

**PRESS RELEASE**

**BOARD OF DIRECTORS APPROVES  
THE CONSOLIDATED FINANCIAL STATEMENTS AND THE DRAFT ANNUAL  
FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2019**

**PROPOSAL TO THE SHAREHOLDERS' MEETING FOR A DISTRIBUTION OF RESERVES  
EQUAL TO EUR 0.12 PER SHARE**

- **COMBINED ASSETS UNDER MANAGEMENT OF APPROXIMATELY EUR 22,600 BILLION**
- **FEE INCOME AT EUR 64.9 MILLION (+2.5% COMPARED TO 2018), WITH GROUP NET PROFITS INCREASED TO EUR 12.3 MILLION (+10.8%)**
- **DIVIDEND CONFIRMED AT EUR 0.12 PER SHARE, AGAINST A POSITIVE NET FINANCIAL POSITION OF THE HOLDINGS COMPANIES OF EUR 65.8 MILLION**

*Milan, 10 March 2020* - Today the Board of Directors of **DeA Capital S.p.A.** met to examine and approve the Group's Consolidated Financial Statements and the Parent Company's Draft Financial Statements for the year ending 31 December 2019.

**ANALYSIS OF THE CONSOLIDATED RESULTS**

- At 31 December 2019, the **Combined Assets Under Management (AUM)** are EUR 22,600 million, divided as follows: Real Estate 45%, Investment Solutions 33%, Non Performing Exposure – NPE 14% and Private Equity 8%.

It should be noted that Combined Assets under Management are defined as assets managed by the management companies in which the Group holds an absolute or relative (non-consolidated) majority interest, and the assets managed by the international subsidiaries. Total commitments are considered for Alternative Investment funds.

- **Management fees** at EUR 64.9 million (+2.5% compared to 2018), substantially thanks to the greater NPE contribution; more specifically, at 31 December 2019:
  - **DeA Capital Alternative Funds SGR** recorded an increase of AUM of over EUR 2,500 million compared to the previous financial year, due mainly to the purchase of the business unit consisting of the assets of NPL Management of Quaestio SGR, including the management of the IRF fund, (with AUM of more than EUR 2,300 million, consolidated only for the last two months of 2019);
  - **DeA Capital Real Estate SGR** increased AUM by approximately EUR 430 million compared to 2018, with the launch of 6 new funds;
- **Group Net Profit** was equal to a profit of EUR 12.3 million, compared with a profit of EUR 11.1 million in 2018 (+10.8%).

- The **Net Financial Position** of the **Holdings Companies** was a positive EUR 65.8 million, compared to EUR 65.3 million at 31 December 2018 (adjusted for the distribution of the extraordinary dividend of EUR 0.12 per share or approximately EUR 31.2 million paid in May 2019 and for the effect of the application of IFRS 16 from 1 January 2019). The consolidated Net Financial Position came to EUR 105.6 million at 31 December 2019, compared with EUR 101.0 million at 31 December 2018.
- **Net Asset value (NAV)** amounted to EUR 1.76 per share, compared to EUR 1.72 per share at 31 December 2018 (adjusted for the distribution of the extraordinary dividend mentioned above). Total NAV (Group shareholders' equity) amounted to EUR 457.5 million.

It should be noted that the Annual Financial Report, accompanied by relevant documentation, will be made available to the public on Friday, 27 March 2020, at the registered office, on the Iinfo authorised storage system ([www.1info.it](http://www.1info.it)) and on the website <http://www.deacapital.it/IT/29/Bilanci%20e%20Relazioni.aspx>.

## **ALTERNATIVE ASSET MANAGEMENT**

### ▪ ***New Platform Funds***

During 2019, the Alternative Asset Management Platform, composed of DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR, launched/ acquired the management of new funds for Assets Under Management totalling approximately EUR 3,000 million.

In particular, on 5 November 2019 the subsidiary DeA Capital Alternative Funds SGR incorporated the business unit constituted by the assets of NPL Management of Quaestio SGR, including the management of the Italian Recovery Fund, with Assets Under Management of over EUR 2,300 million. During 2019, SGR also launched the "DeA Endowment Fund" fund of funds, obtained the mandate for the management of a portion of the non-reserved closed-end AIF called "Azimut Private Debt" and completed further *closings* of the IDEa CCR I and IDEa CCR II funds (for more than EUR 200 million).

At the same time, during 2019, the subsidiary DeA Capital Real Estate SGR launched 6 new real estate funds, for over EUR 400 million of new assets.

### ▪ ***Platform Internationalisation Project***

With the constitution during 2019 of DeACapital Real Estate Iberia and DeA Capital Real Estate Poland, DeA Capital S.p.A. is continuing the project of developing the real estate platform on a pan-European basis, through Group subsidiaries and jointly-controlled companies and with the involvement of local senior management teams (already launched through the establishment at the end of 2018 of DeA Capital Real Estate France).

### ▪ ***Acquisition of the relative majority holding in Quaestio SGR***

In execution of the agreements stipulated in July 2019, on 6 November 2019 the acquisition was completed of the majority holding (38.8%) of Quaestio Holding, owner of 100% of Quaestio Capital Management SGR. With the sales of the assets of NPL Management and of NPL Servicing completed between the end of 2019 and the beginning of 2020, Quaestio Management focused its operation on investment solutions for institutional investors, with Assets Under Management amounting to over EUR 7,500 million.

The transaction consideration was quantified at approximately EUR 14.5 million, corresponding to an equity value of approximately EUR 37.3 million for 100% of the company.

A price supplement (EUR 22.3 million) was added to the above amount, substantially equal to the pro-rata share of liquidity in the Quaestio Group resulting from the aforementioned sales of the assets of NPL Management and NPL Servicing. In view of the commitment undertaken by the parties to distribute this liquidity to the shareholders as soon as possible, DeA Capital S.p.A. entered this amount (EUR 22.3 million) in the management indicator of the Net Financial Position.

Post-acquisition, the corporate structure of Quaestio Holding is composed as follows:

- DeA Capital S.p.A. with a 38.82% stake;
- Fondazione Cariplo, with a 34.01% stake;
- Other institutional investors (Cassa Italiana di Previdenza ed Assistenza dei Geometri Liberi Professionisti [*Italian Welfare and Assistance Fund for Freelance Surveyors*], Cassa di Risparmio di Forlì Foundation and Direzione Generale Opere Don Bosco) with an overall stake of 27.17%.

Finally, it should be noted that a new five-year shareholders' agreement among the shareholders of Quaestio Holding was signed, establishing the corporate governance structure for the Quaestio group.

### **ALTERNATIVE INVESTMENT**

#### ▪ ***Disposal of Migros units***

On 22 November 2019, Kenan Investments and the wholly-owned subsidiary Moonlight Capital completed, through accelerated book building, the partial disposal of an approximately 11% holding of Migros, for a share of proceeds pertaining to DeA Capital S.p.A. of EUR 11.2 million. Subsequent to the transaction, fully-diluted holding in Migros of DeA Capital S.p.A. was approximately 2%.

#### ▪ ***Launch of the IDeaMI liquidation process***

It is noted that, as a result of reaching the term of the statutory duration of the company fixed at 11 December 2019, and not having realised by this date a business combination with a "Target" company, IDeaMI launched the liquidation process, simultaneously ceasing the trading of the related issued ordinary shares and warrants on the Alternative Investment Market (AIM) Italia. It is expected to complete this process during the 3rd quarter of 2020, with an estimated cash in for DeA Capital S.p.A. of approximately EUR 22 million.

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### **PROPOSED PARTIAL DISTRIBUTION OF THE SHARE PREMIUM RESERVE.**

The Board of Directors has resolved to propose to the Shareholders' Meeting, called for 20 April 2020 in the first call and for 24 April 2020 in the second call, to bring forward, to reduce past losses, the profits resulting from the Financial Statements at 31 December 2019 of the Parent Company DeA Capital S.p.A. (EUR 12.5 million).

In addition, the Board of Directors has resolved to submit for approval to the Shareholders' Meeting the partial distribution of the Share Premium Reserve in the amount of **EUR 0.12 per share, as an Extraordinary Dividend**. The expected ex-dividend date is 22 June 2020, the record date is 23 June 2020 and the payment on 24 June 2020.

## **SHARE BUY-BACK PLAN**

The Board of Directors has also resolved to submit to the approval of the Shareholders' Meeting a buy-back and disposal plan of DeA Capital in compliance with the terms and conditions determined by the Shareholders' Meeting. The plan intends to replace the previous plan approved by the Shareholders' Meeting on 18 April 2019 and scheduled to expire with the approval of the Financial Statements at 31 December 2019.

The new plan will pursue objectives, including: (i) purchasing treasury shares to be used for extraordinary transactions and share incentive schemes; (ii) offering shareholders a means of monetising their investment; (iii) the opportunity for the Company to make a good investment or to give the market a positive sign of confidence; (iv) stabilising the share price; (v) allocation of excess liquidity. The buy-back transactions could also be aimed at regulating trading.

The new plan includes the authorization to purchase, in single or multiple transactions, n. 53,322,420 ordinary shares representing a holding of no more than 20% of the share capital.

The proposal to the Shareholders' Meeting also provides that:

- (i) the authorisation to make the purchases is requested for the period between the date of the Shareholders' Meeting's authorisation and the date of the Shareholders' Meeting called to approve the Financial Statements at 31 December 2020 (without prejudice in any case to the maximum term established by law), moreover the Shareholders' Meeting is also asked for permission to dispose of the purchased shares, without time limits;
- (ii) the purchase transactions can be carried out in all the ways permitted by the current regulatory legislation, also according to the regulations in force at the time, to be identified at Board of Directors' discretion each time;
- (iii) that the unit price for the purchase of the shares will be set on a case-by-case basis for each single transaction, without prejudice to the fact that the price must not be more than 20% above or below the share's reference price on the trading day prior to each purchase. This criterion does not permit the potential total maximum disbursement for the treasury share buy-back programme to be determined as of today.

The current number of treasury shares in the portfolio, as at 31 December 2019, is 6,636,485 or 2.5% of the share capital.

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## **PERFORMANCE SHARE PLAN 2020-2022**

The Board of Directors also resolved to submit for approval to the ordinary Shareholders' Meeting a performance share plan reserved to certain employees and/or directors of DeA Capital S.p.A., subsidiaries and the parent company De Agostini S.p.A..

Performance Share Plan 2020-2022 ("**PSP Plan**") provides for the free assignment to beneficiaries, which will be identified by the Board of Directors no later than 31 December 2020 from among the persons holding important roles with regard to the activities carried out by the Company, of a maximum of 1,750,000 units that, where and to the extent vested, give the holder the right to convert the same into DeA Capital S.p.A. ordinary shares with a nominal value of EUR 1 each, at the rate of 1 share for each unit held, upon the expiration of the vesting period. The PSP Plan's objective is to ensure loyalty in the relationship between the beneficiaries and the Company and to provide an incentive aimed at increasing the commitment to improve corporate performance, as well as to facilitate the continued presence of persons who hold

significant positions within the Company and to align management interests with those of the Shareholders.

Terms and conditions of the PSP Plan are described in the relevant information document prepared by the Board of Directors pursuant to Article 84-bis and Annex A of the regulation adopted with Consob Regulation ("the Issuers' Regulation"), which will be made available to the public at the registered office and on the website [www.deacapital.com](http://www.deacapital.com), in the Corporate Governance section – Incentive Plans, as well as with the additional methods provided by law for the entire duration of the plans themselves.

As regards compensation plans based on existing financial instruments, details of these plans are available on the [www.deacapital.com](http://www.deacapital.com), in the Corporate Governance section - Incentive Plans.

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## **REPORT ON REMUNERATION POLICY AND FEES PAID**

Following the favourable opinion of the Remuneration and Appointments Committee, the Board of Directors examined and approved the Report on remuneration policy and fees paid prepared pursuant to Article 123-ter of the Consolidated Finance Law (TUF). Section I entitled "Remuneration Policy" – illustrating the remuneration policy of directors, statutory auditors and key management personnel of the Company - will be submitted to a binding vote of the Shareholders' Meeting pursuant to Article 123-ter, paragraph 3-ter, of the Consolidated Finance Law (TUF), while Section II entitled "2019 Compensation" - which details the items comprising the remuneration of the aforementioned persons and the fees to be paid them during 2019 – will be submitted to the advisory vote of the Shareholders' Meeting pursuant to Article 123-ter, paragraph 6, of the Consolidated Finance Law (TUF).

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## **CORPORATE GOVERNANCE**

With regard to Governance, the Board approved the *"Report on Corporate Governance and Ownership Structure for the 2019 financial year"*, prepared pursuant to Article 123-bis of the Consolidated Finance Law (TUF).

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## **OUTLOOK**

In relation to significant events after the end of the Financial Year, in particular with reference to the macro-economic framework, the recent spread at a global level of the COVID-19 ("Coronavirus") should be noted. This may constitute a new and significant factor in the instability of the framework itself, capable above all of affecting our ability to enhance the portfolio assets and to raise funds.

While waiting to be able to more completely evaluate the effects of the aforesaid Coronavirus, the management of the DeA Capital Group will continue to be focused on the development of the *Alternative Asset Management* Platform, through the further growth of activities at the international level, the launch of new products and the coordination, in particular in the *go-to-market* strategy, of Quaestio SGR.

DeA Capital S.p.A. will continue to maintain a constant monitoring of the situation, with the support of a solid financial structure that is able to ensure - taking into account available liquidity - attractive cash returns to Shareholders, primarily through dividends.

## **CALLING OF THE SHAREHOLDERS' MEETING**

The Board of Directors has granted mandates to the Chairman of the Board of Directors and the Chief Executive Officer, separately from each other, so that they call the Shareholders' Meeting for **20 April 2020, first call, and for 24 April 2020, second call**, determining the time and place, as well as the agenda, in accordance with the Board's resolution.

The Shareholders' Meeting will be called to vote on: the approval of the Company's Financial Statements at 31 December 2019 and the proposed distribution of EUR 0.12 per share payable out of the Share Premium Reserve, as an Extraordinary Dividend; the authorisation to buy-back and dispose of treasury shares; the approval of a performance share plan; the binding vote on the Company's Remuneration Policy and an advisory vote on Section II relating to fees paid in 2019.

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## **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*, paragraph 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](http://www.deacapital.com)). DeA Capital S.p.A., part of the De Agostini Group and listed in the STAR segment of the MTA market of the Milan Stock Exchange, is the main independent Italian operator in Alternative Asset Management (for assets under management), with Combined Asset Under Management of over EUR 22,600 million and an investment portfolio of approximately EUR 390 million. The Group Platform – concentrated on the two subsidiaries, DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR, as well as on the indirect holding in Quaestio Capital Management SGR – is engaged in the promotion, management and development of real estate, private equity and credit investment funds and of investment solutions for institutional investors.

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*The Group's operating performance and financial position, along with a summary of the financial results of the asset management companies, are summarised below. The data presented in the accounting statements are not certified by the Audit Firm, nor verified by the Board of Statutory Auditors.*

**Net Asset Value**

	31 December 2019		31 December 2018 "adjusted"	
	M€	€/Sh.	M€	€/Sh.
<b>Alternative Asset Management</b>				
- DeA Capital Real Estate SGR	141.2	0.54	140.4	0.56
- DeA Capital Alternative Funds SGR	55.6	0.21	43.4	0.17
- Quaestio Holding	14.3	0.06	0.0	0.00
- Other (YARD, DeA Capital RE France, Iberia..)	6.6	0.03	6.8	0.03
<b>Total AAM (A)</b>	<b>217.7</b>	<b>0.84</b>	<b>190.6</b>	<b>0.76</b>
<b>Alternative Investment</b>				
- AI Platform Investments	118.0	0.45	116.0	0.45
- AI Other Investments	51.4	0.20	60.0	0.24
<b>Total AI (B)</b>	<b>169.4</b>	<b>0.65</b>	<b>176.0</b>	<b>0.69</b>
<b>Investment Portfolio (A+B)</b>	<b>387.1</b>	<b>1.49</b>	<b>366.6</b>	<b>1.45</b>
<b>Other net assets (liabilities)</b>	<b>4.6</b>	<b>0.02</b>	<b>3.4</b>	<b>0.01</b>
<b>Net Financial Position Holdings</b>	<b>65.8</b>	<b>0.25</b>	<b>65.3</b>	<b>0.26</b>
<b>NAV</b>	<b>457.5</b>	<b>1.76</b>	<b>435.3</b>	<b>1.72</b>

## Consolidated Statement of Financial Position

	31.12.2019	1.1.2019 restated for IFRS 16 (*)	31.12.2018 "as reported"
<i>(EUR thousand)</i>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible and tangible assets</b>			
Goodwill	104,647	93,745	93,745
Intangible assets	42,912	21,023	21,023
Property, plant and equipment	14,297	16,924	854
- Building in Leasing	13,420	15,681	0
- Other leased assets	318	389	0
- Other property, plant and equipment	559	854	854
Total intangible and tangible assets	161,856	131,692	115,622
<b>Investments</b>			
Investments at equity	30,802	20,892	20,892
Investments held by Funds at Fair Value through P&L	22,773	23,511	23,511
Other Investments at Fair Value through P&L	50,382	50,953	50,953
Funds at Fair Value through P&L	143,597	153,551	153,551
Other financial assets at Fair Value through P&L	37	36	36
Total financial Investments	247,591	248,943	248,943
<b>Other non-current assets</b>			
Deferred tax assets	2,409	2,183	2,183
Loans and receivables	2,485	752	752
Receivables for deferment of placement costs	377	482	482
Financial receivables for leasing - non current position	1,313	1,558	0
Other non-current assets	4,613	4,668	4,668
Total other non-current assets	11,197	9,643	8,085
<b>Total non-current assets</b>	<b>420,644</b>	<b>390,278</b>	<b>372,650</b>
<b>Current assets</b>			
Trade receivables	8,653	14,678	14,678
Financial assets at Fair Value	14,192	6,316	6,316
Financial receivables	0	500	500
Financial receivables for leasing - current position	245	240	0
Tax receivables from parent companies	3,953	374	374
Other tax receivables	37,176	15,760	15,760
Other receivables	8,207	4,051	4,051
Cash and cash equivalents	99,511	143,767	143,767
Total current assets	171,937	185,686	185,446
<b>Total current assets</b>	<b>171,937</b>	<b>185,686</b>	<b>185,446</b>
<b>TOTAL ASSETS</b>	<b>592,581</b>	<b>575,964</b>	<b>558,096</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	266,612	306,612	306,612
Share premium reserve	186,882	240,859	240,859
Legal reserve	61,322	61,322	61,322
Own share reserve	(10,415)	(82,766)	(82,766)
Fair value reserve	402	(179)	(179)
Other reserves	(17,930)	(18,555)	(18,555)
Retained earnings (losses)	(41,665)	(51,882)	(51,882)
Profit (loss) for the year	12,256	11,070	11,070
<b>Net equity Group</b>	<b>457,464</b>	<b>466,481</b>	<b>466,481</b>
<b>Minority interests</b>	<b>23,634</b>	<b>39,299</b>	<b>39,299</b>
<b>Shareholders' equity</b>	<b>481,098</b>	<b>505,780</b>	<b>505,780</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Trade payables	800	900	900
Deferred tax liabilities	5,993	6,018	6,018
End-of-service payment fund	5,582	4,637	4,637
Payables to staff and social security organisations	631	0	0
Financial liabilities	13,457	17,909	2,859
- Financial liabilities for leased buildings	12,437	15,050	0
- Other financial liabilities	1,020	2,859	2,859
<b>Total non-current liabilities</b>	<b>26,463</b>	<b>29,464</b>	<b>14,414</b>
<b>Current liabilities</b>			
Trade payables	5,470	5,535	5,535
End-of-service payment fund	21	0	0
Payables to staff and social security organisations	11,836	9,122	9,122
Current tax	4,336	5,846	5,846
Other tax payables	1,491	1,256	1,256
Other payables	42,299	15,939	15,939
Short term financial payables	19,567	3,022	204
- Short term financial payables for leased buildings	3,045	2,818	0
- Other Short term financial payables	16,522	204	204
<b>Total current liabilities</b>	<b>85,020</b>	<b>40,720</b>	<b>37,902</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>592,581</b>	<b>575,964</b>	<b>558,096</b>

(\*) Figures at 31.12.2018 adjusted for the effects of the application of the new accounting standard IFRS 16 from 1.1.2019



## Summary Consolidated Income Statement

(EUR thousand)	Financial Year 2019	Financial Year 2018
Alternative Asset Management fees	66,117	62,422
Income (loss) from investments valued at equity	(647)	(59)
Other investment income/expense	6,832	37,848
Income from services	378	2,505
Other revenues and income	63	141
Other expenses and charges (*)	(59,475)	(56,232)
Financial income and expenses	2,791	485
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>16,059</b>	<b>47,110</b>
Income tax	(5,003)	(5,765)
<b>PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>11,056</b>	<b>41,345</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>11,056</b>	<b>41,345</b>
- Group share	12,256	11,070
- Non controlling interests	(1,200)	30,275
Earnings per share, basic (€)	0.047	0.044
Earnings per share, diluted (€)	0.047	0.044

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

## Performance by business in 2019

(EUR thousand)	Alternative Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	66,414	(297)	66,117
Income (loss) from investments valued at equity	104	(751)	0	(647)
Other investment income/expense	4,568	2,264	0	6,832
Other revenues and income	0	53	388	441
Other expenses and charges	(374)	(50,225)	(8,876)	(59,475)
Financial income and expenses	598	(251)	2,444	2,791
<b>PROFIT/(LOSS) BEFORE TAXES</b>	<b>4,896</b>	<b>17,504</b>	<b>(6,341)</b>	<b>16,059</b>
Income tax	0	(6,584)	1,581	(5,003)
<b>PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>4,896</b>	<b>10,920</b>	<b>(4,760)</b>	<b>11,056</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>4,896</b>	<b>10,920</b>	<b>(4,760)</b>	<b>11,056</b>
- Group share	5,277	11,739	(4,760)	12,256
- Non controlling interests	(381)	(819)	0	(1,200)

## Performance by business in 2018

(EUR thousand)	Alternative Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	63,251	(829)	62,422
Income (loss) from investments valued at equity	(776)	717	0	(59)
Other investment income/expense	42,060	(4,212)	0	37,848
Other revenues and income	2	1,867	777	2,646
Other expenses and charges	(2,635)	(47,539)	(6,058)	(56,232)
Financial income and expenses	501	(39)	23	485
<b>PROFIT/(LOSS) BEFORE TAXES</b>	<b>39,152</b>	<b>14,045</b>	<b>(6,087)</b>	<b>47,110</b>
Income tax	0	(4,817)	(948)	(5,765)
<b>PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>39,152</b>	<b>9,228</b>	<b>(7,035)</b>	<b>41,345</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>39,152</b>	<b>9,228</b>	<b>(7,035)</b>	<b>41,345</b>
- Group share	8,986	9,119	(7,035)	11,070
- Non controlling interests	30,166	109	0	30,275

## Consolidated Statement of Comprehensive Income

<i>(EUR thousand)</i>	<b>Financial Year 2019</b>	<b>Financial Year 2018</b>
<b>Profit/(loss) for the period (A)</b>	<b>11,056</b>	<b>41,345</b>
Comprehensive income/expense which might be subsequently reclassified to the profit (loss) for the period	581	(173)
Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period	(342)	(21)
<b>Other comprehensive income, net of tax (B)</b>	<b>239</b>	<b>(194)</b>
<b>Total comprehensive income for the period (A)+(B)</b>	<b>11,295</b>	<b>41,151</b>
<b>Total comprehensive income attributable to:</b>		
- Group Share	12,495	10,881
- Non Controlling Interests	(1,200)	30,270

## Consolidated Cash Flow Statement

<i>(EUR thousand)</i>	<b>Financial Year 2019</b>	<b>Financial Year 2018</b>
<b>CASH FLOW from operating activities</b>		
Investments in funds and shareholdings	(44,848)	(67,924)
Capital reimbursements from funds	39,716	58,689
Sale of investments	1,600	84,760
Interest received	521	574
Interest paid	(1)	(32)
Realized gains (losses) on exchange rate and derivatives	0	1
Taxes paid / reimbursed	(9,431)	(10,238)
Dividends received	135	183
Management and performance fees received	64,385	76,333
Revenues for services	2,137	2,350
Operating expenses	(45,063)	(48,288)
<b>Net cash flow from operating activities</b>	<b>9,151</b>	<b>96,408</b>
<b>CASH FLOW from investing activities</b>		
Acquisition of property, plant and equipment	(410)	(118)
Sale of property, plant and equipment	0	38
Purchase of licenses and intangible assets	(6,230)	(195)
<b>Net cash flow from investing activities</b>	<b>(6,640)</b>	<b>(275)</b>
<b>CASH FLOW from financing activities</b>		
Acquisition of financial assets	(7,658)	(2,726)
Sale of financial assets	516	200
Cash flow from leasing contract	(3,003)	0
Share capital issued	27	696
Own shares acquired	0	(3,186)
Share capital issued for Stock Option Plan	324	0
Dividends paid	(37,531)	(75,508)
Loans and bank loans	(2,046)	432
<b>Net cash flow from financing activities</b>	<b>(49,371)</b>	<b>(80,092)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(46,860)</b>	<b>16,041</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>143,767</b>	<b>127,916</b>
Change in basis of consolidation: cash and cash equivalents	2,604	(190)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>99,511</b>	<b>143,767</b>

## Parent Company's Statement of Financial Position

(EUR)	31.12.2019	1.1.2019 restated for IFRS 16 (*)	31.12.2018 "as reported"
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible and tangible assets</b>			
Intangible assets	22,320,454	0	0
Tangible assets	2,578,048	2,998,444	104,843
- Leased buildings	2,479,084	2,817,625	0
- Other leased assets	41,824	75,976	0
- Other tangible assets	57,140	104,843	104,843
<b>Total intangible and tangible assets</b>	<b>24,898,502</b>	<b>2,998,444</b>	<b>104,843</b>
<b>Investments</b>			
Subsidiaries and joint ventures	228,129,083	212,907,710	212,907,710
Associates	22,380,407	11,187,597	11,187,597
Other Investments at Fair Value through P&L	50,640,583	50,912,374	50,912,374
Funds at Fair Value through P&L	95,714,422	98,668,127	98,668,127
<b>Total Investments</b>	<b>396,864,495</b>	<b>373,675,808</b>	<b>373,675,808</b>
<b>Other non-current assets</b>			
Deferred tax assets	0	0	0
Financial receivables for leasing- non current position	7,123,235	8,452,538	0
<b>Total other non-current assets</b>	<b>7,123,235</b>	<b>8,452,538</b>	<b>0</b>
<b>Total non-current assets</b>	<b>428,886,232</b>	<b>385,126,790</b>	<b>373,780,651</b>
<b>Current assets</b>			
Trade receivables	330,773	310,122	310,122
Financial receivables	1	1	1
Financial receivables for leasing- current position	1,329,303	1,300,452	0
Tax receivables from Parent companies	2,412,782	0	0
Other tax receivables	2,794,207	3,590,820	3,590,820
Other receivables	43,766	495,382	495,382
Cash and cash equivalents	61,158,627	100,732,781	100,732,781
<b>Total current assets</b>	<b>68,069,459</b>	<b>106,429,558</b>	<b>105,129,106</b>
<b>Total current assets</b>	<b>68,069,459</b>	<b>106,429,558</b>	<b>105,129,106</b>
<b>TOTAL ASSETS</b>	<b>496,955,691</b>	<b>491,556,348</b>	<b>478,909,757</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	266,612,100	306,612,100	306,612,100
Share premium reserve	186,881,208	240,858,282	240,858,282
Legal reserve	61,322,420	61,322,420	61,322,420
Own share reserve	(10,415,488)	(82,765,896)	(82,765,896)
Other reserves	(5,172,414)	(5,737,177)	(5,737,177)
Retained earnings (losses)	(45,449,479)	(62,519,812)	(62,519,812)
Profit/(loss) for the year	12,451,459	17,303,851	17,303,851
<b>Shareholders' equity</b>	<b>466,229,806</b>	<b>475,073,768</b>	<b>475,073,768</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities	0	0	0
Provisions for employee termination benefits	410,056	318,288	318,288
Financial liabilities - non current position	9,368,926	10,930,805	0
- Financial liabilities for leased buildings	9,199,080	10,930,805	0
- Other Financial liabilities	169,846	0	0
<b>Total non-current liabilities</b>	<b>9,778,982</b>	<b>11,249,093</b>	<b>318,288</b>
<b>Current liabilities</b>			
Trade payables	659,991	1,259,579	1,259,579
Payables to staff and social security organisations	1,688,416	830,258	830,258
Tax payables to Parent company	0	1,132,133	1,132,133
Current tax payables to Subsidiaries	63,926	63,926	63,926
Other tax payables	200,182	214,990	214,990
Other payables	16,737	16,815	16,815
Short term financial payables	18,317,651	1,715,786	0
- Short term financial payables for leased buildings	1,807,987	1,715,786	0
- Short term financial payables	16,509,664	0	0
<b>Total current liabilities</b>	<b>20,946,903</b>	<b>5,233,487</b>	<b>3,517,701</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>496,955,691</b>	<b>491,556,348</b>	<b>478,909,757</b>

(\*) Figures at 31.12.2018 adjusted for the effects of the application of the new accounting standard IFRS 16 from 1.1.2019

## Parent Company's Income Statement

(EUR)	Financial Year 2019	Financial Year 2019
Other investment income/expense	18,503,754	23,905,019
Income from services	1,067,147	2,594,113
Other income	159	85,548
Personnel costs	(9,420,153)	(8,318,732)
Financial income	558,239	124,007
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>10,709,146</b>	<b>18,389,955</b>
Income tax	1,742,313	(1,086,104)
<b>PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS</b>	<b>12,451,459</b>	<b>17,303,851</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>12,451,459</b>	<b>17,303,851</b>

## Summary of the Financial Results of the asset management companies

### **DeA Capital Alternative Funds SGR**

DeA Capital Alternative Funds SGR is engaged in the management of alternative investment funds (funds of funds, private equity theme funds, as well as credit funds). At 31 December 2019, the asset management company managed 14 closed-end funds, including 5 funds of funds (IDeA I FoF, ICF II, ICF III, IDeA Crescita Globale and DeA *Endowment Fund*), 3 theme funds (IDeA EESS, IDeA ToI, IDeA Agro), a "direct" co-investment fund (IDeA OF I), 4 NPE funds (IDeA CCR I and II, with a focus on debtor-in-possession financing, and NPL funds, Atlante and Italian Recovery Fund - "IRF") as well as the Investitori Associati IV fund (in liquidation). The asset management company also has management delegations for a portion of the closed-end, non-reserved AIF called "Azimut Private Debt" instituted by Azimut Capital Management SGR.

DeA Capital Alternative Funds SGR (EUR million)	31 December 2019	31 December 2018
AUM	4,942	2,430
Management fees	24.5	23.5
Net Operating Profit (#)	4.9	6.1
Net Profit	4.9	6.1
Net Financial Position	16.1 <sup>(#)</sup>	10.9 <sup>(*)</sup>



(#) Before the impact of Purchase Price Allocation ("PPA"), impairment, other non-recurring items

(\*) Net of leasing liability (-2.5 EUR million)

(\*) Data at 31 December 2018 "adjusted". Reflects the application of IFRS 16 from 1.1.19 (-2.9 € million)

\* \* \*

### **DeA Capital Real Estate SGR**

DeA Capital Real Estate SGR is the largest independent real estate asset management company in Italy, with around EUR 9.9 billion in assets under management and 51 managed funds (including 2 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.

DeA Capital Real Estate SGR (EUR million)	31 December 2019	31 December 2018
AUM	9,888	9,451
Management fees	40.4	39.8
Net Operating Profit (#)	9.7	9.2
Net profit	9.4	2.6
-of which:		
- Shareholders	9.4	3.7
- Owners of financial equity instruments	0.0	(1.1)
Net Financial Position	20.5 <sup>(#)</sup>	12.4 <sup>(*)</sup>



(#) Before the impact of Purchase Price Allocation ("PPA"), impairment, other non-recurring items

(\*) Net of leasing liability (-7.6 EUR million)

(\*) Data at 31 December 2018 "adjusted". Reflects the application of IFRS 16 from 1.1.19 (-9.2 € million)