NPE")	3,222	3,222	4.0
Total DeA Capital Alternative Funds SGR	5,016	4,253	6.3

(*) the figures refer to Asset Under Management calculated as the sum of total commitments

(**) the amount for management fees calculation.

In terms of operating performance, the company recorded an increase of approximately EUR 2,500 million in Asset Under Management compared with the same period last year, primarily due to the acquisition of the Atlante and IRF funds (with approximately EUR 2,400 million in Assets Under Management). In terms of Management Fees and the Net Result, it is hereby noted that a performance fee of approximately EUR 2.5 million accrued in 1st Quarter 2019 from one of the funds under management.

DeA Capital Alternative Funds SGR (EUR million)	31 March 2020	31 March 2019
AUM	5,016	2,534
Management fees	6.3	7.2
Net Operating Profit (#)	0.8	2.1
Net Profit	0.8	2.1
Net Financial Position(°)	18.6	14.2

(#) Before the impact of Purchase Price Allocation ("PPA"), impairment, other non-recurring items

(°) Data at 31 December 2019: 16,1 € million

- **Quaestio Capital Management SGR**



Registered office: Italy

Sector: *Asset Management – Investment Solutions*

Website: www.quaestiocapital.com

Investment details

Quaestio SGR is an Asset Management company that focuses on investment solutions for institutional investors (mainly bank foundations and pension funds), through a "multi-asset / multi-manager" platform; in particular, the platform mainly operates through management mandates (the so-called "pool") – that allows investors' assets to be allocated on the basis of specific risk/return objectives, with full visibility (look-through) and risk management of the individual components of the portfolio, as well as with significant administrative, accounting and tax simplification.

The equity investment in Quaestio Holding / Quaestio SGR, consolidated with the equity method since November 2019, has a value in the consolidated financial statements as at 31 March 2020 of EUR 13.7 million, with a change compared to 31 December 2019 (EUR 14.3 million) due to the pro-rata share of the net loss of approximately EUR -0.6 million (mainly due to one-off charges recorded during the 1st Quarter of 2020).

The Quaestio SGR assets under management at 31 March 2020 totalled EUR 7,241 million, with management fees of EUR 6.4 million.

➤ **ALTERNATIVE INVESTMENT**

PLATFORM INVESTMENTS - FUNDS

At 31 March 2020, the investments in the funds managed through the Alternative Asset Management platform in the Consolidated Financial Statements totalled EUR 110.8 million (corresponding to the fair value estimate calculated based on the information available on the preparation date of this document), which mainly refer to:

- the IDeA OF I fund, fully consolidated in accordance with IFRS 10;
- the Venere real estate fund and the IDeA EESS fund, classified under "Investments in associates", based on the units held;
- 3 funds of funds (IDeA I FoF, ICF II and ICF III), 2 theme funds (IDeA ToI, IDeA Agro) and 2 NPE funds (IDeA CCR I and IDeA CCR II).

The change in the value of the funds in the portfolio recorded in the 1st Quarter of 2020 (EUR 110.8 million at 31 March 2020, compared to EUR 111.2 million at 31 December 2019) is attributable to the unfavourable fair value change of EUR -0.4 million.

Residual commitments for all the funds in the portfolio were EUR 61.6 million.

Note that the valuations of the funds in the portfolio reflect estimates made using the information available on the preparation date of this document.


The table below shows the main performance indicators related to the funds in the portfolio.

<i>(Eur million)</i>	<i>Vintage</i>	<i>Capital Call</i>	<i>DPI (*)</i>	<i>TVPI (°)</i>	<i>NAV</i>
<u>Funds of Funds</u>					
IDeA I FoF	2007	150.4	1.1x	1.3x	25.7
ICF II	2009	37.9	1.1x	1.9x	31.4
ICF III	2014	9.6	0.0x	1.3x	12.8
Funds of Funds - Total		197.9	1.1x	1.4x	69.9
<u>Direct Funds</u>					
IDeA OF I	2008	87.9	1.0x	1.1x	11.0
IDeA EESS	2011	24.7	1.0x	1.3x	6.9
IDeA ToI	2014	22.7	0.7x	1.4x	16.4
Direct Funds - Total		135.3	1.0x	1.2x	34.3
Other Funds					6.6
Total Platform Investments - Funds					110.8

(*) "Distributed to paid-in", or the ratio between the distribution received and the capital call paid

(°) "Total value to paid-in", or the ratio between sum of "cash distribution + NAV" and capital call paid

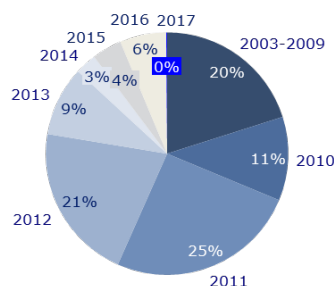
- **IDeA I FoF**


IDeA I Fund of Funds
Registered office: Italy
Sector: <i>Private equity</i>
Website: www.deacapitalaf.com
Investment details
<p>IDeA I FoF is a closed-end fund under Italian law for qualified investors, which began operations on 30 January 2007 and is managed by DeA Capital Alternative Funds SGR.</p> <p>DeA Capital S.p.A. has a total commitment of up to EUR 164.6 million in the fund.</p>
Brief description
<p>IDeA I FoF has invested in units of unlisted closed-end funds that are mainly active in the local private equity sector of various countries. It optimises the risk-return profile through careful diversification of assets among managers with a proven track record of returns and solidity, different investment approaches, geographical areas and maturities.</p> <p>According to the latest report available, the IDeA I FoF portfolio was invested in 34 funds with different investment strategies; these funds in turn hold positions, with varying maturities, in 181 companies active in geographical regions with different growth rates.</p> <p>The funds are diversified in the buy-out (control) and expansion (minorities) categories, with overweighting towards medium and small-scale transactions and special situations (distressed debt/equity and turnaround).</p> <p>At 31 March 2020, IDeA I FoF had called up 91.4% of its total commitment and had made reimbursements totalling approximately 104.4% of that commitment.</p>

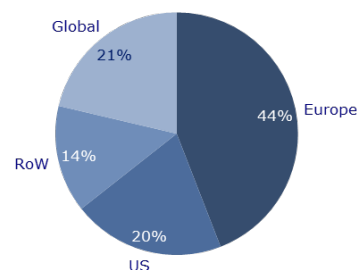
Other important information

Below is an analysis of the portfolio, at the date of the latest report available, broken down by year of investment, geographical area, sector and type of underlying fund.

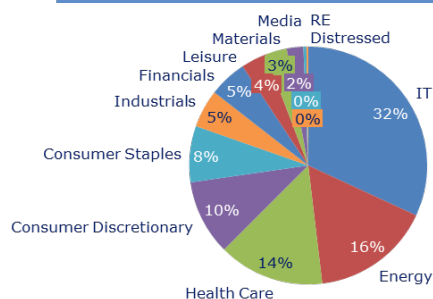
BREAKDOWN BY YEAR OF INVESTMENT⁽¹⁾



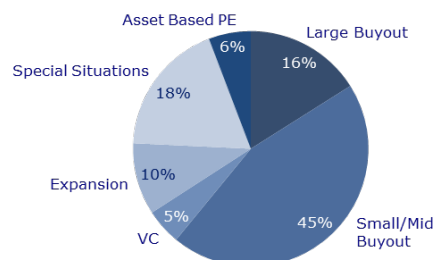
BREAKDOWN BY GEOGRAPHIC AREA⁽²⁾



BREAKDOWN BY SECTOR⁽¹⁾



BREAKDOWN BY STRATEGY⁽²⁾



Notes:


1. % of the FMV of the investment;
2. % of fund size based on paid-in exposure (capital invested + residual commitments).

The units included in the IDeA FoF were valued at EUR 25.7 million at 31 March 2020 with a change compared to 31 December 2019 (EUR 25.1 million) that is connected to the positive shift in fair value of EUR +0.6 million.

The table below shows the key figures for IDeA I FoF at 31 March 2020:

IDeA I FoF	Registered office	Year of commitment	Fund Size	Subscribed commitment	% DeA Capital in the fund
Eur (€)					
IDeA I Fund of Funds	Italy	2007	646,044,030	164,582,100	25.48
Residual Commitments					
Total residual commitment in:		Eur		14,196,182	

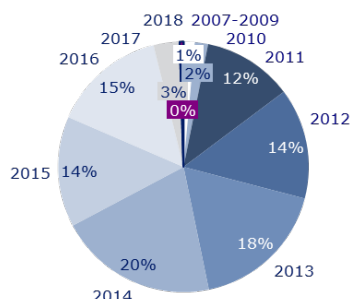
- **ICF II**


ICF II
Registered office: Italy
Sector: <i>Private equity</i>
Website: www.deacapitalaf.com
Investment details
<p>ICF II is a closed-end fund under Italian law for qualified investors, which began operations on 24 February 2009 and is managed by DeA Capital Alternative Funds SGR.</p> <p>DeA Capital S.p.A. has a total commitment of up to EUR 51 million in the fund.</p>
Brief description
<p>ICF II, with total assets of EUR 281 million, has invested in units of unlisted closed-end funds that are mainly active in the private equity sector of various countries. It optimises the risk-return profile through careful diversification of assets among managers with a proven track record of returns and solidity, different investment approaches, geographical areas and maturities.</p> <p>The fund began building its portfolio by focusing on funds in the area of mid-market buy-outs, distressed and special situations, loans, turnarounds and funds with a specific sector slant, targeting, in particular, opportunities offered in the secondary market.</p> <p>Based on the latest report available, the ICF II portfolio is invested in 25 funds with different investment strategies; these funds in turn hold positions, with varying maturities, in around 350 companies active in various geographical areas.</p> <p>At 31 March 2020, ICF II had called up around 74.4% of its total commitment and distributed 80.4% of that commitment.</p>

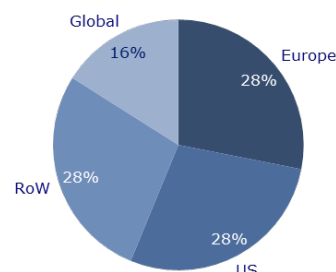
Other important information

Below is an analysis of the portfolio, at the date of the latest report available, broken down by year of investment, geographical area, sector and type of underlying fund.

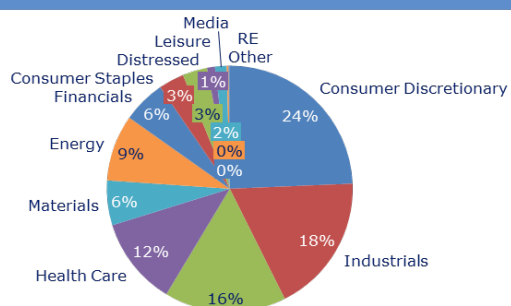
BREAKDOWN BY YEAR OF INVESTMENT⁽¹⁾



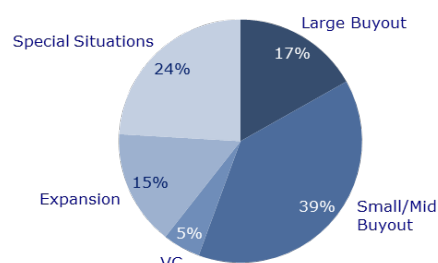
BREAKDOWN BY GEOGRAPHIC AREA⁽²⁾



BREAKDOWN BY SECTOR⁽¹⁾



BREAKDOWN BY STRATEGY⁽²⁾



Notes:


1. % of the FMV of the investment;
2. % of fund size based on paid-in exposure (capital invested + residual commitments).

The units in ICF II were valued at EUR 31.4 million in the Consolidated Financial Statements for the Year Ending 31 March 2020 (EUR 29.8 million at 31 December 2019). The increase was due to the fair value increase of EUR +1.6 million.

The table below shows the key figures for ICF II at 31 March 2020:

ICF II	Registered office	Year of commitment	Fund Size	Subscribed commitment	% DeA Capital in the fund
Eur (C)					
ICF II	Italy	2009	281,000,000	51,000,000	18.15
Residual Commitments					
Total residual commitment in:		Eur		13,097,913	

- **ICF III**

 DEA CAPITAL ALTERNATIVE FUNDS SGR	ICF III
Registered office: Italy	
Sector: <i>Private equity</i>	
Website: www.deacapitalaf.com	
Investment details ICF III is a closed-end fund under Italian law for qualified investors, which began operations on 10 April 2014 and is managed by DeA Capital Alternative Funds SGR. DeA Capital S.p.A. has a total commitment of up to EUR 12.5 million in the fund.	
Brief description ICF III, with total assets of approximately EUR 67 million, invested its assets in units of closed-end private equity funds or in schemes that replicate that financial model, either as the lead investor or with other co-investors. The fund is divided into three segments: <ul style="list-style-type: none"> • Core, with a focus on buy-outs, expansion capital and special situations; • Credit & Distressed, which invests in special credit transactions (preferred equity, mezzanine, senior loans), turnarounds and other credit strategies; • Emerging Markets, which focuses on expansion capital, buy-outs, distressed assets and venture capital operations in emerging markets. At 31 March 2020, ICF III recalled 69%, 65% and 83% of its commitments for the Core, Credit & Distressed and Emerging Markets segments, respectively.	

The units in ICF III are valued at EUR 12.8 million in the consolidated financial statements at 31 March 2020, with a change compared to 31 December 2019 (EUR 12.4 million) connected to the EUR +0.4 million increase in fair value.

The table below shows the key figures for ICF III at 31 March 2020:

ICF III	Registered office	Year of commitment	Fund Size	Subscribed commitment	% DeA Capital in the fund
Eur (C)					
ICF III	Italy	2014	66,950,000	12,500,000	18.67
of which:					
Core Segment			34,600,000	1,000,000	2.89
Credit & Distressed Segment			17,300,000	4,000,000	23.12
Emerging Markets Segment			15,050,000	7,500,000	49.83
Residual Commitments					
Total residual commitment in:		Eur		2,938,553	

- **IDeA OF I**

	
IDeA Opportunity Fund I	
Registered office: Italy	
Sector: Private equity	
Website: www.deacapitalaf.com	
Investment details	
<p>IDeA OF I is a closed-end fund under Italian law for qualified investors, which began operations on 9 May 2008 and is managed by DeA Capital Alternative Funds SGR.</p> <p>DeA Capital S.p.A. has a total commitment of up to EUR 92.4 million in the fund.</p>	
Brief description	
<p>IDeA OF I has invested, either independently or via syndicates with lead investors, by purchasing qualified minority interests.</p> <p>As of 31 March 2020, IDeA OF I had called up 95.1% of its total commitments and distributed 96.2% of that commitment, after making some investments (of which two remained in the portfolio at that date).</p>	

The units in IDeA OF I have a value in the Consolidated Financial Statements at 31 March 2020 of EUR 11.0 million, with a change compared to 31 December 2019 (EUR 13.8 million) due to the pro-rata net profit of the fund of EUR -2.8 million.


The table below shows a breakdown of the fund's NAV at 31 March 2020:

(EUR million)	Industry	% share	Investment date	100%	DeA Capital
Portfolio participations					
Iacobucci HF Electronics	Aircraft furnishing and coffee machines	34.9%	September 11, 2012	3.0	1.4
Pegaso Transportation Investments (Talgo)	Rail market	2.5%	October 8, 2012	13.8	6.5
Total portfolio participations				16.8	7.9
Other receivables				2.2	1.0
Cash and cash equivalents				4.5	2.1
Total Net Equity				23.4	11.0

The table below shows the key figures for IDeA OF I at 31 March 2020:

IDeA OF I	Registered office	Year of commitment	Fund Size	Subscribed commitment	% DeA Capital in the fund
Eur (€)					
IDeA Opportunity Fund I	Italy	2008	196,627,400	92,395,215	46.99
Residual Commitments					
Total residual commitment in:		Eur		4,512,127	

- **IDeA EESS**

 DEA CAPITAL ALTERNATIVE FUNDS SGR
IDeA Efficienza Energetica e Sviluppo Sostenibile (IDeA Energy Efficiency and Sustainable Development)
Registered office: Italy
Sector: Private equity
Website: www.deacapitalaf.com
Investment details
<p>IDeA EESS is a closed-end fund under Italian law for qualified investors, which began operating on 1 August 2011 and is managed by DeA Capital Alternative Funds SGR.</p> <p>DeA Capital S.p.A. has a total commitment of up to EUR 30.4 million in the fund.</p>
Brief description
<p>IDeA EESS, which has total assets of EUR 100 million, is a closed-end mutual fund under Italian law for qualified investors, which seeks to acquire minority and controlling shareholdings.</p> <p>At 31 March 2020, IDeA EESS had called up 81.3% of the total commitment and distributed 79.8% of that commitment, after making nine investments (of which four were still in the portfolio at that date).</p>

Units in IDeA EESS are valued at EUR 6.9 million in the Consolidated Financial Statements for the Year Ending 31 March 2020, in line with the figure at 31 December 2019.


The table below shows a breakdown of the fund's NAV as reported by the fund at 31 March 2020:

(EUR million)	Industry	% share	Investment date	100%	DeA Capital
Portfolio investments					
Tecnomeccanica	Lighting components for the automotive sector	93.6%	October 27, 2016	4.5	1.4
Stalam	Radiofrequency equipment for textile and food sector	90.4%	November 30, 2016	4.6	1.4
Total portfolio participations				9.1	2.8
Other assets (liabilities)				1.6	0.5
Cash and cash equivalents				10.6	3.6
Total Net Equity				21.3	6.9

The table below shows the key figures for IDeA EESS at 31 March 2020:

IDeA EESS	Registered office	Year of commitment	Fund Size	Subscribed commitment	% DeA Capital in the fund
Euro (€)					
IDeA Efficienza Energetica e Sviluppo Sostenibile	Italy	2011	100,000,000	30,400,000	30.40
Residual Commitments					
Total residual commitment in:		Eur		5,690,728	

- **IDeA ToI**


 DEA CAPITAL ALTERNATIVE FUNDS SGR
IDeA Taste of Italy (ToI)
Registered office: Italy
Sector: <i>Private equity</i>
Website: www.deacapitalaf.com
Investment details
<p>IDeA ToI is a closed-end fund under Italian law for qualified investors, which began operating on 30 December 2014 and is managed by DeA Capital Alternative Funds SGR.</p> <p>DeA Capital S.p.A. has a total commitment of up to EUR 25.2 million in the fund.</p>
Brief description
<p>IDeA ToI, which has total assets of EUR 218.1 million, is a closed-end mutual fund under Italian law for qualified investors; it seeks to acquire minority and controlling interests mainly in small and medium-sized enterprises in Italy, either independently or with other co-investors. The fund invests in companies operating in the agri-food sector, especially in areas involved in the production and distribution of foodstuffs and in secondary products resulting from their processing or related services.</p> <p>At 31 March 2020, IDeA ToI had called up 81.7% of the total commitment from subscribers and distributed 47.8% of that commitment.</p>

The units in IDeA ToI were valued at EUR 16.4 million in the Consolidated Financial Statements for the Year Ending 31 March 2020 (EUR 16.5 million at 31 December 2019). The decrease is due to the EUR -0.1 million decrease in fair value.

The table below shows the key figures for IDeA ToI at 31 March 2020:

IDeA ToI	Registered office	Year of commitment	Fund Size	Subscribed commitment	% DeA Capital in the fund
Eur (€)					
IDeA Taste of Italy	Italy	2014	218,100,000	25,200,000	11.55
Residual Commitments					
Total residual commitment in:		Eur		2,489,048	

- **IDeA CCR I**



IDeA Corporate Credit Recovery I (IDeA CCR I)
Registered office: Italy
Sector: <i>Credit funds</i>
Website: www.deacapitalaf.com
Investment details
<p>IDeA CCR I is a closed-end fund under Italian law for qualified investors, which began operating on 23 June 2016 and is managed by DeA Capital Alternative Funds SGR.</p> <p>At 31 March 2020, the total commitment of DeA Capital S.p.A. in the fund was EUR 7.7 million.</p>
Brief description
<p>IDeA CCR I is a closed-end mutual fund under Italian law for qualified investors which aims to help relaunch medium-sized Italian companies that are facing financial difficulties but have solid business fundamentals (so-called "Target Companies"), sharing the profits between creditors and new investors. The fund is divided into two segments:</p> <ul style="list-style-type: none"> • Loans Segment, which has acquired loans and financial equity instruments relating to the Target Companies from eight banks for a consideration of approximately EUR 202.5 million, in exchange for the allocation of units of the Loans segment; • New Finance Segment, which has obtained commitments for new finance currently totalling up to around EUR 42.7 million, which could be used for the Target Companies. <p>At 31 March 2020 the Loans Segment is fully invested, while the New Finance Segment had called up 27% of the total commitment, in respect of the units held by DeA Capital S.p.A. On the same date, the Loans and Nuova Finanza Segments had distributed 52% and 12% of their respective commitments.</p>

Units in IDeA CRR I are valued at EUR 1.0 million in the Consolidated Financial Statements at 31 March 2020, in line with the figure at 31 December 2019.

The table below shows the key figures for the IDeA CCR I fund at 31 March 2020:

IDeA CCR I	Registered office	Year of commitment	Fund Size	Subscribed commitment	% DeA Capital in the fund
Euro (C)					
IDeA CCR I	Italy	2016	245,247,185	7,650,000	3.12
of which:					
New Financing Segment			42,750,000	7,575,000	17.72
Credit Segment			202,497,185	75,000	0.04
Residual Commitments					
Total residual commitment in:		Eur		5,430,711	

- **IDeA CCR II**


IDeA Corporate Credit Recovery II (IDeA CCR II)
Registered office: Italy
Sector: <i>Credit funds</i>
Website: www.deacapitalaf.com
Investment details
<p>IDeA CCR II is a closed-end fund under Italian law, for qualified investors, which began operations on 28 December 2017 and is managed by DeA Capital Alternative Funds SGR.</p> <p>DeA Capital S.p.A. has a total commitment of EUR 15.2 million in the fund.</p>
Brief description
<p>IDeA CCR II, which has total assets of EUR 586.2 million, is a closed-end mutual fund under Italian law for qualified investors which aims to help the relaunch of Italian companies that are facing financial difficulties but have solid business fundamentals (Target Companies), sharing the profits between creditors and new investors, with an approach similar to the IDeA CCR I fund described above.</p> <p>In the 1st Quarter of 2020, the fund completed the 3rd closing of the Loans Segment, bringing its total assets from EUR 332.4 million to EUR 338.1 million. The fund is divided into three parts:</p> <ul style="list-style-type: none">• Loans Segment, which has acquired receivables relating to the Target Companies from several major Italian banks for a consideration of approximately EUR 338.1 million in exchange for the granting of units in the Loans Segment;• New Finance Segment, which has obtained commitments for new finance of up to around EUR 69.8 million, which could be used for the Target Companies or companies with similar characteristics;• Shipping Segment, which has obtained receivables from eight fund partner banks relating to eight shipping management target companies, for an amount, expressed in USD, of approximately USD 195 million, against the allocation of units in the fund's Shipping Segment. <p>At 31 March 2020, the Loans and Shipping Segments are fully invested, while the Nuova Finanza Segment has called up 23.9% of the commitment. At the same date, the Credit Sub-fund distributed 10.0% of its commitment.</p>

The units in IDeA CCR II were valued at EUR 3.4 million in the Consolidated Financial Statements at 31 March 2020 (EUR 3.3 million at 31 December 2019). The changes were due to capital calls of EUR +0.2 million and the EUR -0.1 million decrease in fair value.

The table below shows the key figures for the IDeA CCR II fund at 31 March 2020:

IDeA CCR II	Registered office	Year of commitment	Fund Size	Subscribed commitment	% DeA Capital in the fund
Euro (€)					
IDeA CCR II	Italy	2017			
New Financing Segment			69,750,000	15,075,000	21.61
Credit Segment			338,142,008	75,000	0.02
Shipping Segment			195,324,500 ^(*)	n.a.	n.a.
Residual Commitments					
Total residual commitment in:		Eur		11,522,042	

(*) Value in US Dollar

PLATFORM INVESTMENTS - EQUITY INVESTMENTS

At 31 March 2020, investments in equity holdings in the consolidated financial statements totalled EUR 7.7 million, including EUR 5.0 million for a minority stake in the vehicle controlled by the IDeA ToI fund that holds the controlling stake in Alice Pizza and EUR 2.7 million for minority interests in three investment vehicles promoted by DeA Capital France for the acquisition of properties in the Paris area (Paris R², Bobigny Irrigo and Paris Pasteur).

OTHER INVESTMENTS

At 31 March 2020, the DeA Capital Group was a shareholder of:

- Kenan Investments, holder of a shareholding in Migros (valued at EUR 13.9 million);
- IDeA MI, under liquidation (valued at EUR 22.4 million);
- Cellularline, the Italian leader in the development and sale of smartphone and tablet accessories (valued at EUR 4.2 million);

The units in venture capital funds had a total value of approximately EUR 4.7 million in the Financial Statements at 31 March 2020 (EUR 6.5 million at 31 December 2019). The change in the period was due to distributions of EUR -0.8 million and the EUR -1.0 million decrease in fair value.

Valuations of shareholdings and funds in the portfolio reflect estimates made using the information available on the date this document was prepared.

➤ **Consolidated Income Statement**

The Group's Net Profit in the first three months of 2020 was EUR -6.6 million, compared with EUR -3.9 million in the same period of 2019.

Revenues and other income break down as follows:

- fees of EUR 15.6 million for the Alternative Asset Management business (EUR 16.8 million in the same period of 2019);
- income from investments valued at equity, negative for EUR -0.5 million (EUR +0.2 million for the corresponding period in 2019);
- other income and expenses from investments totalling EUR -9.6 million (EUR -7.3 million in the corresponding period in 2019) mainly due to the reduction in fair value of the IDeA OF I fund (EUR -6.0 million), Cellularline (EUR -2.6 million) and Kenan Inv. / Migros (EUR -1.8 million).

Operating costs totalled EUR 15.4 million (of which EUR 12.9 relate to Alternative Asset Management), compared to EUR 12.9 million in the corresponding period of 2019.

Financial income and expense stood at a total of EUR -0.1 million at 31 March 2020 (EUR +0.2 million in the same period in 2019).

The total tax impact for the first three months of 2020, equal to EUR +0.1 million (EUR -0.6 million in the corresponding period of 2019), is the result of taxes of EUR -0.9 million due for Alternative Asset Management activities (EUR -2.4 million due in the same period of 2019) and EUR +1.0 million for the Holding companies (EUR +1.8 million in the corresponding period of 2019).

The Group's Net Result of EUR -6.6 million breaks down as follows: EUR +0.6 million attributable to Alternative Asset Management, EUR -5.8 million to Alternative Investment and EUR -1.4 million to Holding companies/eliminations.

Summary Consolidated Income Statement

(EUR thousand)	First Quarter 2020	First Quarter 2019
Alternative Asset Management fees	15,560	16,799
Income (loss) from equity investments	(471)	212
Other investment income/expense	(9,635)	(7,298)
Income from services	18	101
Other income	2	3
Other expenses (*)	(15,412)	(12,887)
Financial income and expenses	(89)	181
PROFIT/(LOSS) BEFORE TAX	(10,027)	(2,889)
Income tax	63	(594)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(9,964)	(3,483)
Profit (Loss) from discontinued operations/held-for-sale assets	0	0
PROFIT/(LOSS) FOR THE PERIOD	(9,964)	(3,483)
- Group share	(6,604)	(3,934)
- Non controlling interests	(3,360)	451
		0.00
Earnings per share, basic (€)	(0.025)	(0.015)
Earnings per share, diluted (€)	(0.025)	(0.015)

(*) includes items "personnel costs", "service costs", "depreciation, amortization and impairment" and "other expenses"

Performance by business in the first quarter of 2020

(EUR thousand)	Alternative Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	15,597	(37)	15,560
Income (loss) from investments valued at equity	(80)	(391)	0	(471)
Other investment income/expense	(8,754)	(881)	0	(9,635)
Other revenues and income	0	1	19	20
Other expenses and charges	(60)	(12,901)	(2,451)	(15,412)
Financial income and expenses	(38)	(67)	16	(89)
PROFIT/(LOSS) BEFORE TAXES	(8,932)	1,358	(2,453)	(10,027)
Income tax	0	(944)	1,007	63
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(8,932)	414	(1,446)	(9,964)
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
PROFIT/(LOSS) FOR THE PERIOD	(8,932)	414	(1,446)	(9,964)
- Group share	(5,759)	601	(1,446)	(6,604)
- Non controlling interests	(3,173)	(187)	0	(3,360)

Performance by business in the first quarter of 2019

(EUR thousand)	Alternative Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	16,901	(102)	16,799
Income (loss) from investments valued at equity	(61)	273	0	212
Other investment income/expense	(8,200)	902	0	(7,298)
Other revenues and income	0	3	101	104
Other expenses and charges	(126)	(11,060)	(1,701)	(12,887)
Financial income and expenses	327	(100)	(46)	181
PROFIT/(LOSS) BEFORE TAXES	(8,060)	6,919	(1,748)	(2,889)
Income tax	0	(2,437)	1,843	(594)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(8,060)	4,482	95	(3,483)
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
PROFIT/(LOSS) FOR THE PERIOD	(8,060)	4,482	95	(3,483)
- Group share	(8,701)	4,672	95	(3,934)
- Non controlling interests	641	(190)	0	451

➤ **Comprehensive Income – Statement of Performance – IAS 1**

Comprehensive Income or the Statement of Performance (IAS 1), in which performance for the period attributable to the Group is reported including results posted directly to shareholders' equity, reflects a net negative balance of approximately EUR -6.9 million, which refers essentially to the net loss reported in the Income Statement.

<i>(EUR thousand)</i>	First Quarter 2020	First Quarter 2019
<i>Profit/(loss) for the period (A)</i>	<i>(9,964)</i>	<i>(3,483)</i>
Comprehensive income/expense which might be subsequently reclassified to the profit (loss) for the period	(271)	83
Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period	(58)	(7)
<i>Other comprehensive income, net of tax (B)</i>	<i>(329)</i>	<i>76</i>
<i>Total comprehensive income for the period (A)+(B)</i>	<i>(10,293)</i>	<i>(3,407)</i>
<i>Total comprehensive income attributable to:</i>		
- Group Share	(6,933)	(3,858)
- Non Controlling Interests	(3,360)	451

➤ **Consolidated Statement of Financial Position**

(EUR thousand)	31.3.2020	31.12.2019
ASSETS		
Non-current assets		
Intangible and tangible assets		
Goodwill	104,647	104,647
Intangible assets	42,827	42,912
Property, plant and equipment	13,599	14,297
- <i>Building in Leasing</i>	12,778	13,420
- <i>Other leased assets</i>	315	318
- <i>Other property, plant and equipment</i>	506	559
Total intangible and tangible assets	161,073	161,856
Investments		
Investments at equity and joint ventures	30,565	30,802
Investments held by Funds at Fair Value through P&L	16,778	22,773
Other Investments at Fair Value through P&L	45,919	50,382
Funds at Fair Value through P&L	143,589	143,597
Other financial assets at Fair Value through P&L	37	37
Total financial Investments	236,888	247,591
Other non-current assets		
Deferred tax assets	2,791	2,409
Loans and receivables	3,291	2,485
Receivables for deferment of placement costs	351	377
Financial receivables for leasing - non current position	1,255	1,313
Other non-current assets	3,341	4,613
Total other non-current assets	11,029	11,197
Total non-current assets	408,990	420,644
Current assets		
Trade receivables	9,117	8,653
Financial assets at Fair Value	13,827	14,192
Financial receivables	18	0
Financial receivables for leasing - current position	247	245
Tax receivables from parent companies	3,369	3,953
Other tax receivables	13,479	37,176
Other receivables	2,885	8,206
Cash and cash equivalents	86,526	99,512
Total current assets	129,468	171,937
Total current assets	129,468	171,937
TOTAL ASSETS	538,458	592,581
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Net equity Group	450,778	457,464
Minority interests	20,461	23,634
Shareholders' equity	471,239	481,098
LIABILITIES		
Non-current liabilities		
Trade payables	800	800
Deferred tax liabilities	5,963	5,993
End-of-service payment fund	5,683	5,582
Payables to staff and social security organisations	789	631
Financial liabilities	12,770	13,457
- <i>Financial liabilities for leasing</i>	11,746	12,437
- <i>Other financial liabilities</i>	1,024	1,020
Total non-current liabilities	26,005	26,463
Current liabilities		
Trade payables	5,576	5,470
End-of-service payment fund	26	21
Payables to staff and social security organisations	12,387	11,836
Current tax	3,474	4,336
Other tax payables	1,070	1,491
Other payables	15,619	42,299
Short term financial payables	3,062	19,567
- <i>Short term financial payables for leasing</i>	3,062	3,045
- <i>Other Short term financial payables</i>	0	16,522
Total current liabilities	41,214	85,020
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	538,458	592,581

At 31 March 2020, DeA Capital S.p.A. recorded Group shareholders' equity of approximately EUR 450.8 million, corresponding to a Net Asset Value (NAV) of EUR 1.73 per share, compared to EUR 457.5 million at the end of 2019.

➤ Consolidated net financial position

At 31 March 2020, the consolidated Net Financial Position was positive, EUR 110.4 million, as detailed in the table below.

Net financial position <i>(EUR million)</i>	31.3.2020	31.12.2019	Change
Cash and cash equivalents	86.5	99.5	(13.0)
Financial assets at Fair Value through OCI	13.8	14.2	(0.4)
Financial receivables	25.9	25.0	0.9
Non-current financial liabilities	(12.8)	(13.5)	0.7
Current financial liabilities	(3.0)	(19.6)	16.6
TOTAL	110.4	105.6	4.8

The Company believes that the cash and cash equivalents and the other financial resources available are sufficient to meet the requirement relating to payment commitments already subscribed to in funds, also taking into account the amounts expected to be called up/distributed by these funds. With regard to these residual commitments, the Company believes that the resources currently available, as well as those that will be generated by its operating activities, will enable the Group to meet the financing required for its investment activity and to manage working capital.

6. Other information

➤ Transactions with parent companies, subsidiaries and related parties

Transactions with related parties are reported in the section "Other Information" of the Notes to the Consolidated Financial Statements.

➤ Other information

At 31 March 2020, the Group had 223 employees (212 at the end of 2019), including 206 in the Alternative Asset Management area and 17 in alternative investment/holding companies; These staff levels do not include personnel on secondment from the Parent Company De Agostini S.p.A.

Furthermore, there are no conditions prohibiting listing pursuant to Article 16 of the Market Regulation, relating to companies subject to the management and coordination of other parties.

**Consolidated Financial Statements and Notes
to the Financial Statements
for the period 1 January - 31 March 2020**

• Consolidated Statement of Financial Position

(EUR thousand)	Note	31.3.2020	31.12.2019
ASSETS			
Non-current assets			
Intangible and tangible assets			
Goodwill	1a	104,647	104,647
Intangible assets	1b	42,827	42,912
Property, plant and equipment	1c	13,599	14,297
- Building in Leasing		12,778	13,420
- Other leased assets		315	318
- Other property, plant and equipment		506	559
Total intangible and tangible assets		161,073	161,856
Investments			
Investments at equity and joint ventures	2a	30,565	30,802
Investments held by Funds at Fair Value through P&L	2b	16,778	22,773
Other Investments at Fair Value through P&L	2c	45,919	50,382
Funds at Fair Value through P&L	2d	143,589	143,597
Other financial assets at Fair Value through P&L		37	37
Total financial Investments		236,888	247,591
Other non-current assets			
Deferred tax assets	3a	2,791	2,409
Loans and receivables	3b	3,291	2,485
Receivables for deferment of placement costs	3c	351	377
Financial receivables for leasing - non current position	3d	1,255	1,313
Other non-current assets	3e	3,341	4,613
Total other non-current assets		11,029	11,197
Total non-current assets		408,990	420,644
Current assets			
Trade receivables	4a	9,117	8,653
Financial assets at Fair Value	4b	13,827	14,192
Financial receivables	4c	18	0
Financial receivables for leasing - current position	4d	247	245
Tax receivables from parent companies	4e	3,369	3,953
Other tax receivables	4f	13,479	37,176
Other receivables	4g	2,885	8,206
Cash and cash equivalents	4h	86,526	99,512
Total current assets		129,468	171,937
Total current assets		129,468	171,937
TOTAL ASSETS		538,458	592,581
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital		266,612	266,612
Share premium reserve		186,882	186,882
Legal reserve		61,322	61,322
Own share reserve		(10,415)	(10,415)
Fair value reserve		131	402
Other reserves		(17,554)	(17,930)
Retained earnings (losses)		(29,596)	(41,665)
Profit (loss) for the year		(6,604)	12,256
Net equity Group		450,778	457,464
Minority interests		20,461	23,634
Shareholders' equity	5	471,239	481,098
LIABILITIES			
Non-current liabilities			
Trade payables	6a	800	800
Deferred tax liabilities	3a/6b	5,963	5,993
End-of-service payment fund	6c	5,683	5,582
Payables to staff and social security organisations	6d	789	631
Financial liabilities	6e	12,770	13,457
- Financial liabilities for leasing		11,746	12,437
- Other financial liabilities		1,024	1,020
Total non-current liabilities		26,005	26,463
Current liabilities			
Trade payables	7a	5,576	5,470
End-of-service payment fund		26	21
Payables to staff and social security organisations	7b	12,387	11,836
Current tax	7c	3,474	4,336
Other tax payables	7d	1,070	1,491
Other payables	7e	15,619	42,299
Short term financial payables	7f	3,062	19,567
- Short term financial payables for leasing		3,062	3,045
- Other Short term financial payables		0	16,522
Total current liabilities		41,214	85,020
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		538,458	592,581

Pursuant to Consob Resolution 15519 of 27 July 2006, the impact of dealings with related parties on the Statement of Financial Position, Income Statement and Cash Flow Statement is explained in the Notes to the Financial Statements.

Consolidated Income Statement

<i>(EUR thousand)</i>	Note	First Quarter 2020	First Quarter 2019
Alternative Asset management fees	8	15,560	16,799
Income from equity investments	9	(471)	212
Other investment income/expense	10	(9,635)	(7,298)
Income from services	11	18	101
Other income		2	3
Personnel costs	12a	(9,412)	(8,129)
Service costs	12b	(3,755)	(3,190)
Depreciation, amortization and impairment	12c	(953)	(1,129)
Other expenses	12d	(1,292)	(439)
Financial income	13a	147	369
Financial expenses	13b	(236)	(188)
PROFIT/(LOSS) BEFORE TAX		(10,027)	(2,889)
Income tax	14	63	(594)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		(9,964)	(3,483)
Profit (Loss) from discontinued operations/held-for-sale assets		0	0
PROFIT/(LOSS) FOR THE PERIOD		(9,964)	(3,483)
- Group share		(6,604)	(3,934)
- Non controlling interests		(3,360)	451
Earnings per share, basic (€)		0.025	0.015
Earnings per share, diluted (€)		0.025	0.015

Pursuant to Consob Resolution 15519 of 27 July 2006, the impact of dealings with related parties on the Statement of Financial Position, Income Statement and Cash Flow Statement is explained in the Notes to the Financial Statements.

- **Performance by business in the first quarter of 2020**

(EUR thousand)	Alternative Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	15,597	(37)	15,560
Income (loss) from investments valued at equity	(80)	(391)	0	(471)
Other investment income/expense	(8,754)	(881)	0	(9,635)
Other revenues and income	0	1	19	20
Other expenses and charges	(60)	(12,901)	(2,451)	(15,412)
Financial income and expenses	(38)	(67)	16	(89)
PROFIT/(LOSS) BEFORE TAXES	(8,932)	1,358	(2,453)	(10,027)
Income tax	0	(944)	1,007	63
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(8,932)	414	(1,446)	(9,964)
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
PROFIT/(LOSS) FOR THE PERIOD	(8,932)	414	(1,446)	(9,964)
- Group share	(5,759)	601	(1,446)	(6,604)
- Non controlling interests	(3,173)	(187)	0	(3,360)

- **Performance by business in the first quarter of 2019**

(EUR thousand)	Alternative Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	16,901	(102)	16,799
Income (loss) from investments valued at equity	(61)	273	0	212
Other investment income/expense	(8,200)	902	0	(7,298)
Other revenues and income	0	3	101	104
Other expenses and charges	(126)	(11,060)	(1,701)	(12,887)
Financial income and expenses	327	(100)	(46)	181
PROFIT/(LOSS) BEFORE TAXES	(8,060)	6,919	(1,748)	(2,889)
Income tax	0	(2,437)	1,843	(594)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(8,060)	4,482	95	(3,483)
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
PROFIT/(LOSS) FOR THE PERIOD	(8,060)	4,482	95	(3,483)
- Group share	(8,701)	4,672	95	(3,934)
- Non controlling interests	641	(190)	0	451

Consolidated Statement of Comprehensive Income (Statement of Performance – IAS 1)

<i>(Euro thousands)</i>	First Quarter 2020	First Quarter 2019
Profit/(loss) for the period (A)	(9,964)	(3,483)
Comprehensive income/expense which might be subsequently reclassified within the profit (loss) for the period	(271)	83
<i>Incomes (Losses) on financial assets at fair value</i>	(271)	83
Comprehensive income/expense which will not be subsequently reclassified to the profit (loss) for the period	(58)	(7)
<i>Gains/(losses) on remeasurement of defined benefit plans</i>	(58)	(7)
Other comprehensive income, net of tax (B)	(329)	76
Total comprehensive income for the period (A)+(B)	(10,293)	(3,407)
Total comprehensive income attributable to:		
- Group Share	(6,933)	(3,858)
- Non Controlling Interests	(3,360)	451

• **Consolidated Cash Flow Statement – Direct Method**

<i>(EUR thousand)</i>	First Quarter 2020	First Quarter 2019
CASH FLOW from operating activities		
Investments in funds and shareholdings	(1,863)	(4,091)
Capital reimbursements from funds	2,337	1,790
Sale of investments	0	500
Interest received	1,624	39
Interest paid	0	0
Realized gains (losses) on exchange rate and derivatives	1	0
Taxes paid/reimbursed	(185)	46
Dividends received	0	0
Management and performance fees received	15,625	19,143
Revenues for services	424	78
Operating expenses	(12,469)	(10,749)
Net cash flow from operating activities	5,494	6,756
CASH FLOW from investing activities		
Acquisition of property, plant and equipment	(89)	(81)
Sale of property, plant and equipment	0	0
Purchase of licenses and intangible assets	(16,802)	(121)
Net cash flow from investing activities	(16,891)	(202)
CASH FLOW from financing activities		
Acquisition of financial assets	(3)	(7,642)
Sale of financial assets	0	500
Cash flow from leasing contract	(776)	(691)
Share capital issued	0	27
Own shares acquired	0	0
Share capital issued for Stock Option Plan	0	324
Dividends/capital reimbursements paid	0	(1,148)
Loans and bank loans	(810)	(124)
Net cash flow from financing activities	(1,589)	(8,754)
CHANGE IN CASH AND CASH EQUIVALENTS	(12,986)	(2,200)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	99,512	143,766
Change in basis of consolidation: cash and cash equivalents	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	86,526	141,566

Pursuant to Consob Resolution 15519 of 27 July 2006, the impact of dealings with related parties on the Statement of Financial Position, Income Statement and Cash Flow Statement is explained in the Notes to the Financial Statements.

• Consolidated Statement of Changes in Shareholders' Equity

(EUR thousand)	Share capital	Share premium reserve	Legal reserve	Reserve of own shares	Fair value reserve	Other reserves	Retained earnings and losses	Group Profit & Loss	Group total	Non-controlling interests	Consolidated shareholders' equity
Total at 31 December 2018	306,612	240,859	61,322	(82,766)	(179)	(18,555)	(51,882)	11,070	466,481	39,299	505,780
Allocation of 2018 net profit	0	0	0	0	0	0	11,070	(11,070)	0	0	0
Performance shares cost	0	0	0	0	0	333	0	0	333	0	333
Purchase of own shares	0	0	0	0	0	0	0	0	0	0	0
Stock Option exercise	0	0	0	421	0	(261)	164	0	324	0	324
Dividend distribution	0	0	0	0	0	0	0	0	0	0	0
Other changes	0	0	0	8,046	0	(189)	0	0	7,857	(9,556)	(1,699)
Total comprehensive income (loss)	0	0	0	0	83	(7)	0	(3,934)	(3,858)	451	(3,407)
Total at 31 March 2019	306,612	240,859	61,322	(74,299)	(96)	(18,679)	(40,648)	(3,934)	471,137	30,194	501,331

(EUR thousand)	Share capital	Share premium reserve	Legal reserve	Reserve of own shares	Fair value reserve	Other reserves	Retained earnings and losses	Group Profit & Loss	Group total	Non-controlling interests	Consolidated shareholders' equity
Total at 31 December 2018	266,612	186,882	61,322	(10,415)	402	(17,930)	(41,665)	12,256	457,464	23,634	481,098
Allocation of 2018 net profit	0	0	0	0	0	0	12,256	(12,256)	0	0	0
Performance share / Stock option cost	0	0	0	0	0	449	0	0	449	0	449
Other changes	0	0	0	0	0	(15)	(187)	0	(202)	187	(15)
Total comprehensive income (loss)	0	0	0	0	(271)	(58)	0	(6,604)	(6,933)	(3,360)	(10,293)
Total at 31 March 2020	266,612	186,882	61,322	(10,415)	131	(17,554)	(29,596)	(6,604)	450,778	20,461	471,239

Pursuant to Consob Resolution 15519 of 27 July 2006, the impact of dealings with related parties on the Statement of Financial Position, Income Statement and Cash Flow Statement is explained in the Notes to the Financial Statements.

Notes to the Financial Statements

Structure and content of the Interim Consolidated Financial Statements at 31 March 2020

The Interim Consolidated Financial Statements at 31 March 2020 (the "Consolidated Financial Statements") comprise the document required by Article 2.2.3 of the Stock Exchange Regulation (FTSE Italia STAR segment).

The operating results, financial position and cash flows are prepared in conformity with the evaluation and measurement criteria established by the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and adopted by the European Union in accordance with the procedure laid down in Article 6 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002. The accounting standards applied in the Consolidated Financial Statements do not differ substantially from those used in the Financial Statements as at 31 December 2019.

The Consolidated Financial Statements at 31 March 2020 comprise the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income (*Statement of Performance*), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Shareholders' Equity and these Notes to the Financial Statements. They are also accompanied by the Interim Management Report and the Certification of the Interim Management Report. The income and cash flow information are provided for Q1 2020 and Q1 2019; the statement of financial position information is provided for 31 March 2020 and 31 December 2019.

The Consolidated Statement of Financial Position provides a breakdown of current and non-current assets and liabilities with separate reporting for those resulting from discontinued or held-for-sale operations. The Consolidated Income Statement provides a breakdown whereby costs and revenues are classified according to type. The Consolidated Cash Flow Statement is prepared using the "direct method".

Unless otherwise indicated, all tables and figures included in these Notes to the Financial Statements are reported in EUR thousand.

The consolidated accounts of the Consolidated Financial Statements are not audited by the Independent Auditors.

Statement of compliance with accounting standards

The Financial Statements at 31 March 2020 was prepared in accordance with the going concern principle and with the International Accounting Standards adopted by the European Union and approved by the date this document was prepared (the International Accounting Standards, or individually, IAS/IFRS, or collectively IFRS – International Financial Reporting Standards), and in accordance with art. 154-ter of Legislative Decree No. 58/1998 that implements the "Transparency Directive".

When preparing the Consolidated Financial Statements, all interpretations of the International Financial Reporting Interpretations Committee (IFRIC) were applied, including those previously issued by the Standing Interpretations Committee (SIC), approved by the European Union.

In accordance with the provisions of IAS/IFRS and current legislation, the Company has authorised the publication of the Interim Financial Statements at 31 March 2020 under the terms of the law.

Use of estimates and assumptions in preparing the Consolidated Interim Financial Statements at 31 March 2020

The Company must make assessments, estimates and assumptions that affect the application of accounting standards and the amounts of assets, liabilities, costs and revenues recorded in the financial statements. Estimates and related assumptions are based on past experience and factors deemed reasonable in the case concerned; these are used to estimate the carrying value of assets and liabilities that cannot be easily obtained from other sources. Since these are estimates, the results obtained should not necessarily be considered definitive.

These estimates and assumptions are reviewed regularly. Any changes resulting from revisions of accounting estimates are reported in the period in which the revision takes place if they involve that period only; if the revision involves current and future periods, the change is reported in the period in which the revision takes place and in future periods.

While stressing that the use of reasonable estimates is an essential part of preparing the Consolidated Financial Statements at 31 March 2020, note that this use of estimates is particularly significant with reference to the valuations of the assets and shareholdings in the Investment Portfolio.

An estimate may be adjusted as a result of changes in the circumstances on which it was based, or as a result of new information. Any change in the estimate is applied prospectively and has an impact on the results for the period in which the change occurred, and potentially on those in future periods.

As allowed by IAS/IFRS, the preparation of the Consolidated Financial Statements at 31 March 2020 required the use of significant estimates by the Company's management, especially with regard to the valuations at fair value of the investment portfolio (equity investments and funds).

These fair values are calculated by directors based on their best judgement and estimation using the knowledge and evidence available at the time that the Consolidated Financial Statements at 31 March 2020 are prepared. However, due to objective difficulties in making assessments and the absence of a liquid market, the values assigned to such assets could differ, and in some cases significantly, from those that could actually be obtained when the assets are sold.

For a more detailed description of the most important valuation processes for the Group, refer to the Consolidated Financial Statements at 31 December 2019.

Scope of consolidation

At 31 March 2020, the following companies formed part of the DeA Capital Group's basis of consolidation (unchanged in relation to 31 December 2019):

Company	Registered office	Currency	Share capital	% holding	Consolidation method
DeA Capital S.p.A.	Milan, Italy	Eur	266,612,100	Holding	
DeA Capital Alternative Funds SGR S.p.A.	Milan, Italy	Eur	1,300,000	100.00%	Full consolidation
IDeA OF I	Milan, Italy	Eur	-	46.99%	Full consolidation
DeA Capital Partecipazioni S.p.A.	Milan, Italy	Eur	600,000	100.00%	Full consolidation
DeA Capital Real Estate SGR S.p.A.	Rome, Italy	Eur	16,757,557	100.00%	Full consolidation
DeA Capital Real Estate France S.A.S.	Paris, France	Eur	100,000	70.00%	Full consolidation
DeACapital Real Estate Iberia S.L.	Madrid, Spain	Eur	100,000	73.00%	Full consolidation
DeA Capital Real Estate Poland Sp. z o.o.	Warsaw, Poland	PLN	2,000,000	50.00%	Equity Accounted (Joint-venture)
Quaestio Holding S.A.	Luxembourg	Eur	4,839,630	38.82%	Equity accounted (Associate)
YARD Group	Milan, Italy	Eur	662,400	40.61%	Equity accounted (Associate)
IDeA Efficienza Energetica e Sviluppo Sostenibile	Milan, Italy	Eur	-	30.40%	Equity accounted (Associate)
Venere	Rome, Italy	Eur	-	27.27%	Equity accounted (Associate)

Notes on the Consolidated Statement of Financial Position

NON-CURRENT ASSETS

Non-current assets stood at EUR 409.0 million at 31 March 2020 (compared with EUR 420.6 million at 31 December 2019).

1a – Goodwill

This item totalled EUR 104.6 million at 31 March 2020 (unchanged from 31 December 2019) and relates to:

- the acquisition of IFIM / FIMIT SGR (now DeA Capital Real Estate SGR) for EUR 62.4 million;
- the holdings in DeA Capital Alternative Funds of EUR 42.2 million.

1b – Intangible assets

Intangible assets stand at EUR 42.8 million at 31 March 2020 (EUR 42.9 million at 31 December 2019), after having deducted amortisation for the period of EUR -0.2 million. The item mainly includes:

- the entry of contractual rights recognised in the context of the acquisition of the majority interest in Quaestio Holding / Quaestio SGR of EUR 22.3 million (unchanged from 31 December 2019);
- the intangible assets from the allocation of the residual value of FIMIT SGR on the date of the (reverse) merger into FARE SGR (now DeA Capital Real Estate SGR) of EUR 19.1 million (unchanged from 31 December 2019). This value is based on the discounting of variable management fees calculated net of directly applicable costs on the basis of the most recent business plans of the funds under management.

1c – Tangible assets

Tangible assets stand at EUR 13.6 million at 31 March 2020 (EUR 14.3 million at 31 December 2019), after having deducted depreciation for the period of EUR -0.8 million.

Specifically, following the application of IFRS 16 from 1 January 2019, the following rights of use were recorded under tangible assets:

- to lease vehicles;
- to properties, namely the Group companies registered offices and specifically the property at Via Brera 21 in Milan, which, since 2013, has been leased to the DeA Capital Group, and the office in Rome of DeA Capital Real Estate SGR.

The rights of use of the property at Via Brera 21 in Milan for the portion pertaining to the Group companies are recorded under the item Tangible assets, while the share pertaining to De Agostini Group companies are recorded under the item "Non-current lease financial receivables" and "Current lease financial receivables".

2 – Financial investments and other non-current assets

These investments passed from EUR 247.6 million at 31 December 2019 to EUR 236.9 million at 31 March 2020.

2a – Investments in associates

This item, which totalled EUR 30.6 million at 31 March 2020 (EUR 30.8 million at 31 December 2019), relates to the following assets:

- the equity investment in Quaestio Holding valued at EUR 13.7 million (compared with EUR 14.3 million at 31 December 2019). The change is mainly due to the period result;
- the equity investment in DeA Capital Real Estate Poland at EUR 0.2 million (essentially unchanged from 31 December 2019);
- the units in the IDeA EESS fund valued at EUR 6.9 million (essentially unchanged from 31 December 2019);
- the units in the Venere fund valued at EUR 2.6 million (compared with EUR 3.4 million at 31 December 2019). The change in the period is due to the capital distributions in the 1st Quarter of 2020;
- the equity investment in YARD valued at EUR 7.2 million (compared with EUR 5.9 million at 31 December 2019). The change is due to the period result of EUR +0.2 million and the EUR +1.1 million shareholder funding granted by DeA Capital Partecipazioni.

The table below provides details of the equity investments held in associates at 31 March 2020 by sector of activity;

(EUR million)	Alternative Investments	Alternative Asset Management	Total
Quaestio Holding S.A.	0.0	13.7	13.7
DeA Capital Real Estate Poland	0.0	0.2	0.2
IDeA EESS fund	6.9	0.0	6.9
Venere fund	0.9	1.7	2.6
YARD group	0.0	7.2	7.2
Total	7.8	22.8	30.6

2b – Investments held by funds measured at fair value through P&L

This item, totalling EUR 16.8 million at 31 March 2020 (compared with EUR 22.8 million at 31 December 2019) breaks down as follows:

(EUR million)	31.3.2020	31.12.2019
Participations in Portfolio		
Iacobucci HF Electronics	3.0	3.0
Pegaso Transportation Investments (Talgo)	13.8	19.8
Investments at Fair Value through P&L	16.8	22.8
Total Participations in Portfolio	16.8	22.8

At 31 March 2020, as at 31 December 2019, the DeA Capital Group holds minority interests, through the IDeA OF I fund, in Iacobucci HF Electronics and Pegaso Transportation Investments (Talgo). The change compared to 31 December 2019 is due exclusively to the fair value adjustment of the two equity investments.

2c – Investments held in other companies measured at fair value through P&L

At 31 March 2020, the DeA Capital Group was a minority shareholder in Kenan Investments (the holder of an investment in Migros), Cellularline, IDeaMI and ToI Due (which holds an investment in Alice Pizza), and other minor equity investments.

At 31 March 2020, this item was EUR 45.9 million, compared with EUR 50.4 million at 31 December 2019. The table below provides a breakdown of shareholdings in other companies at fair value through profit or loss at 31 March 2020, by area of activity:

(EUR million)	Alternative Investment - Other investments	Alternative Investment - Platform Investments	Total
Kenan Investments	13.9	0.0	13.9
Cellularline	4.2	0.0	4.2
IDeaMI	22.4	0.0	22.4
ToI Due	5.0	5.0	5.0
Minority interests	0.4	0.0	0.4
Total	40.9	5.0	45.9

The stake in **Kenan Investments** (indirectly corresponding to approximately 2% of Migros' capital, i.e., 12% of Migros' capital via the Group's investment in Kenan Investments) is recorded in the Consolidated Financial Statements at 31 March 2020 at EUR 13.9 million (compared with EUR 15.7 million at 31 December 2019). The change compared with 31 December 2019 (EUR - 1.8 million) is due to the decrease in fair value, due to the combined effect of the fall in the price per share (TRY 22.66 per share at 31 March 2020, versus TRY 24.22 per share at 31 December 2019) and the devaluation of the Turkish lira against the Euro (7.25 TRY/EUR at 31 March 2020, versus 6.68 TRY/EUR at 31 December 2019).

The stake in **IDeaMI** is recorded in the Consolidated Financial Statements at 31 March 2020 at EUR 22.4 million (essentially unchanged from 31 December 2019).

2d – Funds measured at fair value through P&L

The item Funds measured at fair value through P&L relates essentially to investments in units of 3 funds of funds (IDeA I FoF, ICF II and ICF III with 3 sub-funds), 2 theme funds (IDeA ToI and IDeA Agro), 2 NPE funds (IDeA CCR I e IDeA CCR II), 5 venture capital funds and 10 real estate funds, totalling EUR 143.6 million in the Consolidated Financial Statements at 31 March 2020 (essentially unchanged from 31 December 2019).

The table below illustrates the change in the first three months of 2020 of the funds measured at fair value through P&L:

(EUR thousand)	Balance at 1.1.2020	Decreases (Capital distribution/ Disposals)	Increases (Capital call/Purchase)	Fair value adjustment	Translation effect	Balance at 31.3.2020
Venture capital funds	6,511	(805)	0	(759)	(108)	4,839
IDeA I FoF	25,157	0	0	531	0	25,688
ICF II	29,789	0	0	1,593	0	31,382
ICF III	12,319	0	0	483	0	12,802
IDeA ToI	16,504	0	0	(132)	0	16,372
IDeA CCR I	956	0	0	0	0	956
IDeA CCR II	3,274	0	152	(5)	0	3,421
IDeA Agro	696	0	0	(6)	0	690
Santa Palomba	509	0	135	0	0	644
DeA Capital Real Estate SGR funds	47,648	(691)	485	(881)	0	46,561
DeA Capital Alternative Funds SGR funds	234	0	0	0	0	234
Total funds	143,597	(1,496)	772	824	(108)	143,589

The table below provides a breakdown of the funds in the portfolio at 31 March 2020 by area of activity:

(EUR million)	Alternative Investment - Other Investments	Alternative Investment - Platform Investments	Alternative Asset Management	Total
Venture capital funds	4.8	0.0	0.0	4.8
IDeA I FoF	0.0	25.7	0.0	25.7
ICF II	0.0	31.4	0.0	31.4
ICF III	0.0	12.8	0.0	12.8
IDeA ToI	0.0	16.4	0.0	16.4
IDeA CCR I	0.0	1.0	0.0	1.0
IDeA CCR II	0.0	3.4	0.0	3.4
IDeA Agro	0.0	0.7	0.0	0.7
Santa Palomba	0.0	0.6	0.0	0.6
DeA Capital Real Estate SGR funds	0.0	0.0	46.6	46.6
DeA Capital Alternative Funds SGR funds	0.0	0.0	0.2	0.2
Total funds	4.8	92.0	46.8	143.6

3a – Deferred tax assets

The balance of deferred tax assets includes the value of deferred tax assets, excluding deferred tax liabilities, where they can be offset. Deferred tax assets stood at EUR 2.8 million at 31 March 2020 (compared with EUR 2.4 million at 31 December 2019).

3b – Loans and receivables

This item totalled EUR 3.3 million at 31 March 2020 compared with EUR 2.5 million at 31 December 2019. The increase for the period refers primarily to the loan of EUR 0.9 million granted to Paris Pasteur (a vehicle that owns an office property located in Paris). Moreover, the balance at 31 March 2020 also includes:

- the loan granted to Paris R² (a vehicle that owns an office property located in Paris), of EUR 1.4 million (unchanged from 31 December 2019);
- the financial receivable from the associated company YARD - following the sale to the latter of a 100% share of SPC by DeA Capital Partecipazioni, amounting to EUR 0.5 million (unchanged from 31 December 2019);
- financial receivables from employees of EUR 0.5 million (essentially unchanged from 31 December 2019).

3c – Receivables relating to deferred placement costs

This item amounted to EUR 0.4 million at 31 March 2020 (essentially unchanged from 31 December 2019) and refers to the placement costs of the IDeA Taste of Italy fund, recorded because they are pertinent to the duration of the residual life of the fund; these costs will be gradually “released” in the Income Statement over the years until the anticipated maturity date of the IDeA Taste of Italy fund.

3d – Financial receivables for non-current leases

This item, which stood at EUR 1.3 million at 31 March 2020 (essentially unchanged from 31 December 2019), is entirely attributable to the restatement carried out in the light of the application of the new accounting standard IFRS 16 from 1 January 2019, and refers to the receivable due to DeA Capital S.p.A. from De Agostini Group companies for the use of spaces in the property at Via Brera 21 in Milan, recorded under “Leased buildings” in tangible assets, for the share pertaining to the DeA Capital Group.

3e – Other non-current assets

This item, which totalled EUR 3.3 million at 31 March 2020 (compared with EUR 4.6 million at 31 December 2019), included EUR 2.2 million relating to the receivable of the IDeA OF I fund for the sale of 1% of Manutencoop (EUR 3.7 million at 31 December 2019).

CURRENT ASSETS

At 31 March 2020, current assets stood at EUR 129.5 million, compared with EUR 171.9 million at 31 December 2019.

4a – Trade receivables

Trade receivables stood at EUR 9.1 million at 31 March 2020 (EUR 8.7 million at 31 December 2019). The balance mainly comprises receivables, belonging to DeA Capital Real Estate SGR, of EUR 5.3 million at 31 March 2020 (EUR 6.2 million at 31 December 2019); these are essentially receivables from managed funds for fees accrued but not yet received.

4b – Financial assets measured at fair value

At 31 March 2020, this item was EUR 13.8 million, compared with EUR 14.2 million at 31 December 2019;

- the portfolio of government bonds and corporate bonds, held by DeA Capital Alternative Funds SGR at EUR 5.9 million (EUR 6.1 million at 31 December 2019);
- the portfolio of CCT, held by DeA Capital Real Estate SGR, as an investment on behalf of the regulatory capital of EUR 7.9 million (EUR 8.1 million at 31 December 2019).

4c – Financial receivables

The balance at 31 March 2020 is essentially zero (value zero at 31 December 2019 as well).

4d – Financial receivables for current leases

This item, which stood at EUR 0.2 million at 31 March 2020 (essentially unchanged from 31 December 2019) refers to the receivable due to DeA Capital S.p.A. from De Agostini Group companies for the use of premises in the property at Via Brera 21 in Milan, recorded under "Leased buildings" as required by IFRS 16, and among Leased Buildings in tangible assets insofar as the share pertaining to the DeA Capital Group.

4e – Tax receivables relating to the tax consolidation scheme due from Parent Companies

This item, totalling EUR 3.4 million at 31 March 2020 (EUR 4.0 million at 31 December 2019), refers to the receivable from the parent company De Agostini S.p.A. in regard to the Group Tax Consolidation.

4f – Other tax receivables

These receivables stood at EUR 13.5 million at 31 March 2020 (EUR 37.2 million at 31 December 2019). The item mainly includes:

- the EUR 10.3 million VAT credit payable to DeA Capital Real Estate SGR (EUR 33.4 million at 31 December 2019), which comprises the positive balance from the sale of the VAT payable and the monthly VAT credit by the managed Funds. The change during the period is due to the offsetting of the VAT credit due to the sale of the real estate assets by the funds;
- the EUR 2.4 million credit for tax withholdings due to DeA Capital S.p.A. (unchanged from 31 December 2019) mainly refers to the capital gain from the distribution of the Fund of Funds (IDeA I FOF and IDeA ICF II).

4g – Other receivables

This item, EUR 2.9 million at 31 March 2020 compared with EUR 8.2 million at 31 December 2019, mainly includes receivables relating to the management of VAT positions with regard to the funds managed by DeA Capital Real Estate SGR, as well as credits for guarantee deposits, advances to suppliers, accrued income and other receivables. The change in the period is mainly attributable to the collection of VAT credits by the managed funds.

4h – Cash and cash equivalents (bank deposits and cash)

This item refers to EUR 86.5 million in bank deposits and cash, inclusive of accrued interest at 31 March 2020 compared with EUR 99.5 million at 31 December 2019. Please see the Consolidated Cash Flow Statement for further information on changes to this item.

SHAREHOLDERS' EQUITY

5 – Shareholders' equity

Group shareholders' equity

At 31 March 2020, the Group Shareholders' Equity was EUR 450.8 million, compared to EUR 457.5 million at 31 December 2019; the negative change in Q1 2020 of EUR 6.7 million is essentially due to the period result.

Minority interest shareholders' equity

At 31 March 2020, Minority interest shareholders' equity was EUR 20.5 million, compared with EUR 23.6 million at 31 December 2019. The item mainly refers to the Shareholders' Equity pertaining to minority shareholders from consolidation (line by line) of the IDeA OF I fund, DeA Capital Real Estate France and DeACapital Real Estate Iberia; the negative change of EUR 3.1 million compared to 31 December 2019 is mainly due to the period result.

NON-CURRENT LIABILITIES

At 31 March 2020, non-current liabilities totalled EUR 26.0 million, compared with EUR 26.5 million at 31 December 2019.

6a – Payables to suppliers

At 31 March 2020, this item stood at EUR 0.8 million (unchanged from 31 December 2019).

6b – Deferred tax liabilities

At 31 March 2020, this item totalled EUR 6.0 million (essentially unchanged compared to 31 December 2019), and specifically includes the liabilities for deferred taxes of DeA Capital Real Estate SGR (EUR 5.6 million, unchanged compared to the balance at 31 December 2019) composed in full of the offsetting item relating to the deferred tax of intangible assets from variable fees recorded in the assets.

6c – End-of-service payment fund

At 31 March 2020 this item totalled EUR 5.7 million (compared with EUR 5.6 million at 31 December 2019); the end-of-service payment comes under defined-benefit plans and was therefore valued by applying the actuarial methodology.

6d – Payables in respect of staff and social security organisations

This item totalling EUR 0.8 million at 31 March 2020 (EUR 0.6 million at 31 December 2019) refers to the long term incentive plan for certain employees of DeA Capital Alternative Funds SGR.

6e – Financial liabilities

At 31 March 2020, this item was EUR 12.8 million, compared with EUR 13.5 million at 31 December 2019. The item at 31 March 2020 includes:

- EUR 11.7 million (EUR 12.4 million at 31 December 2019) for the financial debt related to the lease agreements for vehicles in use, as well as the leasing of the Group company offices (specifically the property at Via Brera 21 in Milan and the Rome office of DeA Capital Real Estate SGR);

-
- for EUR 1.0 million to the variable price component (earn-out) relating to the purchase by the DeA Capital Group of the units previously held by third parties in DeA Capital Real Estate SGR (this amount is unchanged from 31 December 2019).

CURRENT LIABILITIES

At 31 March 2020, current liabilities totalled EUR 41.2 million, compared with EUR 85.0 million at 31 December 2019.

7a - Trade payables

Payables to suppliers stood at EUR 5.6 million at 31 March 2020 compared with EUR 5.5 million at 31 December 2019. Trade payables do not accrue interest and are settled, on average, within 30 to 60 days.

7b - Payables to staff and social security organisations

At 31 March 2020, this item was EUR 12.4 million, compared with EUR 11.8 million at 31 December 2019.

7c - Current tax payables

This item totalled EUR 3.5 million at 31 March 2020 (EUR 4.3 million at 31 December 2019) and mainly relates to the payable to the Parent Company De Agostini S.p.A. for the participation of DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR in the tax consolidation scheme. The item also includes payables to the tax authorities for current taxes.

7d - Other tax payables

At 31 March 2020, other tax payables totalled EUR 1.1 million, compared with EUR 1.5 million at 31 December 2019. In particular, this item mainly includes tax payables for withholdings on salaries.

7e - Other payables

At 31 March 2020 this item totalled EUR 15.6 million (EUR 42.3 million at 31 December 2019), and included an amount of EUR 13.1 million due to DeA Capital Real Estate SGR, and in particular payables relating to the management of VAT positions of the managed funds by the latter (compared to EUR 42.1 million at 31 December 2019). The change during the period is due to the refund of VAT positions to funds during the quarter.

7f - Short-term financial payables

At 31 March 2020, current liabilities totalled EUR 3.1 million, compared with EUR 19.6 million at 31 December 2019. At 31 March 2020 the item refers to the financial payable related to the lease agreements for vehicles as well as the leasing of properties, the Group company offices, specifically the property at Via Brera 21 in Milan and the Rome offices of DeA Capital Real Estate SGR. The change compared to 31 December 2019 (of EUR -16.5 million) is due to the extinguishment of the debt as at 31 December 2019, connected to a price-adjustments in relation to the acquisition of the majority share of Quaestio Holding / Quaestio SGR.

Notes on the Consolidated Income Statement

8 – Alternative asset management fees

In the 1st Quarter of 2020 Alternative asset management fees were EUR 15.6 million, compared with EUR 16.8 million in the corresponding period in 2019. They include:

- set-up/subscription fees of a fund: the fees received as remuneration for work done in creating a fund;
- management fees: the fees that the company receives as remuneration for the management of a fund. These fees mainly relate to management fees paid to DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR for the funds they manage;
- performance commissions: these are fees that the company receives upon achieving specific performance objectives in relation to managed funds.

Following is the distribution of the Alternative Asset Management fees by company:

(EUR million)	First Quarter 2020	First Quarter 2019
DeA Capital Real Estate SGR	9.0	9.7
DeA Capital Alternative Funds SGR *	6.3	7.1
DeA Capital Real Estate France S.A.S.	0.3	0.0
Total management fees from Alternative Asset Management	15.6	16.8

(*) Net of intercompany management fees to IDeA OF I, which is consolidated on a line-by-line basis

9 – Income from investments valued at equity

This item includes income from the associates valued at equity for the period. The item, which was EUR -0.5 million in Q1 2020, compared with EUR +0.2 million in Q1 2019, is attributable to the pro-rata portion of the profits/losses relating to the shareholdings in:

- YARD (EUR +0.2 million in the first quarter of 2020, compared with EUR +0.3 million in Q1 2019);
- Quaestio (EUR -0.6 million in Q1 2020, compared to zero in Q1 2019, since the investment was concluded in QIV 2019).

10 – Other investment income/expense

Other net income realised on investments in shareholdings and in funds stood at EUR -9.6 million in the first quarter of 2020, compared with EUR -7.3 million in the corresponding period of 2019. In Q1 2020, this item mainly related to:

- the fair value adjustment of the investment in Pegaso Transportation Investments (Talgo) of EUR -6.0 million;
- the fair value adjustment of the investment in Cellularline of EUR -2.6 million;
- the fair value adjustment of the investment in Kenan/Migros totalling EUR -1.8 million, attributable to the decrease in fair value, due to the combined effect of the fall in the price per share (TRY 22.66 per share at 31 March 2020, versus TRY 24.22 per share at 31 December 2019) and the devaluation of the Turkish lira against the Euro (7.25 TRY/EUR at 31 March 2020, versus 6.68 TRY/EUR at 31 December 2019).

11 – Service revenues

This item was essentially zero in the 1st Quarter of 2020 (EUR 0.1 million in the corresponding period of 2019).

12a – Personnel costs

In Q1 2020, personnel costs totalled EUR 9.4 million, compared with EUR 8.1 million in the same period of 2019. Details of personnel costs and the comparison with the corresponding period of 2019 are given below:

(EUR thousand)	First Quarter 2020	First Quarter 2019
Salaries and wages	5,306	4,682
Social security charges	1,680	1,670
Board of directors' fees	1,324	766
Long term incentive plans cost	449	333
End-of-service payment fund	325	308
Other personnel costs	328	370
Total	9,412	8,129

12b – Service costs

In Q1 2020, service costs totalled EUR 3.8 million, compared with EUR 3.2 million in the same period of 2019. Details of service costs and the comparison with the corresponding period of 2019 are given below:

(EUR thousand)	First Quarter 2020	First Quarter 2019
Administrative, Tax Legal consultancy and other costs	2,037	1,183
Fees to corporate bodies	138	134
Ordinary maintenance	56	35
Travel expenses	154	183
Utilities and general expenses	279	262
Third-party rental, royalties and leasing	215	202
Bank charges	13	21
Books, stationery and conferences	91	78
Commission expenses	190	221
Other expenses	582	871
Total	3,755	3,190

12c – Depreciation, amortisation and impairment losses

Amortisation/depreciation and write-downs totalled EUR 1.0 million in Q1 2020, compared with EUR 1.1 million in the same period of 2019. It is hereby reiterated that this item includes amortisation/depreciation of Statement of Financial Position assets following application of IFRS 16 (EUR 0.7 million in Q1 2020 and Q1 2019).

12d – Other costs

Other costs totalled EUR 1.3 million in Q1 2020, compared with EUR 0.4 million in the same period of 2019. In Q1 2020, this item mainly related to:

- the write-downs of receivables for management fees of DeA Capital Real Estate SGR of EUR -0.8 million (zero in Q1 2019);
- non-deductible, pro-rata VAT on costs of DeA Capital Real Estate SGR totalling EUR -0.3 million (essentially unchanged compared to the same period in 2019).

13 – Financial income (expense)

In the first quarter of 2020 financial income totalled EUR +0.1 million (EUR +0.4 million in the corresponding period of 2019) and financial expenses stood at EUR -0.2 million (EUR -0.2 million in the corresponding period of 2019).

13a – Financial income

Below is the breakdown of the financial income in the 1st Quarter of 2020 and the comparison with the corresponding period of 2019:

(EUR thousand)	First Quarter 2020	First Quarter 2019
Interest incomes	115	138
Exchange gains	32	231
Total	147	369

13b – Financial charges

Below is the breakdown of the financial expense in the 1st Quarter of 2020 and the comparison with the corresponding period of 2019:

(EUR thousand)	First Quarter 2020	First Quarter 2019
Interest expenses	86	188
Exchange losses	140	0
Financial charges IAS 19	6	0
Total	236	188

It is hereby reiterated that Interest expenses include leases (EUR -0.1 million in Q1 2020, compared to EUR -0.2 million in Q1 2019) relating to the financial debt recognised in liabilities in the Statement of Financial Position in application of IFRS 16.

14 – Income tax

Income tax stood at EUR +0.1 million in the 1st Quarter of 2020 (EUR -0.6 million in the corresponding period of 2019).

(EUR thousand)	First Quarter 2020	First Quarter 2019
<u>Current taxes:</u>		
- Income from tax consolidation scheme	1,007	1,843
- IRES	(887)	(2,027)
- IRAP	(366)	(495)
- Other tax	0	0
Total current taxes	(246)	(679)
<u>Deferred taxes for the period:</u>		
- Charges for deferred/prepaid taxes	1	0
- Income from deferred/prepaid taxes	307	85
Total deferred taxes	308	85
Total income tax	63	(594)

Other information

➤ Transactions with parent companies, subsidiaries and related parties

Transactions with related parties, including those with other Group companies, were carried out in accordance with the Procedure for Related Party Transactions adopted by the Company with effect from 1 January 2011, in accordance with the provisions of the Regulation implemented pursuant to art. 2391-*bis* of the Italian Civil Code with Consob Resolution 17221 of 12 March 2010, as subsequently amended.

During 2020, the Company did not carry out any atypical or unusual transactions with related parties. In addition, it did not carry out any "significant transactions" as defined in the above-mentioned procedure.

Transactions with related parties during the first three months of 2020 were concluded under standard market conditions, taking into account the nature of the goods and/or services offered.

With regard to transactions with parent companies, note the following:

- 1) DeA Capital S.p.A. signed a "Service agreement" at arm's length with the controlling shareholder, De Agostini S.p.A., for the latter to provide operating services in the areas of administration, finance, control, legal, investor relations, corporate, tax and institutional and press relations.

At the same time, on 1 January 2013, DeA Capital S.p.A. signed an "Agreement to sub-let property for intended use other than residential use" with the controlling shareholder, De Agostini S.p.A. The agreement relates to parts of a building located at Via Brera 21, Milan, comprising spaces for office use, warehousing and car parking.

This agreement, which is renewable every six years after an initial term of seven years, is priced at market rates.

- 2) DeA Capital S.p.A., DeA Capital Partecipazioni, DeA Capital Alternative Funds SGR and DeA Capital Real Estate SGR have adopted the national tax consolidation scheme of the De Agostini Group (the Group headed by De Agostini S.p.A.). This option was exercised jointly by each company and De Agostini S.p.A. through the signing of the "Regulation for participation in the national tax consolidation scheme for companies in the De Agostini Group" and by notifying the tax authorities of this option pursuant to the terms and conditions laid down by law. The option is irrevocable unless the requirements for applying the scheme are not met.

The option is irrevocable for DeA Capital S.p.A. for the three-year period 2017-2019, while for DeA Capital Partecipazioni the option is irrevocable for the three-year period 2019-2021, for DeA Capital Alternative Funds SGR for the three-year period 2018-2020 and for DeA Capital Real Estate SGR for the three-year period 2019-2021.

- 3) In order to allow more efficient use of liquidity and the activation of credit lines with potentially better terms and conditions than those that may be obtained from banks, DeA Capital S.p.A. has signed a framework agreement (Framework Agreement) with the Parent Company De Agostini S.p.A. for the provision of short-term intercompany loans/deposits.

Deposit/financing operations falling within this Framework Agreement can only be carried out subject to verification that the terms and conditions, as determined from time to time, are advantageous, and will be provided on a revolving basis, and with maturities of not more than three months. The Framework Agreement has a duration of one year and is tacitly renewed each year.

The amounts involved in the deposit/financing operations will, however, always be below the thresholds defined for "transactions of lesser importance" pursuant to Consob Regulation 17221/2010 (Transactions with Related Parties) and the internal Procedure for Related-Party Transactions adopted by DeA Capital S.p.A.

Note that there were no deposit/financing operations between DeA Capital S.p.A. and De Agostini S.p.A. arising from the above-mentioned Framework Agreement.

It is finally noted that from 1 January 2020, DeA Capital S.p.A. opted to participate in the "B&D Holding Group" (led by the indirect parent company of DeA Capital S.p.A.), which allows companies belonging to the same Group to share a single VAT number and operate uniformly for VAT purposes only. The participation is binding for the three-year period from 2020 to 2022.

Significant events after the end of the period and outlook

❖ SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

➤ Dividends from Alternative Asset Management

In May/April 2020, the Alternative Asset Management Activities resolved to distribute and distributed dividends to the Holding Companies totalling EUR 19.1 million (EUR 22.9 million in 2019), attributable to EUR 15.1 million from DeA Capital Real Estate SGR and EUR 4.0 million from DeA Capital Alternative Funds SGR.

➤ Funds managed by the Alternative Asset Management Platform - Deposits / Distributions

Subsequently, on 31 March 2020, DeA Capital received EUR 5.4 million in distributions net of the capital calls from the funds in its portfolio, specifically from the funds IDeA I FoF, ICF II, IDeA EESS and IDeA Agro).

➤ Share buy-back plan

On 20 April 2020, the Shareholders' Meeting of DeA Capital S.p.A. authorised the Board of Directors to buy and sell, on one or more occasions and on a revolving basis, a maximum number of ordinary shares in the Company representing a stake of up to 20% of the share capital (i.e., approximately EUR 53.3 million shares).

The new Plan, which replaces the plan authorised by the Shareholders' Meeting on 18 April 2019 (which was due to expire upon the approval of the financial statements for 2019), includes the following: (i) the acquisition of treasury shares to be used for extraordinary transactions and the share incentive plans, (ii) offering to the shareholders an additional instrument for monetisation of their investment (iii) support of the liquidity of the financial instruments issued, (iv) application of excess liquidity. The disposal of the treasury shares can also be through trading.

The Shareholder's Meeting's authorisation specifies that purchases may be made until the date of the Shareholders' Meeting called to approve the Financial Statements as at 31 December 2020 (and, in any event, not beyond the maximum period of 18 months allowed by law), while the authorisation to dispose of the treasury shares was granted without time limits. The unit price for the purchase of the shares will be set on a case-by-case basis by the Board of Directors, but must not be more than 20% above or below the share's reference price on the trading day prior to each purchase.

The authorisation to sell treasury shares already held in the Company's portfolio and any shares bought in the future was granted for an unlimited period; sales may be carried out using the methods deemed most appropriate and at a price to be determined on a case-by-case basis by the Board of Directors, which must not, however, be more than 20% below the share's reference price on the trading day prior to the sale (apart from certain exceptions specified in the Plan), although this limit may not apply in certain cases.

DeA Capital S.p.A. will disclose the possible launch date for the share buy-back plan in compliance with current legislation.

➤ Long-term incentive schemes

In April 2020, 1,184,906 treasury shares (approx. 0.4% of the share capital) were granted under the 2016-2018 and 2017-2019 Performance Share Plans.

On 20 April 2020, the Shareholders' Meeting of DeA Capital S.p.A. Approved the incentive plan "Performance Share DeA Capital 2020-2022" restricted to certain employees and/or directors of DeA Capital S.p.A., the subsidiaries and the parent company De Agostini S.p.A. (the PS Plan"), concurrently attributing to the Board of Directors all relevant powers for its execution. The PS Plan provides for the free allocation of 1,750,000 units to the beneficiaries identified by the Board by 31 December 2020 at the latest, each of which gives the beneficiary the right to receive free of charge, at the end of the vesting period and upon the achievement of certain performance objectives, one Company share. It is expected that any shares allocated under the PS Plan will come from the treasury shares held by the Company.

➤ Early partial distribution by IDEaMI

During March 2020, IDEaMI announced the early partial distribution of the liquidation surplus, at EUR 8 per ordinary share (unit value EUR 10), with payment set for 13 May 2020. DeA Capital S.p.A. expects to collect EUR 16.5 million.

❖ OUTLOOK

With regard to the business outlook, especially the macro-economic framework, the recent global spread of COVID-19 should be considered and the Group has promptly adopted all the necessary measures to protect the health of employees and ensure business continuity.

As the weeks pass, it become more and more obvious that the economic system overall is being called upon to face one of the most difficult challenges in history.

Even in this environment, the DeA Capital Group will continue to focus on developing the Alternative Asset Management Platform, through further growth of international activities, new product launches and the coordination of Quaestio SGR, especially insofar as the go-to-market strategy. Moreover, we will direct our utmost efforts to protecting and supporting all the assets comprising the funds under management, to overcome the acute phase of the crisis and be poised to reap the opportunities that will undoubtedly become available once the crisis is over.

Certification of the Interim Management Report at 31 March 2020

**Certification of the Interim Management Report at 31 March 2020
(pursuant to Article 154-bis of Legislative Decree 58/98)**

Manolo Santilli, Chief Financial Officer and the Manager responsible for preparing the Company's accounts, hereby declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Finance Act (TUF), that the financial information contained in this document accurately represents the figures in the Company's accounting records.

Milan, 12 May 2020

Manolo Santilli

Manager responsible for preparing the
Company's accounts