

PRESS RELEASE

**THE BOARD OF DIRECTORS APPROVES
THE CONSOLIDATED FINANCIAL STATEMENTS AND THE DRAFT ANNUAL
FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2017**

**PROPOSES THE DISTRIBUTION OF RESERVES
OF EUR 0.12 PER SHARE TO SHAREHOLDERS' MEETING**

- **Assets under management rose by more than 10% compared with 31 December 2016, to EUR 11.7 billion**
- **NAV (Net Asset Value) per share of EUR 1.91 at 31 December 2017, unchanged compared to 31 December 2016 (EUR 2.00 per share before impairment of the investment in DeA Capital Real Estate SGR)**
- **Strong cash flow generated by investment portfolio, with a net financial position of the holding companies at EUR +92.3 million at 31 December 2017 (approximately 19% of NAV), compared with EUR +48.5 million at 31 December 2016**
- **Proposals to the shareholders' meeting:**
 - **distribution of the share premium reserve in an amount of EUR 0.12 per share**
 - **approval of a new plan for the buying and selling of treasury shares up to a maximum of 20% of the share capital**
 - **approval of a new performance share incentive plan**
 - **advisory vote on the Company's remuneration policy**

Milan, 13 March 2018 – The Board of Directors of DeA Capital S.p.A., chaired by Lorenzo Pellicioli, met today to examine and approve the Group's Consolidated Financial Statements and the draft Annual Financial Statements of the Parent Company for the Year Ending 31 December 2017.

Analysis of Consolidated Results for the year ending 31 December 2017

- **At 31 December 2017, assets under management** totalled approximately EUR 11.7 billion, a rise of more than 10% on the figure at 31 December 2016 of EUR 10.6 billion (excluding the assets under management of SPC):
 - **Real Estate (DeA Capital Real Estate SGR) totalled EUR 9.5 billion**, up by about 10% on the figure at 31 December 2016 of EUR 8.7 billion;
 - **Private Equity (DeA Capital Alternative Funds SGR) was EUR 2.2 billion**, an increase of around 13% compared with the figure at the end of 2016.
- **Net asset value (NAV) was EUR 1.91 per share**, unchanged from 31 December 2016 (the latter was adjusted for the distribution of the share premium reserve of EUR 0.12 per share in May 2017), despite the impairment of around EUR 0.09 per share relating to DeA Capital Real Estate SGR.
Total NAV (Group shareholders' equity) was EUR 489.4 million.
- The **net financial position** of the **holding companies** was positive at EUR 92.3 million at 31 December 2017, an improvement on the EUR 48.5 million at 31 December 2016 (after distribution of reserves totalling around EUR 31.2 million) and representing about 19% of the Group's total NAV.

The consolidated net financial position was EUR 128.9 million at 31 December 2017 (compared with EUR 103.1 million at 31 December 2016), thanks in particular to the liquid cash held by both DeA Capital Alternative Funds (EUR 11.9 million) and DeA Capital Real Estate (EUR 23.6 million).

Turning to the other key financials:

- **Investment portfolio.** At 31 December 2017, this totalled EUR 396.5 million, compared with EUR 448.8 million at 31 December 2016. The investment portfolio comprises Private Equity investments (EUR 79.0 million), units in funds (EUR 170.9 million) and holdings in the Alternative Asset Management segment (EUR 146.6 million). In 2017, DeA Capital S.p.A. invested a total of EUR 11.7 million in funds and received capital reimbursements totalling EUR 52.7 million, resulting in a net positive balance of EUR 41.0 million. Regarding the main investments of DeA Capital S.p.A. in funds of funds managed by DeA Capital Alternative 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 +5.5% and +13.2% respectively.
- **Group net loss.** At 31 December 2017, Group net loss was EUR -11.7 million, compared with a profit of EUR +12.4 million at 31 December 2016. It should be noted that the 2017 result includes the partial impairment of goodwill of DeA Capital Real Estate SGR (approximately EUR 22.0 million pertaining to the Group).
- **Comprehensive Income – IAS 1** – which reflects both the Group net loss, and adjustments at fair value to the shareholders' equity that came in at EUR -2.7 million at 31 December 2017, compared with EUR +16.7 million in the year-earlier period.
It should be noted that the fair value adjustments of the investment portfolio were EUR +9.0 million, mainly due to the increased fair value of the IDeA ToI fund (linked to the sale of the La Piadineria Group).

Significant events after the end of the period

In January 2018, DeA Capital Real Estate SGR completed the closing of the Special Opportunities I fund, which has assets of EUR 200 million to be allocated to the purchase of non-performing secured loans via securitisation vehicles. DeA Capital S.p.A. has subscribed to a total commitment of EUR 20 million. The remaining part of the commitment, amounting to EUR 180 million, was underwritten by Apollo Global Management Plc, one of the world's leaders in alternative investment.

Outlook

Management in 2018 will continue to focus on developing the Alternative Asset Management platform and on the dynamic management of assets in the Private Equity Investment area.

Turning to **Alternative Asset Management**, the Group will continue to develop its activities, aimed at consolidating its leadership in Italy and selectively exploring the opportunities for expansion in Europe. Development will be pursued through expansion of the investor base and a more extensive product range, with a stronger presence in the NPL segment. Within this framework, in order to best capitalise on its internal know-how, the Group will strengthen and integrate its investor development/coverage functions, with the aim of raising awareness of DeA Capital S.p.A. as an integrated platform comprising private equity, real estate and NPL.

With regard to the **Private Equity Investment** area, the Group will continue its efforts to increase the value of the investments in its portfolio, and at the same time evaluate opportunities for new, mainly club deal/co-investment initiatives that are smaller in size than in the past. The investments in SPACs made during 2017 fall within this scope, with DeA Capital S.p.A. investing around EUR 33 million in total in the Crescita S.p.A. and IDeaMI S.p.A. transactions.

The Group will also continue to sponsor new initiatives promoted by the Alternative Asset Management platform and invest in funds it has launched, using the capital already available, as well as capital from the sale of portfolio assets and the reimbursements of funds in which DeA Capital S.p.A. has invested.

In terms of its capital position, DeA Capital S.p.A. will continue to maintain a solid financial structure, ensuring that shareholders receive attractive cash returns, primarily dividends, based on the available liquidity.

Parent Company loss, consequent related resolutions and proposal to distribute part of the share premium reserve

The Parent Company, DeA Capital S.p.A., recorded a net loss of EUR -36.6 million at 31 December 2017, compared with a net profit of EUR +7.6 million in 2016.

The Board of Directors voted to propose to the shareholders' meeting, with its first call scheduled for 19 April 2018 and its second call for 20 April 2018, to carry forward the loss reported in the Financial Statements for the Year Ending 31 December 2017.

In addition, the Board of Directors proposed that the shareholders' meeting approve the partial distribution of the share premium reserve in an amount of EUR 0.12 per share, i.e. based on the current number of shares, around EUR 30.5 million. The ex-date will be 21 May 2018 and the record date 22 May 2018, with payment to be made on 23 May 2018.

Share buy-back plan

The Board of Directors also proposed that the shareholders' meeting approve a plan to buy and sell ordinary DeA Capital shares (buyback plan), on one or more occasions and on a rolling basis, up to a maximum of 20% of the Company's share capital (i.e. approximately 61.3 million shares) and under the terms and conditions specified by the shareholders' meeting.

The plan is intended to replace the previous plan approved by the shareholders' meeting on 20 April 2017, expiring on the approval of the Financial Statements for the Year Ending 31 December 2017. It will be used to pursue the same objectives as the previous plan, including for purchasing treasury shares to be used for extraordinary transactions and share incentive schemes, offering shareholders a monetisation tool, stabilising the share price and regulating trading within the limits of current legislation.

Authorisation to make these purchases will be sought for the period from the date of authorisation by the shareholders' meeting called for 19 April 2018 (first call) and the date on which the shareholders' meeting is convened in 2019 to approve the Financial Statements for the Year Ending 31 December 2018, and in any event not beyond the maximum period permitted by law. The shareholders' meeting will also be asked to authorise the sale of shares purchased, for an unlimited period. The proposal to be submitted for the approval of the shareholders' meeting specifies that purchases may be made using all the methods permitted under the applicable legislation and that DeA Capital may also sell the shares purchased for trading purposes.

The proposal to be put before the shareholders' meeting states that the unit price for the purchase of the shares will be determined on a case-by-case basis for each transaction, but must not be more than 20% above or below the share's reference price on the trading day prior to the purchase. This criterion means that it is not currently possible to determine the potential total maximum outlay for the share buyback plan.

As regards the sale price for treasury shares purchased (including treasury shares already held in the Company's portfolio), the Board of Directors' proposal specifies that the shareholders' meeting should set a minimum price, which may not, however, be more than 20% below the share's reference price on the trading day prior to each disposal, although this limit may not apply in certain cases.

Since the share buy-back plan does not have as its sole purpose the objectives stated in art. 5, paragraph 2 of Regulation (EC) 596/2014 (i.e. the reduction of share capital, the fulfilment of obligations arising from debt financial instruments that are convertible or exchangeable into equity instruments, or the fulfilment of obligations arising from share option programmes or other granting of shares to employees or directors of the issuer or of group companies), it will not be able to benefit from the "safe harbour exemptions" provided for by said Regulation. The Board of Directors will in due course decide and inform the market whether the market practices permitted by Consob under Resolution 16839 of 19 March 2009 will be followed.

Treasury shares totalled 50,942,428 at 31 December 2017, equivalent to 16.6% of the share capital, compared with 14.8% at end-2016. As of today's date, treasury shares total **52,640,623**, equivalent to 17.17% of the share capital.

Performance share plan

The Board of Directors also voted to submit for the approval of the ordinary shareholders' meeting a performance share plan reserved for certain employees and directors of DeA Capital S.p.A., its subsidiaries and the Parent Company, De Agostini S.p.A. After approval of the plan by the shareholders' meeting, the beneficiaries will be identified by the Board of Directors from among the people who carry out important roles in relation to the Company's activities.

The Performance Share Plan for 2018-20 provides for the free allocation to beneficiaries, who will be identified by the Board of Directors by 31 December 2018 at the latest, of a maximum of 1,500,000 units, which, as and when they mature, entitle the bearer to convert them into ordinary DeA Capital S.p.A. shares at a nominal value of EUR 1 each, in the ratio of one share per unit held, at the end of the vesting period, i.e. a period of around three years ending on the thirtieth calendar day following the approval of the Financial Statements for the Year Ending 31 December 2020. The units granted will vest – and hence become vested units – provided that: (i) the growth of the Adjusted NAV between 31 December 2020 and 31 December 2017 is equal to or greater than 2% or, alternatively, growth in the normal value of the DeA Capital share between 31 December 2020 and 31 December 2017 (Total Shareholder Return) is equal to or greater than 4%, including ordinary and extraordinary dividends distributed during the period; and (ii) the beneficiary has remained, on the vesting date, without interruption, an employee or director of the Company, its subsidiaries or the Parent Company, De Agostini S.p.A..

Any shares allocated will be drawn from the treasury shares already held by the Company so the allocation will not have a dilutive effect.

The units shall be allocated to beneficiaries personally and may not, therefore, be transferred by deed *inter vivos*, or be made subject to restrictions, or be sold via any other deeds of sale of any type.

Under the Plan, the Company will convert the vested units into shares and provide the beneficiaries with a number of shares equal to 50% of the vested units by the fifteenth calendar day after the date that the Company notifies the beneficiaries of the achievement of the objectives stipulated for the units to vest; the remaining 50% shall be converted into shares and made available to the beneficiaries after a period of one year from the vesting date. Moreover, under the Plan, a portion of at least 20% of the shares granted after the conversion of the units must be maintained for a pre-set period of time (i.e. up to the expiry of the mandate relating to the executive directors, and for a period of two years for the other beneficiaries).

In addition, the Plan enables DeA Capital S.p.A. to oblige beneficiaries to return, in full or in part, shares received pursuant to the Plan, should circumstances emerge that clearly show that incorrect data have been used to verify the achievement of the targets for the vesting of the units ("clawback" mechanism).

The aim of the Plan is to foster the loyalty of the plan's beneficiaries to the Company and to provide an incentive to increase efforts to improve the Company's performance, as well as encouraging employees in important positions to remain with the Company and aligning the management's interests with those of shareholders.

The terms and conditions of the Plan are set out in the Information Prospectus prepared in accordance with Art. 84-*bis* of the regulations adopted with Consob Resolution no. 11971 of 1999 (Issuer Regulations). This Prospectus will be made available to the public, for the entire duration of the plan, at the Company's registered office and on the website www.deacapital.com, under Corporate Governance – Incentive Plans, and according to other procedures prescribed by law.

For information on the existing remuneration plans based on financial instruments, please see the tables published on 20 April 2017, available on the website www.deacapital.com under Corporate Governance – Incentive Plans, and the information given in the Remuneration Report, which will be published in accordance with the provisions of Article 123-*ter* of the Consolidated Finance Law.

Details of these plans may be viewed on the website www.deacapital.com, under Corporate Governance – Incentive Plans.

Remuneration Report

The Board of Directors examined and approved, after obtaining the favourable opinion of the Remuneration and Appointments Committee, the Remuneration Report pursuant to article 123-ter of the Consolidated Finance Act, article 84-*quater* of the Issuer Regulations and article 6 of the Code of Conduct. Section I of the Remuneration Report (setting out the Company's remuneration policy) will be submitted to the Shareholders' Meeting for consideration pursuant to section 123-ter, paragraph. 6, of the Consolidated Finance Law.

Corporate governance

As regards governance, the Board of Directors approved the "*Report on corporate governance and corporate ownership for 2017*" drafted pursuant to article 123-*bis* of the Consolidated Finance Law.

Convening the shareholders' meeting

The Board of Directors unanimously granted its Chairman and the Chief Executive Officer joint and several authority to convene the ordinary shareholders' meetings scheduled for 19 April 2018 (first call) and 20 April 2018 (second call), determine the time and place of the meetings and draw up the agenda based on the Board's resolutions.

The Ordinary Shareholders' Meeting will be convened to resolve on: the approval of the Company's Annual Financial Statements for the year ending 31 December 2017; the proposal to distribute EUR 0.12 per share from the share reserve premium; the authorisation of the share buy-back plan; and the approval of a performance share plan. It will also cast an advisory vote on the Company's Remuneration Policy.

The documentation relating to the items on the agenda that is required by law or under regulatory provisions will be made available to the public in accordance with the law.

The **Annual Financial Statements**, along with the relevant documentation, will be available for consultation by the public on 28 March 2018: 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.com/EN/29/Annual%20and%20Quarterly%20Reports.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 art. 154-*bis*, para. 2 of the Consolidated Finance Law (TUF), that the financial information contained in this press release accurately represents the figures in the Company's accounting records.

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DeA Capital (www.deacapital.com). 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 about EUR 11.7 billion assets under management and is listed in the STAR segment of the Milan stock exchange.

The Group's operating performance and financial position at 31 December 2017, 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 yet been audited by the independent auditors or by the Board of Statutory Auditors.

Net Asset Value

| | 31 December 2017 | | December 31, 2016 "adjusted" (*) | |
|--|------------------|-------------|-------------------------------------|-------------|
| | M€ | €/Sh. | M€ | €/Sh. |
| Private Equity Investment | | | | |
| - Kenan Inv. / Migros | 45.6 | 0.18 | 66.9 | 0.26 |
| - Funds - Private Equity / Real Estate | 170.9 | 0.67 | 202.9 | 0.78 |
| - Other (Sigla, Crescita,...) | 33.4 | 0.13 | 11.7 | 0.04 |
| Total PEI (A) | 249.9 | 0.98 | 281.5 | 1.08 |
| Alternative Asset Management | | | | |
| - IDeA FIMIT SGR | 101.2 | 0.40 | 122.7 | 0.47 |
| - IDeA Capital Funds SGR | 39.4 | 0.15 | 37.7 | 0.14 |
| - Other (IRE / SPC) | 6.0 | 0.02 | 6.9 | 0.03 |
| Total AAM (B) | 146.6 | 0.57 | 167.3 | 0.64 |
| Investment Portfolio (A+B) | 396.5 | 1.55 | 448.8 | 1.72 |
| Other net assets (liabilities) | 0.6 | 0.00 | 0.7 | 0.00 |
| Net Financial Position Holdings | 92.3 | 0.36 | 48.5 | 0.19 |
| NAV | 489.4 | 1.91 | 498.0 | 1.91 |

(*) The "adjusted" results at 31.12.2016 take into account the extraordinary dividend distribution of 0,12 € / share, for a total 31,2 million Euro, which was completed in May 2017

Consolidated Statement of Financial Position

| (EUR thousand) | 31.12.17 | 31.12.16 |
|--|----------------|----------------|
| ASSETS | | |
| Non-current assets | | |
| <i>Intangible and tangible assets</i> | | |
| Goodwill | 93,745 | 129,399 |
| Intangible assets | 23,488 | 27,184 |
| Property, plant and equipment | 1,458 | 2,145 |
| Total intangible and tangible assets | 118,691 | 158,728 |
| <i>Investments</i> | | |
| Investments valued at equity | 29,293 | 33,449 |
| Investments held by Funds | 48,583 | 84,084 |
| - <i>available for sale investments</i> | 13,683 | 47,845 |
| - <i>invest. in associates and JV valued at FV through P&L</i> | 34,900 | 36,239 |
| Other available-for-sale companies | 78,953 | 67,166 |
| Available-for-sale funds | 169,776 | 182,787 |
| Other available-for-sale financial assets | 13 | 22 |
| Total Investments | 326,618 | 367,508 |
| <i>Other non-current assets</i> | | |
| Deferred tax assets | 2,173 | 1,992 |
| Loans and receivables | 684 | 960 |
| Other non-current assets | 5,403 | 30,147 |
| Total other non-current assets | 8,260 | 33,099 |
| | 453,569 | 559,335 |
| Current assets | | |
| Trade receivables | 16,069 | 11,191 |
| Available-for-sale financial assets | 4,385 | 4,242 |
| Financial receivables | 578 | 2,715 |
| Tax receivables from Parent companies | 1,055 | 2,282 |
| Other tax receivables | 11,272 | 9,190 |
| Other receivables | 16,886 | 3,976 |
| Cash and cash equivalents | 127,916 | 96,438 |
| Total current assets | 178,161 | 130,034 |
| | 178,161 | 130,034 |
| Held-for-sale assets | | |
| | 0 | 11,487 |
| TOTAL ASSETS | 631,730 | 700,856 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | |
| SHAREHOLDERS' EQUITY | | |
| Share capital | 255,670 | 261,207 |
| Share premium reserve | 234,713 | 267,640 |
| Legal reserve | 61,322 | 61,322 |
| Fair value reserve | 77,009 | 67,842 |
| Other reserves | (10,536) | (11,661) |
| Retained earnings (losses) | (117,095) | (129,574) |
| Profit/(loss) for the year | (11,652) | 12,427 |
| | 489,431 | 529,203 |
| Net equity Group | | |
| Minority interests | 95,182 | 131,844 |
| Shareholders' equity | 584,613 | 661,047 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Deferred tax liabilities | 8,049 | 8,588 |
| Provisions for employee termination benefits | 4,204 | 4,016 |
| Long term financial loans | 0 | 19 |
| Payables to staff | 81 | 207 |
| | 12,334 | 12,830 |
| Total non-current liabilities | | |
| Current liabilities | | |
| Trade payables | 6,594 | 6,019 |
| Payables to staff and social security organisations | 8,330 | 7,033 |
| Current tax | 1,998 | 2,941 |
| Other tax payables | 5,564 | 1,429 |
| Other payables | 12,097 | 8,335 |
| Short term financial loans | 200 | 1,222 |
| | 34,783 | 26,979 |
| Total current liabilities | | |
| Held-for-sale liabilities | | |
| | 0 | 0 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 631,730 | 700,856 |

Summary Consolidated Income Statement

| (EUR thousand) | Financial year 2017 | Financial year 2016 |
|---|---------------------|---------------------|
| Alternative Asset Management fees | 57,944 | 59,114 |
| Income (loss) from equity investments | 3,898 | 524 |
| Other investment income/expense | 8,633 | 12,338 |
| Income from services | 2,208 | 8,509 |
| Other income | 144 | 288 |
| Other expenses (*) | (98,616) | (66,888) |
| Financial income and expenses | (84) | (1,220) |
| PROFIT/(LOSS) BEFORE TAX | (25,873) | 12,665 |
| Income tax | (420) | (199) |
| PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS | (26,293) | 12,466 |
| Profit (Loss) from discontinued operations/held-for-sale assets | 682 | 0 |
| PROFIT/(LOSS) FOR THE PERIOD | (25,611) | 12,466 |
| - Group share | (11,652) | 12,427 |
| - Non controlling interests | (13,959) | 39 |
| Earnings per share, basic (€) | (0.045) | 0.047 |
| Earnings per share, diluted (€) | (0.045) | 0.047 |

(*) includes items "personnel costs", "service costs", "depreciation, amortization and impairment" and "other expenses"

Consolidated Statement of Comprehensive Income

| (EUR thousand) | Financial year 2017 | Financial year 2016 |
|--|---------------------|---------------------|
| Profit/(loss) for the period (A) | (25,611) | 12,466 |
| Comprehensive income/expense which might be subsequently reclassified within the profit (loss) for the period | 7,962 | 5,660 |
| Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period | 14 | 27 |
| Other comprehensive income, net of tax (B) | 7,976 | 5,687 |
| Total comprehensive income for the period (A)+(B) | (17,635) | 18,153 |
| Total comprehensive income attributable to: | | |
| - Group Share | (2,708) | 16,687 |
| - Non Controlling Interests | (14,927) | 1,466 |

Consolidated Cash Flow Statement

| (EUR thousand) | Year 2017 | Year 2016 |
|---|------------------|------------------|
| CASH FLOW from operating activities | | |
| Investments in funds and shareholdings | (43,560) | (34,752) |
| Capital reimbursements from funds | 40,427 | 25,617 |
| Proceeds from the sale of investments | 80,960 | 18,065 |
| Interest received | 128 | 299 |
| Interest paid | (36) | (85) |
| Cash distribution from investments | 1,588 | 49 |
| Realized gains (losses) on exchange rate derivatives | (3) | 1 |
| Taxes paid | 4,663 | (3,141) |
| Dividends received | 607 | 3,500 |
| Management and performance fees received | 48,954 | 55,468 |
| Revenues for services | 2,376 | 11,498 |
| Operating expenses | (44,958) | (57,371) |
| Net cash flow from operating activities | 91,146 | 19,148 |
| CASH FLOW from investment activities | | |
| Acquisition of property, plant and equipment | (85) | (54) |
| Sale of property, plant and equipment | 5 | 14 |
| Purchase of licenses | (553) | (250) |
| Net cash flow from investing activities | (633) | (290) |
| CASH FLOW from financing activities | | |
| Acquisition of financial assets | (2,696) | (1,977) |
| Sale of financial assets | 2,506 | 5,254 |
| Share capital issued | 1,574 | 4,529 |
| Own shares acquired | (8,043) | (3,776) |
| Share capital issued for Stock Option Plan | 276 | 352 |
| Dividends paid | (53,569) | (43,537) |
| Loan | (301) | (382) |
| Financial receivavbles/payables | 2,130 | 1,336 |
| Bank loan paid back | (912) | 345 |
| Net cash flow from financing activities | (59,035) | (37,856) |
| CHANGE IN CASH AND CASH EQUIVALENTS | 31,478 | (18,998) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 96,438 | 123,468 |
| Cash and cash equivalents relating to held-for-sale assets | 0 | 0 |
| Cash and cash equivalents at beginning of period | 96,438 | 123,468 |
| Effect of change in basis of consolidation: cash and cash equivalents | 0 | (8,032) |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 127,916 | 96,438 |

Statement of Financial Position of the Parent Company

| (EUR) | 31.12.2017 | 31.12.2016 |
|---|--------------------|--------------------|
| ASSETS | | |
| Non-current assets | | |
| Intangible and tangible assets | | |
| Intangible assets | 2,129 | 8,917 |
| Tangible assets | 210,600 | 330,072 |
| <i>Total intangible and tangible assets</i> | 212,729 | 338,989 |
| Investments | | |
| Subsidiaries and joint ventures | 175,187,744 | 219,865,219 |
| Associates | 18,953,485 | 20,832,375 |
| Available-for-sale investments | 78,898,520 | 67,129,899 |
| Available-for-sale funds | 126,614,722 | 138,080,795 |
| <i>Total Investments</i> | 399,654,471 | 445,908,288 |
| Other non-current assets | | |
| Deferred tax assets | 0 | 0 |
| Tax receivables from Parent companies | 0 | 19,332 |
| <i>Total other non-current assets</i> | 0 | 19,332 |
| Total non-current assets | 399,867,200 | 446,266,609 |
| Current assets | | |
| Trade receivables | 757,535 | 155,843 |
| Financial receivables | 1 | 2,137,953 |
| Tax receivables from Parent companies | 900,043 | 1,637,446 |
| Other tax receivables | 719,662 | 1,170,774 |
| Other receivables | 512,666 | 506,926 |
| Cash and cash equivalents | 90,244,529 | 68,621,804 |
| <i>Total current assets</i> | 93,134,436 | 74,230,746 |
| Total current assets | 93,134,436 | 74,230,746 |
| Held-for-sale assets | | |
| TOTAL ASSETS | 493,001,636 | 531,984,040 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | |
| SHAREHOLDERS' EQUITY | | |
| Shareholders' equity | 490,574,012 | 529,670,590 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Deferred tax liabilities | 0 | 0 |
| Provisions for employee termination benefits | 320,572 | 344,889 |
| <i>Total non-current liabilities</i> | 320,572 | 344,889 |
| Current liabilities | | |
| Trade payables | 1,023,776 | 913,870 |
| Payables to staff and social security organisations | 821,314 | 686,915 |
| Current tax payables | 63,926 | 63,926 |
| Other tax payables | 187,678 | 263,928 |
| Other payables | 10,358 | 39,922 |
| <i>Total current liabilities</i> | 2,107,052 | 1,968,561 |
| Held-for-sale liabilities | 0 | 0 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 493,001,636 | 531,984,040 |

Income Statement of the Parent Company

| (EUR) | Financial year 2017 | Financial year 2016 |
|---|---------------------|---------------------|
| Other investment income/expense | (34,446,158) | 9,268,634 |
| Income from services | 3,171,961 | 1,817,467 |
| Other income | 956 | 37,283 |
| Personnel costs | (8,498,584) | (7,716,902) |
| Financial income | 64,790 | 13,704 |
| PROFIT/(LOSS) BEFORE TAX | (39,707,035) | 3,420,186 |
| Income tax | 2,759,801 | 4,153,721 |
| PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS | (36,947,234) | 7,573,907 |
| Profit (Loss) from discontinued operations/held-for-sale assets | 346,691 | 0 |
| PROFIT/(LOSS) FOR THE YEAR | (36,600,543) | 7,573,907 |

Summary of the financial results of the asset management companies

DeA Capital Alternative Funds SGR

DeA Capital Alternative Funds SGR operates in the management of private equity funds (funds of funds, co-investment funds and theme funds). At 31 December 2017, the asset management company managed ten closed-end private equity funds, including four funds of funds (IDeA I FoF, ICF II, ICF III and IDeA Crescita Globale, which serves the retail segment), a "direct" co-investment fund (IDeA OF I), four theme funds (IDeA EESS, which operates in energy efficiency, IDeA ToI, in the agricultural foods sector, and IDeA CCR I, Italy's leading debtor-in-possession financing fund) and, since April 2015, Investitori Associati IV (in liquidation).

With regard to operating performance, in 2017 the company posted a year-on-year increase of more than EUR 250 million in assets under management; the increase is mainly related to the closing of the IDeA CCR II fund (EUR 296 million). In terms of economic performance, a year-on-year comparison is affected by one-off receipts recorded in 2016 to realign the management fees earned on additional closings of IDeA ToI.

| DeA Capital Alternative Funds SGR (in EUR million) | 2017 | 2016 |
|---|------|------|
| <i>Assets under management (in EUR billion)</i> | 2.2 | 1.9 |
| Management fees | 18.4 | 20.7 |
| EBITDA | 4.9 | 6.2 |
| Net profit | 3.1 | 3.8 |



DeA Capital Real Estate SGR

DeA Capital Real Estate SGR is the largest independent real estate asset management company in Italy, with around EUR 9.5 billion in assets under management and 43 managed funds (including four listed funds). This makes it a benchmark operator for Italian and international institutional investors in the promotion, creation and management of mutual real estate investment funds.

With regard to operating performance, in 2017 the Company confirmed the growth trend in assets and also returned to growth in revenues, with the launch of six new funds and the second phase of the "Trophy Value Added" fund, with total receipts of EUR 1.3 billion.

The 2017 net loss of DeA Capital Real Estate SGR was negatively affected (i) by the partial impairment of goodwill (EUR -34.2 million) decided by the Company in light of the current/future trend in income from assets under management and (ii) by the partial impairment of assets related to financial equity instruments (with an impact on the income statement of EUR -7.0 million, compared with EUR -4.2 million in 2016).

Net profit attributable to shareholders, excluding the impairment of goodwill described above, was much higher than in the previous year.

| DeA Capital Real Estate SGR (in EUR million) | 2017 | 2016 |
|--|-------|------|
| <i>Assets under management (in EUR billion)</i> | 9.5 | 8.7 |
| Management fees | 41.4 | 40.3 |
| EBITDA | 15.5 | 15.6 |
| Net profit/loss of which: | -32.0 | 1.2 |
| - attributable to shareholders | -25.0 | 5.4 |
| - attributable to holders of financial equity instruments | -7.0 | -4.2 |

