

PRESS RELEASE

**THE BOARD OF DIRECTORS APPROVES  
THE INTERIM MANAGEMENT REPORT TO 30 SEPTEMBER 2010**

- **NAV (Net Asset Value) of EUR 2.58 per share (compared with EUR 2.65 at 31 December 2009)**
- **Group net loss of EUR 6.9 million (compared with a net loss of EUR 21.9 million at 30 September 2009)**

**Analysis of Consolidated Results to 30 September 2010**

*Milan, 11 November 2010* – The Board of Directors of **DeA Capital S.p.A.** met today to examine and approve the Interim Management Report to 30 September 2010.

- At the end of the third quarter of 2010, **Net Asset Value** was EUR 2.58 per share, compared with EUR 2.65 per share at 31 December 2009.  
Total NAV (Group shareholders' equity) was EUR 760.7 million, compared with EUR 780.2 million at 31 December 2009, net of own shares. Own shares totalled 17,851,393 at 30 September 2010, equivalent to 5.8% of the share capital. Of these, 5,752,695 shares (1.9%) have been allocated to the second tranche of the payment in shares for the acquisition of FARE Holding.
- At 30 September 2010, the **investment portfolio** was EUR 791.1 million, compared with EUR 828.4 million at 31 December 2009. The decrease was mainly due to a cash distribution received from Kenan Investments (the parent company of Migros), totalling around EUR 21 million. The portfolio comprises private equity investments (EUR 520.5 million), units in funds (EUR 118.5 million) and holdings in the alternative asset management sector (EUR 152.1 million).
- **Assets under management** at 30 September 2010 amounted to EUR 2.94 billion for First Atlantic Real Estate and EUR 2.43 billion for IDeA Alternative Investments (EUR 1.47 billion of which relates to the assets that will continue to be consolidated in IDeA after completion of the announced demerger).
- **Group net debt** was EUR 16.2 million at 30 September 2010, compared with EUR 34.9 million at 31 December 2009 and EUR 29.7 million at 30 June 2010. The improvement recorded in the third quarter of 2010 was mainly due to the combined effect of:
  - receipt of the cash distribution to shareholders by Kenan Investments (EUR 20.8 million)
  - investment for capital calls by the IDeA funds totalling EUR 8.2 million
- The **group** recorded a **net loss** of EUR 6.9 million for the first nine months of 2010, versus a loss of EUR 21.9 million in the same period of 2009. This result is primarily attributable to: Private Equity Investment activities (EUR -4.1 million), the Alternative Asset Management business (EUR +6.7 million), the impact of allocating a part of the purchase price for the acquisition (PPA) of FARE Holding and IDeA (EUR -2.7 million), the balance of financial income/costs, which totalled EUR -3.6 million, and other costs and revenues relating to the parent company DeA Capital S.p.A. totalling EUR -3.2 million.
- **Comprehensive income – IAS 1** – which reflects fair value adjustments of the investment portfolio, booked directly under shareholders' equity, in accordance with IAS/IFRS – was negative at EUR 16.9 million for the first nine months of 2010, compared with a positive figure of EUR 4.4 million in the same period of the previous year. This result is attributable, in addition to the net loss for the group described above, to the change in fair value of Kenan Investments, due to the above-mentioned cash distribution, and to readjustments to private equity funds.

The Board of Directors also approved the amendments to the company's articles of association to adapt them to the changes introduced by Legislative Decree 27/2010, which incorporated into Italian law EC Directive 2007/36 on shareholders' rights.

In line with the provisions of Consob Regulation 17221/2010, the Board of Directors also approved, following a recommendation of the independent directors' committee, the new procedure on transactions with related parties. This procedure, which will enter into force on 1 January 2011, sets out the role of the remuneration committee, the independent directors' committee (both of which exclusively comprise independent directors) and the internal audit committee (which primarily comprises independent directors), depending on the various types of transaction with related parties.

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Note also that as the conditions for exercising the 2007-2013 stock option plan did not occur, the options shall be deemed to have lapsed in their entirety. Details of the above-mentioned plan are available on the website [www.deacapital.it](http://www.deacapital.it).

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In accordance with the legislation in force, the **Interim Management Report to 30 September 2010 will be made available to the public by 13 November 2010** at the company's headquarters, at Borsa Italiana and on the website: [www.deacapital.it](http://www.deacapital.it).

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#### **DECLARATION OF THE MANAGER IN CHARGE OF PREPARING THE COMPANY'S ACCOUNTS**

Manolo Santili, Chief Financial Officer, the manager responsible for drawing up the company's accounting statements, hereby declares, pursuant to art. 154-bis, para. 2 of the *Testo Unico della Finanza* law, that the 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)). With an investment portfolio of about EUR 800 million and assets under management of around EUR 4.4 billion (post-demerger of IDeA), DeA Capital S.p.A. is currently one of Italy's largest alternative investment operators. The company, which operates in both the Private Equity Investment and Alternative Asset Management businesses, is listed in the STAR segment of the Milan stock exchange, and heads the De Agostini Group in these areas.

*The group's operating performance and financial position at 30 September 2010 are summarised below. The results of the main direct and indirect subsidiaries are also provided.*

*The figures shown in the financial statements have not been audited by the independent auditors or by the Board of Statutory Auditors*

## Consolidated Balance Sheet

<i>(Euro thousand)</i>	<b>September 30, 2010</b>	<b>December 31, 2009</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b><i>Intangible and tangible assets</i></b>		
Goodwill	73,341	74,360
Intangible assets	3,862	9,102
Property, plant and equipment	416	478
Total intangible and tangible assets	77,619	83,940
<b><i>Investments</i></b>		
Investments valued at equity	340,571	345,372
Other available-for-sale companies	210,461	239,917
Available-for-sale funds	87,893	83,776
Other available-for-sale financial assets	304	304
Total Investments	639,229	669,369
<b><i>Other non-current assets</i></b>		
Deferred tax assets	319	279
Financial loan and receivables	2,833	2,662
Other non-current assets	-	-
Total other non-current assets	3,152	2,941
<b>Total non-current assets</b>	<b>720,000</b>	<b>756,250</b>
<b>Current assets</b>		
Trade receivables	3,090	2,045
Available-for-sale financial assets	15,761	15,779
Financial receivables	-	-
Tax receivables	2,685	3,199
Other receivables	1,853	2,952
Cash and cash equivalents	115,383	98,874
Total current assets	138,772	122,849
<b>Total current assets</b>	<b>138,772</b>	<b>122,849</b>
<b>Assets relating to joint ventures</b>	<b>65,791</b>	<b>66,019</b>
<b>Held-for-sale assets</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>924,563</b>	<b>945,118</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' EQUITY</b>		
<b>Net equity Group</b>	<b>760,654</b>	<b>780,195</b>
Minority interests	575	692
<b>Shareholders' equity</b>	<b>761,229</b>	<b>780,887</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,203	2,845
Provisions for employee termination benefits	866	634
Long term financial loans	145,227	146,712
<b>Total non-current liabilities</b>	<b>147,296</b>	<b>150,191</b>
<b>Current liabilities</b>		
Trade payables	3,287	2,289
Payables to staff and social security organisations	1,766	1,084
Current tax	1,657	135
Other tax payables	930	1,414
Other payables	513	476
Short term financial loans	4,957	5,497
<b>Total current liabilities</b>	<b>13,110</b>	<b>10,895</b>
<b>Liabilities relating to joint ventures</b>	<b>2,928</b>	<b>3,145</b>
<b>Held-for-sale liabilities</b>	<b>-</b>	<b>-</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>924,563</b>	<b>945,118</b>

## Consolidated Income Statement

	3 <sup>o</sup> Quarter 2010	First Nine Months of 2010	3 <sup>o</sup> Quarter 2009	First Nine Months of 2009
<i>(Euro thousands)</i>				
Alternative Asset Management fees	4,830	14,595	4,493	13,622
Alternative Asset Management fees -joint ventures	3,136	6,535	1,440	3,863
Income from equity investments	(9,865)	(6,649)	(8,482)	(14,880)
Income from equity investments - joint ventures	319	547	461	851
Other investment income/expense	1,632	1,950	(564)	(569)
Income from services	2,108	6,477	1,333	4,976
Income from services - Joint venture	0	0	0	2
Other income	1,385	1,478	12	185
Other income - joint ventures	7	19	4	357
Personnel costs	(2,780)	(9,637)	(2,421)	(8,213)
Service costs	(2,391)	(8,174)	(1,947)	(7,225)
Depreciation, amortization and impairment	(1,809)	(5,415)	(2,630)	(7,890)
Joint ventures costs and expenses (excluding taxes)	(1,377)	(3,652)	(860)	(2,117)
Other expenses	(68)	(328)	(51)	(447)
Financial income	329	890	1,085	1,866
Financial expenses	(921)	(4,319)	(2,334)	(4,669)
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>(5,465)</b>	<b>(5,683)</b>	<b>(10,461)</b>	<b>(20,288)</b>
Income tax	(2,252)	106	(131)	(747)
Income tax-joint ventures	(484)	(983)	(267)	(896)
<b>PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>(8,201)</b>	<b>(6,560)</b>	<b>(10,859)</b>	<b>(21,931)</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(8,201)</b>	<b>(6,560)</b>	<b>(10,859)</b>	<b>(21,931)</b>
- Group share	(8,424)	(6,948)	(10,780)	(21,933)
- Minority interests	223	388	(79)	2
Earnings per share, basic (€)		(0.024)		(0.075)
Earnings per share, diluted (€)		(0.024)		(0.075)

## Consolidated Statement of Comprehensive Income (Statement of Performance - IAS 1)

	First Nine Months of 2010	First Nine Months of 2009
<i>(Euro thousands)</i>		
<b>Profit/(loss) for the period (A)</b>	<b>(6,560)</b>	<b>(21,931)</b>
Gains/(Losses) on fair value of available-for-sale financial assets	(10,402)	29,109
Share of other comprehensive income of associates	495	(2,727)
<b>Other comprehensive income, net of tax (B)</b>	<b>(9,907)</b>	<b>26,382</b>
<b>Total comprehensive income for the period (A)+(B)</b>	<b>(16,467)</b>	<b>4,451</b>
<b>Total comprehensive income attributable to:</b>		
- Group share	(16,855)	4,449
- Minority interests	388	2

## Consolidated Cash Flow Statement

	First Nine Months of 2010	First Nine Months of 2009
<i>(Euro thousands)</i>		
<b>CASH FLOW from operating activities</b>		
Investments in funds and shareholdings	(14,792)	(40,048)
Acquisitions of subsidiaries net of cash acquired	(667)	0
Capital reimbursements from funds	5,932	1,785
Proceeds from the sale of investments	0	0
Interest received	380	818
Interest paid	(1,974)	(1,391)
Cash distribution from investments	21,515	829
Realized gains (losses) on exchange rate derivatives	(821)	(699)
Taxes paid	(506)	(4,403)
Taxes refunded	0	0
Dividends received	5,632	6,782
Management and performance fees received	14,683	13,652
Revenues for services	5,039	10,635
Operating expenses	(14,520)	(16,738)
<b>Net cash flow from operating activities</b>	<b>19,901</b>	<b>(28,778)</b>
<b>CASH FLOW from investment activities</b>		
Acquisition of property, plant and equipment	(149)	(7)
Sale of property, plant and equipment	0	0
Purchase of licenses	(37)	(2)
<b>Net cash flow from investing activities</b>	<b>(186)</b>	<b>(9)</b>
<b>CASH FLOW from financing activities</b>		
Acquisition of financial assets	0	(20,384)
Sale of financial assets	196	18,286
Share capital issued	0	380
Share capital issued: stock option plan	0	0
Own shares acquired	(522)	(5,288)
Own shares sold	0	0
Interest from financial activities	0	0
Pass through arrangement	0	0
Dividends paid	(2,880)	(2,723)
Warrant	0	316
Bearing Loan	0	(2,627)
Bank loan	0	100,000
<b>Net cash flow from financing activities</b>	<b>(3,206)</b>	<b>87,960</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>16,509</b>	<b>59,173</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>98,874</b>	<b>59,873</b>
Cash and cash equivalents relating to held-for-sale assets	0	0
<b>Cash and cash equivalents at beginning of period</b>	<b>98,874</b>	<b>59,873</b>
EFFECT OF CHANGE IN BASIS OF CONSOLIDATION: CASH AND CASH EQUIVALENTS	0	0
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>115,383</b>	<b>119,046</b>
Held-for-sale assets and minority interests	0	0
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>115,383</b>	<b>119,046</b>

Note that the group's cash and cash equivalents do not include the cash that belongs to the IDeA Alternative Investments Group, given that it is a joint venture.

## Summary of results (100%) of the main direct and indirect subsidiaries

### - **Générale de Santé (82.8%-owned by parent company Santé S.A.)**

Générale de Santé, France's leading private healthcare provider, whose shares are listed on the Paris Stock Exchange, constitutes the leading French network of private hospitals, and includes a total of around 110 clinics, with 21,500 employees.

	First nine months of 2010	First nine months of 2009	% chg.
<b>Générale de Santé (EUR million)</b>			
Revenues	1,429	1,511	-5%
EBITDAR	267	267	0%
EBITDA	168	166	1%
EBIT	102	73	40%
Group net profit	45	14	223%
Net financial debt	(933)	(1,048)	-11.0%



Carrying value of DeA Capital stake in Santé SA (42.9%) at 30 September 2010: EUR 287.9 million.

### - **Migros T.A.Ş. (97.9%-owned by parent company Kenan Investments)**

Migros was established in 1954, and is Turkey's biggest supermarket chain in the large-scale food retailing market, a sector that is continuing to grow at the expense of traditional operators.

Migros currently operates 1,700 stores thanks to its presence in all seven regions of Turkey, as well as in Azerbaijan, Kazakhstan, Kyrgyzstan and Macedonia.

	First half 2010 (*)	First half 2009 (*)	% chg.
<b>Migros (TRY million)</b>			
Revenues	2,972	2,676	11%
EBITDA	158	196	-20%
EBIT	93	130	-28%
Group net profit	133	114	17%
Net financial debt	(1,505)	n.a.	n.a.



(\*) Figures to 30 June 2010 are provided, pending the publication of data to 30 September 2010; (\*\*) Pro forma

Carrying value of DeA Capital stake in Kenan Investments SA (17.0%) at 30 September 2010: EUR 176.1 million.

### - **Sigla (41.4%-owned through parent company Sigla Luxembourg)**

The Sigla Group was founded in 1982 and specialises in providing salary-backed loans (CQS) and personal loans. The group, which offers its services as a benchmark operator for households, provides finance to all customer categories with a variety of products. It operates all over Italy, mainly through a network of agents.

	First nine months of 2010	First nine months of 2009	% chg.
<b>Sigla (EUR million)</b>			
Loans to customers*	99.1	125.3	-21%
Revenues from loans to customers	6.8	12.6	-46%
CQS granted	87.3	66.8	31%
Revenues from CQS	4.9	3.4	43%
Group net profit	0.1	0.5	n.s.



(\*) Excluding salary-backed loans business (CQS)

Carrying value of DeA Capital stake in Sigla Luxembourg SA (41.4%) at 30 June 2010: EUR 22 million.

- **IDeA Alternative Investments (44.36%-owned, before demerger)**

IDeA Alternative Investments is a holding company that operates in the alternative asset management sector, particularly in the management of private equity funds.

At 30 September 2010, IDeA Alternative Investments had total assets under management of around EUR 2.4 billion (of which, IDeA Capital Funds: EUR 1.2 billion and Soprarno: EUR 0.3 billion).

<b>IDeA Alternative Investments</b> (EUR million)	First nine months of 2010	First nine months of 2009	% chg.
Assets under management	2,434	2,119	15%
Total revenues	16.0	11.4	40%
- of which fees (**)	14.7	8.7	69%
Group net profit (before PPA*)	6.0	5.2	14%



(\*) Purchase price allocation; (\*\*) in 9M10: Idea CF EUR 10.0 million; Soprarno EUR 1.8 million; revenues from Blue Skye and IDeA SIM EUR 2.9 million

In the first nine months of 2010, DeA Capital's portion of the net profit generated by IDeA Alternative Investments for the period was EUR 2.7 million (44.36%), before PPA amortisation.

Consolidated carrying value of DeA Capital stake in IDeA Alternative Investments (44.36%) at 30 September 2010: EUR 62.5 million.

- **First Atlantic Real Estate Holding (70%-owned)**

Established in 1998 by Daniel Buaron, the First Atlantic Real Estate Holding (FARE) group is one of Italy's leading operators by assets under management in the property sector, where it operates as an asset manager, fund manager and advisor, providing an integrated range of value-added services.

The group's main companies, which are wholly owned by FARE Holding, are:

- First Atlantic Real Estate SGR S.p.A., authorised by the Bank of Italy in 2005, which manages six real estate funds, two of which – Atlantic 1 and Atlantic 2-Berenice – are listed and four of which are reserved funds. Total assets under management are around EUR 2.94 billion
- First Atlantic Real Estate S.p.A., which specialises in asset management, property management, project management and agency services for the funds managed by the group and for large international funds.
- FARE NPL, which is active in administering, managing and enhancing the value of non-performing loans for the real estate sector.

<b>First Atlantic Real Estate Holding</b> (EUR million)	First nine months of 2010	First nine months of 2009	% chg.
Assets under management	2,935	2,769	6%
Fees	14.6	13.6	7%
Other revenues	6.3	4.9	29%
Group net profit (before PPA*)	5.8	5.5	6%

**FIRST ATLANTIC**  
REAL ESTATE

(\*) Purchase price allocation.

In the first nine months of 2010, DeA Capital's portion of the net profit generated by FARE for the period was EUR 4 million (70%), before PPA amortisation.

Consolidated carrying value of DeA Capital stake in FARE (100%) at 30 September 2010: EUR 89.6 million, including the exercise of existing options on the remaining 30%.