

**THE BOARD OF DIRECTORS APPROVES
THE INTERIM MANAGEMENT REPORT TO 31 MARCH 2014**

- **NAV (Net Asset Value) of EUR 2.23 per share at 31 March 2014, up from EUR 2.30 at 31 December 2013, as a result of the impairment of the value of the holding in Santé. The pro forma NAV at 14 May 2014 was EUR 2.31 per share**
- **Group net profit for the first quarter of 2014 of EUR -41.2 million (net gain of EUR 3.1 million in the first quarter of 2013), as a result of the impairment already mentioned. Net result before impairment of EUR + 7.6 million.**
- **Consolidated net financial position of EUR -120.0 million at 31 March 2014, an improvement as compared with EUR -127.7 million at 31 December 2013**

Analysis of consolidated results to 31 March 2014

Milan, 15 May 2014 – The Board of Directors of DeA Capital SpA met today to examine and approve the Interim Management Report to 31 March 2014.

- **Net Asset Value.** At the end of the first quarter of 2014, the **Net Asset Value (NAV)** stood at **EUR 2.23** per share, up from EUR 2.30 per share at 31 December 2013, and reflecting the restatement of the valuation of Santé at the non-binding offer price received for the holding in Générale de Santé by Ramsay Health Care, Crédit Agricole Assurances and Ramsay Santé (a change of EUR -44.6 million). The NAV also benefited from the increase in the fair value of Kenan Investments (Migros) by EUR +13.4 million, attributable primarily to the rise in the stock exchange prices of Migros shares, from TRY 16 to TRY 17.50, as well as to the appreciation of the Turkish lira against the Euro. As of yesterday, 14 May 2014, the pro forma NAV, calculated on the basis of the updated Migros stock market price and of the Euro/TRY exchange rate, was EUR 2.31. Total NAV (consolidated shareholders' equity) at 31 March 2014 stood at EUR 612.0 million, as compared with EUR 629.5 million at 31 December 2013, largely in response to the factors cited above. Own shares totalled 32,637,004 at 31 March 2014, equivalent to 10.6% of the share capital.
- **Investment portfolio.** At 31 March 2014, the portfolio amounted to a total of EUR 747.6 million, as compared with EUR 762.0 million at 31 December 2013. The portfolio comprises private equity investments of EUR 336.3 million, fund units of EUR 203.9 million and equity investments in the alternative asset management sector of EUR 207.4 million.
- **Asset Management.** Assets under management at 31 March 2014 amounted to EUR 9.2 billion for IDeA FIMIT SGR and EUR 1.3 billion for IDeA Capital Funds SGR.
- The Group's **net financial position.** This improved to EUR -120.0 million at 31 March 2014, from EUR -127.7 million at 31 December 2013. The change in the first quarter of 2014 was due primarily to the effect of the following factors:
 - EUR +11.7 million in operating cash flow from alternative asset management;
 - EUR -2.8 million in investments net of capital distributions by funds;
 - EUR -1.2 million from holding companies.
- **Group net loss.** For the first quarter of 2014, this was around EUR - 41.2 million, as compared with a net profit of EUR 3.1 million for the same period in 2013. This result is mainly attributable to:

- a gain of EUR +2.8 million from the alternative asset management business, after deduction of EUR 0.8 million from minority interests. Note that alternative asset management costs include the effects of the amortisation before tax of intangible assets (PPA) totalling EUR -2.4 million, recorded when a portion of the purchase price of the investments was allocated. The result has also suffered from low dividends from real estate funds and from non-recurrent costs in relation to the suspension of a real estate development project, amounting in total to EUR 1.9 million;
- the loss from private equity investment business, amounting to EUR -44.7 million, was attributable to restatement of the value of the holding in Santé;
- a gain of EUR 3.4 million attributable to the holding companies (including DeA Capital SpA) and to consolidation offsets.

Excluding the above-mentioned restatement of the valuation of Santé SA, the Group's net result was EUR +7.6 million.

- **Group comprehensive income – IAS 1** reflected fair value adjustments of the investment portfolio, booked directly to shareholders' equity in accordance with IAS/IFRS, and amounted to EUR -17.9 million for the first half of 2014, as compared with a profit of EUR +21.7 million in the same period in the previous year. This result is largely attributable to the above changes in the valuations of Santé and Kenan Investments, and to the net loss for the period.
- **Significant events after the end of the period**
 - On 10 April 2014, DeA Capital SpA participated in the first closing of the ICF III fund, a closed-end real-estate investment fund under Italian law, reserved for qualified investors and managed by IDeA Capital Funds SGR, by subscribing to a commitment of EUR 12.5 million. On the same date, DeA Capital paid around EUR 0.6 million into the fund.
 - Following the end of the first quarter, the DeA Capital Group invested a total of EUR 9.2 million in funds and received capital reimbursements of EUR 14.0 million.
 - During the months of April and May 2014, the dividends voted and/or distributed from alternative asset management assets to the Group's holding companies totalled EUR 12.5 million.
 - As some of the conditions precedent set out in the agreement did not occur, the terms and conditions for the acceptance of IDeA FIMIT SGR's binding proposal relating to the "Milano Santa Giulia" initiative lapsed.
 - On 28 April 2014, the new Board of Directors of IDeA FIMIT SGR reduced the number of its members from 13 to 8, appointed Gualtiero Tamburini as the Chairman of the company and nominated Emanuele Caniggia as CEO;
 - On 9 May 2014, the remaining interests in Soprano SGR (20%) were sold for a total of around EUR 1.3 million, in line with the carrying value at 31 December 2013.

The Interim Management Report to 31 March 2014 is available to the public at the registered office and on the website (www.deacapital.it).

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

Manolo Santili, Chief Financial Officer and the manager responsible for drawing up the Company's accounting statements, hereby declares, pursuant to Article 154-bis, para. 2, of the Consolidated Finance Act (*Testo Unico della Finanza*), 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). With an investment portfolio of EUR 748 million and assets under management of around EUR 10.5 billion, DeA Capital SpA is currently one of Italy's largest alternative investment operators. The Company, which operates in both private equity investment and alternative asset management, is listed in the STAR (mid cap) segment of the Milan stock exchange and heads the De Agostini Group in these sectors.

The group's operating performance and financial position at 31.03.14 are summarised below. The results of the main direct and indirect subsidiaries are also summarised.

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 change in financial position

(Euro thousand)	March 31, 2014	December 31, 2013
ASSETS		
Non-current assets		
Intangible and tangible assets		
Goodwill	166,363	166,315
Intangible assets	75,918	78,463
Property, plant and equipment	4,598	4,855
Total intangible and tangible assets	246,879	249,633
Investments		
Investments valued at equity	80,030	296,975
Other available-for-sale companies	145,991	132,536
Available-for-sale funds	175,348	166,260
Other available-for-sale financial assets	332	330
Total Investments	401,701	596,101
Other non-current assets		
Deferred tax assets	3,702	2,657
Loans and receivables	31,124	30,372
Tax receivables from Parent companies	2,984	2,984
Other non-current assets	26,167	26,168
Total other non-current assets	63,977	62,181
Total non-current assets	712,557	907,915
Current assets		
Trade receivables	25,528	21,078
Available-for-sale financial assets	5,554	5,464
Financial receivables	-	-
Tax receivables from Parent companies	3,890	3,467
Other tax receivables	1,668	4,649
Other receivables	17,512	18,350
Cash and cash equivalents	28,245	26,096
Total current assets	82,397	79,104
Total current assets	82,397	79,104
Held-for-sale assets	178,458	1,285
TOTAL ASSETS	973,412	988,304
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Net equity Group	611,958	629,489
Minority interests	114,240	112,890
Shareholders' equity	726,198	742,379
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	21,058	19,537
Provisions for employee termination benefits	3,749	3,529
Long term financial loans	157,194	150,198
Payables to staff	-	406
Total non-current liabilities	182,001	173,670
Current liabilities		
Trade payables	16,858	15,516
Payables to staff and social security organisations	8,453	6,833
Current tax	9,168	6,956
Other tax payables	1,200	1,478
Other payables	1,855	2,054
Short term financial loans	27,679	39,418
Total current liabilities	65,213	72,255
Held-for-sale liabilities	-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	973,412	988,304

Breakdown of the consolidated statement of financial position:

	March 31, 2014			December 31, 2013		
	M€	% NIC	€/Sh.	M€	% NIC	€/Sh.
Private Equity Investment						
- Santè / GDS	177.2	23%	0.65	221.2	29%	0.81
- Kenan Inv. / Migros	145.8	19%	0.53	132.4	17%	0.48
- Funds - Private Equity / Real Estate	203.9	27%	0.74	191.3	25%	0.70
- Other (Sigla, ..)	13.3	2%	0.05	13.6	2%	0.05
Total PEI (A)	540.2	71%	1.97	558.5	73%	2.04
Alternative Asset Management						
- IDeA FIMIT SGR	0.00	0%	0.00	0.00	0%	0%
- IDeA Capital Funds SGR	147.8	20%	0.54	145.5	19%	0.53
- IRE / IRE Advisory	52.3	7%	0.19	51.8	7%	0.19
Total AAM (B)	207.4	28%	0.76	203.5	26%	0.74
Investment Portfolio (A+B)	747.6	99%	2.73	762.0	99%	2.78
Otehr net assets (liabilities)	7.1	1%	0.03	6.2	1%	0.03
NET INVESTED CAPITAL ("NIC")	754.7	100%	2.76	768.2	100%	2.81
Net Financial Debt Holdings	(142.7)	-19%	(0.53)	(138.7)	-18%	(0.51)
NAV	612.0	81%	2.23	629.5	82%	2.30

Summary consolidated income statement

(Euro thousands)	First quarter 2014	First quarter 2013
Alternative Asset Management fees	17,494	19,393
Income (loss) from equity investments	(367)	2,351
Other investment income/expense	(43,969)	1,417
Income from services	4,908	3,097
Other income	57	67
Other expenses	(18,873)	(18,699)
Financial income and expenses	(284)	(285)
PROFIT/(LOSS) BEFORE TAX	(41,034)	7,341
Income tax	692	(2,581)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(40,342)	4,760
Profit (Loss) from discontinued operations/held-for-sale assets	0	0
PROFIT/(LOSS) FOR THE PERIOD	(40,342)	4,760
- Group share	(41,160)	3,052
- Non controlling interests	818	1,708
Earnings per share, basic (€)	(0.148)	0.011
Earnings per share, diluted (€)	(0.148)	0.011

Consolidated statement of comprehensive income

(Euro thousands)	First quarter 2014	First quarter 2013
Profit/(loss) for the period (A)	(40,342)	4,760
Comprehensive income/expense which might be subsequently reclassified within the profit (loss) for the period	23,858	18,916
Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period	(47)	0
Other comprehensive income, net of tax (B)	23,811	18,916
Total comprehensive income for the period (A)+(B)	(16,531)	23,676
Total comprehensive income attributable to:		
- Group Share	(17,882)	21,728
- Non Controlling Interests	1,351	1,948

Consolidated cash flow statement

(Euro thousands)	First quarter 2014	First quarter 2013
CASH FLOW from operating activities		
Investments in funds and shareholdings	(3,746)	(13,733)
Acquisitions of subsidiaries net of cash acquired	0	(242)
Capital reimbursements from funds	2,271	7,352
Proceeds from the sale of investments	0	0
Interest received	86	125
Interest paid	(1,041)	(721)
Cash distribution from investments	855	1,466
Realized gains (losses) on exchange rate derivatives	3	(305)
Taxes paid	17	(315)
Dividends received	0	0
Management and performance fees received	15,499	17,154
Revenues for services	14,164	7,350
Operating expenses	(20,599)	(15,745)
Net cash flow from operating activities	7,509	2,386
CASH FLOW from investment activities		
Acquisition of property, plant and equipment	(131)	(548)
Sale of property, plant and equipment	10	13
Purchase of licenses	(496)	(1)
Net cash flow from investing activities	(617)	(536)
CASH FLOW from financing activities		
Acquisition of financial assets	0	(2)
Sale of financial assets	0	2,506
Share capital issued	0	150
Share capital issued:stock option plan	0	0
Own shares acquired	0	(885)
Own shares sold	0	0
Interest from financial activities	0	0
Dividends paid	0	0
Warrant	0	0
Managers Loan	0	0
Loan	0	0
Quasi-equity loan	0	0
Bank loan paid back	(4,743)	(518)
Bank loan received	0	20,000
Net cash flow from financing activities	(4,743)	21,251
CHANGE IN CASH AND CASH EQUIVALENTS	2,149	23,101
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	26,096	29,156
Cash and cash equivalents relating to held-for-sale assets	0	0
Cash and cash equivalents at beginning of period	26,096	29,156
EFFECT OF CHANGE IN BASIS OF CONSOLIDATION: CASH AND CA	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	28,245	52,257
Held-for-sale assets and minority interests	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	28,245	52,257

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

- **Générale de Santé (83.4% owned by parent company Santé SA)**

Générale de Santé, France's leading private healthcare provider, whose shares are listed on the Paris Stock Exchange, constitutes the largest French network of private hospitals, and a total of around 75 clinics, with 19,000 employees. In addition, it is the main independent association of doctors in France (comprising 4,500 professionals).

Générale de Santé (in EUR million)	First quarter 2014	First quarter 2013
Revenues	449	499
EBITDAR	109	119
EBITDA	73	79
Recurring operating profit	46	48
Group net profit/(loss)	23	19
Net financial debt	(605)	(773)



Carrying value of DeA Capital's holding in Santé SA (43%) at 31.03.14: EUR 177.2 million.

- **Migros (80.5% owned by parent company Kenan Investments)**

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

Migros operates more than 1000 stores and is present in all seven regions of Turkey. It also has a marginal presence abroad, in Kazakhstan and Macedonia.

Migros (in TRY million)	First quarter 2014	First quarter 2013
Revenues	1.773	1.591
EBITDA	115	105
EBIT	46	41
Group net profit/(loss)	(61)	(35)
Net financial debt	(1.928)	(1.870)



Carrying value of DeA Capital's equity investment in Kenan Investments SA (17%) at 31.03.14: EUR 145.8 million.

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

IDeA Capital Funds SGR is one of Italy's leading independent asset management companies specialising in Italian and global private equity direct funds and funds of funds. IDeA manages five closed-end private equity funds, three of which (IDeA I FoF, ICF II and IDeA Crescita Globale, the latter aimed at the retail market) are funds of funds, a "direct" co-investment fund (IDeA OF I) and a sector fund dedicated to energy efficiency (IDeA EESS).

At 31 March 2014, IDeA Capital Funds SGR had total assets under management of EUR 1.3 billion.

IDeA Capital Funds SGR (in EUR million)	First quarter 2014	First quarter 2013
Assets under management	1.333	1.238
Management fees	3.2	2.9
Profit/(loss) before tax	1.3	1.4
Net profit/(loss)	0.8	1.0



- **IDeA FIMIT (64.3% owned through wholly owned subsidiaries DeA Capital RE and IFIM)**

IDeA FIMIT SGR is the largest independent real-estate asset management company in Italy, with around EUR 9.2 billion in assets under management and 32 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 the increasing demands of investors;
- the professional management (technical, administrative and financial) of real-estate funds with the assistance of in-house experts, as well as the best independent technical, legal and tax advisors on the market.

IDeA FIMIT SGR (in EUR million)	First quarter 2014	First quarter 2013	IDeA FIMIT _{sgr}
Assets under management	9.179	9.410	
Management fees	14.3	16.5	
Profit/loss before tax and PPA(*)	5.3	9.4	
Profit/(loss) before tax	3.4	6.9	
Net profit/(loss)	2.0	4.4	

(*) Amortisation of Purchase Price Allocation (EUR 1.9 million in the first quarter of 2014, as compared with EUR 2.5 million in the first quarter of 2013)

- **Innovation Real Estate (83.65% owned)**

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

- project & construction management (property planning, development and reconditioning);
- property management (the 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 comprised of 50% offices (mainly prestige) with the remainder split between commercial, tourist, logistics & industrial and residential property.

IRE (EUR million)	First quarter 2014	First quarter 2013	IRE INNOVATION real estate
Revenues from services	5.0	3.0	
EBITDA	1.9	0.8	
Net profit/(loss)	1.2	0.5	