

PRESS RELEASE

**BOARD OF DIRECTORS APPROVES  
THE INTERIM MANAGEMENT REPORT TO 30 SEPTEMBER 2015**

- **Net Asset Value (NAV) per share at 2.17 at 30 September 2015 (EUR 2.11 at 31 December 2014, adjusted for the extraordinary dividend of EUR 0.30 paid in May 2015)**
- **Consolidated net profit for the first nine months of 2015 of EUR 72.8 million (net loss of EUR 50.7 million in the first nine months of 2014)**
- **Consolidated net financial position was EUR +123.2 million at 30 September 2015, versus EUR +57.8 million at 31 December 2014, after distribution of reserves of EUR 79.9 million and receipt of proceeds of EUR 107.7 million from the partial sale of the stake in Migros**

**Analysis of consolidated results to 30 September 2015**

*Milan, 5 November 2015* - The Board of Directors of **DeA Capital S.p.A.** met today to examine and approve the Interim Management Report to 30 September 2015.

The results reflect the receipt of proceeds of EUR 107.7 million and a capital gain of EUR 46.3 million generated in the third quarter of 2015 from the partial sale of Migros

- **Net Asset Value.** NAV was **EUR 2.17 per share** at the end of the first nine months of 2015, compared with EUR 2.11 per share at 31 December 2014 (adjusted for the extraordinary dividend of EUR 0.30 per share paid in May 2015), and broadly unchanged compared with EUR 2.18 at 30 June 2015. **Total NAV** (consolidated shareholders' equity) was EUR 575.9 million, compared with EUR 573.6 million at 31 December 2014 (adjusted for the distribution of the share premium reserve) and broadly unchanged compared with EUR 580.5 million at 30 June 2015.  
Treasury shares totalled 41.702.217 at 30 September 2015, equivalent to 13.6% of the share capital.
- **Investment portfolio.** This amounted to EUR 491.4 million at 30 September 2015, compared with EUR 625.0 million at 31 December 2014 and EUR 625.6 million at 30 June 2015. The portfolio comprises private equity investments (EUR 84.3 million), units in funds (EUR 204.4 million) and holdings in the Alternative Asset Management sector (EUR 202.7 million).  
Note that of the total private equity funds held (valued at EUR 204.4 million), DeA Capital's main investments in funds of funds managed by IDeA Capital Funds (with a value of around EUR 129 million in the Investment Portfolio) were IDeA I FoF (since its launch in January 2007) and ICF II (since its launch in February 2009), which recorded a net Internal Rate of Return (IRR) of 6.2% and 13.7% respectively.
- **Asset Management.** Assets under management at 30 September 2015 amounted to EUR 8.6 billion for IDeA FIMIT SGR, due to the sale of some assets by the managed funds, and EUR 1.7 billion for IDeA Capital Funds SGR.
- **Group Net Financial Position:** the Group recorded a net financial position of EUR +123.2 million at 30 September 2015, versus EUR +57.8 million at 31 December 2014 and EUR +8.2 million at 30 June 2015.  
The change recorded in the first nine months of 2015 is mainly due to:
  - the distribution of extraordinary dividends totalling EUR 79.9 million;
  - net proceeds (EUR 107.7 million) received following the sale by Kenan Investments of an indirect 40.25% stake in Migros, and its resulting distribution;
  - the purchase of own shares (EUR 11.6 million);
  - net liquidity generated by investments in private equity funds in the portfolio of EUR 24.1 million;
  - an increase in the net financial position of the IDeA OF I fund of EUR 5.9 million;
  - cash flows generated by the Asset Management business.

The net financial position at holding company level is EUR +83.9 million, an improvement on net debt of EUR 37.1 million at the end of June 2015 and on the net financial position of EUR +40.6 million at end-December 2014 (this figure was prior to the payment of the above-mentioned extraordinary dividend).

- **Group net profit:** DeA Capital generated consolidated net profit of EUR 49.1 million in the third quarter. For the first nine months of 2015, the Group recorded profit of EUR 72.8 million, compared with a loss of EUR 50.7 million in the same period of 2014. The result for the nine-month period is broadly due to:
  - Alternative Asset Management activities (EUR +9.8 million). Alternative Asset Management costs include the purchase price allocation (PPA) for equity investments of EUR 3.8 million;
  - a profit from Private Equity investments of EUR 63.5 million;
  - a loss of 0.5 million from the holding companies.
- **Comprehensive income – IAS 1**, which reflects fair value adjustments of the investment portfolio, booked directly under shareholders' equity in accordance with IAS/IFRS, was EUR +13.8 million in the first nine months of 2015, compared with EUR -6.7 million in the year-earlier period. This result is mainly due to the combined effect of the above-mentioned Group net profit, adjusted for the losses posted to equity of EUR 59.0 million, of which EUR 46.3 million connected with the realization of fair value reserves previously allocated to Migros following the partial sale.
- **Significant events in the third quarter of 2015:**
  - In the third quarter of the year, net investments in funds totalled EUR 3.4 million and capital reimbursements amounted to EUR 19.2 million. Investments therefore totalled EUR 16.3 million and distributions EUR 40.4 million in the first nine months. After the close of the period, an additional EUR 2.6 million was invested in funds, and EUR 5.2 million received in capital reimbursements.
  - On 15 July 2015, Moonlight Capital (in which DeA capital holds a 17% stake via Kenan) completed the sale of 40.25% of Migros. On 24 July, DeA Capital received EUR 107.7 million, including a capital gain of EUR 46.3 million.
  - In the third quarter, the IDeA "Taste of Italy" fund completed the second closing for a total of EUR 54 million, which brought the total commitment to EUR 140 million (the fund's target is EUR 200 million). DeA Capital took part in this closing by signing a commitment of up to EUR 5.65 million, for a total commitment to EUR 14.25 million.
  - On 22 September 2015, IDeA Real Estate S.p.A., the vehicle for the listing as a Real Estate Investment Company (REIT) and currently a wholly-owned subsidiary of DeA Capital, submitted an application for listing on the Mercato Telematico Azionario, the Italian screen-based trading system of Borsa Italiana S.p.A..

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### **Amendments to the Share Performance Plan and Stock Option Plan**

In light of the distribution of the extraordinary dividend of EUR 0.30 approved by the Shareholders' Meeting on 17 April 2015 and the resulting reduction in the DeA Capital share value, the Board of Directors of DeA Capital, as the competent body pursuant to the Plans' regulations, today approved a number of amendments to the following incentive-based plans in order to keep the substance and financial content unchanged: (i) the Performance Share Plan 2013-2015 and the Stock Option Plan 2013-2015, approved by the Shareholders' Meeting held on 19 April 2013 and amended on 17 April 2015, (ii) the Performance Share Plan 2014-2016 and the Stock Option Plan 2014-2016, approved by the Shareholders' Meeting held on 17 April 2014 and amended on 17 April 2015 and (iii) the Performance Share Plan 2015-2017, approved by the Shareholders' Meeting on 17 April 2015.

**Performance Share Plans:** the Board voted to compensate for the lower value of the Plans following the distribution of the extraordinary dividend, in the event that the vesting conditions are met, by allocating new units, to be determined on the vesting date. The new units, which will be valued at the price per share on the same date, will be allocated pro rata to the portion of units that have vested, up to the maximum number of units provided for under the above-mentioned Plans. Where the lower value of the Plans cannot be compensated for by the allocation of new units, a one-off bonus will be paid as compensation in cash, commensurate with the portion of units that has vested.

**Stock Option Plans:** the Board voted to adjust the strike price of the options by an amount corresponding to the extraordinary dividend, i.e. EUR 0.30 per share, subject to the lower limit represented by the nominal value of the DeA Capital share. Specifically, the Board voted to: reduce the strike price (i) from EUR 1.289 to EUR 1.000 for the Stock Option Plan 2013-2015 and (ii) from EUR 1.32 to EUR 1.020 for the Stock Option Plan 2014-2016.

For any information not expressly covered in this press release, please refer to the information documents relating to the Plans, which are available to the public at DeA Capital's registered office at Via Brera, 21, Milan, and on the DeA Capital website, [www.deacapital.it](http://www.deacapital.it), under Corporate Governance/Incentive Plans. Table 1 of Schedule 7 of Appendix 3A of the Issuers' Regulation is available on the Company's website, [www.deacapital.it](http://www.deacapital.it), under Corporate Governance/Incentive Plans.

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**The Interim Management Report to 30 September 2015** will be made available to the public on 9 November 2015, at the Company's headquarters on the authorised storage system 1info ([www.1info.it](http://www.1info.it)) and on the Company website at <http://www.deacapital.it/IT/29/Bilanci%20e%20Relazioni.aspx>.

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#### **DECLARATION BY THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S ACCOUNTS**

Manolo Santilli, Chief Financial Officer and the manager responsible for preparing the Company's accounts, hereby declares, pursuant to article 154-bis, para. 2, of the Italian Consolidated Law on Finance (TUF), that the financial information contained in this press release accurately represents the figures in the Company's accounting records.

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**DeA Capital ([www.deacapital.it](http://www.deacapital.it)).** DeA Capital ([www.deacapital.it](http://www.deacapital.it)). DeA Capital S.p.A., a De Agostini Group company, is one of Italy's largest alternative investment companies. The Company, which operates in both private equity investment and alternative asset management, has EUR 10.3 billion assets under management and is listed in the STAR segment of the Milan stock exchange.

*The Group's operating performance and financial position at 30 September 2015, along with the financial results of the main direct and indirect investee companies, are summarised below.*

## Consolidated statement of financial position

(EUR thousand)	September 30, 2015	December 31, 2014
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Intangible and tangible assets</b>		
Goodwill	166,363	166,363
Intangible assets	59,175	63,348
Property, plant and equipment	3,296	3,908
Total intangible and tangible assets	228,834	233,619
<b>Investments</b>		
Investments valued at equity	21,445	19,066
Investments hold by Funds	92,070	111,014
- <i>available for sale investments</i>	54,562	71,209
- <i>invest. in associates and JV valued at FV through P&amp;L</i>	37,507	39,805
Other available-for-sale companies	72,775	209,320
Available-for-sale funds	184,418	176,736
Other available-for-sale financial assets	28	306
Total Investments	370,736	516,442
<b>Other non-current assets</b>		
Deferred tax assets	4,360	5,039
Loans and receivables	0	0
Tax receivables from Parent companies	0	546
Other non-current assets	34,178	30,495
Total other non-current assets	38,538	36,080
<b>Total non-current assets</b>	<b>638,108</b>	<b>786,141</b>
<b>Current assets</b>		
Trade receivables	23,846	29,039
Available-for-sale financial assets	4,318	5,080
Financial receivables	4,913	2,678
Tax receivables from Parent companies	-	3,533
Other tax receivables	1,349	2,892
Other receivables	6,523	18,591
Cash and cash equivalents	115,531	55,583
Total current assets	156,480	117,396
<b>Total current assets</b>	<b>156,480</b>	<b>117,396</b>
<b>Held-for-sale assets</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>794,588</b>	<b>903,537</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' EQUITY</b>		
<b>Net equity Group</b>	<b>575,896</b>	<b>653,513</b>
<b>Minority interests</b>	<b>159,686</b>	<b>173,109</b>
<b>Shareholders' equity</b>	<b>735,582</b>	<b>826,622</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	18,843	19,696
Provisions for employee termination benefits	4,589	4,618
Long term financial loans	1,201	5,201
Payables to staff	-	11,397
<b>Total non-current liabilities</b>	<b>24,633</b>	<b>40,912</b>
<b>Current liabilities</b>		
Trade payables	20,062	18,180
Payables to staff and social security organisations	5,456	8,122
Current tax	4,626	2,012
Other tax payables	692	2,037
Other payables	3,177	5,292
Short term financial loans	360	360
<b>Total current liabilities</b>	<b>34,373</b>	<b>36,003</b>
<b>Held-for-sale liabilities</b>	<b>-</b>	<b>-</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>794,588</b>	<b>903,537</b>

## Breakdown of the consolidated statement of financial position:

	September 30, 2015			December 31, 2014 "adjusted" (*)		
	MC	% NIC	€/Sh.	MC	% NIC	€/Sh.
<b>Private Equity Investment</b>						
- Kenan Inv. / Migros	<b>72.6</b>	15%	0.27	<b>209.1</b>	34%	0.77
- Funds - Private Equity / Real Estate	<b>204.4</b>	42%	0.77	<b>203.0</b>	33%	0.75
- Other (Sigla, ..)	<b>11.7</b>	2%	0.05	<b>11.4</b>	2%	0.04
<b>Total PEI (A)</b>	<b>288.7</b>	<b>59%</b>	<b>1.09</b>	<b>423.5</b>	<b>69%</b>	<b>1.56</b>
<b>Alternative Asset Management</b>						
- IDeA FIMIT SGR	<b>0.00</b>	0%	0.00	<b>0.00</b>	0%	0%
- IDeA Capital Funds SGR	<b>144.2</b>	29%	0.54	<b>144.6</b>	24%	0.53
- IRE / IRE Advisory	<b>49.3</b>	10%	0.19	<b>49.9</b>	8%	0.18
<b>Total AAM (B)</b>	<b>202.7</b>	<b>41%</b>	<b>0.76</b>	<b>201.5</b>	<b>33%</b>	<b>0.74</b>
<b>Investment Portfolio (A+B)</b>	<b>491.4</b>	<b>100%</b>	<b>1.85</b>	<b>625.0</b>	<b>102%</b>	<b>2.30</b>
Otehr net assets (liabilities)	<b>0.6</b>	0%	0.00	<b>(12.1)</b>	-2%	(0.04)
<b>NET INVESTED CAPITAL ("NIC")</b>	<b>492.0</b>	<b>100%</b>	<b>1.85</b>	<b>612.9</b>	<b>100%</b>	<b>2.26</b>
Net Financial Position Holdings	<b>83.9</b>	17%	0.32	<b>(39.3)</b>	-6%	(0.15)
<b>NAV</b>	<b>575.9</b>	<b>117%</b>	<b>2.17</b>	<b>573.6</b>	<b>94%</b>	<b>2.11</b>

(\*) The "adjusted" results at December 31, 2014 take into account the extraordinary dividend distribution of 0,30 € / share, for a total 79,9 million Euro, which was completed in May 2015

## Summary consolidated income statement

(EUR thousand)	Third Quarter 2015	First nine months of 2015	Third Quarter 2014	First nine months of 2014
Alternative Asset Management fees	17,009	48,222	16,056	49,640
Income (loss) from equity investments	116	59	(188)	(936)
Other investment income/expense	38,211	73,588	5,034	(50,879)
Income from services	4,796	13,441	3,927	13,205
Other income	3,040	3,162	333	476
Other expenses	(16,009)	(51,239)	(16,279)	(62,265)
Financial income and expenses	1,220	4,073	2,556	2,635
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>48,383</b>	<b>91,306</b>	<b>11,439</b>	<b>(48,124)</b>
Income tax	(2,218)	(1,235)	(1,068)	1,316
<b>PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>46,165</b>	<b>90,071</b>	<b>10,371</b>	<b>(46,808)</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>46,165</b>	<b>90,071</b>	<b>10,371</b>	<b>(46,808)</b>
- Group share	49,141	72,785	6,451	(50,666)
- Non controlling interests	(2,976)	17,286	3,920	3,858
Earnings per share, basic (€)		0.275		(0.185)
Earnings per share, diluted (€)		0.275		(0.185)

## Consolidated statement of comprehensive income

(EUR thousand)	First nine months of 2015	First nine months of 2014
<b>Profit/(loss) for the period (A)</b>	<b>90,071</b>	<b>(46,808)</b>
Comprehensive income/expense which might be subsequently reclassified within the profit (loss) for the period	(64,166)	45,930
Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period	24	(210)
<b>Other comprehensive income, net of tax (B)</b>	<b>(64,142)</b>	<b>45,720</b>
<b>Total comprehensive income for the period (A)+(B)</b>	<b>25,929</b>	<b>(1,088)</b>
<b>Total comprehensive income attributable to:</b>		
- Group Share	13,812	(6,667)
- Non Controlling Interests	12,117	5,579

## Consolidated cash flow statement

(EUR thousand)	First nine months of 2015	First nine months of 2014
<b>CASH FLOW from operating activities</b>		
Investments in funds and shareholdings	(22,536)	(21,112)
Acquisitions of subsidiaries net of cash acquired	0	(2,150)
Capital reimbursements from funds	30,326	23,068
Proceeds from the sale of investments	152,363	11,469
Interest received	205	197
Interest paid	(746)	(3,198)
Cash distribution from investments	2,686	4,451
Realized gains (losses) on exchange rate derivatives	15	4
Taxes paid	768	(8,991)
Dividends received	0	0
Management and performance fees received	49,278	44,033
Revenues for services	17,824	18,560
Operating expenses	(54,551)	(43,245)
<b>Net cash flow from operating activities</b>	<b>175,632</b>	<b>23,086</b>
<b>CASH FLOW from investment activities</b>		
Acquisition of property, plant and equipment	(125)	(484)
Sale of property, plant and equipment	354	14
Purchase of licenses	(70)	(911)
<b>Net cash flow from investing activities</b>	<b>159</b>	<b>(1,381)</b>
<b>CASH FLOW from financing activities</b>		
Acquisition of financial assets	0	0
Sale of financial assets	982	1,532
Share capital issued	1,745	2,867
Share capital issued:stock option plan	0	0
Own shares acquired	(11,634)	0
Own shares sold	0	0
Interest from financial activities	0	0
Dividends paid	(99,652)	(5,495)
Warrant	0	0
Managers Loan	0	0
Loan	(3,187)	169
Quasi-equity loan	0	0
Bank loan paid back	(4,000)	(18,744)
Bank loan received	0	0
<b>Net cash flow from financing activities</b>	<b>(115,746)</b>	<b>(19,671)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>60,045</b>	<b>2,034</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>55,583</b>	<b>26,396</b>
Cash and cash equivalents relating to held-for-sale assets	0	0
<b>Cash and cash equivalents at beginning of period</b>	<b>55,583</b>	<b>26,396</b>
EFFECT OF CHANGE IN BASIS OF CONSOLIDATION: CASH AND CA	(97)	0
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>115,531</b>	<b>28,430</b>
Held-for-sale assets and minority interests	0	0
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>115,531</b>	<b>28,430</b>

## Summary of the financial results (100%) of the main direct and indirect investee companies

### - **Migros (40.2%\*-owned by parent company Kenan Investments)**

Migros, which was established in 1954, is the main supermarket chain in Turkey and operates in an environment in which the large-scale retail sector is continuing to grow at the expense of traditional operators.

Migros operates 1,296 stores and is present in all regions of Turkey. It also has a marginal presence in Kazakhstan and Macedonia.

Migros Ticaret (TRY million)	First half 2015	First half 2014	Chg. %
Revenues	4,369	3,738	+16.9
EBITDA	270	235	+14.9
Group net profit/(loss)	-111	42	n.m.
Net debt	-1,636	-1,705	

(\*) Figures for the first half of 2015 are provided, pending the publication of the figures to 30 September 2015

*Carrying value of DeA Capital's shareholding in Kenan Inv. SA (17%) at 30 September 2015: EUR 72.6 million.*

(\*) Stake reduced from July 2015



### - **IDeA Capital Funds SGR (wholly-owned)**

IDeA Capital Funds SGR is one of Italy's leading asset management companies, specialising in Italian and global private equity direct funds and funds of funds. IDeA manages eight closed-end private equity funds, comprising four funds of funds (IDeA I FoF, ICF II, ICF III and IDeA Crescita Globale), one direct co-investment fund that invests in minority interests in predominantly Italian SMEs (IDeA OF I), two theme funds (IDeA EESS, which operates in energy efficiency, and IDEA Taste of Italy in the agricultural foods sector) and, since April 2015, the Investitori Associati IV fund (in liquidation with a NAV of EUR 121 million).

At 30 September 2015, IDeA Capital Funds SGR had assets under management of EUR 1.7 billion.

IDeA Capital Funds SGR (EUR million)	First nine months 2015	First nine months 2014
Assets under management	1,652	1,391
Management fees	12.8	10.0
Net profit (loss)	4.1	3.1



### - **IDeA FIMIT SGR (64.3%-owned through the wholly-owned subsidiary DeA Capital RE)**

IDeA FIMIT SGR is the largest real estate asset management company in Italy, with around EUR 8.6 billion in assets under management and 37 managed funds (including five listed funds). This puts it among the major partners of Italian and international investors in promoting, creating and managing closed-end mutual real-estate investment funds.

IDeA FIMIT SGR undertakes three main lines of business:

- the development of mutual real estate investment funds designed for institutional clients and private investors;
- the promotion of innovative real estate financial instruments to satisfy investors' increasing demands;
- the professional management (technical, administrative and financial) of real estate funds with the assistance of our in-house experts as well as the best independent technical, legal and tax advisers on the market.

IDeA FIMIT SGR (in EUR million)	First nine months 2015	First nine months 2014
<i>Assets under management (EUR bn)</i>	8.6	9.0
Management fees	37.1	41.3
EBITDA	15.7	18.6
Net profit (loss)*	6.5	2.8
<i>of which:</i>		
- portion attributable to shareholders	6.5	7.0
- portion attributable to holders of SFPs	0.0	(4.2)



IDeA FIMIT<sub>sgr</sub>

(\*) Includes PPA amortisation costs of EUR 1.4 million and non-recurring costs of EUR 3.0 million

- ***Innovation Real Estate (97%-owned)***

Innovation Real Estate (IRE) is a property services company structured along five strategic lines:

- project & construction management (property planning, development and refurbishment);
- property management (administrative and legal management of properties);
- facility & building management (services connected with buildings and related maintenance);
- due diligence (technical and environmental due diligence, urban regulatory procedures);
- asset management (strategic support in improving the rental condition of buildings and optimising the associated management costs).

IRE currently manages a property portfolio comprising 50% offices (mainly prestige) and the remainder split between commercial, tourist, logistics & industrial and residential property.

IRE (EUR million)	First nine months 2015	First nine months 2014
Revenues from services	12.7	12.2
EBITDA	3.6	3.0
Net profit (loss)	2.5	1.9

