COFIDE
Gruppo De Benedetti

INTERIM FINANCIAL REPORT AS OF 30 SEPTEMBER 2013

Milan, 28 October 2013

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This document is available on the website: http://www.cofide.it

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INTERIM REPORT ON OPERATIONS

The Cofide Group made consolidated net income of € 7.1 million **in the first nine months of 2013** compared with a loss of € 10.1 million in the same period last year.

This consolidated result was mainly due to CIR, which contributed € 5.2 million compared with a negative contribution of € 4.9 million in the first nine months of 2012.
The subsidiary CIR recorded significant non-recurring items during the first nine months of 2013. Firstly, on 17 September 2013, the Supreme Court issued a final ruling on the "Lodo Mondadori" proceedings, definitively condemning Fininvest to pay CIR compensation of € 491.3 million, which has therefore been booked to the income statement for an amount, net of legal fees and taxes, of € 319.3 million.
Secondly, as already seen in the first half of 2013, Sorgenia again had to make further adjustments to the value of its assets, based on impairment tests, to adapt them to the changed scenario of the energy market and to the guidelines that form the basis of the new business plan. As a consequence, the result for the first nine months includes write-downs in CIR's consolidated financial statements for a total of € 574 million, € 287.2 million net of minority interests.
Consolidated net income of CIR was € 10.7 million compared with a consolidated net loss of € 10 million in the same period last year. This result includes, on the one hand, the negative effect of Sorgenia's extraordinary items (- € 287.2 million), and on the other hand the positive impact of the Supreme Court's definitive ruling (€ 319.3 million). Excluding these effects, the consolidated net result would be a loss of € 16.2 million amount, substantially the same as for the first nine months of 2012 (- € 10 million).
The contribution made by the operating subsidiaries to consolidated net earnings was a loss of € 299.4 million; excluding the write-downs made by the Sorgenia Group, the contribution would have been negative for € 12.2 million compared with a loss of € 8.9 million in the corresponding period of 2012.
Sogefi and KOS obtained slightly better results; Espresso reported a decline in earnings, but still achieved a positive result despite the severe crisis in the publishing sector, while the results of Sorgenia remain critical and incorporate important write-downs.

In the first nine months of 2013, Cofide's result also benefited from the positive adjustment to the fair value of its financial assets held for trading (equities).

At 30 September 2013, the consolidated net debt of Cofide, the parent company, stood at € 32.9 million (€ 34.4 million at 31 December 2012).
Group equity at 30 September 2013 was € 662.8 million versus € 650.4 million at 31 December 2012.

In order to provide further information on the financial performance in the first nine months of 2013, the income statement and statement of financial position are provided with a breakdown showing the contribution of the subsidiaries to the net result and equity of Cofide S.p.A.

The **income statement** is as follows:

(in millions of euro)	**1/1-30/9 2013**	**1/1-30/9 2012**
Contributions of investments in subsidiaries and associates:		
- CIR S.p.A.	5.2	(4.9)
- Euvis S.p.A.	-	(2.0)
TOTAL CONTRIBUTIONS	**5.2**	**(6.9)**
Net gains and losses on trading and the valuation of securities	4.4	(0.2)
Net financial income and expense	(1.0)	(0.9)
Net operating costs	(1.5)	(2.1)
RESULT BEFORE TAXES	**7.1**	**(10.1)**
Income taxes	-	-
NET RESULT FOR THE PERIOD	**7.1**	**(10.1)**

The **statement of financial position** at 30 September 2013 shows equity of € 662.8 million, net debt of € 32.9 million and long-term financial assets of € 693.8 million.

(in millions of euro)	**30/09/2013**	**31/12/2012 (*)**
CIR S.p.A.	678.0	667.2
Euvis S.p.A.	0.2	0.2
LONG-TERM EQUITY INVESTMENTS	**678.2**	**667.4**
Other long-term financial assets	15.6	15.8
TOTAL LONG-TERM FINANCIAL ASSETS	**693.8**	**683.2**
Tangible assets	1.2	1.2
Net receivables and payables for the period	0.7	0.4
NET INVESTED CAPITAL	**695.7**	**684.8**
Financed by:		
Equity	**662.8**	**650.4**
Net financial debt	**(32.9)**	**(34.4)**

(*) Certain figures at 31 December 2012 were restated following application of the amendment to IAS 19 - Employee Benefits.

"Other financial assets" consist entirely of the investment made by Cofide in the Jargonnant real estate fund, which at 30 September 2013 amounted to € 15.6 million, a decrease compared with the figure of € 15.8 million at 31 December 2012 for the adjustment to fair value.

1. Performance of the Group

Consolidated revenues for the first nine months of 2013 amounted to € 3,550.6 million compared with € 3,625.8 million in the same period of 2012, down by 2.1% because of the decline in sales on the part of the Espresso and Sorgenia Groups.

Consolidated revenues can be broken down by business sector as follows:

(in millions of euro)	1/1-30/9						3rd quarter					
					change						change	
	2013	%	2012	%	absolute	%	2013	%	2012	%	absolute	%
Energy												
Sorgenia Group	1,734.2	48.8	1,758.2	48.5	(24.0)	(1.4)	565.0	49.5	638.9	52.4	(73.9)	(11.6)
Media												
Espresso Group	524.4	14.8	594.0	16.4	(69.6)	(11.7)	155.0	13.6	174.2	14.3	(19.2)	(11.0)
Automotive components												
Sogefi Group	1,010.6	28.5	1,005.1	27.7	5.5	0.6	328.9	28.8	318.2	26.1	10.7	3.3
Healthcare												
KOS Group	276.8	7.8	265.3	7.3	11.5	4.3	90.3	7.9	86.6	7.1	3.7	4.3
Other sectors	4.6	0.1	3.2	0.1	1.4	43.8	1.9	0.2	1.0	0.1	0.9	90.0
Total consolidated revenues	**3,550.6**	**100.0**	**3,625.8**	**100.0**	**(75.2)**	**(2.1)**	**1,141.1**	**100.0**	**1,218.9**	**100.0**	**(77.8)**	**(6.4)**

The Cofide Group's **key income statement figures** for the first nine months and third quarter, with comparatives, are as follows:

(in millions of euro)	***1/1-30/9***		***3rd quarter***	
	2013	**2012**	**2013**	**2012**
Revenues	3,550.6	3,625.8	1,141.1	1,218.9
Consolidated EBITDA	**(48.6)**	**246.4**	**(142.3)**	**75.6**
Consolidated operating income (EBIT)	**(489.1)**	**69.5**	**(300.9)**	**19.0**
Financial management result	(84.0)	(70.4)	(12.0)	(25.3)
Non-recurring income (expense)	491.3	-	491.3	-
Income taxes	(210.0)	(20.7)	(145.3)	(4.2)
Income (loss) from assets held for disposal	-	(5.9)	-	(5.9)
Net income including minority interests	**(291.8)**	**(27.5)**	**33.1**	**(16.4)**
Minority interests	298.9	17.4	53.5	9.6
Net income of the Group	**7.1**	**(10.1)**	**86.6**	**(6.8)**

In the first nine months of 2013, the **gross operating result (EBITDA)** was negative for € 48.6 million compared with a positive result of € 246.4 million in the first nine months of 2012, a decrease of € 295 million. As mentioned previously, the margin was strongly affected by the results of the Sorgenia Group which recorded impairment losses for a total of € 274.8 million. **EBITDA before non-recurring items** amounted to € 261.2 million, slightly higher than € 253.0 million in the same period of 2012 (+3.2%).

Consolidated EBIT for the first nine months of 2013 was negative for € 489.1 million compared with a positive figure of € 69.5 million in the same period of 2012. **EBIT before non-recurring items,** essentially due to the Sorgenia group, amounted to € 101.4 million, compared with € 69.5 million in the first nine months of 2012.

Financial management generated a net charge of € 84 million compared with one of € 70.4 million in the first nine months of 2012. In detail:
- net financial expense came to € 81.5 million compared with € 91.3 million in the first nine months of 2012;
- negative adjustments to financial assets of € 10.4 million have also been recorded compared with positive adjustments of € 12.5 million in the first nine months of 2012;
- net gains on trading and the valuation of securities amounted to € 7.9 million compared with 8.4 million in the first nine months of last year.

Accounting recognition in the income statement of the definitive compensation received from Fininvest for the "Lodo Mondadori" involved booking the total gross revenue (i.e. including capital, appreciation, interest and expenses) to a specific item of non-recurring income located just after the result of financial management and before income taxes. Income taxes on the damages awarded have been calculated, for interim reporting purposes, on the prudent assumption that the full rate of tax would be applied to the entire amount.

The group's **net income** for the first nine months of 2013 amounted to € 7.1 million, compared with a net loss of € 10.1 million in the corresponding period of 2012.
The **net result before non-recurring items** was a loss of € 6.1 million.

In the third quarter of 2013, **consolidated revenues** came to € 1,141.1 million, a decrease of 6.4% compared with € 1,218.9 million in the same period of 2012, because of the decline in sales on the part of the Sorgenia and Espresso Groups.

Consolidated EBITDA in the third quarter of 2013 was negative for € 142.3 million compared with a positive amount of € 75.6 million in the same period of 2012, a decrease of € 217.9 million due to non-recurring items during the period, as mentioned above.
Third quarter **EBITDA before non-recurring items** amounted to € 35.1 million.

Consolidated EBIT in the third quarter of 2013 was negative for € 300.9 million compared with a positive € 19 million in the same period of 2012, a decrease of € 319.9 million. Third quarter **EBIT before non-recurring items** was negative for € 27 million (+42.1%).

Net income in the third quarter of 2013 amounted to € 86.6 million, compared with a net loss of € 6.8 million in the corresponding period of 2012. **The net result before non-recurring items** was a loss of € 7.8 million.

The **condensed consolidated statement of financial position** of the Cofide Group at 30 September 2013, with comparative figures at 30 June 2013 and 31 December 2012, is as follows:

(in millions of euro)	**30/09/2013**	**30/06/2013**	**31/12/2012 (*)**
Fixed assets	3,663.0	3,912.7	4,251.5
Other net non-current assets and liabilities	141.6	147.7	220.6
Net working capital	74.3	323.7	364.2
Net invested capital	**3,878.9**	**4,384.1**	**4,836.3**
Net financial position	**(1,862.8)**	**(2,402.6)**	**(2,537.7)**
Total equity	**2,016.1**	**1,981.5**	**2,298.6**
Group equity	662.8	577.1	650.4
Minority interests	1,353.3	1,404.4	1,648.2

(*) Certain figures at 31 December 2012 have been restated following the application of the amendment to IAS 19 - Employee Benefits.

Net invested capital at 30 September 2013 amounted to € 3,878.9 million compared with € 4,836.3 million at 31 December 2012 (€ 4,384.1 million at 30 June 2013), a decrease of € 957.4 million, mainly due to the amortisation, depreciation and write-downs charged during the period by the Sorgenia Group and the change in net working capital.

The **net financial position** at 30 September 2013, as indicated previously, showed net debt of € 1,862.8 million (compared with € 2,537.7 million at 31 December 2012 and € 2,402.6 million at 30 June 2013) caused by:

- debt of € 32.9 million for Cofide, the parent company, compared with € 34.4 million at 31 December 2012;
- a net financial surplus for CIR and the other holding companies of € 542.1 million, which compares with € 33.2 million at 31 December 2012. The increase is mainly due to definitive recognition of the compensation under the "Lodo Mondadori";
- total debt of the operating groups of € 2,372 million compared with € 2,536.5 million at 31 December 2012. The reduction of € 164.5 million is mainly due to an improvement in working capital and lower net investments.

Note with reference to the "Lodo Mondadori" that CIR will have to pay out a currently estimated amount of approximately € 180 million in taxes and legal fees over the next twelve months; taking these payments into account, consolidated net debt would be around € 2 billion.

Total equity at 30 September 2013 came to € 2,016.1 million compared with € 2,298.6 million at 31 December 2012 (€ 1,981.5 million at 30 June 2013), a decrease of € 282.5 million.

Group equity at 30 September 2013 amounted to € 662.8 million compared with € 650.4 million at 31 December 2012 (€ 577.1 million at 30 June 2013), with a net increase of € 12.4 million, mainly thanks to the net result for the period.

Minority interests at 30 September 2013 amounted to € 1,353.3 million compared with € 1,648.2 million at 31 December 2012 (€ 1,404.4 million at 30 June 2013), with a net decrease of € 294.9 million, which includes minority interests' share of write-downs of the Sorgenia Group.

The **consolidated statement of cash flows** for the first nine months of 2013, prepared according to a managerial format which shows the changes in net financial position, can be summarised as follows:

(in millions of euro)	**1/1-30/09 2013**	**1/1-30/09 2012**
SOURCES OF FUNDS		
Result for the period including minority interests	(291.8)	(27.5)
Amortisation, depreciation, write-downs and other non-monetary	698.8	193.3
Self-financing	**407.0**	**165.8**
Change in working capital	**363.7**	**(144.6)**
CASH FLOW GENERATED BY OPERATIONS	**770.7**	**21.2**
Capital increases	2.4	24.2
TOTAL SOURCES OF FUNDS	**773.1**	**45.4**
APPLICATIONS OF FUNDS		
Net investment in fixed assets	(98.5)	(244.1)
Buy-back of own shares	(0.7)	(3.0)
Payment of dividends	(11.9)	(32.4)
Other changes	12.9	(29.0)
TOTAL APPLICATIONS OF FUNDS	**(98.2)**	**(308.5)**
FINANCIAL SURPLUS (DEFICIT)	**674.9**	**(263.1)**
NET FINANCIAL POSITION AT THE BEGINNING OF THE PERIOD	**(2,537.7)**	**(2,360.3)**
NET FINANCIAL POSITION AT THE END OF THE PERIOD	**(1,862.8)**	**(2,623.4)**

The **financial surplus** for the period amounted to € 674.9 million, compared with a deficit of € 263.1 million in the corresponding period last year. Net of the "Lodo Mondadori" the improvement in the financial balance was € 447 million, thanks to the positive trend in working capital, lower net investment in fixed assets and disposals made by Sorgenia during the period.

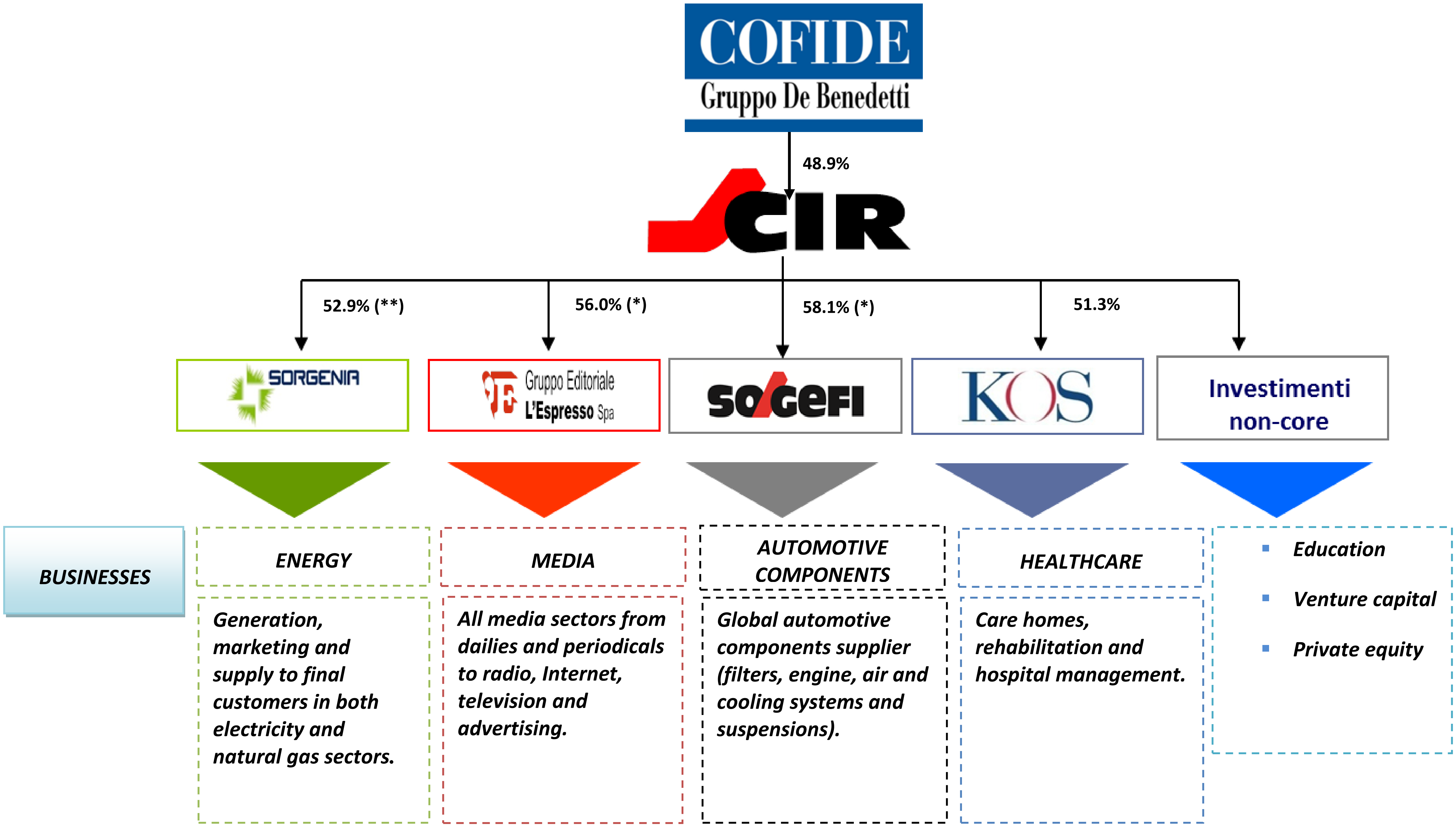
The net cash flow generated by operations, which amounted to € 770.7 million compared with € 21.2 million in the first nine months of 2012, is due to the compensation related to the "Lodo Mondadori" and a positive change in working capital of € 363.7 million, due for € 156.3 million to the provision for current tax liabilities relating, in particular, to the "Lodo Mondadori".

While there was an increase in cash flow generated by operations during the period, applications of funds were lower than in the first nine months of 2012 due to disposals by the Sorgenia Group and lower dividends paid.

For a breakdown of the items making up the net financial position, reference should be made to the section containing the financial statements.

At 30 September 2013 the Group had 14,203 employees, compared with 13,944 at 31 December 2012.

MAIN GROUP INVESTMENTS
AT 30 SEPTEMBER 2013



(*) *The percentage is calculated net of treasury shares.*
(**) *Percentage of indirect control through Sorgenia Holding*

2. Performance of the subsidiaries

CIR GROUP

In the first nine months of 2013 the CIR Group has achieved consolidated net income of € 10.7 million, compared with a consolidated net loss of € 10 million in the same period last year. As mentioned previously, this result takes into account the Sorgenia Group's write-downs of € 287.2 million and the positive impact on the income statement for a total of € 319.3 million (net of legal fees and taxes) following the closure of the "Lodo Mondadori" affair.

In the third quarter of 2013 the consolidated net result was positive for € 175.6 million compared with a net loss of € 10.7 million in the same period last year.

The following is a summary of the contributions to the consolidated net result and equity, broken down by sector.

(in millions of euro)	**1/1-30/09 2013**	**1/1-30/09 2012**	**3rd quarter 2013**	**3rd quarter 2012**
CONTRIBUTIONS TO THE RESULT				
Sorgenia Group	(320.6)	(40.8)	(149.9)	(12.6)
Espresso Group	2.5	14.7	0.4	2.9
Sogefi Group	13.8	13.1	4.4	3.7
KOS Group	4.9	4.1	1.8	1.8
Total for main subsidiaries	**(299.4)**	**(8.9)**	**(143.3)**	**(4.2)**
Other subsidiaries	(3.6)	(4.5)	(0.4)	(1.9)
CIR and other holding companies	(5.6)	4.2	(5.4)	(4.5)
Non-recurring items	319.3	(0.8)	324.7	(0.1)
Consolidated total result for the Group	**10.7**	**(10.0)**	**175.6**	**(10.7)**

As already anticipated, the contribution made by the four main operating subsidiaries, excluding the write-downs, was negative for € 12.2 million compared with a loss of € 8.9 million in the same period of 2012.
The contribution made by CIR (the holding company including the non-operating subsidiaries) amounted to € 310.1 million, compared with a loss of € 1.1 million in the first nine months of 2012. Prior to non-recurring items, CIR posted a loss of € 4.0 million.

Consolidated equity has gone from € 1,363.3 million at 31 December 2012 to € 1,387.6 million at 30 September 2013.

(in millions of euro)	30/09/2013	30/06/2013	31/12/2012 (*)
CONTRIBUTIONS TO EQUITY			
Sorgenia Group	196.3	342.7	502.5
Espresso Group	312.7	312.1	310.5
Sogefi Group	102.1	100.8	105.2
KOS Group	121.5	119.7	118.7
Other subsidiaries	(0.9)	0.4	2.9
Total subsidiaries	**731.7**	**875.7**	**1,039.8**
CIR and other companies	**655.9**	**336.1**	**323.5**
- invested capital	113.8	288.4	290.3
- net financial position	542.1	47.7	33.2
Equity of the CIR Group	**1,387.6**	**1,211.8**	**1,363.3**

(*) Certain figures at 31 December 2012 were restated following application of the amendment to IAS 19 - Employee Benefits.

There now follows a more in-depth analysis of the business sectors of the CIR Group.

3. Performance of the business sectors

ENERGY

The main performance indicators of the Sorgenia group for the current year are shown below, with comparative figures for the equivalent periods last year:

Results for the period 1 January-30 September 2013

(in millions of euro)	**1/1-30/9 2013**	**1/1-30/9 2012**	**Change absolute**	**%**
Revenues	1,734.2	1,758.2	(24.0)	(1.4)
Net result	(434.3)	(77.1)	n.a.	n.a.

3rd quarter 2013 results

(in millions of euro)	**3rd quarter 2013**	**3rd quarter 2012**	**Change absolute**	**%**
Revenues	565.0	638.9	(73.9)	(11.6)
Net result	(228.0)	(23.0)	(205.0)	n.a.

Situation at 30 September 2013

	30/09/2013	**30/06/2013**	**31/12/2012**
Net financial position	(1,757.6)	(1,736.4)	(1,861.6)
No. of employees	423	430	451

In the first nine months of 2013 the Sorgenia Group achieved consolidated revenues of € 1,734.2 million, a slight decrease (-1.4%) on € 1,758.2 million in the same period of 2012.

The results of the Sorgenia Group in the first nine months of 2013 were penalised by € 396.6 million of write-downs.[1] These were made in relation to the difficult economic and sector-based environment and as part of a new strategy to refocus the company on its core business, namely the production and sale of electricity and natural gas. In particular, the carrying values of certain international investments (E&P and renewable energy sources) and the investment in Energia Italiana/Tirreno Power (given its poorer earnings prospects) have been adjusted in compliance with the Group's strategic guidelines. Certain write-downs, particularly those of Energia Italiana/Tirreno Power, were also carried out at the level of EBITDA as the companies in question are consolidated according to the equity method.
In view of the above, the net result was a loss of € 434.3 million; before write-downs and other non-recurring charges, the net result was a slight improvement on the same period last year.

[1] *In CIR's consolidated financial statements, the loss rises to € 574.0 million (€ 287.2 million net of minority interests) as, in addition to the writedowns made by Sorgenia, there are the write-downs of goodwill booked by the parent companies Sorgenia Holding and CIR.*

At 30 September 2013, consolidated net debt, excluding all cash flow hedging components, amounted to € 1,757.6 million, a reduction of about € 100 million versus € 1,861.6 million at 31 December 2012; debt has fallen mainly thanks to the proceeds of disposals (around € 73 million).

The Group had 423 employees at 30 September 2013 compared with 451 at 31 December 2012.

At the moment, Sorgenia is preparing a new business plan that envisages three priority objectives: refocusing on the core business (production and sale of electricity), debt reduction and recovery in profit margins. To achieve them, Sorgenia will continue implementing its policy of selling non-core assets, reducing costs and renegotiating gas contracts.

MEDIA

The main performance indicators of the Espresso Group for the current year are shown below, with comparative figures for the equivalent periods last year:

Results for the period 1 January-30 September 2013

(in millions of euro)	**1/1-30/9**	**1/1-30/9**	**Change**	
	2013	**2012**	**absolute**	**%**
Revenues	524.4	594.0	(69.6)	(11.7)
Net result	4.5	26.4	(21.9)	n.a.

3rd quarter 2013 results

(in millions of euro)	**3rd quarter**	**3rd quarter**	**Change**	
	2013	**2012**	**absolute**	**%**
Revenues	155.0	174.2	(19.2)	(11.0)
Net result	0.8	5.2	(4.4)	n.a.

Situation at 30 September 2013

	30/09/2013	**30/06/2013**	**31/12/2012**
Net financial position	(61.7)	(86.1)	(108.1)
No. of employees	2,467	2,502	2,536

In the first nine months of 2013, the Espresso Group achieved consolidated revenues of € 524.4 million, down by 11.7% from € 594 million in the corresponding period of the previous year, as a result of the crisis that is affecting the entire sector. In 2013, the ongoing economic downturn has had a significant impact on the publishing industry, which posted negative trends in both advertising revenues and circulation figures for newspapers and magazines. Advertising expenditure for the eight months to August 2013 fell by 15.8% compared with the same period of 2012 (source: Nielsen Media Research). All traditional media reported significant downturns in their advertising revenues: press (-23.0%), television (-14.6%) and radio (-12.6%). After years of sustained growth, the Internet experienced a setback (-3.0% excluding search engines as they are not detected by Nielsen).

As regards circulation, the figures published by ADS (Accertamento Diffusione Stampa, August YTD) show a 9.4% decline in daily newspaper sales.

Total costs have been reduced by 7.8%: excluding digital publishing and DTT, where costs are rising to support their development, there has been a 12.2% reduction thanks to further rationalisation, especially in the industrial and administrative areas.

Consolidated EBITDA amounts to € 47.5 million versus € 82.8 million in the corresponding period of 2012. All traditional areas of activity showed a decline in EBITDA due to the general decrease in advertising revenues; the decline is more substantial for the national press (*la Repubblica* and magazines), as this segment has suffered the largest decline in the advertising market; the results of local newspapers and radio stations are showing greater resilience.

Consolidated EBIT came to € 24 million versus € 54.3 million in the same period last year.

Consolidated net income was € 4.5 million compared with € 26.4 million in the first nine months of 2012.

Consolidated net debt at 30 September 2013 amounted to € 61.7 million, a further improvement on € 108.1 million at 31 December 2012, with a financial surplus of € 46.4 million.

At 30 September 2013, the Group had 2,467 employees, including those on fixed-term contracts. The average workforce for the period was 4.8% lower than in the first nine months of 2012.

In a market where it is very hard to make a profit, the group is continuing to pursue its fundamental objectives: maintaining the success of traditional products, reducing their costs, developing digital television and enhancing television assets.
The Group has embarked on new and incisive measures to reduce costs, taking the market situation into account.

As regards the enhancement of television assets, note that at the beginning of October the Espresso Group signed an agreement relating to a possible integration between the network operator activities of the subsidiary Rete A and Telecom Italia Media Broadcasting (TIMB), which is controlled by Telecom ltalia Media. By integrating five multiplexers (or Mux) with national coverage (three from TIMB and two from Rete A) on a single digital technology platform, this would create the leading independent network operator in Italy.

AUTOMOTIVE COMPONENTS

The main performance indicators of the Sogefi Group for the current year are shown below, with comparative figures for the equivalent periods last year:

Results for the period 1 January-30 September 2013

(in millions of euro)	**1/1-30/9**	**1/1-30/9**	**Change**	
	2013	**2012**	**absolute**	**%**
Revenues	1,010.6	1,005.1	5.5	0.6
Net result	23.8	21.7	2.1	9.4

3rd quarter 2013 results

(in millions of euro)	**3rd quarter**	**3rd quarter**	**Change**	
	2013	**2012**	**absolute**	**%**
Revenues	328.9	318.2	10.7	3.3
Net result	7.6	6.1	1.5	23.6

Situation at 30 September 2013

	30/09/2013	**30/06/2013**	**31/12/2012**
Net financial position	(339.0)	(341.1)	(295.8)
No. of employees	6,840	6,727	6,735

Regarding the overall performance of the automotive market in the first nine months of 2013, the rise in new car registrations in North America (+5.7% on the first nine months of 2012), in Mercosur (+2.6%) and in China (+13%) compensated for the weakness of the European market (-4%).

In this context, in the first nine months of the year the Sogefi Group had consolidated revenues of € 1,010.6 million, a slight increase compared with the first nine months of 2012 (+0.6%), despite the negative exchange rate effect. At constant exchange rates, revenues would have increased by 4.5%.This performance was made possible by the development of the group in North America (+21%), Asia (+31%) and the Mercosur (+2.8%), taking into account the 3.8% decline in Europe due to market trends.

The *Engine Systems* sector grew by 2.8%, while the *Suspension Components* sector fell by 2.8%, mainly reflecting the decline in the European market.

Consolidated EBITDA amounted to € 108.4 million, 9.8% up on € 98.7 million in the first nine months of 2012;

EBIT came to € 65.8 million, up 24% on € 53 million in the first nine months of 2012, while net income was € 23.8 million, an increase of 9.4% on € 21.7 million in the first nine months of 2012.
Net debt at 30 September 2013 was € 339 million (€ 295.8 million at 31 December 2012).

The Group had 6,840 employees at 30 September 2013 (6,735 at 31 December 2012).

For the whole of 2013, the expectation of slight growth in the global automotive market is confirmed, characterized in the fourth quarter by a stabilization of the European market at current low levels of production, continuing solidity of the markets in North America and Asia and a more moderate rise in Latin America.

In this context, Sogefi plans to continue its medium-term development strategy through: continuous internationalisation of the group; continuation of the group integration and the intensification of efficiency measures, which could result in increased restructuring costs during the latter part of the year.

HEALTHCARE

The main performance indicators of the KOS group for the current year are shown below, with comparative figures for the equivalent periods last year:

Results for the period 1 January-30 September 2013

(in millions of euro)	**1/1-30/9**	**1/1-30/9**	**Change**	
	2013	**2012**	**absolute**	**%**
Revenues	276.8	265.3	11.5	4.3
Net result	9.6	8.0	1.6	20.0

3rd quarter 2013 results

(in millions of euro)	**3rd quarter**	**3rd quarter**	**Change**	
	2013	**2012**	**absolute**	**%**
Revenues	90.3	86.6	3.7	4.3
Net result	3.5	3.4	0.1	2.9

Situation at 30 September 2013

	30/09/2013	**30/06/2013**	**31/12/2012**
Net financial position	(155.1)	(173.6)	(163.4)
No. of employees	4,310	4,264	4,164

In the first nine months of 2013, the KOS Group generated revenues of € 276.8 million compared with € 265.3 million in the same period of 2012 (+4.3%), thanks to growth in all three business areas.

Consolidated EBITDA came to € 41.3 million, up on € 37.9 million in the first nine months of 2012, principally because of the change in the scope of consolidation and business developments that took place in 2012.
Consolidated EBIT came to € 24.9 million (9% of revenues) versus € 23.1 million (8.7% of revenues) in the same period last year, principally because of the change in the scope of consolidation.

Consolidated net income for first nine months of 2013 amounted to € 9.6 million compared with € 8 million in the same period of 2012.

At 30 September 2013 the KOS Group had net debt of € 155.1 million, compared with € 163.4 million at 31 December 2012: the improvement is attributable to the cash flow generated by operations.

The KOS Group manages 68 facilities in central and northern Italy, for a total of some 5,971 beds in use, with another 900 being built.

The Group had 4,310 employees at 30 September 2013 compared with 4,164 at 31 December 2012.

NON-CORE INVESTMENTS

They are represented by private equity, minority interests and other investments amounting to € 187.7 million at 30 September 2013, compared with € 198.3 million at 31 December 2012.

- **PRIVATE EQUITY**

CIR International, a Group company, manages a diversified portfolio of investments in private equity funds. The overall fair value of the portfolio at 30 September 2013, based on the NAVs provided by the various funds, came to € 67 million, a decrease of € 11 million compared with 31 December 2012. Distributions were received during the period for a total of € 19 million, including € 10.5 million of returned capital and € 8.5 million of realized gains.

Outstanding commitments at 30 September 2013 amounted to € 8.0 million.

- **OTHER INVESTMENTS**

Directly and indirectly, CIR holds investments in non-controlling interests for a total value of € 120.7 million at 30 September 2013.
In particular, CIR has a 19.5% stake in SEG (Swiss Education Group), one of the world's leading management training centres for the hospitality industry (hotels, restaurants, etc.), with 5,000 students from 80 different countries enrolled in its five renowned facilities in Switzerland. In the first nine months of 2013, the SEG Group boosted its turnover compared with the previous year and margins are improving as well. This has been possible thanks to the high number of students, especially as a result of targeted marketing efforts in Asia and, more recently, in Latin America, and the systematic steps taken by management to optimise the cost structure. The value of the investment, including a loan of € 4 million, amounted to € 18 million at 30 September 2013.

Again in the education and training sector, on 19 March, the CIR Group acquired, with an investment of € 6.5 million, 100% of Southlands S.r.l., an international school based in Rome with around 500 students representing over 40 different nationalities, with an expected turnover for the year ending 31 August 2013 of approximately € 6 million.
The purchase of Southlands S.r.l. is part of a development project in the field of private international schools, which began with the opening of a first school in Lausanne, Switzerland (LLIS Lake Leman International School SA) in 2011.

CIR Ventures is the corporate venture capital fund through which the CIR Group invests in early-stage companies in high-tech sectors. CIR Ventures' portfolio currently includes investments in four companies, three of which in the United States and one in Israel, operating in the fields of electronics and information and communication technologies (ICT).

The total fair value at 30 September 2013 amounted to € 5.7 million, compared with € 10.3 million at 31 December 2012, down because of the permanent impairment of certain assets.

During the first nine months of the year, Nexenti Advisory (formerly Jupiter Finance) focused its servicing functions as an asset advisor in the companies Zeus and Urania, in order to protect and ensure the strategic objectives of its stakeholders.
At 30 September 2013 the net value of the CIR Group's investments in activities related to non-performing loans amounted to € 78.3 million.

4. Significant events subsequent to 30 September 2013 and outlook for operations

The section in the report on the performance of the business sectors provides information on the main events that took place after 30 September 2013.

The performance of the Cofide Group in the latter part of 2013 will be influenced by the evolution of the macroeconomic environment, especially that of the Italian economy, which is still characterised by an ongoing recession. In this scenario, all Group companies will continue to take action to improve operating efficiency, but without giving up their business development initiatives.

5. Other information

Cofide S.p.A. has its registered office in Via Ciovassino 1, 20121 Milan, Italy.

Cofide shares, which have been quoted on the Milan Stock Exchange since 1985, since 2004 have been traded on the Ordinary Segment – MTA (Reuter code: COFI.MI, Bloomberg code: COF IM).

This report for the period 1 January-30 September 2013 was approved by the Board of Directors on 28 October 2013.

The company is subject to management and coordination by Carlo De Benedetti & Figli S.a.p.a.

COFIDE GROUP

CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2013

STATEMENT OF FINANCIAL POSITION

INCOME STATEMENT

NET FINANCIAL POSITION

1. Consolidated statement of financial position

(in thousands of euro)

ASSETS	*30.09.2013*	*30.06.2013*	*31/12/2012 (*)*
NON-CURRENT ASSETS	**4,229,111**	**4,483,935**	**4,880,969**
INTANGIBLE ASSETS	1,255,855	1,344,901	1,501,522
TANGIBLE ASSETS	2,279,723	2,320,354	2,367,976
INVESTMENT PROPERTY	22,612	22,817	23,393
INVESTMENTS IN COMPANIES CONSOLIDATED AT EQUITY	98,970	218,713	353,070
OTHER INVESTMENTS	5,832	5,882	5,580
OTHER RECEIVABLES	235,500	237,118	238,907
SECURITIES	104,826	115,270	127,030
DEFERRED TAXES	225,793	218,880	263,491
CURRENT ASSETS	**2,988,025**	**3,160,004**	**3,192,310**
INVENTORIES	170,651	170,751	170,757
CONTRACTED WORK IN PROGRESS	32,393	34,931	42,258
TRADE RECEIVABLES	1,162,507	1,180,845	1,447,836
OTHER RECEIVABLES	331,845	412,938	309,366
FINANCIAL RECEIVABLES	35,745	35,801	35,489
SECURITIES	369,726	363,139	410,343
AVAILABLE-FOR-SALE FINANCIAL ASSETS	103,784	105,990	105,511
CASH AND CASH EQUIVALENTS	781,374	855,609	670,750
ASSETS HELD FOR DISPOSAL	--	--	34,444
TOTAL ASSETS	**7,217,136**	**7,643,939**	**8,107,723**

LIABILITIES AND EQUITY	*30.09.2013*	*30.06.2013*	*31.12.2012*
EQUITY	**2,016,141**	**1,981,554**	**2,298,620**
SHARE CAPITAL	359,605	359,605	359,605
RESERVES	72,343	73,243	66,719
RETAINED EARNINGS (LOSSES)	223,818	223,818	280,308
NET INCOME (LOSS) OF THE PERIOD	7,078	(79,542)	(56,255)
GROUP EQUITY	**662,844**	**577,124**	**650,377**
MINORITY INTERESTS	1,353,297	1,404,430	1,648,243
NON-CURRENT LIABILITIES	**3,171,028**	**3,223,408**	**3,280,985**
BONDS	611,559	616,636	496,379
OTHER BORROWINGS	2,135,045	2,183,237	2,341,678
OTHER PAYABLES	1,072	3,230	2,922
DEFERRED TAXES	182,627	179,526	179,507
PERSONNEL PROVISIONS	137,911	137,638	141,140
PROVISIONS FOR RISKS AND LOSSES	102,814	103,141	119,359
CURRENT LIABILITIES	**2,029,967**	**2,438,977**	**2,527,734**
BANK OVERDRAFTS	223,543	215,374	165,885
BONDS	12,400	9,691	4,354
OTHER BORROWINGS	170,909	738,189	751,496
TRADE PAYABLES	977,414	941,381	1,192,934
OTHER PAYABLES	537,864	414,422	307,890
PROVISIONS FOR RISKS AND LOSSES	107,837	119,920	105,175
LIABILITIES HELD FOR DISPOSAL	--	--	384
TOTAL LIABILITIES AND EQUITY	**7,217,136**	**7,643,939**	**8,107,723**

(*) Certain figures at 31 December 2012 were restated following application of the amendment to IAS 19 - Employee Benefits

2. Consolidated income statement

(in thousands of euro)

	1/1-30/9 2013	**1/1-30/9 2012**	**3rd quarter 2013**	**3rd quarter 2012**
SALES REVENUES	3,550,630	3,625,795	1,141,069	1,218,849
CHANGE IN INVENTORIES	(4,318)	10,922	(2,003)	(1,971)
COSTS FOR THE PURCHASE OF GOODS	(2,071,066)	(2,154,015)	(691,122)	(760,497)
COSTS FOR SERVICES	(626,114)	(616,664)	(231,616)	(188,611)
PERSONNEL COSTS	(544,882)	(554,813)	(167,243)	(169,806)
OTHER OPERATING INCOME	87,783	77,294	23,697	19,123
OTHER OPERATING EXPENSE	(182,414)	(136,529)	(92,646)	(39,818)
ADJUSTMENTS TO THE VALUE OF INVESTMENTS CONSOLIDATED AT EQUITY	(258,245)	(5,589)	(122,443)	(1,692)
AMORTISATION, DEPRECIATION & WRITE-DOWNS	(440,523)	(176,877)	(158,594)	(56,595)
INCOME BEFORE FINANCIAL ITEMS AND TAXES (EBIT)	**(489,149)**	**69,524**	**(300,901)**	**18,982**
FINANCIAL INCOME	65,406	54,975	38,356	14,884
FINANCIAL EXPENSE	(146,941)	(146,353)	(48,563)	(45,707)
DIVIDENDS	325	396	--	7
GAINS FROM TRADING SECURITIES	10,840	10,832	3,299	4,383
LOSSES FROM TRADING SECURITIES	(3,237)	(2,844)	(1,733)	(1,487)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(10,397)	12,531	(3,396)	2,645
NON-RECURRING INCOME (EXPENSE)	491,312	--	491,312	--
INCOME BEFORE TAXES	**(81,841)**	**(939)**	**178,374**	**(6,293)**
INCOME TAXES	(209,999)	(20,666)	(145,271)	(4,195)
INCOME (LOSS) AFTER TAXES FROM OPERATING ACTIVITY	**(291,840)**	**(21,605)**	**33,103**	**(10,488)**
INCOME/(LOSS) FROM ASSETS HELD FOR DISPOSAL	--	(5,906)	--	(5,906)
NET INCOME FOR THE PERIOD INCLUDING MINORITY INTERESTS	**(291,840)**	**(27,511)**	**33,103**	**(16,394)**
- MINORITY INTERESTS	298,918	17,415	53,517	9,615
- NET INCOME (LOSS) OF THE GROUP	**7,078**	**(10,096)**	**86,620**	**(6,779)**

3. Consolidated net financial position

(in thousands of euro)		**30.09.2013**	**30.06.2013**	**31.12.2012**
A.	Cash and bank deposits	781,374	855,609	670,750
B.	Other cash equivalents	103,784	105,990	105,511
C.	Securities held for trading	369,726	363,139	410,343
D.	**Cash and cash equivalents (A) + (B) + (C)**	**1,254,884**	**1,324,738**	**1,186,604**
E.	**Current financial receivables**	35,745	35,801	35,489
F.	Current bank payables	(345,530)	(331,247)	(292,822)
G.	Bonds issued	(12,400)	(9,691)	(4,354)
H.	Current portion of non-current debt	(48,922)	(622,316)	(624,546)
I.	Other current borrowings	--	--	(13)
J.	**Current financial debt (F) + (G) + (H) + (I)**	**(406,852)**	**(963,254)**	**(921,735)**
K.	**Current net financial position (J) + (E) + (D)**	**883,777**	**397,285**	**300,358**
L.	Non-current bank borrowings	(1,898,315)	(1,941,728)	(2,080,760)
M.	Bonds issued	(611,559)	(616,636)	(496,379)
N.	Other non-current payables	(236,730)	(241,509)	(260,918)
O.	**Non-current financial debt (L) + (M) + (N)**	**(2,746,604)**	**(2,799,873)**	**(2,838,057)**
P	**Net financial position (K) + (O)**	**(1,862,827)**	**(2,402,588)**	**(2,537,699)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Introduction

This consolidated quarterly report at 30 September 2013 (unaudited) was prepared in accordance with IAS/IFRS international accounting standards, which since 2005 have been mandatory for consolidated financial statements of companies listed on European regulated markets.

The figures provided for comparison purposes were also determined in accordance with IAS/IFRS.

This interim report was prepared in compliance with the provisions of art. 154/ter paragraph 5 of D.Lgs. no. 58 of 24 February 1998 and subsequent amendments (TUF). The instructions contained in the international accounting standard on interim reporting (IAS 34 "Interim Financial Statements") have not therefore been adopted.

2. Consolidation principles

Consolidation is on a line-by-line basis. The criteria adopted in applying this method are the same as those used at 31 December 2012.

The consolidated interim financial statements of the Group as of 30 September 2013, like those as of 31 December 2012, are the result of the consolidation at those dates of the financial statements of Cofide, the parent company, and all of the companies directly or indirectly controlled, joint ventures or associates, except for those in liquidation. The assets and liabilities of companies due to be sold are reclassified to assets and liabilities held for disposal in order to disclose them separately.

All companies where the Group exercises control according to IAS 27, SIC 12 and IFRIC 2 are considered subsidiaries.

More specifically, subsidiaries are all those companies and investment funds where the Group has decision-making powers in matters of financial and operating policy. Such powers are presumed to exist when the Group holds a majority of a company's voting rights, including any voting rights that are potentially exercisable without any restrictions or where it has effective control over Shareholders' Meetings, despite not having a majority of the voting rights.
Subsidiaries are fully consolidated from the date on which the Group takes control and are de-consolidated when such control ceases to exist.

3. Accounting policies

The accounting policies adopted for the preparation of the interim financial statements as of 30 September 2013 are the same as those adopted for the financial statements for the year ended 31 December 2012.

4. Share capital

The share capital at 30 September 2013 amounts to € 359,604,959, the same as at 31 December 2012, and is made up of 719,209,918 shares with a nominal value of € 0.50 each.

The share capital is fully subscribed and paid up.

COFIDE
Gruppo De Benedetti

CERTIFICATION IN ACCORDANCE WITH THE TERMS
OF ART. 154 BIS, PARAGRAPH 2, OF D.LGS. NO. 58/1998

Re: Interim Financial Report as of 30 September 2013

The undersigned, Giuseppe Gianoglio, officer responsible for the preparation of the financial statements of the Company,

hereby declares

in accordance with paragraph 2 of Article 154 bis of the Finance Consolidation Act (TUF) that the accounting information contained in this document corresponds to the Company's documented results, books of account and accounting entries.

Milan, 28 October 2013

Cofide S.p.A.
Giuseppe Gianoglio