



## **PRESS RELEASE**

**THE INTERIM MANAGEMENT REPORT AS AT 31 MARCH 2020 IS APPROVED, WITH COMBINED ASSETS UNDER MANAGEMENT AT OVER EUR 22 BILLION (+86%) AND MANAGEMENT FEES AT EUR 21.7 MILLION (+28% INCLUDING THE AMOUNT ATTRIBUTABLE TO QUAESTIO SGR)**

**AT GROUP LEVEL, THE POSITIVE NET FINANCIAL POSITION IS IN EXCESS OF EUR 110 MILLION WITH A NEGATIVE NET RESULT OF EUR 6.6 MILLION DUE TO THE ALIGNMENT OF THE INVESTMENT PORTFOLIO MARK-TO-MARKET**

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**NICOLA DRAGO WAS CO-OPTED AS DIRECTOR FOLLOWING THE RESIGNATION OF DIRECTOR MARCO DRAGO**

**DEA CAPITAL'S NEW ORGANIZATIONAL STRUCTURE IS APPROVED, MANOLO SANTILLI, CHIEF FINANCIAL OFFICER, APPOINTED AS CHIEF OPERATING OFFICER FROM 1<sup>ST</sup> JULY 2020**

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Milan, 12 May 2020 - The Board of Directors of DeA Capital S.p.A., chaired by Lorenzo Pellicoli, met today to examine and approve the Interim Management Report as at 31 March 2020.

### **ANALYSIS OF THE CONSOLIDATED RESULTS AS AT 31 MARCH 2020**

- As at 31 March 2020, ***Combined Assets under Management*** were EUR 22,051 million, up 86% compared with 31 March 2019, including the unconsolidated relative majority interest in Quaestio SGR, acquired in November 2019. The *Combined Assets Under Management* figure is divided as follows by investment strategy:
  - **Real Estate = EUR 9,794 million (44%)**
  - **Credit = EUR 3,222 million (15%)**
  - **Private Equity = EUR 1,794 million (8%)**
  - **Investment Solutions = EUR 7,241 million (33%)**

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

- **Management fees** of DeA Capital Real Estate SGR and DeA Capital Alternative Funds SGR - totalled EUR 15.3 million or EUR 21.7 million including the amount attributable to Quaestio SGR, compared with EUR 16.9 million in the 1st Quarter of 2019 (+28%).
- **Group Net Results** were negative by EUR 6.6 million (compared with the negative figure of EUR 3.9 million recorded in the 1st quarter of 2019), mainly due to the Investment Portfolio mark-to-market.

- **Net Financial Position of the Holding Companies** was positive at EUR 63.3 million; at Group level, the Net Financial Position was positive at EUR 110.4 million, up from EUR 105.6 million as at 31 December 2019.

It should be noted that, during the 1st quarter of 2020, the DeA Capital share joined the FTSE Italia Mid Cap index, composed of the 60 most liquid and capitalised listed companies in Italy that are not part of the FTSE MIB index.

The Interim Management Report as at 31 March 2020 will be released to the public on 15 May 2020, at the Company's registered office, on the authorised storage facility 1info ([www.1info.it](http://www.1info.it)) and on the website <http://www.deacapital.it/IT/29/Bilanci%20e%20Relazioni.aspx>.

## **SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD**

### **▪ Allocation of units under the 2020-2022 Performance Share Plan**

In implementation of the 2020-2022 Performance Share Plan approved by the Shareholders' Meeting of 20 April 2020, the Board of Directors resolved to allocate a total of 1,420,000 units. For further details, please refer to Table No. 1 of Outline No. 7 of Annex 3A of the Issuers' Regulation available on the Company's website [www.deacapital.com](http://www.deacapital.com), Corporate Governance / Incentive Plans section.

### **▪ Share buy-back plan**

The Board of Directors vested upon the Chairman and the CEO, separately and individually, all necessary powers to implement the Plan for the purchase and disposal of treasury shares approved by the Shareholders' Meeting of 20 April 2020. DeA Capital S.p.A. will disclose the possible launch date of the Plan to the market in compliance with current legislation. The Board of Directors has also decided that the total price per share of each purchase of treasury shares may not exceed the NAV per share shown in the latest statement of financial position of the Company, approved and communicated to the market, subject to the limits provided for by law and the authorisation of the Shareholders' Meeting.

### **▪ Co-optation of Nicola Drago as non-executive and non-independent Director of DeA Capital S.p.A., following the resignation of Marco Drago**

The Company's Board of Directors has appointed Nicola Drago as the new non-executive and non-independent Director of DeA Capital S.p.A., following the resignation of Marco Drago. Marco Drago, who held the position of non-executive and non-independent Director, held no positions on the internal committees of the Board of Directors.

Nicola Drago, who will remain in office until the next Company's Shareholders' Meeting, was co-opted into the administrative body in accordance with the provisions of law and Articles of Association.

Mr Marco Drago and Mr Nicola Drago, based on information held by the Company, do not personally own DeA Capital S.p.A. shares.

Mr Nicola Drago's curriculum vitae is available on the Company's website, at [www.deacapital.com](http://www.deacapital.com), in the section Corporate Governance - Structure.



▪ **Approval of DeA Capital's new organizational structure, with Manolo Santilli, Chief Financial Officer, appointed Chief Operating Officer from 1<sup>st</sup> July 2020**

The Board of Directors, which met today, also approved the new organizational structure of DeA Capital S.p.A., upon proposal of Paolo Ceretti, Chief Executive Officer and following the favourable opinion of the Remuneration and Appointments Committee.

The new organizational structure, defined in consideration of a more complex and operational dimension, and of the necessary support to the development of the Group, foresees the appointment -from 1<sup>st</sup> July 2020- of Manolo Santilli, currently CFO, to Chief Operating Officer of DeA Capital S.p.A.; Emanuele Caniggia, Chief Executive Officer of DeA Capital Real Estate SGR, and Gianandrea Perco, Chief Executive Officer of DeA Capital Alternative Funds SGR, shall continue to refer to the Company's Chief Executive Officer, Paolo Ceretti.

Based on information held by the Company, Manolo Santilli currently personally holds 1.332,735 DeA Capital S.p.A. shares.

Manolo Santilli's curriculum vitae is available on the Company website at [www.deacapital.com](http://www.deacapital.com), in the Management section.

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## **OUTLOOK**

With regard to the business outlook, especially the macro-economic framework, the recent global spread of COVID-19 should be considered, against which the Group has promptly adopted all the necessary measures to protect the health of employees and ensure business continuity.

As the weeks go by, it has become increasingly apparent that the entire economic system is now called upon to face one of the most difficult challenges recorded in history.

Despite this context, the DeA Capital Group will continue to focus on developing the Alternative Asset Management Platform, through the further growth of activities at an international level, the launch of new products and coordination, in particular the go-to-market strategy of Quaestio SGR; moreover, we will maximise our efforts to protect and support all the assets that form part of the funds under management, to successfully overcome the acute phase of the crisis and be ready to seize the opportunities that will arise once we come out of it.

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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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**For further information, please contact:**

*Investor Relations*

Alberto Barucci / Anna Majocchi

Tel. +39 02 6249951

[ir@deacapital.com](mailto:ir@deacapital.com)

*Press and Communication Office*

Marco Scopigno

Tel. +39 06 68163206 / 348 0173826

[marco.scopigno@deacapital.com](mailto:marco.scopigno@deacapital.com)

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**DeA Capital** ([www.deacapital.com](http://www.deacapital.com)). DeA Capital S.p.A., a subsidiary of De Agostini S.p.A. and listed on the STAR segment of the MTA Market of Borsa Italiana, is the leading independent Italian player in the Alternative Asset Management sector (for assets under management), with Combined Assets Under Management of more than EUR 22,000 million and an Investment Portfolio of approximately EUR 380 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 relative majority equity investment indirectly held in Quaestio 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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**Net Asset Value**

	31 March 2020		31 December 2019	
	MC	€/Sh.	MC	€/Sh.
<b>Alternative Asset Management</b>				
- DeA Capital Real Estate SGR	141.7	0.55	141.2	0.54
- DeA Capital Alternative Funds SGR	56.3	0.22	55.6	0.21
- Quaestio Holding	13.7	0.05	14.3	0.06
- Other (YARD, DeA Capital RE France, Iberia, Polonia)	6.7	0.02	6.6	0.03
<b>Total AAM (A)</b>	<b>218.4</b>	<b>0.84</b>	<b>217.7</b>	<b>0.84</b>
<b>Alternative Investment</b>				
- AI Platform Investments	118.5	0.46	118.0	0.45
- AI Other Investments	45.2	0.17	51.4	0.20
<b>Total AI (B)</b>	<b>163.7</b>	<b>0.63</b>	<b>169.4</b>	<b>0.65</b>
<b>Investment Portfolio (A+B)</b>	<b>382.1</b>	<b>1.47</b>	<b>387.1</b>	<b>1.49</b>
<b>Other net assets (liabilities)</b>	<b>5.4</b>	<b>0.02</b>	<b>4.6</b>	<b>0.02</b>
<b>Net Financial Position Holdings</b>	<b>63.3</b>	<b>0.24</b>	<b>65.8</b>	<b>0.25</b>
<b>NAV</b>	<b>450.8</b>	<b>1.73</b>	<b>457.5</b>	<b>1.76</b>

**Consolidated Statement of Financial Position**

<i>(EUR thousand)</i>	<b>31.3.2020</b>	<b>31.12.2019</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b><i>Intangible and tangible assets</i></b>		
Goodwill	104,647	104,647
Intangible assets	42,827	42,912
Property, plant and equipment	13,599	14,297
- <i>Building in Leasing</i>	12,778	13,420
- <i>Other leased assets</i>	315	318
- <i>Other property, plant and equipment</i>	506	559
Total intangible and tangible assets	161,073	161,856
<b><i>Investments</i></b>		
Investments at equity	30,565	30,802
Investments held by Funds at Fair Value through P&L	16,778	22,773
Other Investments at Fair Value through P&L	45,919	50,382
Funds at Fair Value through P&L	143,589	143,597
Other financial assets at Fair Value through P&L	37	37
Total financial Investments	236,888	247,591
<b><i>Other non-current assets</i></b>		
Deferred tax assets	2,791	2,409
Loans and receivables	3,291	2,485
Receivables for deferment of placement costs	351	377
Financial receivables for leasing - non current position	1,255	1,313
Other non-current assets	3,341	4,613
Total other non-current assets	11,029	11,197
<b>Total non-current assets</b>	<b>408,990</b>	<b>420,644</b>
<b>Current assets</b>		
Trade receivables	9,117	8,653
Financial assets at Fair Value	13,827	14,192
Financial receivables	18	0
Financial receivables for leasing - current position	247	245
Tax receivables from parent companies	3,369	3,953
Other tax receivables	13,479	37,176
Other receivables	2,885	8,206
Cash and cash equivalents	86,526	99,512
Total current assets	129,468	171,937
<b>Total current assets</b>	<b>129,468</b>	<b>171,937</b>
<b>TOTAL ASSETS</b>	<b>538,458</b>	<b>592,581</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' EQUITY</b>		
<b>Net equity Group</b>	<b>450,778</b>	<b>457,464</b>
<b>Minority interests</b>	<b>20,461</b>	<b>23,634</b>
<b>Shareholders' equity</b>	<b>471,239</b>	<b>481,098</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Trade payables	800	800
Deferred tax liabilities	5,963	5,993
End-of-service payment fund	5,683	5,582
Payables to staff and social security organisations	789	631
Financial liabilities	12,770	13,457
- <i>Financial liabilities for leasing</i>	11,746	12,437
- <i>Other financial liabilities</i>	1,024	1,020
<b>Total non-current liabilities</b>	<b>26,005</b>	<b>26,463</b>
<b>Current liabilities</b>		
Trade payables	5,576	5,470
End-of-service payment fund	26	21
Payables to staff and social security organisations	12,387	11,836
Current tax	3,474	4,336
Other tax payables	1,070	1,491
Other payables	15,619	42,299
Short term financial payables	3,062	19,567
- <i>Short term financial payables for leasing</i>	3,062	3,045
- <i>Other Short term financial payables</i>	0	16,522
<b>Total current liabilities</b>	<b>41,214</b>	<b>85,020</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>538,458</b>	<b>592,581</b>

### **Summary Consolidated Income Statement**

(EUR thousand)	First Quarter 2020	First Quarter 2019
Alternative Asset Management fees	15,560	16,799
Income (loss) from equity investments	(471)	212
Other investment income/expense	(9,635)	(7,298)
Income from services	18	101
Other income	2	3
Other expenses (*)	(15,412)	(12,887)
Financial income and expenses	(89)	181
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>(10,027)</b>	<b>(2,889)</b>
Income tax	63	(594)
<b>PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>(9,964)</b>	<b>(3,483)</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(9,964)</b>	<b>(3,483)</b>
- Group share	(6,604)	(3,934)
- Non controlling interests	(3,360)	451
		0.00
Earnings per share, basic (€)	(0.025)	(0.015)
Earnings per share, diluted (€)	(0.025)	(0.015)

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

### **Income Statement by Business Sector - 1st Quarter of 2020**

(EUR thousand)	Alternative Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	15,597	(37)	15,560
Income (loss) from investments valued at equity	(80)	(391)	0	(471)
Other investment income/expense	(8,754)	(881)	0	(9,635)
Other revenues and income	0	1	19	20
Other expenses and charges	(60)	(12,901)	(2,451)	(15,412)
Financial income and expenses	(38)	(67)	16	(89)
<b>PROFIT/(LOSS) BEFORE TAXES</b>	<b>(8,932)</b>	<b>1,358</b>	<b>(2,453)</b>	<b>(10,027)</b>
Income tax	0	(944)	1,007	63
<b>PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>(8,932)</b>	<b>414</b>	<b>(1,446)</b>	<b>(9,964)</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(8,932)</b>	<b>414</b>	<b>(1,446)</b>	<b>(9,964)</b>
- Group share	(5,759)	601	(1,446)	(6,604)
- Non controlling interests	(3,173)	(187)	0	(3,360)

### **Income Statement by Business Sector - 1st Quarter of 2019**

(EUR thousand)	Alternative Investment	Alternative Asset Management	Holdings/ Eliminations	Consolidated
Alternative Asset Management fees	0	16,901	(102)	16,799
Income (loss) from investments valued at equity	(61)	273	0	212
Other investment income/expense	(8,200)	902	0	(7,298)
Other revenues and income	0	3	101	104
Other expenses and charges	(126)	(11,060)	(1,701)	(12,887)
Financial income and expenses	327	(100)	(46)	181
<b>PROFIT/(LOSS) BEFORE TAXES</b>	<b>(8,060)</b>	<b>6,919</b>	<b>(1,748)</b>	<b>(2,889)</b>
Income tax	0	(2,437)	1,843	(594)
<b>PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>(8,060)</b>	<b>4,482</b>	<b>95</b>	<b>(3,483)</b>
Profit (Loss) from discontinued operations/held-for-sale assets	0	0	0	0
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(8,060)</b>	<b>4,482</b>	<b>95</b>	<b>(3,483)</b>
- Group share	(8,701)	4,672	95	(3,934)
- Non controlling interests	641	(190)	0	451

### **Consolidated Statement of Comprehensive Income**

<i>(EUR thousand)</i>	<b>First Quarter 2020</b>	<b>First Quarter 2019</b>
<b>Profit/(loss) for the period (A)</b>	<b>(9,964)</b>	<b>(3,483)</b>
Comprehensive income/expense which might be subsequently reclassified to the profit (loss) for the period	(271)	83
Comprehensive income/expense which will not be subsequently reclassified within the profit (loss) for the period	(58)	(7)
<b>Other comprehensive income, net of tax (B)</b>	<b>(329)</b>	<b>76</b>
<b>Total comprehensive income for the period (A)+(B)</b>	<b>(10,293)</b>	<b>(3,407)</b>
<b>Total comprehensive income attributable to:</b>		
- Group Share	(6,933)	(3,858)
- Non Controlling Interests	(3,360)	451

### **Consolidated Cash Flow Statement**

<i>(EUR thousand)</i>	<b>First Quarter 2020</b>	<b>First Quarter 2019</b>
<b>CASH FLOW from operating activities</b>		
Investments in funds and shareholdings	(1,863)	(4,091)
Capital reimbursements from funds	2,337	1,790
Sale of investments	0	500
Interest received	1,624	39
Interest paid	0	0
Realized gains (losses) on exchange rate and derivatives	1	0
Taxes paid/reimbursed	(185)	46
Dividends received	0	0
Management and performance fees received	15,625	19,143
Revenues for services	424	78
Operating expenses	(12,469)	(10,749)
<b>Net cash flow from operating activities</b>	<b>5,494</b>	<b>6,756</b>
<b>CASH FLOW from investing activities</b>		
Acquisition of property, plant and equipment	(89)	(81)
Sale of property, plant and equipment	0	0
Purchase of licenses and intangible assets	(16,802)	(121)
<b>Net cash flow from investing activities</b>	<b>(16,891)</b>	<b>(202)</b>
<b>CASH FLOW from financing activities</b>		
Acquisition of financial assets	(3)	(7,642)
Sale of financial assets	0	500
Cash flow from leasing contract	(776)	(691)
Share capital issued	0	27
Own shares acquired	0	0
Share capital issued for Stock Option Plan	0	324
Dividends/capital reimbursements paid	0	(1,148)
Loans and bank loans	(810)	(124)
<b>Net cash flow from financing activities</b>	<b>(1,589)</b>	<b>(8,754)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(12,986)</b>	<b>(2,200)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>99,512</b>	<b>143,766</b>
Change in basis of consolidation: cash and cash equivalents	0	0
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>86,526</b>	<b>141,566</b>