



PRESS RELEASE

BOARD OF DIRECTORS APPROVES INTERIM MANAGEMENT REPORT TO 31 MARCH 2017

- **NAV (Net Asset Value) rises to EUR 2.08 per share at 31 March 2017, compared with EUR 2.03 per share at 31 December 2016**
- **Comprehensive income – IAS 1 came in at EUR +13.1 million at 31 March 2017, compared with EUR +1.3 million in the same period of the previous year**
- **The net financial position of the holding companies was EUR +66.1 million at 31 March 2017, compared with EUR +79.7 million at 31 December 2016, due to investments made during the period**
- **Assets under management rose by +20% compared with 31 March 2016, to EUR 11.4 billion**

Milan, 10 May 2017 - The Board of Directors of **DeA Capital S.p.A.**, chaired by Lorenzo Pelliccioli, met today to examine and approve the Interim Management Report to 31 March 2017.

Analysis of Consolidated Results to 31 March 2017

- **Net Asset Value.** At 31 March 2017, the net asset value (NAV) of the DeA Capital Group was **EUR 2.08 per share**, compared with EUR 2.03 per share at 31 December 2016. **Total NAV** (consolidated shareholders' equity) for the period was EUR 540.4 million compared with EUR 529.2 million at end-2016.
Treasury shares totalled 46,929,395 at 31 March 2017, equivalent to 15.3% of the share capital, compared with 14.8% at 31 December 2016. As of today's date, there are 47,244,082 treasury shares, equivalent to 15.4% of the share capital.
- **Assets under management.** Assets under management at 31 March 2017 amounted to EUR 11.4 billion, comprising: EUR 9.0 billion for IDeA FIMIT SGR, EUR 1.9 billion for IDeA Capital Funds SGR and EUR 0.5 billion for SPC.
- **Group Net Profit.** At 31 March 2017, Group net profit was EUR 6.8 million, compared with EUR 0.3 million at 31 March 2016. The first quarter result comprises:
 - Alternative Asset Management activities of EUR 2.0 million;
 - Private Equity Investment of EUR 6.0 million (EUR -1.8 million in the first quarter of 2016);
 - the holding companies (including DeA Capital S.p.A.) and consolidation offsets, totalling EUR -1.2 million.
- **Comprehensive Income – IAS 1** – which reflects fair value adjustments to the investment portfolio, booked directly under shareholders' equity in accordance with IAS/IFRS – came in at EUR +13.1 million at 31 March 2017, compared with EUR +1.3 million in the year-earlier period. In addition to the Group's net profit (EUR 6.8 million), the result includes fair value adjustments of EUR 6.3 million to the investment portfolio booked directly to shareholders' equity, due mainly to the increase in fair value of Migros.
- **Investment portfolio.** At 31 March 2017, this totalled EUR 472.8 million, compared with EUR 448.8 million at 31 December 2016. The investment portfolio comprises private equity

investments (EUR 94.7 million), units in funds (EUR 208.7 million) and holdings in the Alternative Asset Management sector (EUR 169.4 million).

During the first quarter of 2017, the DeA Capital Group invested EUR 7.8 million for a 5.8% stake in the special purpose acquisition company "Crescita" ("Growth"), whose shares commenced trading on the Italian stock exchange on 15 March 2017, with the aim of completing a business combination with a target company within 24 months since going public. With regard to the main funds of funds managed by IDeA Capital Funds in which DeA Capital has invested, at 31 March 2017, IDeA I FoF (since the launch in January 2007) and ICF II (since the launch in February 2009) recorded an internal rate of return (IRR) of 6.0% and 14.0% respectively.

- **Net financial position.** At Group level this totalled EUR +89.1 million at 31 March 2017, compared with EUR +103.1 million at 31 December 2016. The change was mainly due to net private equity investments of EUR 9.9 million made during the quarter.

The net financial position at **holding company** level was EUR 66.1 million at 31 March 2017, compared with EUR 79.7 million at end-2016.

Significant events after the end of the period:

- After the end of the first quarter of 2017, the DeA Capital Group increased its investments in private equity funds with payments totalling EUR 1.5 million. At the same time, the DeA Capital Group received capital reimbursements from the IDeA I FoF, ICF II and Venere funds totalling EUR 7.6 million.
- On 15 May 2017 (the ex-date), in accordance with the vote of the Shareholders' Meeting on 20 April 2017, DeA Capital S.p.A. will make an extraordinary partial distribution of the share premium reserve in an amount of around EUR 31 million, i.e. EUR 0.12 per share.

The Interim Management Report to 31 March 2017 will be made available to the public on 12 May 2017, at the Company's headquarters, on the authorised storage system 1info (www.1info.it) and on <http://www.deacapital.it/EN/29/Annual%20and%20Quarterly%20Reports.aspx>.

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 art. 154-*bis*, para. 2 of the Consolidated Finance Law (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). 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 around EUR 11.4 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 31 March 2017, along with a summary of the financial results of the asset management companies, are summarised below. The figures shown in the financial statements have not been audited by the Independent Auditors or by the Board of Statutory Auditors.

Net Asset Value

	March 31, 2017		December 31, 2016	
	M€	€/Sh.	M€	€/Sh.
Private Equity Investment				
- Kenan Inv. / Migros	74,9	0,29	66,9	0,26
- Funds - Private Equity / Real Estate	208,7	0,80	202,9	0,78
- Other (Sigla, ..)	19,8	0,08	11,7	0,04
Total PEI (A)	303,4	1,17	281,5	1,08
Alternative Asset Management				
- IDeA FIMIT SGR	124,0	0,48	122,7	0,47
- IDeA Capital Funds SGR	38,4	0,15	37,7	0,14
- Other (IRE / SPC)	7,0	0,03	6,9	0,03
Total AAM (B)	169,4	0,66	167,3	0,64
Investment Portfolio (A+B)	472,8	1,83	448,8	1,72
Other net assets (liabilities)	1,5	0,00	0,7	0,00
Net Financial Position Holdings	66,1	0,25	79,7	0,31
NAV	540,4	2,08	529,2	2,03

Consolidated Statement of Financial Position

(EUR thousand)	March 31, 2017	March 31, 2016
ASSETS		
Non-current assets		
<i>Intangible and tangible assets</i>		
Goodwill	129.399	129.399
Intangible assets	26.753	27.184
Property, plant and equipment	1.967	2.145
Total intangible and tangible assets	158.119	158.728
<i>Investments</i>		
Investments valued at equity	38.429	33.449
Investments held by Funds	83.571	84.084
- available for sale investments	45.214	47.845
- invest. in associates and JV valued at FV through P&L	38.357	36.239
Other available-for-sale companies	83.206	67.166
Available-for-sale funds	183.744	182.787
Other available-for-sale financial assets	22	22
Total Investments	388.972	367.508
<i>Other non-current assets</i>		
Deferred tax assets	2.149	1.992
Loans and receivables	1.083	960
Tax receivables from Parent companies	552	0
Other non-current assets	30.147	30.147
Total other non-current assets	33.931	33.099
Total non-current assets	581.022	559.335
Current assets		
Trade receivables	17.979	11.191
Available-for-sale financial assets	4.211	4.242
Financial receivables	2.450	2.715
Tax receivables from Parent companies	2.532	2.282
Other tax receivables	6.586	9.190
Other receivables	6.327	3.976
Cash and cash equivalents	82.560	96.438
Total current assets	122.645	130.034
Total current assets	122.645	130.034
Held-for-sale assets	11.487	11.487
TOTAL ASSETS	715.154	700.856
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Net equity Group	540.438	529.203
Minority interests	132.117	131.844
Shareholders' equity	672.555	661.047
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	8.653	8.588
Provisions for employee termination benefits	3.690	4.016
Long term financial loans	19	19
Payables to staff	207	207
Total non-current liabilities	12.569	12.830
Current liabilities		
Trade payables	5.240	6.019
Payables to staff and social security organisations	7.705	7.033
Current tax	3.074	2.941
Other tax payables	745	1.429
Other payables	12.115	8.335
Short term financial loans	1.151	1.222
Total current liabilities	30.030	26.979
Held-for-sale liabilities	-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	715.154	700.856

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Controlled and coordinated by De Agostini S.p.A., Registered Office in Novara, Via G. da Verrazano 15, 28100 Novara - Italy

Authorised share capital of EUR 306,612,100, fully paid up Tax Code, VAT reg. no. and Milan Register of Companies no. 07918170015, Milan REA (Administrative Economic Register) 1833926

Summary Consolidated Income Statement

	First Quarter 2017	First Quarter 2016
<i>(EUR thousand)</i>		
Alternative Asset Management fees	13.856	14.132
Income (loss) from equity investments	5.187	0
Other investment income/expense	2.049	(2.584)
Income from services	321	4.446
Other income	54	53
Other expenses (*)	(12.824)	(15.713)
Financial income and expenses	193	(811)
PROFIT/(LOSS) BEFORE TAX	8.836	(477)
Income tax	(505)	(529)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	8.331	(1.006)
Profit (Loss) from discontinued operations/held-for-sale assets	0	0
PROFIT/(LOSS) FOR THE PERIOD	8.331	(1.006)
- Group share	6.754	260
- Non controlling interests	1.577	(1.266)
Earnings per share, basic (€)	0,026	0,001
Earnings per share, diluted (€)	0,026	0,001

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

Consolidated Statement of Comprehensive Income

	First Quarter 2017	First Quarter 2016
<i>(EUR thousand)</i>		
Profit/(loss) for the period (A)	8.331	(1.006)
Comprehensive income/expense which might be subsequently reclassified within the profit (loss) for the period	4.819	940
Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period	178	(47)
Other comprehensive income, net of tax (B)	4.997	893
Total comprehensive income for the period (A)+(B)	13.328	(113)
Total comprehensive income attributable to:		
- Group Share	13.054	1.332
- Non Controlling Interests	274	(1.445)

Consolidated Cash Flow Statement

<i>(EUR thousand)</i>	First Quarter 2017	First Quarter 2016
CASH FLOW from operating activities		
Investments in funds and shareholdings	(10.014)	(2.235)
Capital reimbursements from funds	292	4.722
Proceeds from the sale of investments	88	3.438
Interest received	45	130
Interest paid	(9)	(4)
Cash distribution from investments	142	49
Realized gains (losses) on exchange rate derivatives	0	(1)
Taxes paid	(63)	(25)
Dividends received	0	0
Management and performance fees received	8.325	12.767
Revenues for services	292	3.029
Operating expenses	(10.942)	(14.728)
Net cash flow from operating activities	(11.844)	7.142
CASH FLOW from investment activities		
Acquisition of property, plant and equipment	(12)	(23)
Sale of property, plant and equipment	1	0
Purchase of licenses	(6)	(208)
Net cash flow from investing activities	(17)	(231)
CASH FLOW from financing activities		
Acquisition of financial assets	0	0
Sale of financial assets	0	1
Share capital issued	0	1.550
Own shares acquired	(2.092)	(1.031)
Dividends paid	0	(4.592)
Loan	75	134
Quasi-equity loan	0	0
Bank loan paid back	0	0
Net cash flow from financing activities	(2.017)	(3.938)
CHANGE IN CASH AND CASH EQUIVALENTS	(13.878)	2.973
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	96.438	123.468
Cash and cash equivalents relating to held-for-sale assets	0	0
Cash and cash equivalents at beginning of period	96.438	123.468
Effect of change in basis of consolidation: cash and cash equivalents	0	(97)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	82.560	126.441
Held-for-sale assets and minority interests	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	82.560	126.441

Summary of the financial results of the asset management companies

- 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 Capital Funds manages nine closed-end private equity funds, namely four funds of funds (IDeA I FoF, ICF II, ICF III and IDeA Crescita Globale, the latter aimed at the retail segment), one fund that invests in minority interests in predominantly Italian SMEs (IDeA OF I) and three theme funds ("Efficienza Energetica e Sviluppo Sostenibile", "Taste of Italy" and IDeA CCR I, Italy's leading debtor-in-possession financing fund) and, since April 2015, Investitori Associati IV (in liquidation).

At 31 March 2017, IDeA Capital Funds SGR had assets under management of approximately EUR 1.9 billion.

IDeA Capital Funds SGR (EUR million)	First quarter 2017	First quarter 2016
Assets under management (in EUR billion)	1.9	1.6
Management fees	4.2	4.2
EBITDA	1.0	1.1
Net profit (loss)	0.7	0.7



- IDeA FIMIT SGR (64.3%-owned)

IDeA FIMIT SGR is the largest real estate asset management company in Italy, with around EUR 9.0 billion in assets under management and 41 managed funds (including five listed funds). This makes it a benchmark operator, on behalf of Italian and international institutional investors, in the promotion, creation and management of 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 in-house experts and independent technical, legal and tax advisors.

IDeA FIMIT SGR (EUR million)	First quarter 2017	First quarter 2016
Assets under management (in EUR billion)	9.0	7.9
Management fees	10.1	10.5
EBITDA	3.5	4.2
Net profit (loss)	1.8	1.8
of which:		
- attributable to shareholders	1.9	1.6
- attributable to holders of financial equity instruments	-0.1	0.2

