

PRESS RELEASE

**BOARD OF DIRECTORS APPROVES
INTERIM MANAGEMENT REPORT TO 31 MARCH 2016**

- **NAV (Net Asset Value) of EUR 2.08 per share at 31 March 2016, compared with EUR 2.07 at 31 December 2015**
- **Group net profit for the first quarter of 2016 of EUR 0.3 million (net profit of EUR 5.8 million in the first quarter of 2015)**
- **Net financial position of the holding and sub-holding companies of EUR +93.3 million at 31 March 2016, compared with EUR +90.0 million at 31 December 2015; part of this is earmarked for the next distribution of the share premium reserve**

Analysis of Consolidated Results to 31 March 2016

Milan, 12 May 2016 - The Board of Directors of **DeA Capital S.p.A.** met today to examine and approve the Interim Management Report to 31 March 2016.

- **Net Asset Value.** At the end of the first quarter of 2016, NAV was EUR 2.08 per share, compared with EUR 2.07 per share at 31 December 2015.
Total NAV (consolidated shareholders' equity) was EUR 547.4 million at 31 March 2016, compared with EUR 547.0 million at 31 December 2015. Treasury shares totalled 43,487,514 at 31 March 2016, equivalent to 14.2% of the share capital. As of today's date, DeA Capital S.p.A. holds 43,637,626 treasury shares, equivalent to 14.2% of the share capital, due to the use of treasury shares to execute the incentive-based stock option and performance share plans for managers.
- **Group net profit.** Group net profit was EUR 0.3 million for the first quarter of 2016, compared with net profit of EUR 5.8 million for the quarter ending 31 March 2015. This result comprises:
 - profit totalling EUR 2.6 million from the Alternative Asset Management business (up from EUR 2.3 million in the first quarter of 2015);
 - a loss of EUR 1.8 million from the Private Equity Investment business (due to changes in equity relating to the fully-consolidated OP I fund);
 - the holding and sub-holding companies (including DeA Capital S.p.A.) and consolidation offsets, totalling EUR -0.5 million.Alternative Asset Management costs include the effects of the amortisation of intangible assets, totalling EUR 1.2 million, recorded when a portion of the purchase price of the investments was allocated.
- **Group comprehensive income – IAS 1.** This reflects fair value adjustments of the investment portfolio, booked directly to shareholders' equity in accordance with IAS/IFRS, and was EUR +1.3 million in the first quarter of 2016, compared with EUR +8.2 million in the same period of the previous year. This result is due to the net profit of EUR 0.3 million for the period and, predominantly, to the increase in fair value of the investment in the IDeA FoF I fund.
- **Investment portfolio.** At 31 March 2016, this item was EUR 451.9 million, compared with EUR 454.8 million at 31 December 2015. The portfolio comprises private equity investments (EUR 88.6 million), units in funds (EUR 187.3 million) and holdings in the alternative asset management sector (EUR 176.0 million).
During the quarter, DeA Capital invested a total of EUR 2.9 million in funds and received capital reimbursements totalling EUR 8.6 million, resulting in a net positive balance of EUR 5.7 million.
The main investments of DeA Capital in funds of funds managed by IDeA Capital Funds, 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 13.5% respectively.
- **Asset Management.** Assets under management at 31 March 2016 amounted to EUR 7.9 billion for IDeA FIMIT SGR and EUR 1.6 billion for IDeA Capital Funds SGR.
- **Consolidated net financial position:** improved to EUR +137.1 million at 31 March 2016, from EUR +133.8 million at 31 December 2015.

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The change in the first quarter of 2016 was due to:

- net liquidity generated by investments in private equity funds of EUR +5.7 million;
- operational cash flows generated by the asset management platforms;
- buybacks (EUR -1.0 million).

At holding company level (DeA Capital S.p.A. and other sub-holding companies), net financial position was EUR 93.3 million, compared with EUR 90.0 million at end-2015. A portion of this liquidity is earmarked for the distribution of the share premium reserve to shareholders, in an amount of EUR 31.6 million (EUR 0.12 per share).

• **Significant events after the end of the period:**

- After the end of the first quarter of 2016, the DeA Capital Group increased its investments in private equity funds with payments totalling EUR 2.0 million.
At the same time, the DeA Capital Group received capital reimbursements from the IDeA I FoF, IDeA OF I and IDeA EESS funds totalling EUR 2.8 million.
- In April, the Alternative Asset Management subsidiaries approved the distribution of dividends as follows: IDeA Capital Funds SGR in the amount of EUR 3.7 million (100% DeA Capital); Innovation Real Estate in the amount of EUR 2.5 million (100% DeA Capital); IDeA FIMIT SGR in the amount of EUR 5.4 million (EUR 3.5 million pertaining to the DeA Capital Group). In summary, the DeA Capital Group dividends totalled EUR 9.7 million (EUR 8.1 million in 2015).
- On 16 May 2016 (the ex-date), in accordance with the vote of the Shareholders' Meeting on 21 April 2016, DeA Capital S.p.A. will make a partial distribution of the share premium reserve in an amount of EUR 31.6 million, i.e. EUR 0.12 per share.

- **Outlook:** The Company continues to focus on the strategic guidelines followed last year, with an emphasis on increasing the value of assets in the Private Equity Investment business and developing Alternative Asset Management platforms.

In the Private Equity Investment business, the Company will continue its efforts to increase the value of the remaining investments in its portfolio by assessing, in addition to investments in funds, the possibility of undertaking selective co-investment projects having a size compatible with the available liquidity.

In the Alternative Asset Management business, work will continue on developing both the private equity and real estate platforms, with a particular focus on the launch of new products by the asset management companies.

The Company will also continue to maintain a solid financial structure, optimised by returning profits to shareholders (including through the buy-back program), based on the available liquidity.

The Interim Management Report to 31 March 2016 will be made available to the public on 13 May 2016, at the Company's headquarters, on the authorised storage system 1info (www.1info.it) and on the following page of the company's website <http://www.deacapital.it/IT/29/Bilanci%20e%20Relazioni.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 article 154-bis, para. 2, of the Consolidated Finance Law, that the financial information contained in this press release accurately represents the figures in the Company's accounting records.

For further information:

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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 EUR 9.5 billion assets under management and is listed in the STAR (mid-cap) segment of the Milan stock exchange.

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The Group's operating performance and financial position at 31 March 2016, along with the financial results of the main direct and indirect investee 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.

Consolidated Statement of Financial Position

<i>(EUR thousand)</i>	March 31, 2016	December 31, 2015
ASSETS		
Non-current assets		
Intangible and tangible assets		
Goodwill	129,595	129,595
Intangible assets	36,417	37,539
Property, plant and equipment	2,900	3,119
Total intangible and tangible assets	168,912	170,253
Investments		
Investments valued at equity	11,467	11,467
Investments held by Funds	83,765	90,675
- available for sale investments	48,924	52,536
- invest. in associates and JV valued at FV through P&L	34,841	38,138
Other available-for-sale companies	77,110	76,464
Available-for-sale funds	170,856	173,730
Other available-for-sale financial assets	2	26
Total Investments	343,200	352,362
Other non-current assets		
Deferred tax assets	3,096	3,676
Tax receivables from Parent companies	1,020	0
Other non-current assets	31,932	31,795
Total other non-current assets	36,048	35,471
Total non-current assets	548,160	558,086
Current assets		
Trade receivables	21,539	17,818
Available-for-sale financial assets	7,474	7,532
Financial receivables	3,341	3,467
Tax receivables from Parent companies	2,721	2,667
Other tax receivables	4,811	4,567
Other receivables	3,210	2,876
Cash and cash equivalents	126,441	123,468
Total current assets	169,537	162,395
Total current assets	169,537	162,395
Held-for-sale assets	11,487	11,487
TOTAL ASSETS	729,184	731,968
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Net equity Group	547,409	546,988
Minority interests	133,620	138,172
Shareholders' equity	681,029	685,160
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	10,532	10,801
Provisions for employee termination benefits	4,806	4,713
Long term financial loans	0	0
Payables to staff	0	0
Total non-current liabilities	15,338	15,514
Current liabilities		
Trade payables	15,113	15,598
Payables to staff and social security organisations	7,535	7,341
Current tax	5,317	3,384
Other tax payables	1,216	1,571
Other payables	3,436	2,749
Short term financial loans	200	651
Total current liabilities	32,817	31,294
Held-for-sale liabilities	-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	729,184	731,968

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Breakdown of the Consolidated Statement of Financial Position:

	March 31, 2016			December 31, 2015		
	MC	% NIC	€/Sh.	MC	% NIC	€/Sh.
Private Equity Investment						
- Kenan Inv. / Migros	76.9	17%	0.29	76.3	17%	0.29
- Funds - Private Equity / Real Estate	187.3	41%	0.71	194.1	43%	0.74
- Other (Sigla, ..)	11.7	3%	0.04	11.7	3%	0.05
Total PEI (A)	275.9	61%	1.05	282.1	62%	1.08
Alternative Asset Management						
- IDeA FIMIT SGR	122.7	27%	0.47	121.7	27%	0.46
- IDeA Capital Funds SGR	40.1	9%	0.15	39.7	9%	0.15
- IRE / IRE Advisory	13.2	3%	0.05	11.3	3%	0.04
Total AAM (B)	176.0	39%	0.67	172.7	38%	0.65
Investment Portfolio (A+B)	451.9	100%	1.72	454.8	100%	1.73
Otehr net assets (liabilities)	2.2	0%	0.01	2.2	0%	0.00
NET INVESTED CAPITAL ("NIC")	454.1	100%	1.73	457.0	100%	1.73
Net Financial Position Holdings	93.3	21%	0.35	90.0	20%	0.34
NAV	547.4	121%	2.08	547.0	120%	2.07

Summary Consolidated Income Statement

(EUR thousand)	First Quarter 2016	First Quarter 2015
Alternative Asset Management fees	14,132	15,775
Income (loss) from equity investments	0	0
Other investment income/expense	(2,584)	2,964
Income from services	4,446	4,123
Other income	53	64
Other expenses	(15,713)	(18,143)
Financial income and expenses	(811)	1,909
PROFIT/(LOSS) BEFORE TAX	(477)	6,692
Income tax	(529)	2,258
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(1,006)	8,950
Profit (Loss) from discontinued operations/held-for-sale assets	0	(82)
PROFIT/(LOSS) FOR THE PERIOD	(1,006)	8,868
- Group share	260	5,837
- Non controlling interests	(1,266)	3,031
Earnings per share, basic (€)	0.001	0.022
Earnings per share, diluted (€)	0.001	0.022

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Consolidated Statement of Comprehensive Income

<i>(EUR thousand)</i>	First Quarter 2016	First Quarter 2015
Profit/(loss) for the period (A)	(1,006)	8,868
Comprehensive income/expense which might be subsequently reclassified within the profit (loss) for the period	940	244
Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period	(47)	(159)
Other comprehensive income, net of tax (B)	893	85
Total comprehensive income for the period (A)+(B)	(113)	8,953
Total comprehensive income attributable to:		
- Group Share	1,332	8,218
- Non Controlling Interests	(1,445)	735

Performance by business in the first three months of 2016

<i>(EUR thousand)</i>	Private Equity Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	14,629	(497)	14,132
Income (loss) from equity investments	0	0	0	0
Other investment income/expense	(2,402)	(182)	0	(2,584)
Income from services	0	4,394	105	4,499
Other expenses	(556)	(13,758)	(1,399)	(15,713)
Financial income and expenses	(863)	37	15	(811)
PROFIT/(LOSS) BEFORE TAXES	(3,821)	5,120	(1,776)	(477)
Income tax	0	(1,852)	1,323	(529)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(3,821)	3,268	(453)	(1,006)
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
PROFIT/(LOSS) FOR THE PERIOD	(3,821)	3,268	(453)	(1,006)
- Group share	(1,854)	2,567	(453)	260
- Non controlling interests	(1,967)	701	0	(1,266)

Consolidated Cash Flow Statement

<i>(EUR thousand)</i>	First Quarter 2016	First Quarter 2015
CASH FLOW from operating activities		
Investments in funds and shareholdings	(2,235)	(10,446)
Capital reimbursements from funds	4,722	16,125
Proceeds from the sale of investments	3,438	6,152
Interest received	130	98
Interest paid	(4)	(36)
Cash distribution from investments	49	214
Realized gains (losses) on exchange rate derivatives	(1)	3
Taxes paid	(25)	(18)
Dividends received	0	0
Management and performance fees received	12,767	16,932
Revenues for services	3,029	20,533
Operating expenses	(14,728)	(31,619)
Net cash flow from operating activities	7,142	17,938
CASH FLOW from investment activities		
Acquisition of property, plant and equipment	(23)	(71)
Sale of property, plant and equipment	0	315
Purchase of licenses	(208)	(46)
Net cash flow from investing activities	(231)	198
CASH FLOW from financing activities		
Acquisition of financial assets	0	0
Sale of financial assets	1	499
Share capital issued	1,550	367
Own shares acquired	(1,031)	(6,311)
Dividends paid	(4,592)	0
Loan	134	(1,680)
Quasi-equity loan	0	0
Bank loan paid back	0	0
Net cash flow from financing activities	(3,938)	(7,125)
CHANGE IN CASH AND CASH EQUIVALENTS	2,973	11,011
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	123,468	55,583
Cash and cash equivalents relating to held-for-sale assets	0	0
Cash and cash equivalents at beginning of period	123,468	55,583
Effect of change in basis of consolidation: cash and cash equivalents	0	(97)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	126,441	66,497
Held-for-sale assets and minority interests	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	126,441	66,497

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

- Migros (40.25%-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 1,447 stores and is present in all regions of Turkey. It also has a marginal presence in Kazakhstan and Macedonia.

	First quarter 2016	First quarter 2015	Chg. %
Migros Ticaret (in TRY million)			
Revenues	2,411	2,074	+16.3
EBITDA	145	131	+10.9
Group net profit/(loss)	(28)	5	n.m.
Net debt (million)	(1,818)	(1,748)	(70)



Carrying value of DeA Capital's shareholding in Kenan Inv. SA (17%) at 31 March 2016: EUR 76.9 million.

- 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, namely four funds of funds (IDeA I FoF, ICF II, ICF III and IDeA Crescita Globale), one fund that invests in minority interests in predominantly Italian SMEs (IDeA OF I), two theme funds (Efficienza Energetica e Sviluppo Sostenibile and Taste of Italy) and Investitori Associati IV.

At 31 March 2016, IDeA Capital Funds SGR had assets under management of EUR 1.6 billion.

	First quarter 2016	First quarter 2015
IDeA Capital Funds SGR (in EUR million)		
Assets under management	1,627	1,477
Management fees	4.2	3.6
Net profit (loss)	0.7	0.9



- 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 7.9 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 quarter 2016	First quarter 2015
Assets under management	7,872	9,015
Management fees	10.5	12.8
Net profit (loss)	1.8	2.5



- **Innovation Real Estate (100%-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, town-planning regularisation procedures);
- asset management (strategic support in improving the rental condition of properties and optimising the associated management costs).

IRE currently manages a property portfolio comprised of offices (mainly prestige), and commercial, tourist, logistics & industrial and residential property.

IRE (in EUR million)	First quarter 2016	First quarter 2015
Revenues from services	4.2	3.9
EBITDA	1.6	0.1
Net profit (loss)	1.1	0.0

