

DeA Capital overview

May 2012



- **Company overview**
- DeA Capital Investments portfolio
- Alternative Asset management

DeA Capital at a glance

- DeA Capital is De Agostini Group's vehicle for alternative investments.
- Diversified private equity, permanent capital investor with two lines of business:
 - ① **Private Equity investments**
 - Direct:
 - Exposure to defensive sectors
 - International footprint (Western and emerging Europe)
 - Indirect
 - Private equity Funds and funds of funds
 - ② **Alternative asset management business: ~10 bln € under mgmt***
 - Real estate funds (9.5 bln €):
 - Private equity (1.2 bln € AuM)
 - Strong and recurrent cash flow generation
- **Net asset value at 31 March 2012: 701 mln €; 2.51 € per share**

A balanced business model: investments and asset management

Private equity

1. Direct investments

- ❑ *co-control or coinvestment*
- ❑ *medium term horizon*



Private healthcare
~€ 2 bn revenues

MiGROS

Food retail
€ 2.4 bn sales



Consumer credit

2. Fund Investments



Alternative asset management

Mgmt of Private equity funds, FoFs,
Real estate funds,
RE services

- ❑ *controlling stakes*
- ❑ *core business*



IDeA FIMIT_{sgr}

€ 9.5 bn AuM
- 23 RE funds

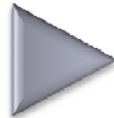


Capital Funds

€ 1.2 bn AuM
- 2 PE funds of funds
- 2 thematic funds

€ 71 mln mgmt fees in 2011

Managed by the Group's asset
management companies



DeA Capital strategy

Exit from Private Equity Investments

- Migros: targeting an exit in the short term, depending on market conditions
- GDS: exit unlikely in the short term. Options available for deleverage through increased FCF generation/disposals and visible value enhancement before exit

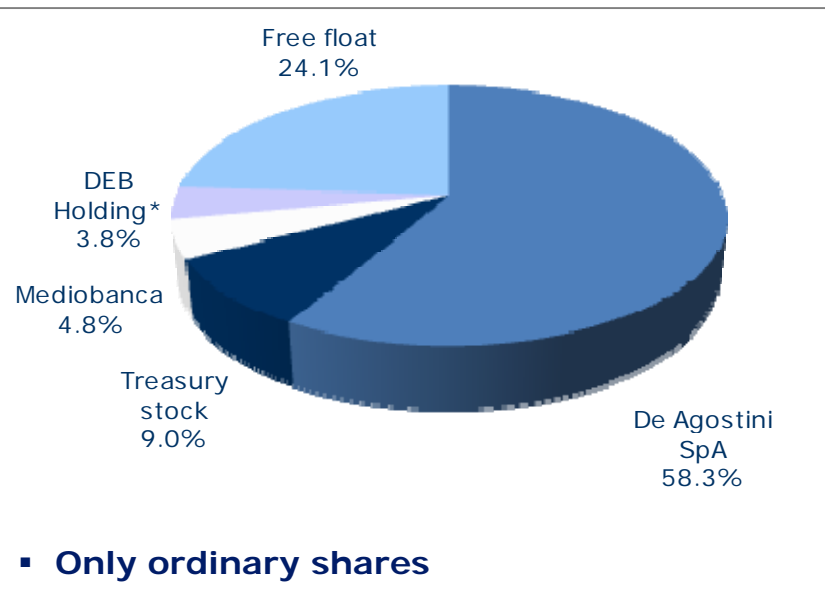
Focus on Alt. Asset Mgmt

- Full visibility of results in DeA Capital's P&L from 2012
- Stable cash flows
- Further external growth/consolidation
- ➔ Gradual elimination of discount to NAV

Dividend policy

- Dividend distribution to be considered when an exit is completed
- Going forward, profits from AAM will provide a further source for distributions

DeA Capital: shareholder structure and corporate governance



- **Independent Board members:** 3 out of 9
- **Remuneration Committee** (2/3 independent)
- **Audit Committee** (2/3 independent)
- **Investments** for 100+ mln need to be approved by the BoD. All investments are preliminarily reviewed by an internal committee.
- **Voting system:** slate system. Slates can be presented by shareholders that own at least 2.5% of the share capital and entitle the 2nd largest slate to appoint one Board member
- **Star segment listing:** commitment to open and constant communication, stock liquidity

Top Management:

- **Lorenzo Pellicoli – Chairman:** CEO of De Agostini, Chairman of Lottomatica, member of the Executive Committee of Generali
- **Paolo Ceretti – CEO:** General Manager of De Agostini, Board Member of DeA Editore, Lottomatica, GdS, Zodiak.

Experienced and qualified non-executive Board members:

- **Lino Benassi:** Member of the Executive Committee of De Agostini SpA, former CEO of Intesa/BCI and INA
- **Rosario Bifulco:** Founder/vice Chairman of Humanitas (hospital), Chairman of Sorin (pharma)
- **Claudio Costamagna:** former head of EMEA Investment banking of Goldman Sachs, previously at Citigroup and Montedison
- **Severino Salvemini:** professor at Università L. Bocconi in Milan
- **Daniel Buaron:** Founder of First Atlantic Real Estate, Board member of IDeA Fimit
- **Marco Drago:** Chairman of De Agostini SpA
- **Roberto Drago, Marco Boroli:** Executive Board Members of B&D Holding

* A company belonging to Mr. Daniel Buaron. Data as of 31 March 2012

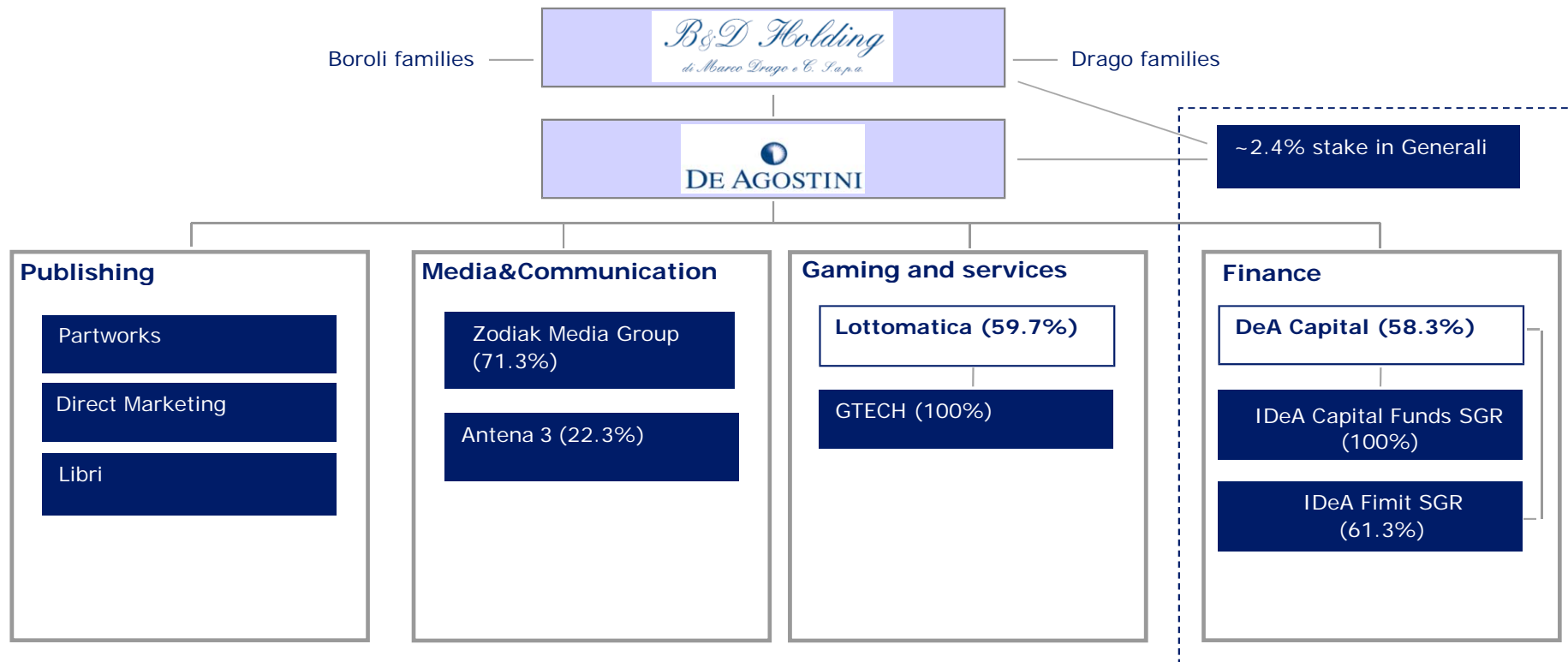
Included in LPX50 Index

- Since December 2008 Dea Capital was included in the LPX50 Index.
- LPX 50 is the most widely used global listed private equity stock index. Its geographical composition is: 35% Europe ex-UK, 32% North America, 15% UK, 7% Asia, 2% South America.
- Among the main index components are: Eurazeo, Wendel, Ratos, Partners Group, Onex, 3i, Apollo, Jafco, Blackstone, GIMV, China Merchants, Electra, SVG, Pantheon, Ares Capital, Gladstone Capital.
- LPX GmbH is a provider of Private Equity Research and a family of indices representing the Listed Private Equity (LPE) universe. Due to the liquidity of the underlying constituents LPX indices are the foremost investable, tradable and transparent benchmarks for the Private Equity asset class. Based on profound academic research and a comprehensive network in practice, LPX GmbH provides services in the following areas: Benchmarking, Asset Allocation, Research and Financial Products. www.lpx.ch

LPX[®]

De Agostini

De Agostini is a family-owned financial conglomerate active in 66 countries worldwide with 2011 revenues of over € 5 bln. The Group is focused on 4 key sectors



De Agostini financial investment track record

10-year track record in PE investment (Seat, Toro, Eutelsat, funds). Alternative investments, PE in particular, traditionally contributed to the optimal allocation of the Group's resources, enhancing shareholder returns and created a valuable network of relationships with major sector players.

Main direct investments	Year	Investment	Exit	IRR
Seat (yellow pages, info services)	1997-99	~€ 285 mln	2000	235%
Matrix (web portal, services)	1999-03	~€ 50 mln	2004	104%
Eutelsat (satellite)	2003	~€ 200 mln	2004	31%
Limoni (retail)	2000	~€ 30 mln	2006	13%
Toro (insurance)	2003	~€ 800 mln	2006	37%
Indirect investments	Period	Investment		
PE funds and F. of Funds	2001-current	>€ 400 mln		

A strong network of relationships

Links with Private Equity Funds



Baring Vostok Capital Partners Limited

BC Partners

The Blackstone Group*

Colony Capital

Invest industrial

INVESTITORI ASSOCIATI



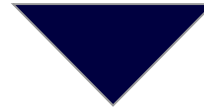
Platinum Equity



21 Centrale Partners

De Agostini has traditionally acted as an investor in global private equity funds and as a coinvestor along with them

High-profile senior management and Board members



- High-quality deal flow
- No need to rely solely on competitive bidding



Strong relationship with major commercial and investment banks

Strategic presence in key sectors



De Agostini holds controlling or significant stakes in companies operating in key sectors in Southern Europe

- Company overview
- **DeA Capital Investments portfolio**
- Alternative Asset management
- Key financials

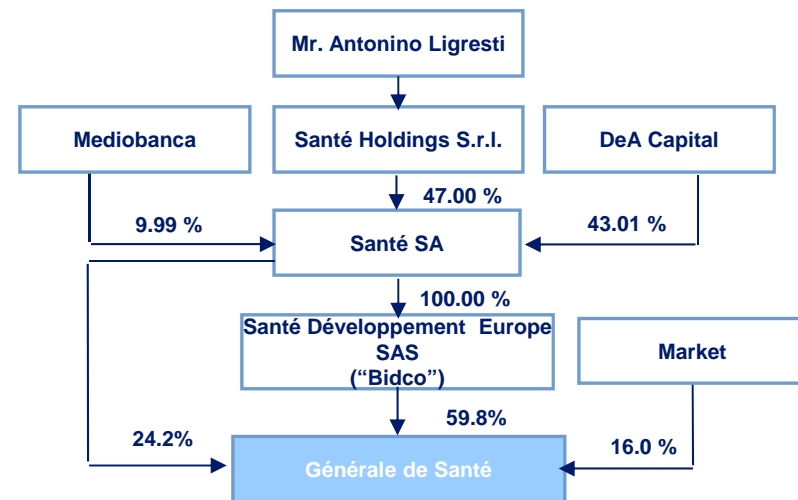
Generale de Santé: leader in French private healthcare

▪The largest French network of private healthcare clinics:

- 61 clinics, 4 radiotherapy centres and 25 psychiatric clinics located in France
- 20 rehabilitation centres
- wide coverage of France with a marked concentration in nine regions
- a capacity of over 14,000 beds and places
- 5,500 independent doctors specialising in all fields

▪Covering a wide range of hospital care services:

- Healthcare services including acute care (>80% of revenues), oncology/dialysis, psychiatry, rehabilitation.



2011 GDS key figures

Revenues	EBITDAR	EBITDA	Recurrent EBIT	Net profit	Net Financial Pos.
€ 1.955 mln	€ 398 mln	€ 249 mln	€ 125 mln	€ 25 mln*	-854 mln



Generale de Santé: refocusing the business model

Investment attractions

- **Safe sector:** ~100% social security coverage; systematic use of additional healthcare insurance policies (ca. 80% of French pop.)
- **Healthy growth:** ~3/4% growth p.a. in past 5 yrs, due to medical progress, ageing population
- **Barriers to entry:** due to heavy regulations, cost of new hospitals
- **Increasing importance of role of private sector** (but still only slightly over 20% of hospital care expenditure)
- **GDS strong market position** (it is by far the largest private clinics network in France)
- **Further sector consolidation expected:** 80% of structures have less than 100 beds.



Value drivers

- **Disposal of non core businesses, restructuring** (completed: disposal of clinics in Italy, home care and clinical labs in France)
- **Regrouping of structures** to achieve economies of scale and grow revenues, to be completed in 2012.
- **Reorganisation of MSO and rehab clinics into 21 poles**
- **Efficiency improvement** in purchases/overheads (mainly for acute care), corporate costs and capex
- **Real estate 'sale and rental':** two large deals already completed in 2007 and '08. ca. 600 mln € properties still in the balance sheet
- **Revenue growth:** market share, capacity increases, regroupings drive volume growth and compensate for current tough pricing environment in France

Targets

- **organic revenue growth and EBITDA margin improvement**
- **free cash flow, real estate and non core asset disposals to drive gradual deleveraging**



Migros Turk: a leading player in Turkey's food retail

▪Turkey's largest supermarket chain:

- after disposal of Sok (discount stores), 718 stores in Turkey at the end of December 2011
- Presence (27 stores) in other neighbouring countries (Azerbaijan, Kazakhstan, Macedonia, Kyrgyzstan)
- Total selling area: ca 800k sqm

▪Market:

- Organized retail market expected to grow strongly in the next few years
- Share of organized retail on total grocery sales ca. 45% vs >80% in the main Western European countries
- Turkish economy still has a significant growth potential, in spite of current global crisis

▪Deal structure:

- DeA Capital has a 17% stake in a consortium led by BC Partners
- DeA Capital initial equity investment: 175 mn €
- In April 2011 the consortium reduced its stake in Migros from 97.9% to 80.5% by selling to institutional investors
- Discount stores sold for 600 mln YTL
- Dividends cashed in by DeA to date: 71 mn €
- Leverage: Debt/EBITDA ca. 4x

▪Strategy:

- Maintain and strengthen leading position among supermarket chains, accelerating network expansion (100/year)
- Implement cost cutting initiatives and improve supply chain

2011 Migros financials (TRY, IFRS)

Sales	EBITDA	EBIT	Net Fin. Position	# Stores
5.753 YTL bln +10%	386 mln	232 mln	-1.6 bn	745

MiGROS



The value of two unique assets

	Generale de Santé	Migros
Market position	Largest private healthcare operator in France (17% share)	Largest supermarket chain in Turkey
Market structure	Dominated by public hospitals (ca 70-75%), private still fragmented. Regulated sector: very high barriers to entry	55% of sales still made via traditional retail ; few international operators with a significant presence (Carrefour, Tesco)
Main competitors	Largest competitor's size is less than half GdS (Vitalia)	Carrefour (hypermarkets), Tesco (supermarkets), BIM (discount)
Main attractions of the asset	Only private healthcare operator in France managed as a single-brand group; main entry point for large investors, sector players. Non-replicable asset: valuation premium justifiable on an industrial basis	Largest supermarket chain in a fast growing market; main entry point for large investors, sector players. Non-replicable asset: valuation premium justifiable on an industrial basis
DeA Capital position	Major shareholder in Santè SA with 43% stake (Santè owns ~84% of GdS), with equal rights to main shareholder (47%)	Co-investor (17%) in Kenan (which owns 80.5% stake). Corporate governance, tag-along, drag-along rights.

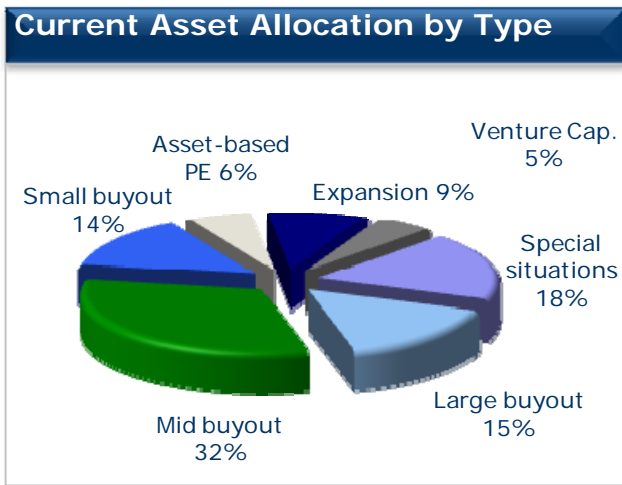
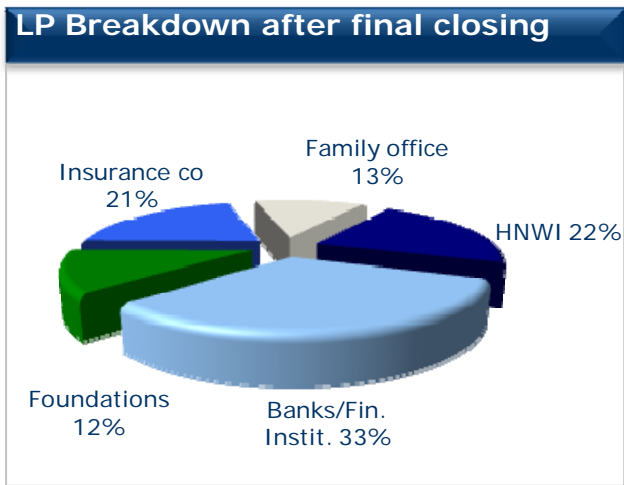
Fund investments: Opportunity Fund 1 – focus on Italian midcaps

- **Élite partnerships:** IDeA Opportunity Fund I makes minority private equity co-investments alongside top-tier professional investors
- **Type of deal:** mainly medium sized LBOs including expansion capital, change of control, refinancings, follow-on investments, corporate re-organizations and build-ups. No early stage, no real estate



- **Existing investments:** 5% stake in **Giochi Preziosi** (Sector: Toys; other investors: Clessidra, Intesa Sanpaolo); 4% stake in **Manutencoop Facility Management** (other investors: PEP, MPS Venture, Unipol); 9.2% stake in **Grandi Navi Veloci** (Sea transport; other investors: Investitori Associati IV, Charme); **Euticals** (pharma sector – conv. Bond; others: PEP); 9,1% stake in **Telit** (M2M wireless technologies; others: institutional investors, management).
- Authorized by Banca d'Italia on 3rd January 2008. July '09: 3rd and final closing at **€ 217 mln** (52% called so far). Management team: IDeA Capital Funds. **DeA Capital investment: 36,2 mln € (book value).**

Fund investments: IDeA 1 – Italy's largest PE fund of funds



- Final closing of €681 million at April 2008
- Part of **Italy's largest FoF program**, that also includes the **ICF 2** fund, worth 281 mln €
- Commitments in 42 funds worth over €650 mln. Exposure to >429 companies and 30 distressed debt positions. ~40% acquired on the secondary mkt

Access to top-performing private equity funds

European Private Equity

US Private Equity

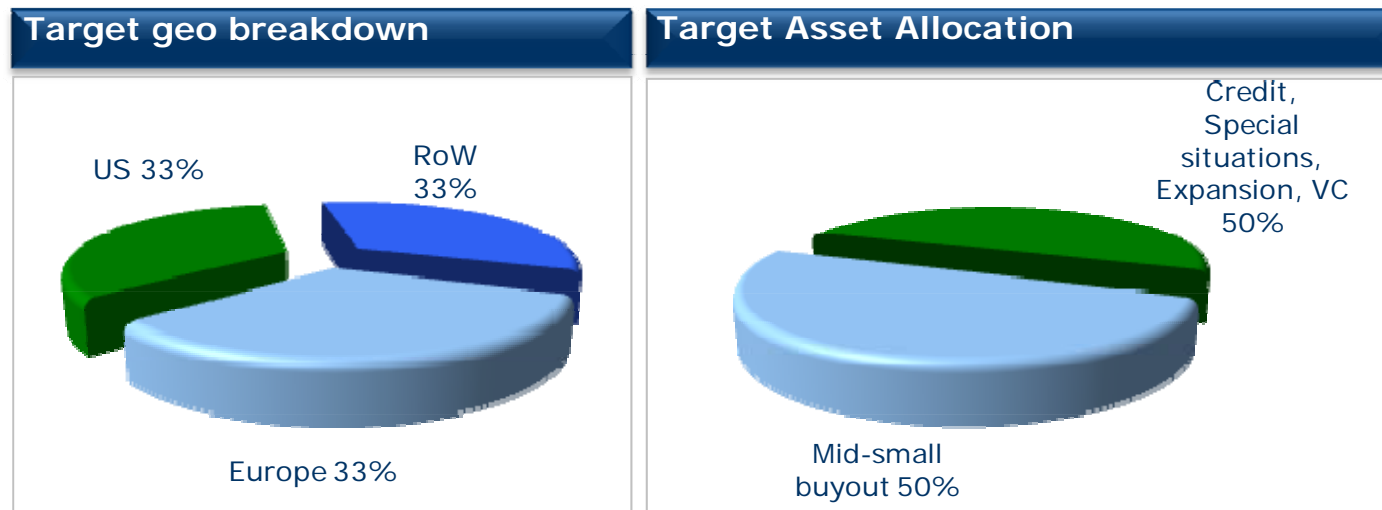
Rest of the World Private Equity/VC

- **Vintage diversification:** from 2000 to 2011
- Investments = 76% of fund size. Ca. € 215 mln **distributions** received since launch, and 104 mln distributions made to LPs
- **Net IRR** since inception: 2.6%. 1st quartile in Europe (FoFs)

DeA Capital investment: 94,3 mln € (book value)

Fund investments: ICF II – the second PE fund of funds

- ICF 2 is a global fund of private equity funds, managed by IDeA Capital Funds. The Fund targets both the primary and the secondary market.



- Existing commitments at ca. 65% of fund size, capital calls at around 16%.**
- Funds** include Levine Leichtmann Capital Partners IV (US); 21 Centrale Partners IV (France), Apollo Overseas Partners VII, Affinity Asia Pacific III, Oaktree Principal V, Citic Capital China Partners II, Nazca II&III.
- Net IRR** since inception: 8.3%
- Authorized by Banca d'Italia on 24th February 2009. April '09: 1st closing at € 150 mln; Sept. '10: **final closing at € 281 mln.**

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- Key financials

Why Alternative Asset Management

Italian Market features

- Still high savings rate; number of HNWI increasing/stable
- AAM industry highly fragmented and inefficient
- Lack of multi-asset platforms
- Large institutional investors lack a structured approach to alternative investments

Market Discontinuity

- Financial crisis shifted investor focus on independence, absolute return objectives, risk management
- Regulations drive separation of asset managers from banks
- Private pension system increasingly important and able to diversify portfolio through alternative investments
- Properties held by PA, banks and institutional investors in need of professional management

Private equity in Italy

- 29 bln € AuM with >150 operators
- Largest asset managers have 2-5 bln AuM
- Banks/Insurers underinvested

Real estate in Italy

- 45 bln € AuM with 305 funds, expected at 100 mln by 2015*
- Gap vs EU countries: 96 bln AuM in Germany. No REITs

Private equity fund management

- IDeA Capital Funds SGR was founded in 2006 and has become Italy's leader in the management of private equity funds of funds. It also manages two "thematic" funds and it plans to further expand this product line.
- With over €1.2 bn under management as of 31 December 2011, it is **one of the largest alternative investment groups in Italy**.

FUNDS MANAGED:



- IDeA 1 Fund of funds: Italy's largest PE fund of funds. 681 mln €
 - ICF 2: the second FoF of IDeA's program . 281 mln €
 - IDeA Opportunity Fund 1: mid-sized LOBO coinvestment fund. 217 mln €
 - IDeA Efficienza Energetica e Sviluppo Sostenibile: the new thematic fund focused on services and technologies for energy saving and renewable energy
-
- **DeA Capital acts both as an investor** in products managed by IDeA Capital Funds **and as a 100% shareholder** in the mgmt company, thus being exposed to the asset management business returns

Real Estate fund management: IDeA Fimit in a nutshell

FIRST ATLANTIC
REAL ESTATE SGR



 FIMIT_{sgr}
Fondi Immobiliari Italiani

 IDeA FIMIT_{sgr}

9.5 bln € AuM # 1 in Italy 21% mkt share 23 funds 2011 fees 59 mln €

- Deal creates largest Italian player, with a **high quality fund portfolio**, focused on large Italian cities and offices/bank branches (over 75% of total)
- **Leverage on strategic role of IDeA FIMIT's other institutional shareholders** for developing new initiatives in the Italian market: new funds, focused acquisitions
- Critical mass enabling IDeA FIMIT to **gradually expand to other markets** (Europe, US), by both offering "Italian products" and diversifying its portfolio's geography.

IDeA FIMIT: a solid shareholder base, a strong investor base

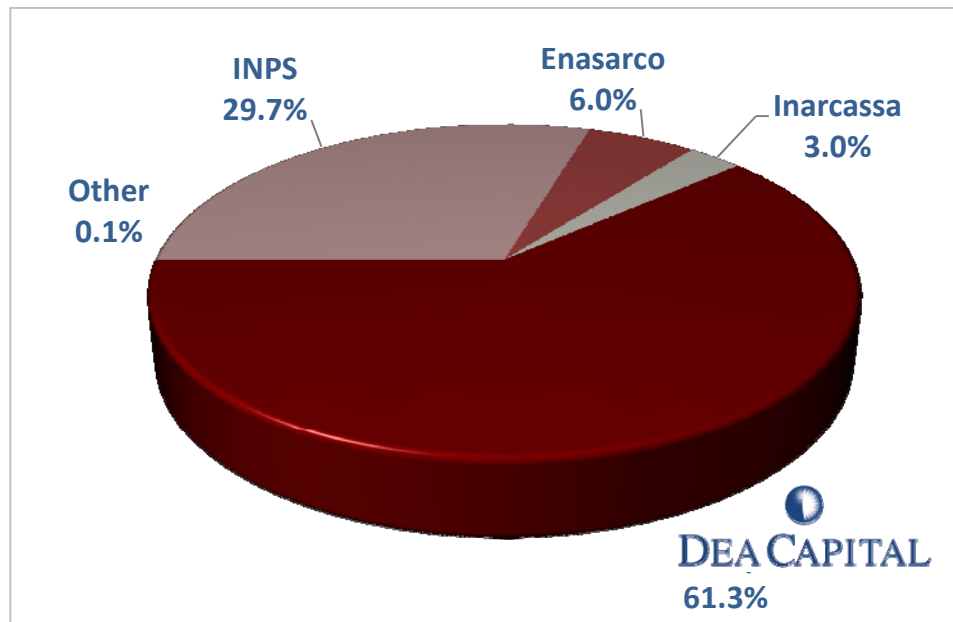
FIRST ATLANTIC
REAL ESTATE SGR



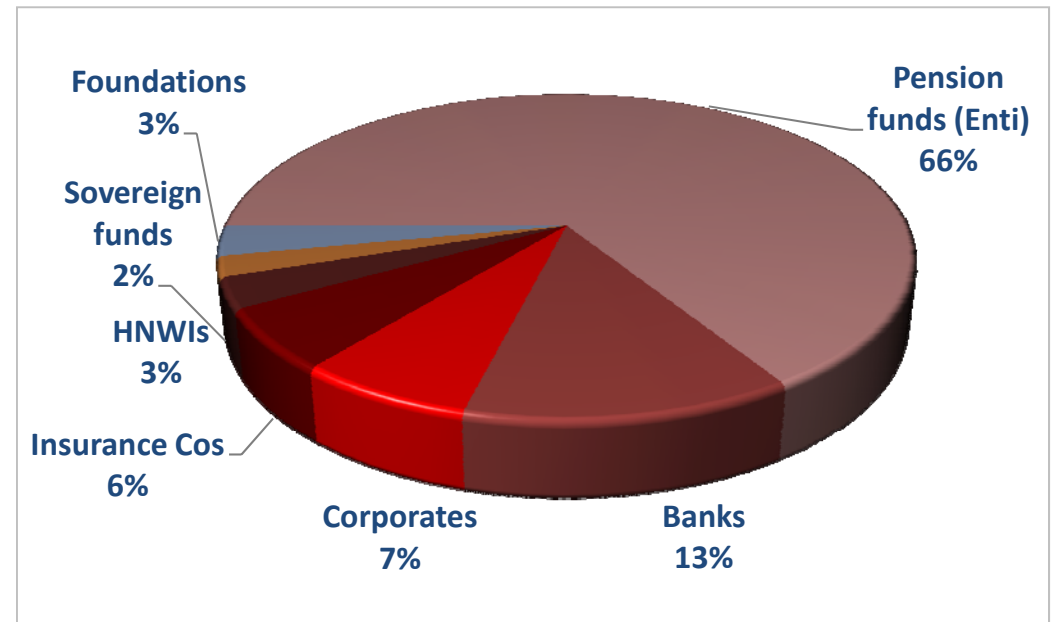
FIMIT_{sgr}
Fondi Immobiliari Italiani

IDeA FIMIT_{sgr}

IdeA FIMIT SGR Shareholder structure



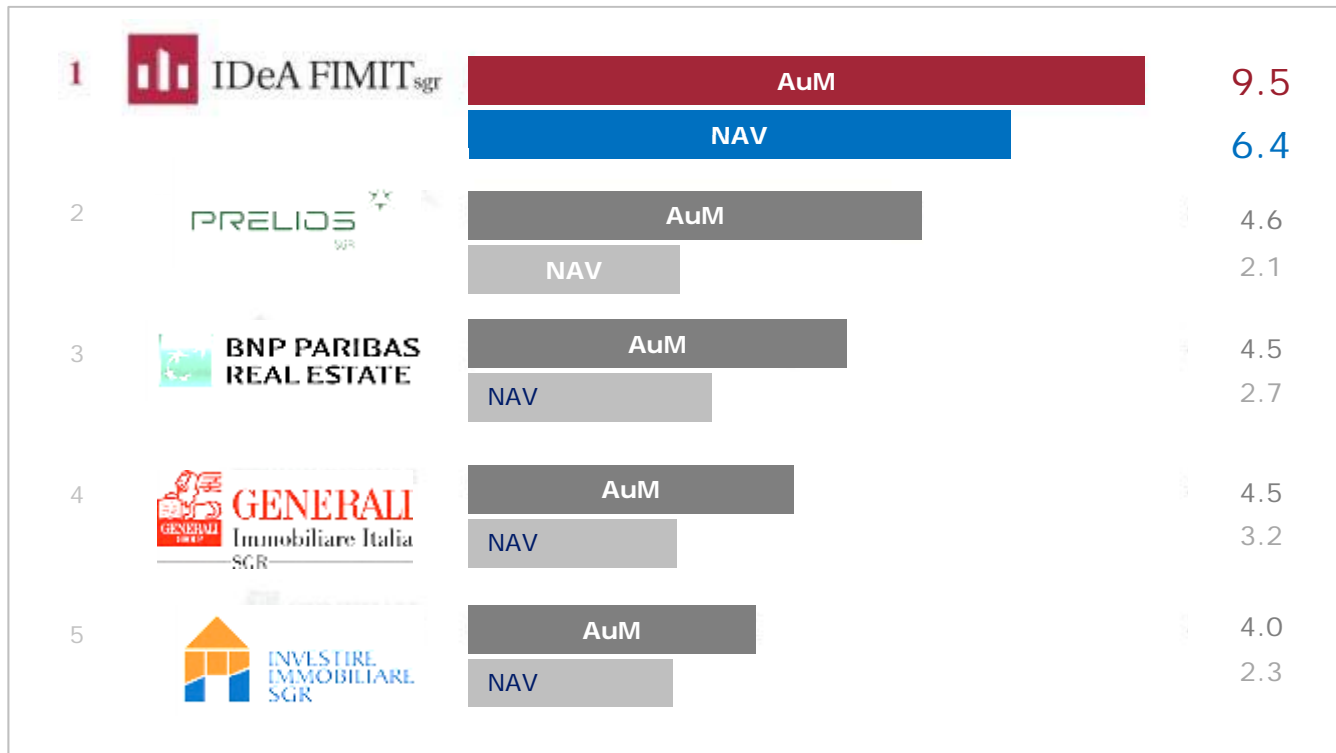
IdeA FIMIT Institutional Investor base



.....+ over 70,000 retail investors

A strong market position and a positive track record

ITALY RE ASSET MANAGERS (AuM € bln)



Capitalising on domestic strengths to become a European player, by:

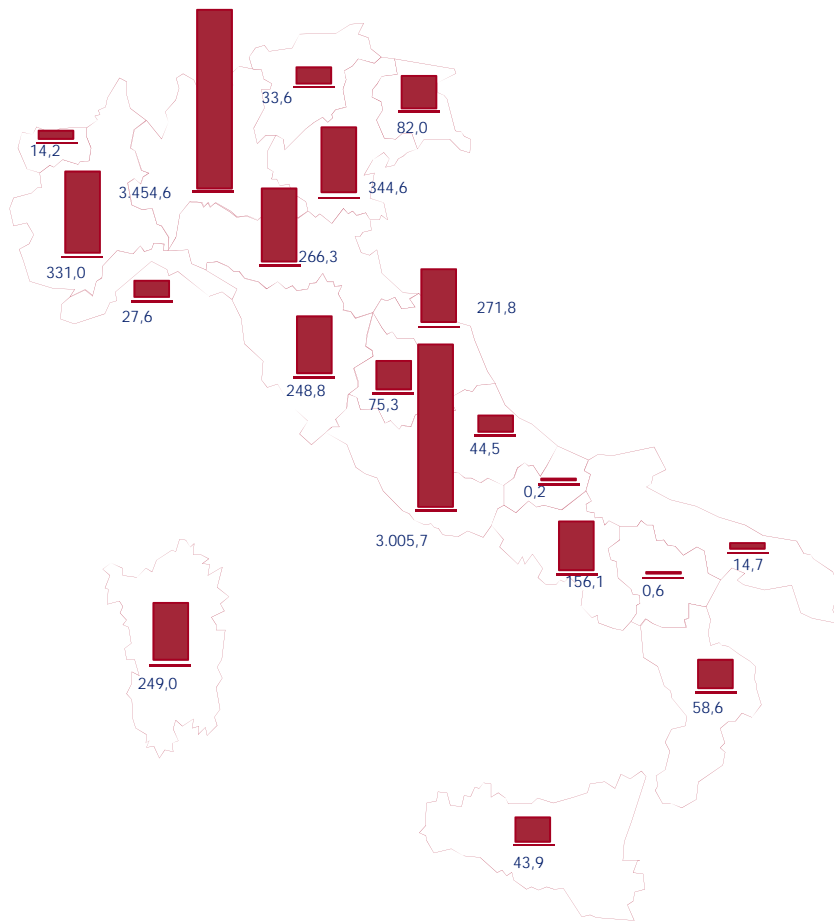
- 1) Offering italian funds to foreign investors willing to «come back» to our country
- 2) Gradually creating a presence abroad to find investment opportunities in foreign real estate for Italian investors

IRR to 31 December 2011

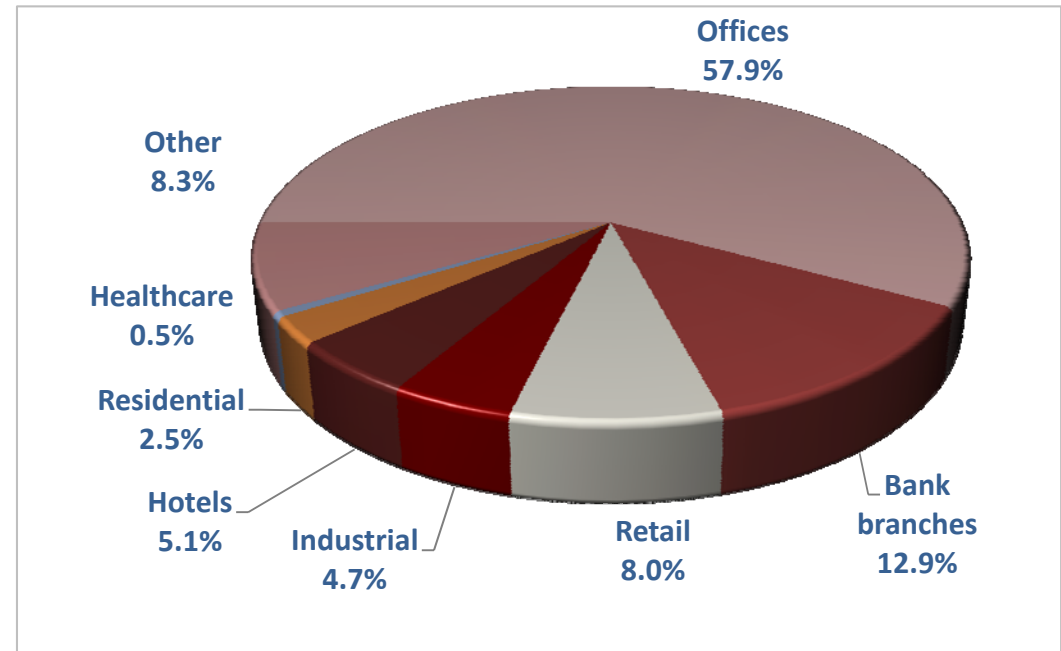
FondoAlpha ^α	FondoBeta ^β	FondoOmega ^Ω	FondoOmicron ^{plus}	FondoRho ^ρ	FondoAtlantic ¹	FondoAtlantic ² BERENICE
10.34%	10.36%	18.56%	18.97%	11.18%	8.46%	13.62%

A high quality asset portfolio

- Focused on the most prestigious locations – 60% of assets in Rome and Milan
- Focused on offices, negligible exposure to residential
- Over 80% of space is rented



Asset breakdown by destination



Disclaimer

This presentation contains statements that constitute forward-looking statements regarding the intent, belief or current expectations of the DeA Capital (“the Company”) with respect to the financial results and other aspects of the Company's activities and strategies.

Such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward looking statements as a result of various factors.

Analysts and investors are cautioned not to place undue reliance on those forward looking statements, which speak only as of the date of this presentation. DeA Capital Spa undertakes no obligation to release publicly the results of any revisions to these forward looking statements which may be made to reflect events and circumstances after the date of this presentation, including, without limitation, changes in the Company's business or investment strategy or to reflect the occurrence of unanticipated events.

Analysts and investors are encouraged to consult the Company's Annual Report as well as periodic filings, press releases and all documentation made publicly available on the website www.deacapital.it.

The Manager responsible for the preparation of company accounting statements, Manolo Santilli, declares in accordance with paragraph 2 of article 154 of the Consolidated Finance Act that the accounting information on DeA Capital included in this document corresponds to registered company accounts, books and records.