



PRESS RELEASE

PLAN TO MERGE DEA CAPITAL INVESTMENTS 2 S.A. AND DEA CAPITAL INVESTMENTS S.A. APPROVED

Milan, 12 May 2010 – The Boards of Directors of DeA Capital Investments S.A., a Luxembourg-registered company wholly owned by DeA Capital S.p.A., and DeA Capital Investments 2 S.A., a Luxembourg-registered company whose share capital is wholly owned by DeA Capital Investments S.A., have today approved the plan to merge DeA Capital Investments 2 S.A. and DeA Capital Investments S.A. (the “**Merger**”), pursuant to the provisions of Sub-Section III of Section XIV of the Luxembourg Law on Commercial Companies dated 10 August 1915.

The Merger will be carried out under the “simplified procedure” set out in the aforementioned Sub-Section III, since the share capital of DeA Capital Investments 2 S.A. (the “**Incorporated Company**”) is entirely owned by DeA Capital Investments S.A. (the “**Incorporating Company**”). As a result, the companies participating in the Merger are exempt from both the need to prepare a Board of Directors’ report and the need to commission an external experts’ report. Furthermore, the Merger will be approved by the Boards of Directors of the participating companies, without the need to put the decision to the shareholders’ meeting, on the understanding that the merger plan will in any case be published at least one month before the date the merger comes into effect.

DeA Capital Investments S.A. is a fully consolidated subsidiary of DeA Capital, and all the relevant accounting data and other information concerning the two companies involved in the Merger will therefore be made available to the market. The Issuer believes that the Merger does not entail particular risks or uncertainties that would have a significant impact on the activity of DeA Capital.

Since this constitutes a transaction between related parties, in this press release the Issuer aims to provide ample information regarding the transaction, pursuant to art. 71-*bis* of Consob Regulation 11971 of 14 May 1999, as amended.

The Merger does not involve risks relating to potential conflicts of interest. However, there is some overlap between the members of the Board of Directors of DeA Capital Investments S.A. and DeA Capital Investments 2 S.A.

Characteristics, procedure, and terms and conditions for the Merger

Procedure

Since DeA Capital Investments S.A. owns the entire share capital of the Incorporated Company DeA Capital Investments 2 S.A., the Merger will take place via the cancellation of all the shares in the Incorporated Company, without a share swap.

Effective date of the Merger

The Merger will come into effect for the Incorporating Company, the Incorporated Company and third parties following publication of the certificate by a notary public pursuant to art. 9 of the Luxembourg Law on Commercial Companies attesting that the conditions specified under Luxembourg law have been met, without prejudice to the fact that the Merger cannot come into effect until a month after the publication of the merger plan.

From an accounting perspective, the Incorporating Company will take over the operations of the Incorporated Company from 1 January 2010.

Rights conferred by the Incorporating Company on shareholders and holders of other financial instruments of the Incorporated Company

Neither the Incorporating Company nor the Incorporated Company have issued shares or other financial instruments that confer special rights.

Effect of the Merger on the members of the corporate bodies of the companies participating in the Merger

There are no plans for particular benefits for directors, *commissaires aux comptes*, auditors or other experts or consultants at the companies participating in the Merger.

Related parties involved in the Merger and the reasons for the Merger

The Incorporating Company and the Incorporated Company are both controlled by DeA Capital: specifically, DeA Capital owns the entire share capital of the Incorporating Company, which in turn owns the entire share capital of the Incorporated Company.

DeA Capital does not foresee any risks associated with the operation, maintaining that in the circumstances there is no specific current or potential risk of a conflict of interest between the companies involved in the Merger. As regards the Merger, DeA Capital, DeA Capital Investments 2 S.A. and DeA Capital Investments S.A. have very similar interests in the operation, since the aim of the Merger is to optimise the corporate structure of the group headed up by DeA Capital by shortening the chain of command for investments and to improve the use of cash and organisation by centralising the investment decisions of the Luxembourg-based part of the group in the Incorporating Company.

Effect of the Merger on the balance sheet, income statement and cash flows

The Merger will not have any effect on DeA Capital's balance sheet, income statement or cash flows. All assets and liabilities will be reported at constant carrying values, and no merger surpluses or deficits will be generated.

Tax effect of the Merger

The Merger is tax neutral.

Impact of the Merger on the fees paid to the directors of DeA Capital and/or its subsidiaries

The Merger is not expected to result in any changes to the fees paid to the directors of DeA Capital and/or its subsidiaries.

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DeA Capital (www.deacapital.it), a private equity investment company listed on the FTSE Italian STAR segment of the Milan stock exchange, is 58.3%-owned by De Agostini S.p.A., which acquired the majority share in the company in 2007 in order to use it as a vehicle in which to concentrate the group's direct and indirect private equity investments (i.e. in funds and funds of funds) and alternative asset management activities.