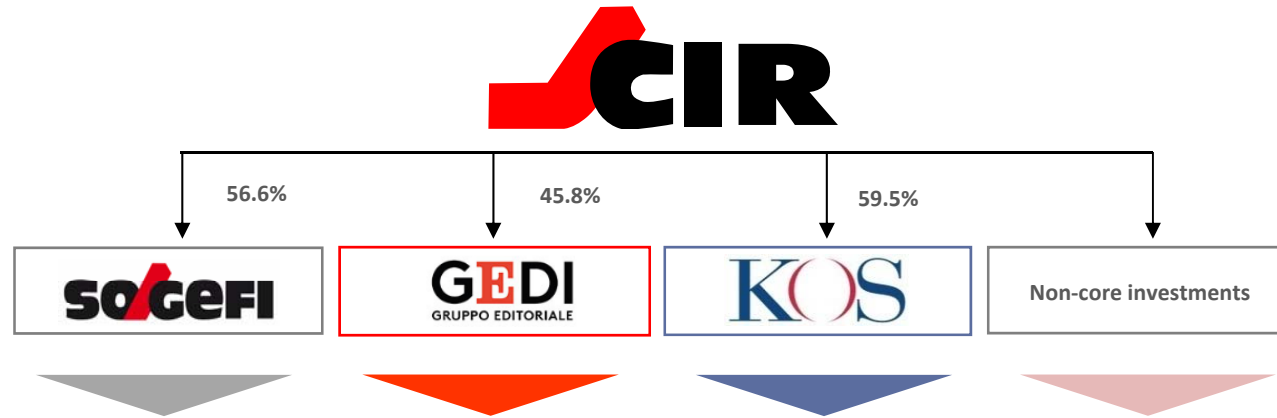




1Q 2018 Results

April 2018

Group structure *as of 31 March 2018*



	SOGEFI	GEDI GRUPPO EDITORIALE	KOS	Non-core investments
Businesses	<i>Global automotive supplier of suspensions, filtration, air intake & cooling components</i>	<i>Italian media group, with presence in dailies, periodicals, radio, internet and advertising</i>	<i>Healthcare group specialized in long term care (nursing homes/rehab), diagnostics and cancer care</i>	<i>Investments in Private equity, NPLs</i>
Competitive position	<i>Leadership positions in core geographies (Europe and South America), leveraged to expand globally</i>	<i>First Italian publishing group:</i> <ul style="list-style-type: none"> ▪ N.1 in national and local dailies circulation ▪ N.1 Information website ▪ N.1 news magazine ▪ N. 3 Radio network 	<i>Leader in Italian long term care, developing presence in UK, India</i>	

Note: Participation stakes updated as of 31 March 2018 and calculated net of treasury shares of subsidiaries

CIR Group profile

- Founded in 1976 by Carlo De Benedetti; controlled 45.8%* by COFIDE-Gruppo De Benedetti
- Long term investment strategy, with focus on controlling stakes
- Balanced portfolio of assets, with leading positions in their respective businesses
- Active role in governance and in strategic decision making of portfolio companies
- No leverage and significant liquidity available at holding company level
- Commitment to low cost structure

() 55.7% net of treasury shares*

1Q 2018 consolidated financials highlights

- Consolidated net result in 1Q 2018: € 9.9 M (vs € 13.5 M in 1Q2017, slightly decreasing due to lower financial income at the holding company)
Contribution of industrial businesses (Sogefi, GEDI and KOS): € 12,6 M (vs. € 11,6 M in 1Q 2017)
- Consolidated net financial position at March 31, 2018: - € 274.7 M (vs. - € 272.5 M at December 31, 2017), including:
 - A net financial surplus at holding level of € 336.2 M (decreasing vs. € 343.0 M at December 31, 2017, mainly due to shares buyback)
 - A net debt of consolidated subsidiaries of € 610.9 M, (slightly decreasing vs. € 615.5 M at December 31, 2017 but significantly higher than at March 31, 2017 due to a - € 140.2 M cash out related to GEDI's tax settlement. The first two instalments were paid in Q4 2017; the last instalment of € 35.1 M, is to be paid in 2Q 2018)

Consolidated income statement



€ M

	1Q 2017 ⁽¹⁾	1Q 2018	
Revenues	679.5	710.1	+4.5%
EBITDA	80.5	84.8	+5.3%
EBIT	42.2	44.7	+5.9%
Financial result ⁽²⁾	(6.9)	(11.8)	
Taxes	(12.0)	(11.6)	
Group net result ⁽³⁾	13.5	9.9	

(1) 2017 figures restated in application of IFRS 15

(2) Difference is mainly due to lower income from financial assets at holding company level (interest income and expense, dividends received, fair value adjustments, trading)

(3) Net of third party interests (equal to € -11.4 M in 1Q 2018 and € -10.0 M in 1Q 2017)

Consolidated income statement by business sector

€ M

	1Q2017 ⁽¹⁾	1Q 2018
Sogefi Group	6.0	6.8
GEDI Group	2.8	1.3
KOS Group	2.8	4.5
Total operating companies ⁽²⁾	11.6	12.6
CIR holding ⁽³⁾	1.9	(2.7)
Net result	13.5	9.9

(1) 2017 figures restated in application of IFRS 15

(2) Pro-rata share of subsidiaries' net income

(3) Including income from financial assets/non core investments, operating costs

Consolidated balance sheet – main group assets



€ M

Group equity in consolidated balance sheet	31 Dec. 2017 ⁽¹⁾	31 March 2018
Sogefi	101.6	106.8
GEDI	254.8	255.7
KOS	171.8	176.3
Total operating companies	528.2	538.8
Fixed assets	15.3	15.1
Private equity ⁽²⁾	53.0	47.3
Non performing loans	11.1	11.0
Other investments	9.9	9.9
Other Assets (Liabilities)	(0.7)	6.6
Net cash	343.0	336.2
Total CIR holding level	431.6	426.1
Total CIR Group shareholders' equity	959.8	964.9
Shareholder's equity per share	1.21	1.21
Shareholder's equity per share (net of treasury shares) ⁽³⁾	1.46	1.48

(1) 2017 figures restated in application of IFRS 15

(2) Book value decreasing mainly due to cash reimbursements to CIR

(3) Treasury shares as of 31 March 2018: n. 140.9 m, equal to 17.7% of share capital

Consolidated net financial position

€ M

	31 Dec. 2017 ⁽¹⁾	31 March 2018
Sogefi Group	(264.0)	(254.3)
GEDI Group	(115.1)	(110.0)
KOS Group	(237.1)	(247.3)
Other subsidiaries	0.7	0.7
Total subsidiaries	(615.5)	(610.9)
CIR holding level	343.0	336.2
Consolidated net financial indebtedness	(272.5)	(274.7)
Total shareholders' equity⁽²⁾	(1,479.1)	(1,493.3)
Consolidated net invested capital	1,751.6	1,768.0

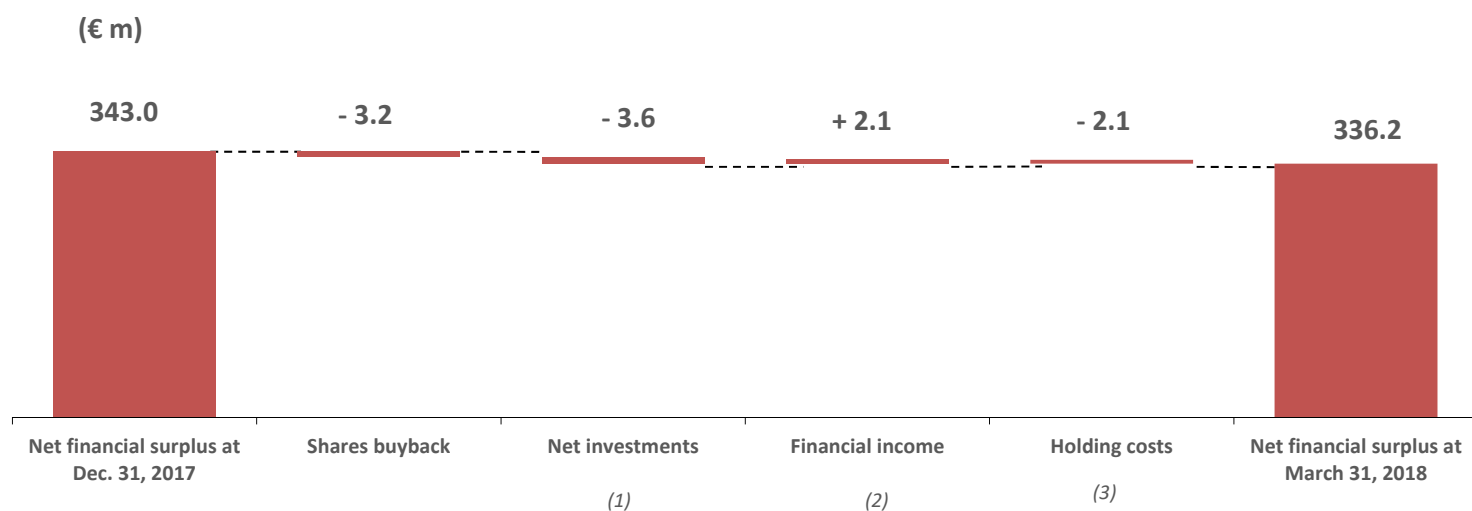
(1) 2017 figures restated in application of IFRS 15

(2) Including third party interests

Net financial position at CIR Holding level

- Decrease of net cash at CIR financial holdings is mainly due to the buyback of treasury shares in the quarter

Evolution of net financial position in 1Q 2018



(1) Private equity investments

(2) Delta Fair value of securities + securities income, trading

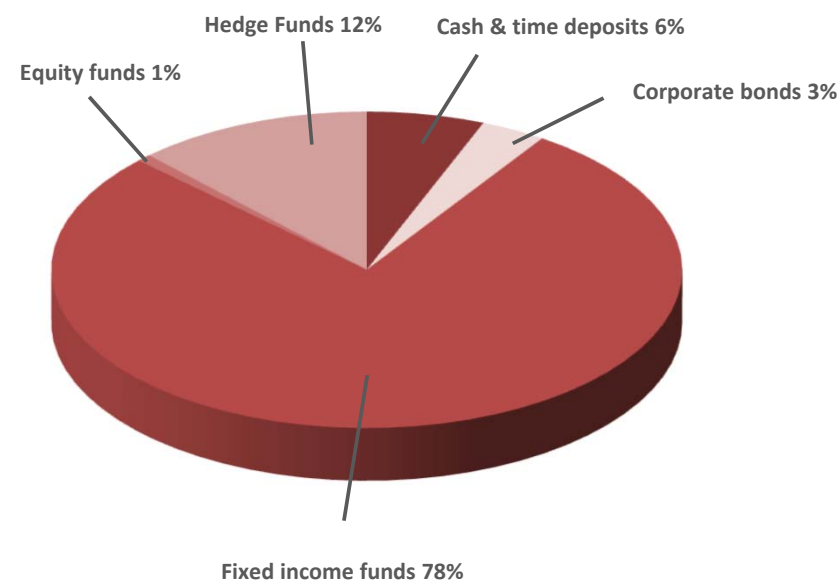
(3) Operating costs, taxes, etc.

Composition of liquid assets

€ M

	31 Dec. 2017	31 March 2018
Cash and time deposits	60.5	20.3
Corporate bonds	11.2	11.3
Fixed income funds	228.9	261.4
Equity funds	2.6	2.5
Hedge funds	39.1	40.8
Other ⁽¹⁾	0.7	--
Total liquid assets	343.0	336.3
Gross financial debt ⁽¹⁾	--	(0.1)
Net financial position	343.0	336.2

Liquid assets at 31 March 2018

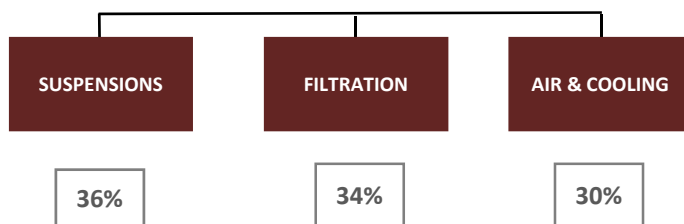


(1) Fair value derivatives


1Q 2018 Subsidiaries' financial and operational highlights



	1Q 2018 Highlights	Key strategic objectives
Sogefi	<ul style="list-style-type: none"> The global automotive market had a weak performance in 1Q2018 (production -0.7%) SOGEFI revenues growth of 2.8 at constant exchange rates (down 2.7% at historical exchange rates), thanks to Asia and Sud America. Stable business in Europe and North America EBITDA in line with 1Q2017 (+5.1% at constant exchange rates) and higher net result (€12.0M vs. €10.5M in 1Q2017) Positive cash flow generation (€9.3M vs. €6.9 in 1Q2017) 	<ul style="list-style-type: none"> Expansion of geographical coverage, through growth initiatives focused on Asia and North America Further efficiency improvement and optimisation of production footprint Product innovation, to capture new market opportunities
GEDI	<ul style="list-style-type: none"> Persisting weakness in press markets: circulation -8.5%; advertising -9.6% Market growth in Radio (+5.1%) and Internet (+2.6%, excluding Search&Social) GEDI revenues grew 20.7% thanks to ITEDI integration but were down 5.8% at constant perimeter, slightly overperforming reference markets GEDI reported a €11.4M EBITDA and a €3.0M net result, down from €5.0M in 1Q217 (€5.8M at constant perimeter) 	<ul style="list-style-type: none"> Operational integration of ITEDI businesses Expansion of digital platforms, leveraging on leadership in traditional media Further efficiency improvement
KOS	<ul style="list-style-type: none"> Continuing growth of revenues (+13.4%) and EBITDA (+33.3%), thanks to ongoing organic expansion, greenfield development and acquisitions 	<ul style="list-style-type: none"> Further consolidation in Italian nursing homes and rehabilitation markets Focused geographical expansion in Diagnostics and Cancer care
Non-core investments	<ul style="list-style-type: none"> Ongoing realisation of Private Equity and NPL investments 	<ul style="list-style-type: none"> Realisation of existing assets Selective approach on new investments



2017 Revenues breakdown

Customers		Regions	
FORD	12.0%	Europe	61.3%
FCA/CNH Industrial	12.0%	North America	17.7%
RENAULT/NISSAN	11.5%	South America	11.7%
PSA	11.1%	Asia	9.3%
GM	8.8%	 <div style="border: 1px solid black; border-radius: 50%; padding: 5px; text-align: center;"> Weight of non-European markets 38.7% </div>	
DAIMLER	8.5%		
VOLKSWAGEN/AUDI	4.6%		
TOYOTA	3.1%		
BMW	2.6%		
OTHER	25.8%		

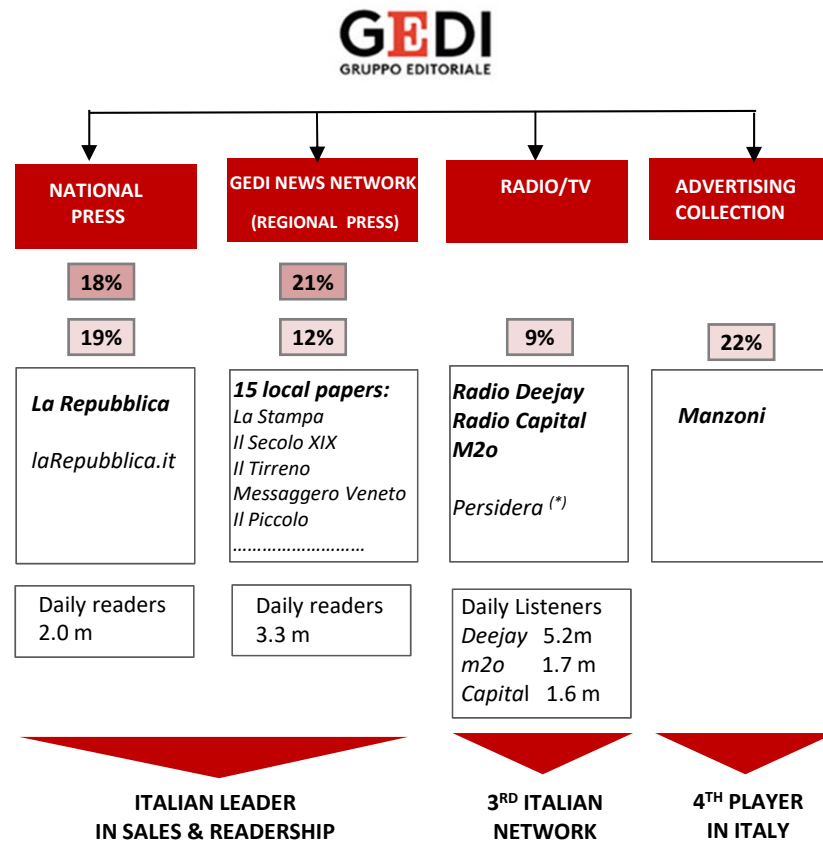
Key financials

€ M	1Q 2017	1Q 2018
Revenues	432.9	421.1
EBITDA	53.3	53.1
Net result	10.5	12.0

1Q 2018 Performance and outlook

- Revenues grew 2.8% at constant exchange rates (down 2.7 at real exchange rates) outperforming markets in almost all regions: at constant exchange rate, revenues are substantially stable in Europe and North America and growing in South America (+16.3%) e in Asia (+8.5%)
- EBITDA at € 53.1 M in line with 1Q2017 (+5.1% at constant exchange rate). EBITDA margin improved from 12.3% to 12.6%
- Free Cash Flow was + € 9.3 M (vs. + € 6.9 M in 1Q2017)
- Net debt down to € 254.3 M, reporting an improvement of € 9.7 M vs. 4Q2017
- Sogefi expects to moderately outperform the market at constant exchange rates and achieve a higher result vs. 2017

GEDI – overview



(*) TV Network operator, 30% stake

Circulation revenues (% of 2017 total)

Advertising revenues, including digital (% of 2017 total); for Manzoni Third party advertising collection

Key financials

€ M	1Q 2017(*)	1Q 2018
Revenues	129.1	155.8
EBITDA	13.0	11.4
Net result	5.0	3.0

(*) ITEDI non consolidated in 1Q2017

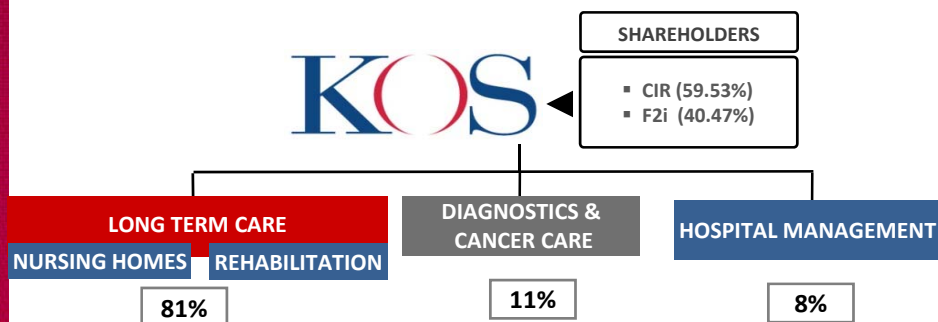
1Q 2018 Performance and outlook

- Circulation revenues at € 71.7 M (+33% including ITEDI, but -7.5% at constant perimeter) in a market down 8.5%.
- Advertising revenues at € 73.4 M (+14.3%, but -3.1% at constant perimeter):
 - press advertising rose by 9.0% (-7.7% at constant perimeter, vs. market -9.6%)
 - internet advertising up +8.1% (+2.6% at constant perimeter, in line with market)
 - radio reported a 4.4% increase vs. market +5.1%
- EBITDA at 11.4 M
- Net result at € 3.0, down from € 5.0 M (€ 5.8 M at constant perimeter)
- Net debt at € 110 M vs. € 115.1 M at the end of 2017 (after a € 140.2 M disbursement to settle a fiscal dispute in 4Q2017, with further €35.1 M to be disbursed in 2Q 2018)
- As for the 2018 outlook, evidence available to date suggests similar market trends as in 2017, with the exception of slightly more positive trends in advertising in the second quarter 2018

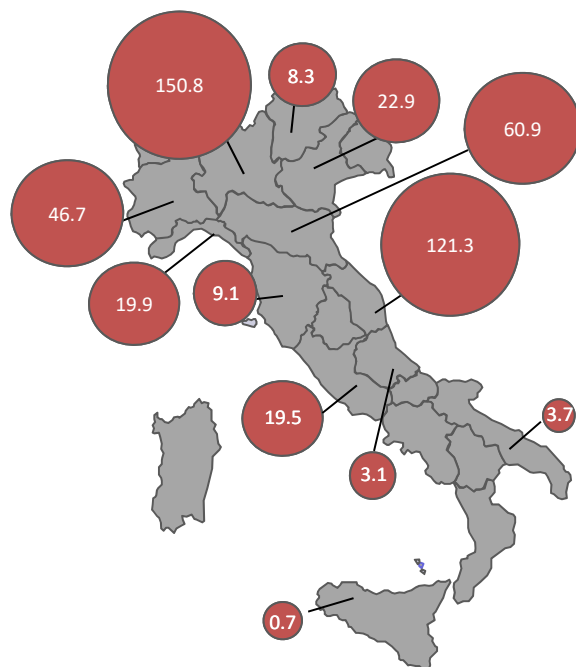
GEDI – Settlement of tax dispute

- On September 29 2017 the Board of Directors of GEDI resolved to settle a tax dispute with Italian tax authorities
- The case, pending in Italy's Supreme Court, referred to a dispute related to the treatment of tax benefits deriving from a corporate reorganisation of Gruppo Editoriale L'Espresso, carried out in 1991. In case of unfavourable ruling by the Supreme Court, the total maximum liability for GEDI would have been € 388.6 M
- Although GEDI was convinced to be on the right side with regards to the most relevant items of the tax dispute, the Board of Directors decided that an immediate settlement was in the interests of the Company, taking into account the benefit of removing a possible risk, with potentially severe consequences in case of unfavorable ruling, and considering that the Company had the financial resources to sustain such settlement
- The decision to settle the case implies that GEDI will have to pay a total amount of € 175.3 M, of which € 140.2 M were paid in 4Q 2017 and the remaining € 35.1 M will be paid by June 20, 2018
- From a financial point of view, the disbursement is sustainable through the use of existing cash balances and committed financing lines, and will leave the company with a sustainable leverage ratio after full payment
- From an economical point of view, the loss resulting from the settlement, which is fully recognized in the accounts at December 31 2017, amounts to € 143.2 M and is entirely covered by available shareholders' equity reserves, without affecting the share capital

KOS - overview



2017 Revenues breakdown



Key financials

€ M	FY 2017	1Q 2017	1Q 2018
Revenues	490.6	117.5	133.2
EBITDA	87.9	17.8	23.8
Net result	29.0	4.6	7.5
NFP	(237.1)	(216.5)	(247.3)

1Q 2018 Performance and outlook

- Revenues grew 13.4%, thanks to organic growth across all business lines, as well as acquisitions and greenfield projects completed in 2017 and 1Q2018
- EBITDA grew 33.4%, driven by top line growth
- The company owns 83 Long Term Care facilities, located mainly in the centre and north of Italy, with 7,914 beds, making it the first operator in Italy
- Main objectives in Long Term Care are to pursue market consolidation in the core domestic market and further leverage economies of scale
- The Diagnostics and Cancer Care business operates ca. 40 Service Contracts in Italy, India and UK, and owns one radiotherapy center

Non-core investments

Private equity

- Diversified portfolio of private equity funds and direct minority private equity investments, with a fair value of € 47.3 M at 31 March 2018 (with declining trend mainly due to reimbursements and limited fair value adjustments in application of IFRS 15)
- The portfolio has reached its maturity/reimbursement phase, as limited investments were added in the recent past

NPL

- The net value of the non-performing loan portfolios is € 11.0 M at 31 March 2018
- CIR no longer owns operating companies in this industry and is currently in the process of collecting the remaining receivables, with no further investments

Other Investments

- Other non strategic investments include direct minority stakes with a value of € 9.9 M at 31 March 2018.

Disclaimer



- *This document has been prepared by CIR for information purposes only and for use in presentations of the Group's results and strategies.*
- *For further details on CIR and its Group, reference should be made to publicly available information, including the Annual Report, the Semi-Annual and Quarterly Reports*
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