

DeA Capital

STAR CONFERENCE

Milan – March 21, 2017



DEA CAPITAL

DeA Capital: at a glance

DeA Capital is the #1 Alternative Asset Manager of private equity and real estate funds in Italy, with over € 11 Bln of AUM and NAV of € 529 Mln

AAM Platform

Real Estate

AUM

**8.7
Bln**



Private Equity

AUM

**1.9
Bln**



Credit Services

AUM

**0.7
Bln**



Real Estate Services



Investments

Funds Managed by

NAV

**280
Mln**



Direct

MIGROS

Sigla Credit

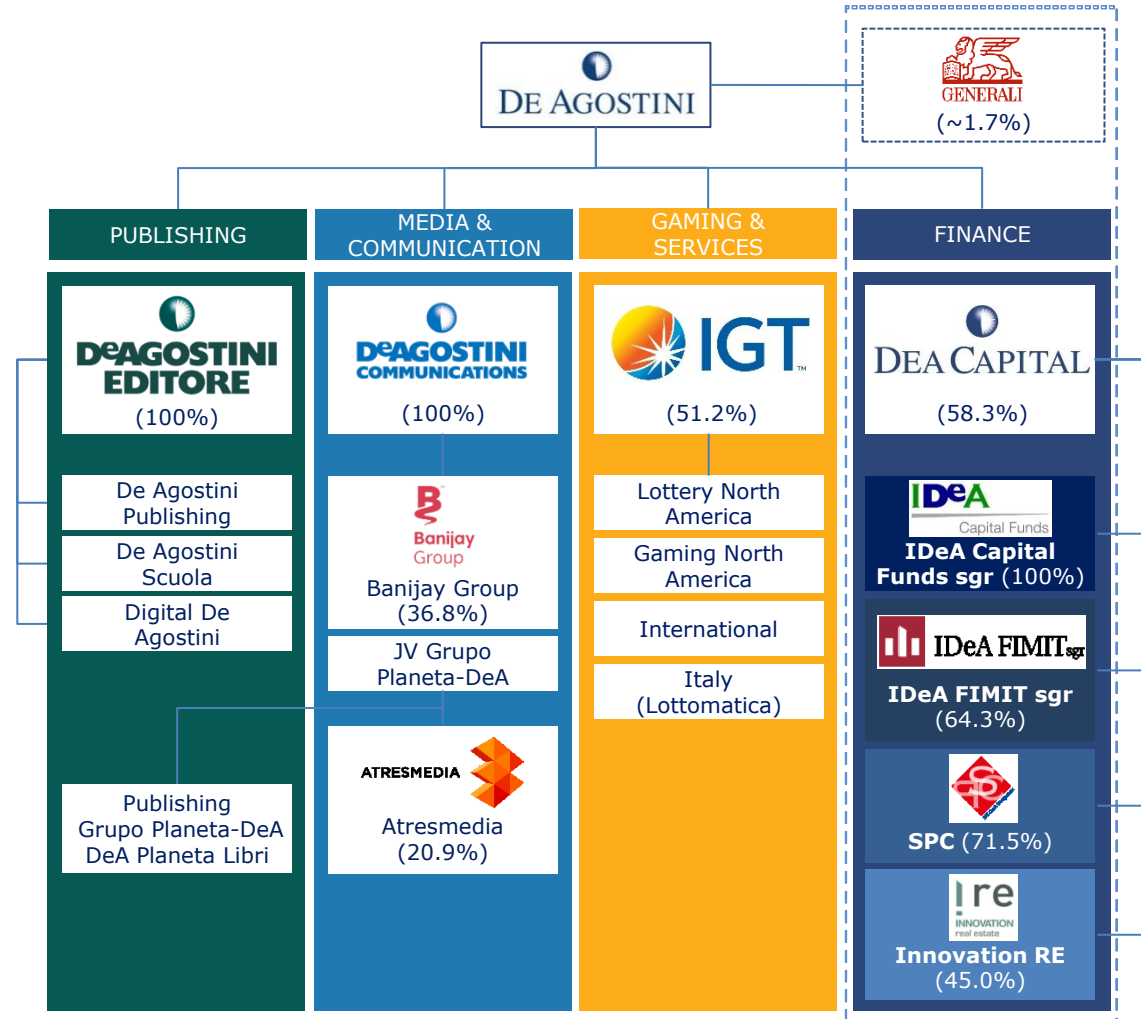
Key Aspects

- ❖ **Over 180 professionals**
 - Wide range of products in the most promising asset classes: Real Estate, Private Equity and NPL
 - Capability to structure and launch innovative products
 - Deep knowledge of the Italian market and its main players
 - Independent platform and state of the art compliance and risk management
- ❖ **Large international investors' network**
- ❖ **Experienced management team and reputable long term shareholders**
- ❖ **Strong balance sheet**
- ❖ **Listed company on the Milan Stock Exchange**

De Agostini Group

DE AGOSTINI GROUP

- ❖ De Agostini is a family-owned private group founded in 1901 and active worldwide with over **€ 5.0 Bln in revenues**
- ❖ During the last two decades, the De Agostini Group has gradually diversified its activities from the traditional publishing sector to other sectors and significantly expanded its operations in markets outside of Italy
- ❖ Today, the De Agostini Group, led by the holding De Agostini S.p.A., operates in four sectors through four sub-holdings:
 - **De Agostini Editore** – coordination and strategic management of all the Group's activities in the publishing sector, active in 30 countries with publications in 13 languages
 - **De Agostini Communications** – active in the media and communication sector, focused in production, broadcasting, and distribution of content for television, new media, and cinema
 - **IGT** – leader in the gaming and services market, listed on the New York Stock Exchange
 - **DeA Capital** – De Agostini Group's vehicle for alternative investments, listed on the Milan Stock Exchange



Key Financials

Alternative Asset Management

- ❖ Total AUM of € 11.3 Bln (8.7 in Real Estate, 1.9 in Private Equity, 0.7 in NPL)
- ❖ Management Fees RE-PE of € 59 Mln (ca. 56 bps on AUM)
- ❖ EBITDA RE-PE of € 22 Mln (37% on Management fees)
- ❖ Book value of AAM Platform of € 167 Mln

Direct / Indirect Investments

- ❖ Aggregate investments of € 282 Mln, including:
 - Migros € 67 Mln (TVPI at 1.45x)
 - Funds of Funds € 123 Mln (TVPI at 1.41x)
 - Other Funds € 71 Mln

Corporate

- ❖ Net Cash Position at holding level of € 80 Mln

THE COMPANY

- ❖ Italy's #1 fund manager in Real Estate
- ❖ High quality fund portfolio, focused on large Italian cities (65% in Milan and Rome) and on offices/bank branches (~65% of total) – 70% of space is rented
- ❖ A diversified investor base: over 90 institutional investors, 70,000 retail investors – Pension funds and institutions account for more than 80% of invested capital

KPI

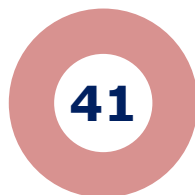
Net fees (€; Mln)



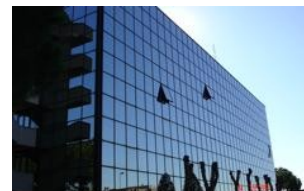
AUM (€; Bln)



Funds



TROPHY ASSETS



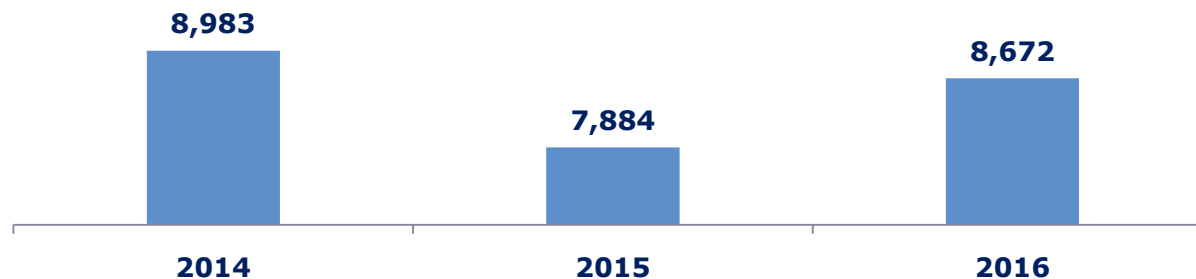
MAIN INVESTORS

Pension Funds	  	 	 
	    	  	
	 	 	 

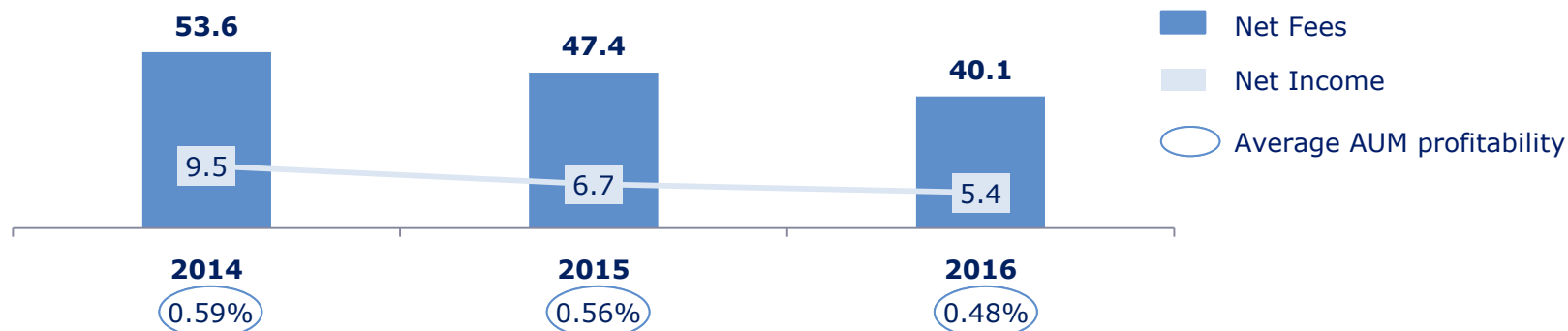
IDeA FIMIT AUM & Fees evolution

€ Mln

AUM



Net Fees & Net Income



Key Development Drivers

- ❖ First “rebound” of the AUM starting end of 2016/beginning of 2017 thanks to a strong pipeline
- ❖ Business development focused on:
 - Existing funds expansion
 - New core & value added initiatives
 - Product range expansion (e.g. NPL Fund)
- ❖ Profitability improvement through funds portfolio rationalization and balanced mix between traditional funds and innovative products

IDeA Capital Funds

THE COMPANY

- ❖ IDeA Capital Funds is the leading Italian private equity asset manager which manages single-manager, multi-manager investment programs and, starting from 2016, a non performing corporate credit fund
- ❖ With € 1.9 Bln of AUM, 30 professionals work daily to deserve investors' trust both by maintaining timely relationships with 50 international General Partners invested in over 700 companies, and by supporting management and entrepreneurs of 15 directly-participated companies, which employ more than 23,000 people and generate revenues for over € 3 Bln
- ❖ More than 250 Limited Partners including both sophisticated institutional investors and successful entrepreneurs repeatedly granted IDeA CF their trust
- ❖ A detailed reporting system, as well as direct access to the investment teams, allow LPs to constantly track their investments

KPI

Net fees (€; Mln)



AUM (€; Bln)



Funds



MAIN INVESTMENTS



MANAGED FUNDS

Multi Manager	€ Mln	Description	Vintage	Commitment
	IDeA FoF I		2007	681
	ICF II	Italian closed-end funds of PE funds with a global focus	2009	281
	IDeA Global Growth		2013	55
	ICF III		2014	67
Total Multi Manager			1,084	

Single Manager	€ Mln	Description	Vintage	Commitment
	IDeA Opportunity Fund I	Italian closed-end fund invested in minority stakes of Italian companies across different industries	2008	217
	IDeA EESS	Italian closed-end fund dedicated to energy efficiency and sustainable growth	2011	100
	IDeA Taste of Italy	Italian closed-end fund dedicated to the Italian food and beverage industry	2014	218
	Investitori Associati IV	Italian closed-end fund originally promoted by Investitori Associati SGR and managed by IDeA CF starting from 2015	2004	55 ⁽¹⁾
Total Single Manager			590	

Credit Fund	€ Mln	Description	Vintage	Commitment
	CCR		Italian closed-end fund investing in NPL of mid Italian companies and in DIP (Debtor-in-possession) proceedings	2016

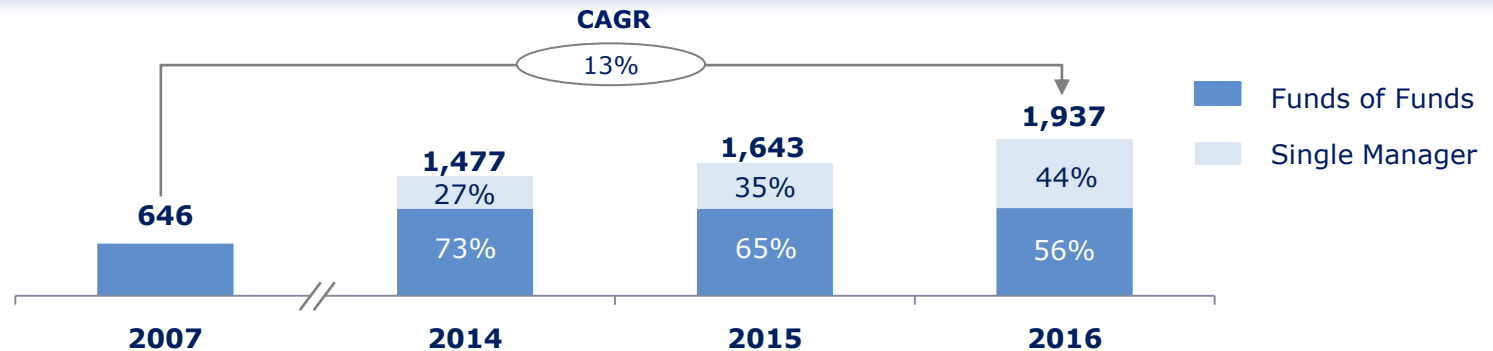
Total AUM 1,937

(1) Residual NAV after disposals
Data as of 31.12.2016

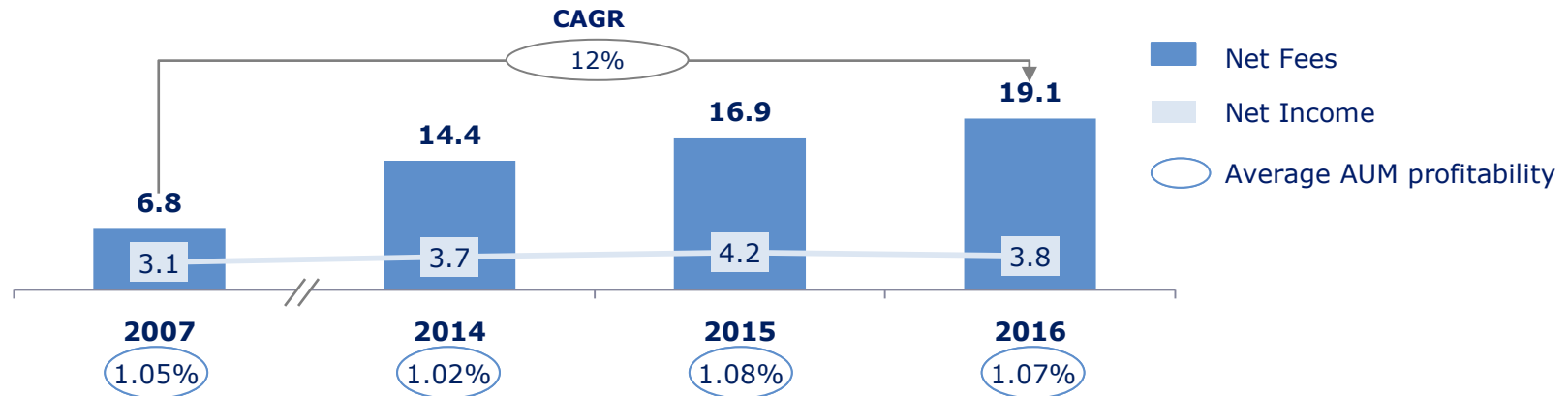
IDeA Capital Funds AUM & Fees evolution

€ Mln

AUM



Net Fees & Net Income



Key Development Drivers

- ❖ Shift of AUM mix from funds of funds to thematic funds and credit funds
- ❖ Develop the B2B segment by launch of managed accounts / "white label funds" for the banks distribution networks and insurance companies
- ❖ DeA Capital seed funding set in the 10% region for the new funds

DeA Capital strategy

❖ Growth of the AAM business

- Focus on consolidation of domestic leadership
- Launch of innovative products
- Focus on developing foreign investor base
- Possible international growth via partnerships / acquisitions
- Business model optimization (coordination of the investor coverage functions)

❖ Remodeling of the Private Equity Investment business

- Complete exit from existing Private Equity investments
- Sponsor new initiatives of the AAM platform
- Evaluate new direct Private Equity deals with a co-investor/club-deal approach together with IDeA CF (average size € 25/30 Mln per ticket)

❖ Expected **significant cash returns** to Shareholders through dividends/buyback

DeA Capital NAV ⁽¹⁾	NAV (€ Mln)	NAV per share	Stock Price ⁽²⁾
NAV	529	2.03	1.28
Cash	80	0.31	0.31
NAV net of Cash	449	1.72	0.97
<i>Of which:</i>			
AAM Platforms	167	0.64	
Funds of Funds	123	0.47	
Other Funds managed by AAM platform	71	0.27	
Kenan / Migros	67	0.26	
Other Assets	21	0.08	

44%
Discount
to Assets

(1) Data as of 31.12.2016

(2) Data as of 13.03.2017

Disclaimer

This presentation contains statements that constitute forward-looking statements regarding the intent, belief or current expectations of the DeA Capital (“the Company”) with respect to the financial results and other aspects of the Company's activities and strategies

Such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward looking statements as a result of various factors

Analysts and investors are cautioned not to place undue reliance on those forward looking statements, which speak only as of the date of this presentation – DeA Capital Spa undertakes no obligation to release publicly the results of any revisions to these forward looking statements which may be made to reflect events and circumstances after the date of this presentation, including, without limitation, changes in the Company’s business or investment strategy or to reflect the occurrence of unanticipated events

Analysts and investors are encouraged to consult the Company's Annual Report and periodic filings for accounting information, as well as press releases and all documentation made publicly available on the website www.deacapital.it

The Manager responsible for the preparation of company accounting statements, Manolo Santilli, declares in accordance with paragraph 2 of article 154 of the Consolidated Finance Act that any accounting information on DeA Capital included in this document corresponds to registered company accounts, books and records