



PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES THE FIRST-HALF FINANCIAL STATEMENTS TO 30 JUNE 2014

- **Net Asset Value (NAV) at EUR 2.27 per share vs. EUR 2.23 at 31 March 2014 and EUR 2.30 at 31 December 2013**
- **The first half of 2014 closes with a Group net loss of EUR 57.1 million (net loss of EUR 2.7 million in the first half of 2013), due to the aligning of the value of the investment in Santé SA to the sale price of Generale de Santé**
- **Group comprehensive income – IAS 1 negative at EUR 6 million (versus a negative figure of EUR 25.1 million in the first half of 2013)**
- **Consolidated net financial position improves to EUR 116.7 million (vs. debt of EUR 127.4 million at 31 December 2013)**
- **The Interim Financial Statements to 30 June 2014 will be available to shareholders and the public at the registered office of DeA Capital and on the Company's website**

Analysis of consolidated results to 30 June 2014

Milan, 28 August 2014 - The Board of Directors of **DeA Capital S.p.A.** met today to examine and approve the first-half financial statements to 30 June 2014.

- **Net Asset Value.** At the end of the first half of 2014, NAV was **EUR 2.27 per share**, compared with EUR 2.23 at 31 March 2014 and EUR 2.30 per share at 31 December 2013. The increase in the second quarter was mainly due to the impact of the change in the fair value of Kenan Investments (Migros), attributable to the performance of Migros shares and the appreciation of the Turkish lira. Total NAV (consolidated shareholders' equity) was EUR 622.0 million, compared with EUR 612.0 million at 31 March 2014 and EUR 629.5 million at 31 December 2013. Own shares totalled 32,637,004 at 30 June 2014, equivalent to 10.6% of the share capital.
- **Investment portfolio.** This amounted to EUR 746.9 million, compared with EUR 747.6 million at 31 March 2014 and EUR 762.0 million at 31 December 2013. The portfolio comprises private equity investments (EUR 345.7 million), units in funds (EUR 204.7 million) and holdings in the Alternative Asset Management sector (EUR 196.5 million).
- **Asset Management.** Assets under management at 30 June 2014 amounted to EUR 9.0 billion for IDeA FIMIT SGR and EUR 1.4 billion for IDeA Capital Funds SGR.
- **Net Financial Position.** Consolidated net debt was EUR 116.7 million, versus EUR 127.4 million at 31 December 2013.
- **Group net loss.** The Group recorded a net loss of EUR 57.1 million for the first half of 2014, compared with a loss of EUR 2.7 million in the same period of 2013. This was due to:
 - Alternative Asset Management activities (EUR +3.9 million). Alternative Asset Management costs include the purchase price allocation (PPA) for equity investments in the segment of EUR 4.9 million and other write-downs of EUR 6.3 million, before tax;

- a loss of EUR 57.5 million from private equity investments, wholly due to the aligning of the value of the investment in Santé SA to the expected sale price of Générale de Santé, net of financial charges and transaction costs;
 - a loss from the holding companies of EUR 3.5 million.
- **Group Comprehensive Income – IAS 1.** This reflects fair value adjustments to the investment portfolio, booked directly to shareholders' equity in accordance with IAS/IFRS, and came in at EUR -6.0 million in the first half of 2014, compared with a loss of EUR 25.1 million in the same period of the previous year. In addition to the Group net loss, this performance was due mainly to the EUR 38.6 million increase in the fair value of Kenan Investments and to increases in the fair value of private equity funds in the portfolio.
 - **Significant events in the first half of 2014.**
 - In the first half of the year, net investments of EUR 12.6 million were made in the funds managed by IDeA Capital Funds SGR, and capital reimbursements of EUR 14.3 million were received. Following the end of the period, an additional EUR 3.2 million was invested in funds, and EUR 8.0 million was received in capital reimbursements.
 - IDeA Capital Funds SGR completed the first closing of the Private Equity ICF III fund of funds at EUR 57 million, while fundraising was launched for the new "Taste of Italy" fund.
 - In the second quarter of 2014, the Alternative Asset Management business paid a total of EUR 12.5 million to the DeA Capital Group's holding companies.
 - On 25 June 2014, DeA Capital S.p.A. signed an agreement with Intesa Sanpaolo S.p.A. for a 3-year loan of up to EUR 40 million, to replace an uncommitted credit facility of the same amount with the bank.

In accordance with the legislation in force, the **Half-Year Report to 30 June 2014** will be available to the public at the Company's headquarters and on the website:

http://www.deacapital.it/paginanews.aspx?idPage=73c1c348-3c98-4b2c-a0be-13dd712e9767#.U_2RCBNH6mw

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 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 750 million and assets under management of around EUR 10.4 billion, DeA Capital S.p.A. 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 segment of the Milan stock exchange and heads the De Agostini Group in these sectors.

The Group's operating performance and financial position at 30 June 2014 are summarised below. The results of the main direct and indirect subsidiaries are also summarised.

Consolidated Balance Sheet

<i>(Euro thousand)</i>	30 June 2014	31 December 2013
ASSETS		
Non-current assets		
<i>Intangible and tangible assets</i>		
Goodwill	166,363	166,315
Intangible assets	68,375	78,463
Property, plant and equipment	4,369	4,855
Total intangible and tangible assets	239,107	249,633
<i>Investments</i>		
Investments valued at equity	20,391	240,084
Investments hold by Funds	120,433	114,225
- <i>available for sale investments</i>	80,989	78,262
- <i>invest. in associates and JV valued at FV through P&L</i>	39,444	35,964
Other available-for-sale companies	171,172	132,536
Available-for-sale funds	175,408	166,260
Other available-for-sale financial assets	334	330
Total Investments	487,738	653,435
<i>Other non-current assets</i>		
Deferred tax assets	4,068	2,657
Loans and receivables	31,711	30,372
Tax receivables from Parent companies	1,250	2,984
Other non-current assets	31,527	32,468
Total other non-current assets	68,556	68,481
Total non-current assets	795,401	971,549
Current assets		
Trade receivables	24,663	21,078
Available-for-sale financial assets	4,843	5,464
Tax receivables from Parent companies	4,807	3,467
Other tax receivables	4,447	4,912
Other receivables	16,307	18,416
Cash and cash equivalents	21,450	26,396
Total current assets	76,517	79,733
Total current assets	76,517	79,733
Held-for-sale assets	162,802	1,285
TOTAL ASSETS	1,034,720	1,052,567
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Net equity Group	621,953	629,489
Minority interests	178,501	177,070
Shareholders' equity	800,454	806,559
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	19,125	19,537
Provisions for employee termination benefits	4,156	3,529
Long term financial loans	174,011	150,198
Payables to staff	-	406
Total non-current liabilities	197,292	173,670
Current liabilities		
Trade payables	19,523	15,599
Payables to staff and social security organisations	5,606	6,833
Current tax	6,596	6,956
Other tax payables	2,225	1,478
Other payables	2,333	2,054
Short term financial loans	691	39,418
Total current liabilities	36,974	72,338
Held-for-sale liabilities	-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,034,720	1,052,567

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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

Net Asset Value:

	30 June 2014			31 December 2013		
	MC	% NIC	C/Sh.	MC	% NIC	C/Sh.
Private Equity Investment						
- Santè / GDS	162.8	22%	0.59	221.2	29%	0.81
- Kenan Inv. / Migros	171.0	23%	0.62	132.4	17%	0.48
- Funds - Private Equity / Real Estate	204.7	27%	0.75	191.3	25%	0.70
- Other (Sigla, ..)	11.9	1%	0.04	13.6	2%	0.05
Total PEI (A)	550.4	73%	2.00	558.5	73%	2.04
Alternative Asset Management						
- IDeA FIMIT SGR	142.2	19%	0.52	145.5	19%	0.53
- IDeA Capital Funds SGR	49.0	6%	0.18	51.8	7%	0.19
- IRE / IRE Advisory	5.3	1%	0.02	6.2	1%	0.02
Total AAM (B)	196.5	26%	0.72	203.5	26%	0.74
Investment Portfolio (A+B)	746.9	99%	2.72	762.0	99%	2.78
Other net assets (liabilities)	6.0	1%	0.02	6.2	1%	0.03
NET INVESTED CAPITAL ("NIC")	752.9	100%	2.74	768.2	100%	2.81
Net Financial Debt - Holding Cos.	(130.9)	-17%	(0.47)	(138.7)	-18%	(0.51)
NAV	622.0	83%	2.27	629.5	82%	2.30

Summary Consolidated Income Statement

<i>(Euro thousand)</i>	First half 2014	First half 2013
Alternative Asset Management fees	33,584	39,032
Income (loss) from equity investments	(748)	(217)
Other investment income/expense	(55,913)	(4,851)
Income from services	9,278	7,070
Other income	143	315
Other expenses	(45,986)	(39,597)
Financial income and expenses	79	(873)
PROFIT/(LOSS) BEFORE TAX	(59,563)	879
Income tax	2,384	(5,163)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(57,179)	(4,284)
Profit (Loss) from discontinued operations/held-for-sale assets	0	0
PROFIT/(LOSS) FOR THE PERIOD	(57,179)	(4,284)
- Group share	(57,117)	(2,737)
- Non controlling interests	(62)	(1,547)
Earnings per share, basic (€)	(0.208)	(0.010)
Earnings per share, diluted (€)	(0.208)	(0.010)

Consolidated Statement of Comprehensive Income

<i>(Euro thousand)</i>	First half 2014	First half 2013
Profit/(loss) for the period (A)	(57,179)	(4,284)
Comprehensive income/expense which might be subsequently reclassified within the profit (loss) for the period	53,937	(21,425)
Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period	(166)	(30)
Other comprehensive income, net of tax (B)	53,771	(21,455)
Total comprehensive income for the period (A)+(B)	(3,408)	(25,739)
Total comprehensive income attributable to:		
- Group Share	(5,957)	(25,098)
- Non Controlling Interests	2,549	(641)

Consolidated Cash Flow Statement

<i>(Euro thousand)</i>	First half 2014	First half 2013
CASH FLOW from operating activities		
Investments in funds and shareholdings	(13,765)	(15,762)
Acquisitions of subsidiaries net of cash acquired	0	(7,864)
Capital reimbursements from funds	16,272	8,521
Proceeds from the sale of investments	4,529	0
Interest received	169	300
Interest paid	(2,277)	(1,862)
Cash distribution from investments	898	1,502
Realized gains (losses) on exchange rate derivatives	3	(608)
Taxes paid	(8,553)	(6,894)
Dividends received	0	0
Management and performance fees received	33,565	37,078
Revenues for services	30,348	15,322
Operating expenses	(46,586)	(35,872)
Net cash flow from operating activities	14,603	(6,139)
CASH FLOW from investment activities		
Acquisition of property, plant and equipment	(355)	(2,008)
Sale of property, plant and equipment	13	0
Purchase of licenses	(708)	(274)
Net cash flow from investing activities	(1,050)	(2,282)
CASH FLOW from financing activities		
Acquisition of financial assets	(3,661)	(879)
Sale of financial assets	700	3,887
Share capital issued	2,475	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	(3,439)	(5,587)
Warrant	0	0
Managers Loan	0	0
Loan	169	0
Quasi-equity loan	0	0
Bank loan paid back	(14,743)	(519)
Bank loan received	0	10,000
Net cash flow from financing activities	(18,499)	6,167
CHANGE IN CASH AND CASH EQUIVALENTS	(4,946)	(2,254)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	26,396	29,156
Cash and cash equivalents relating to held-for-sale assets	0	0
Cash and cash equivalents at beginning of period	26,396	29,156
EFFECT OF CHANGE IN BASIS OF CONSOLIDATION: CASH AND CASH EQUIVALENTS	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	21,450	26,902
Held-for-sale assets and minority interests	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	21,450	26,902

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 network of private hospitals in France, and has a total of around 75 clinics, with 19,000 employees. In addition, it is the main independent association of doctors in France (around 4,500 professionals).

	First half 2014	First half 2013	chg. %
Générale de Santé (in EUR million)			
Revenues	883	982	n.m.
EBITDAR	197	218	n.m.
EBITDA	126	138	n.m.
EBIT	68	67	n.m.
Group net profit/(loss)	27	27	unchanged
Net debt	(627)	(810)	+ EUR 183 mln



Carrying value of DeA Capital's holding in Santé SA (43%) at 30/06/2014: EUR 162.8 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 1,079 stores and is present in all seven regions of Turkey. It also has a marginal presence abroad in Kazakhstan and Macedonia.

	First half 2014	First half 2013	chg. %
Migros Ticaret (TRY million)			
Revenues	3,738	3,311	+12.9
EBITDA	235	206	+14.4
EBIT	91	91	+0.1
Group net profit/(loss)	42	(126)	n.m.
Net debt	(1,705)	(1,883)	- TRY 178 mln



Carrying value of DeA Capital's equity investment in Kenan Investments SA (17%) at 30/06/2014: EUR 171.0 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 six closed-end private equity funds, of which four are 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) and one theme fund (IDeA Energy Efficiency and Sustainable Growth Fund). At 30 June 2014, IDeA Capital Funds SGR had assets under management of EUR 1.4 billion.

	First half 2014	First half 2013
IDeA Capital Funds SGR (in EUR million)		
Assets under management	1,391	1,279
Management fees	6.7	7.8
Net profit/(loss)	1.9	3.1



- **IDeA FIMIT SGR (64.3%-owned through 100%-owned subsidiaries DeA Capital RE and IFIM)**

IDeA FIMIT SGR is the largest independent real-estate asset management company in Italy, with around EUR 9.0 billion in assets under management and 33 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 our in-house experts as well as the best independent technical, legal and tax advisors on the market

IDeA FIMIT SGR (in EUR million)	First half 2014	First half 2013
Assets under management (EUR billion)	9.5	9.5
Management fees	28.1	32.6
EBT (*)	0.6	11.7
Net profit/(loss)	0.2	7.3



(*) The 2014 figure includes, among other things, PPA amortisation of EUR 3.8 million; the impairment of financial equity instruments representing the right to variable commission in respect of the funds managed by FIMIT SGR before the merger with FARE SGR, of EUR 6.3 million.

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

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

- project & construction management (planning, development and reconditioning of properties)
- 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 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) with the remainder split between commercial, tourist, logistics & industrial and residential property.

IRE (EUR million – ITA GAAP)	First half 2014	First half 2013
Revenues from services	9.2	6.9
EBITDA	2.3	1.6
Net profit/(loss)	1.3	1.0

