

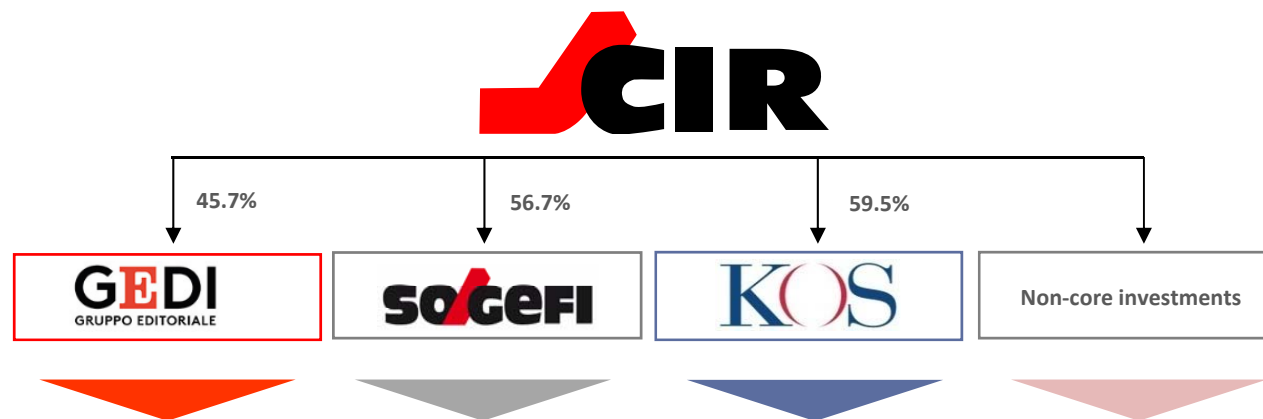


FY 2017 Results

March 2018



Group structure *as of 31 December 2017*



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

Note: Participation stakes updated as of 31 December 2017 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

FY 2017 consolidated financials highlights

- Consolidated net result in FY 2017: - € 5.9 M, affected by the settlement of a pending tax dispute at GEDI (- € 65,5 M)
Consolidated net result before extraordinary tax charge in FY 2017: + € 59.6 M (vs. + € 33.8 M in FY 2016)
- Consolidated net financial position at Dec 31, 2017: - € 272.5 M (vs. - € 143.6 M at December 31, 2016), including:
 - A net financial surplus at holding level of € 343.0 M (increasing vs. € 334.3 M at December 31, 2016)
 - A net debt of consolidated subsidiaries of € 615.5 M (increasing vs. € 477.9 M at December 31, 2016, mainly due to the impact of the GEDI tax settlement of € 140.2 M, paid in Q4 2017).

Consolidated income statement



€ M

	FY 2016	FY 2017	
Revenues	2,620.7	2,796.7	+6.7%
EBTDA	258.8	290.4	+12.2%
EBIT	129.6	154.3	+19.1%
Financial result ⁽¹⁾	(21.0)	(25.0)	
Taxes ⁽²⁾	(52.9)	(180.6)	
Group net result ⁽³⁾	33.8	(5.9)	
Group net result before extraordinary tax charge	33.8	59.6	

(1) Including : interest income and expense, dividends received, fair value adjustments, trading

(2) In FY 2017 Taxes include the tax charge (€ 143.2 M) resulting from the settlement of the dispute at GEDI (see page 15)

(3) Net of third party interests (equal to +€ 37.8 M in FY 2017 and -€ 23.9 M in FY 2016) and contribution from Assets held for sale (equal to € 7.6 in FY 2017 and € 2.0 in FY 2016)

Consolidated income statement by business sector

€ M

	FY 2016	FY 2017
GEDI Group ⁽¹⁾	5.9	(56.4)
Sogefi Group	5.3	15.1
KOS Group	13.9	17.3
Total operating companies ⁽²⁾	25.1	(24.0)
CIR holding ⁽³⁾	8.7	18.1
Net result	33.8	(5.9)

(1) In FY 2017, following the ITEDI integration, CIR consolidated 45.7% (vs. 56.5% in FY 2016) of GEDI net result, which includes ITEDI's contribution starting July 1st 2017.

GEDI's net result includes a loss from the settlement of tax dispute for € 143.2 M (impact on CIR' net result is - € 65.5 M).

(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. 2016	31 Dec .2017
GEDI	337.9	254.8 ⁽¹⁾
Sogefi	100.7	109.1
KOS	161.9	171.8
Total operating companies	600.5	535.7
Fixed assets	16.4	15.3
Private equity ⁽²⁾	58.1	53.0
Non performing loans ⁽²⁾	38.3	11.1
Other investments	18.3	9.9
Other Liabilities	(13.6)	(0.7)
Net cash	334.3	343.0
Total CIR holding level	451.8	431.6
Total CIR Group shareholders' equity	1,052.3	967.3
Shareholder's equity per share	1.32	1.22
Shareholder's equity per share (net of treasury shares) ⁽³⁾	1.58	1.47

(1) The variation is due to the ITEDI integration (new CIR stake applied to GEDI equity, which includes the contribution of ITEDI) and to the negative tax impact on GEDI's equity

(2) Book value decreasing due to cash reimbursements to CIR and partial sale of NPL assets

(3) Treasury shares as of 31 December 2017: n. 138.2 m, equal to 17.4% of share capital

Consolidated net financial position

€ M

	31 Dec. 2016	31 Dec. 2017
GEDI Group ⁽¹⁾	31.7	(115.1)
Sogefi Group	(299.0)	(264.0)
KOS Group	(213.6)	(237.1)
Other subsidiaries	3.0	0.7
Total subsidiaries	(477.9)	(615.5)
CIR holding level	334.3	343.0
Consolidated net financial indebtedness	(143.6)	(272.5)
Total shareholders' equity ⁽²⁾	(1,518.5)	(1,492.4)
Consolidated net invested capital	1,662.1	1,764.9

(1) Including a - € 140.2 M cash out related to GEDI's tax settlement (first two instalments paid in Q4 2017; the last instalment of € 35.1 M, is to be paid in 2Q 2018)

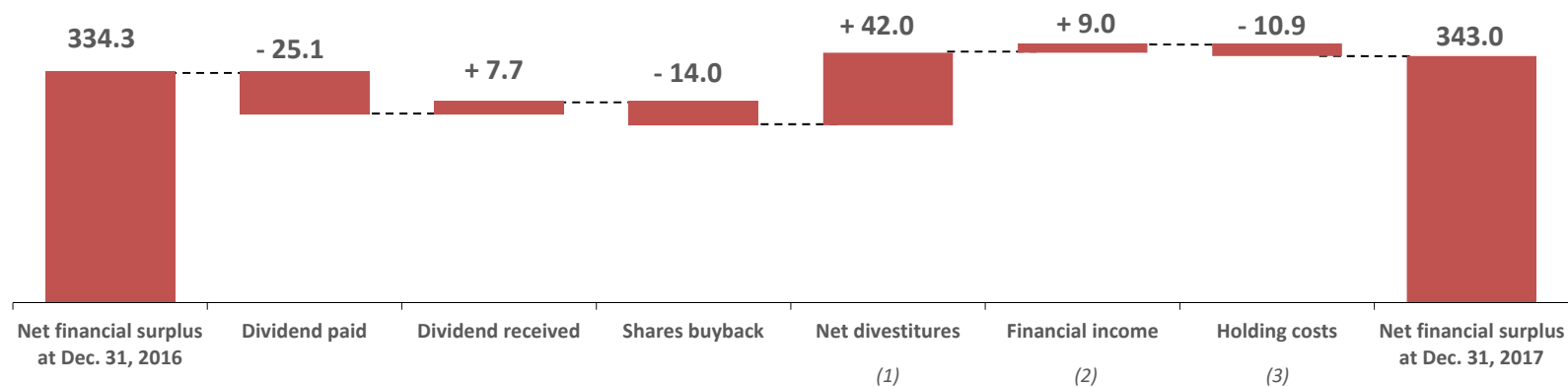
(2) Including third party interests

Net financial position at CIR Holding level

- Increase of net cash at CIR financial holdings is mainly due to reimbursements from and divestments of non core assets, partly compensated by dividends and treasury shares buyback

Evolution of net financial position in FY 2017

(€ m)



(1) Private equity reimbursements, partial sale of NPLs

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

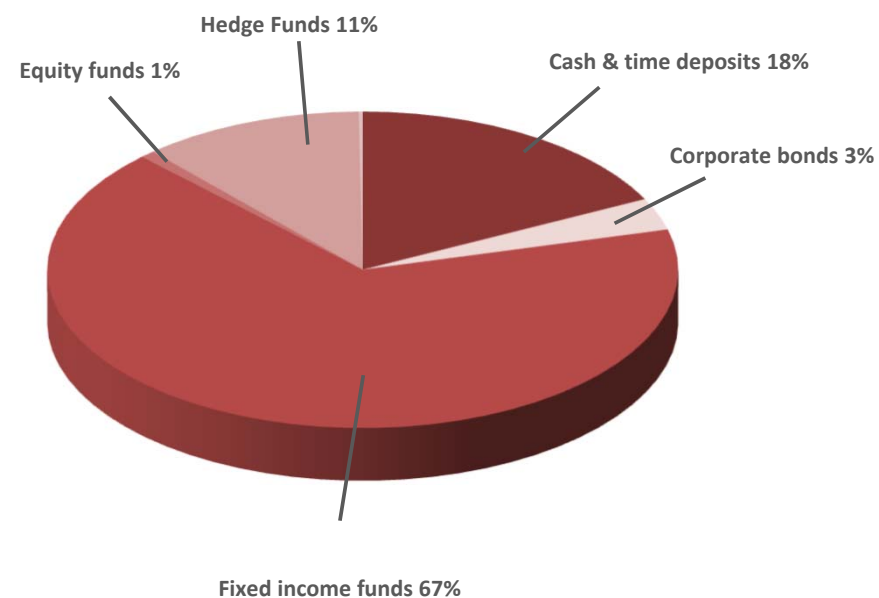
(3) Operating costs, extraordinary costs, taxes, etc.

Composition of liquid assets

€ M

	31 Dec. 2016	31 Dec. 2017
Cash and time deposits	47.4	60.5
Corporate bonds	17.7	11.2
Fixed income funds	226.1	228.9
Equity funds	2.4	2.6
Hedge funds	38.7	39.1
Other (*)	2.5	0.7
Total liquid assets	334.8	343.0
Gross financial debt	(0.5)	--
Net financial position	334.3	343.0

Liquid assets at 31 December 2017



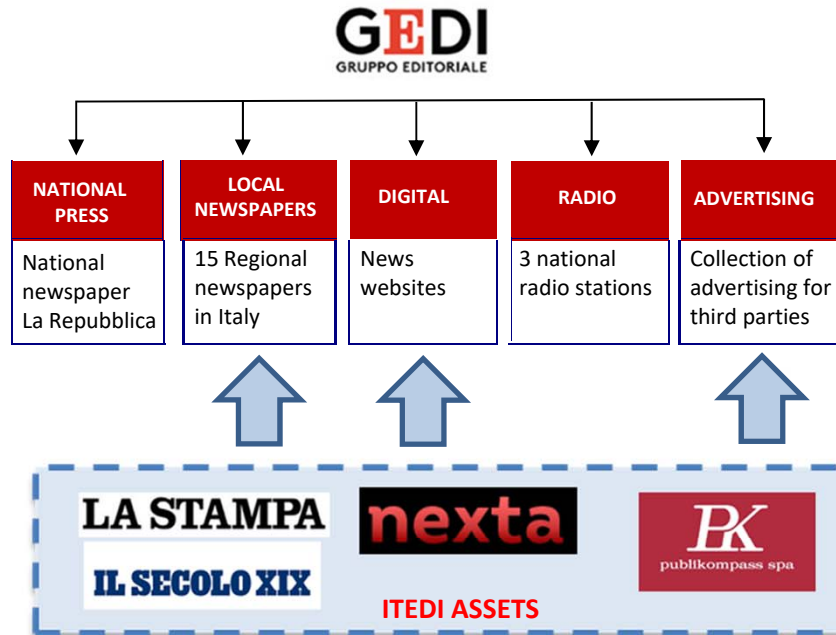
(*) Fair value derivatives, financial credits.

FY 2017 Subsidiaries' financial and operational highlights



	FY 2017 Highlights	Key strategic objectives
GEDI	<ul style="list-style-type: none"> Revenues growth of 8.2% (stable at constant perimeter), driven by growing advertising revenues and flat press circulation revenues (decreasing in line with market at constant perimeter) Despite the adverse evolution of the sector, GEDI reported a €53.2M EBITDA, higher than FY2016 even at constant perimeter, thanks to the continuing focus on efficiency Net debt at €115.1M, after a €140.2 disbursement to settle a fiscal dispute GEDI confirms its leadership in national and local daily newspaper sales and readership, while Repubblica.it is the leading news site in terms of daily unique users 	<ul style="list-style-type: none"> Operational integration of ITEDI businesses Expansion of digital platforms, leveraging on leadership in traditional media Further efficiency improvement
Sogefi	<ul style="list-style-type: none"> Revenues growth of 6.2% (+7.3% at constant exchange rates), thanks to above market growth in almost all geographical areas and across all lines of business Increasing EBITDA (+8.6%) and net result (€26.6M vs. €9.3M in FY2016), thanks to revenue growth and efficiency actions, despite negative impact of raw material prices Strong cash flow generation and further deleveraging in the period 	<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
KOS	<ul style="list-style-type: none"> Continuing growth of revenues (+6,4%) and EBITDA (+6.4%), 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

GEDI - overview



FULL YEAR PRO FORMA ⁽¹⁾	ESPRESSO PRO FORMA	ITEDI	GEDI PRO FORMA
Revenues	568.5	137.4	705.9
EBITDA	41.8	13.3	55.1
Net result	7.5	4.4	11.9

≅ 15 M synergies expected in the medium term

Key financials

€ M	FY 2016 ACT	FY 2016 PF ⁽²⁾	FY 2017 ACT
Revenues	585.5	634.4	633.7
EBITDA	43.7	46.1	53.2
Net result	10.4	7.0	(123.3)

FY 2017 Performance and outlook

- Circulation revenues flat at € 201.7 M (decreasing by 7.1% at constant perimeter) in a market down 8.8%.
- Advertising revenues +13.7% at € 390.1 M (+5.7% at constant per.):
 - press advertising rose by 4.8% (-7.3% at constant perimeter, affected by the negative performance of the market)
 - internet advertising up +9.9% (+2.3% at constant perimeter)
 - radio reported a 5.0% increase
 - third party advertising contributed positively, also thanks to new customers acquisition
- EBITDA growth (also at constant perimeter), thanks to efficiency
- Net result affected by a -€ 143,2 charge from the tax dispute
- As for the 2018 outlook, evidence available to date suggests similar market trends as in 2017

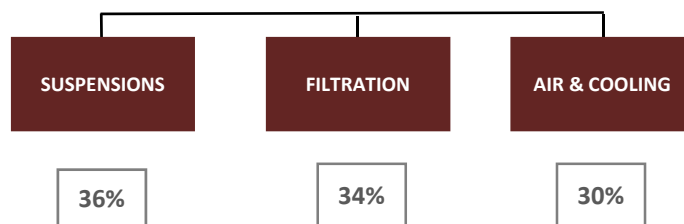
(1) 2016 Full Year Pro Forma Combination of Espresso (excluding businesses sold in 4Q 2016) + Itedi (NFP normalized for pro-soluto factoring)

(2) 2016 Pro Forma at 2017 accounting perimeter: excluding Espresso businesses sold in 4Q 2016 (5 local dailies and 1 printing centre) and adding ITEDI only in 2H 2016

- On June 27, 2017 the integration of the ITEDI Group companies (Italiana Editrice SpA, Publikompass SpA and Nexta Srl) into GEDI was completed. The merger was carried out through a capital increase for a total amount of € 80 M - reserved to Fiat Chrysler Automobiles (FCA) and Perrone family's Ital Press Holding (IPH).
- After the transaction, FCA distributed its entire stake to its shareholders, including EXOR (Agnelli family holding company). As a result of the transaction and of subsequent purchases, CIR diluted its stake in GEDI to 43.8%(45.7% net of treasury shares), IPH to 4.8% and EXOR to 6%
- The number of members of the Board of Directors of GEDI was increased from 11 to 14, as two representatives of the new shareholders and one independent director were appointed
- Operational integration has started, with the objective to realize synergies in content production, industrial costs (distribution and printing), advertising collection and G&A expenses. Synergies of ca.15 M are expected in the medium term

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



2017 Revenues breakdown

Customers		Regions	
FORD	12.0%	Europe	61.7%
FCA/CNH Industrial	12.0%	North America	17.7%
RENAULT/NISSAN	11.5%	South America	11.7%
PSA	10.7%	Asia	9.8%
GM	9.2%		
DAIMLER	8.5%		
VOLKSWAGEN/AUDI	4.6%	Business units	
TOYOTA	3.1%	Suspensions	36%
BMW	2.6%	Filtration	34%
OTHER OEMs	14.8%	Air & Cooling	30%
Aftermarket	10.9%		

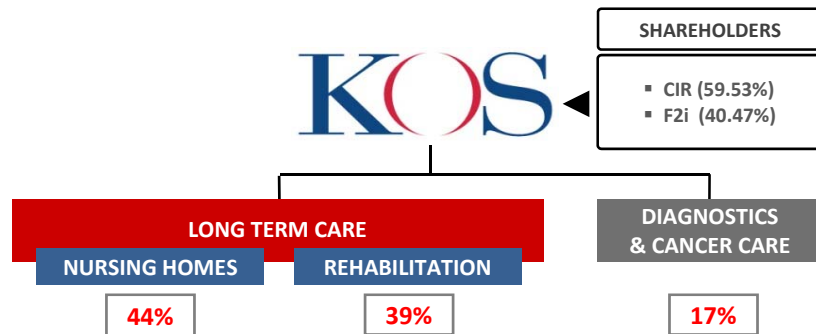
Key financials

€ M	FY 2016	FY 2017
Revenues	1,574.1	1,672.4
EBITDA	152.7	165.8
Net result	9.3	26.6

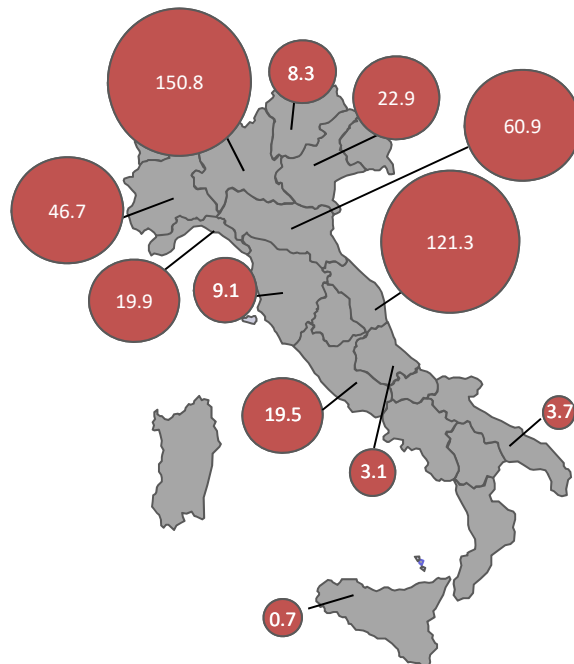
FY 2017 Performance and outlook

- Revenues grew 6.2% (+7.3% at constant exchange rates), outperforming markets in almost all regions: strong performance in Asia (+20.9%), + 2.1% in North America (despite market slowdown) and + 4.3% in Europe; South America also grew 13.2% (+15.1 at constant exchange rates)
- EBITDA margin increased from 9.7% to 9.9% thanks to revenue growth and efficiency actions, despite negative impact of raw material prices
- Free Cash Flow was + € 34.4 M (vs. + € 31.2 M or + € 15.2 net of extraordinary items in FY 2016)
- Net debt down to € 264 M (1,6 x EBITDA), reporting an improvement of € 35.0 M vs. 2016
- The outlook for the automotive market in 2018 shows a positive growth trend, around 1.5%.
- Sogefi expects to moderately outperform the market at constant exchange rates, thanks to growth initiatives in Mexico and Morocco, and to further improve margins, despite continuing pressure on raw materials

KOS - overview



2017 Revenues breakdown



Key financials

€ M	FY 2016	FY 2017
Revenues	461.1	490.6
EBITDA	82.6	87.9
Net result	23.4	29.0

FY 2017 Performance and outlook

- Revenues grew 6.4%, thanks to organic growth across all business lines, as well as acquisitions and greenfield projects completed in 2016 and 2017
- EBITDA grew 6.4%, driven by top line growth
- The company owns 81 Long Term Care facilities, located mainly in the centre and north of Italy, with 7,764 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 has recently acquired a radiotherapy center in Tuscany

Non-core investments

Private equity

- Diversified portfolio of private equity funds and direct minority private equity investments, with a fair value of € 53.0 M at 31 December 2017 (with declining trend due to reimbursements)
- 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 decreased from € 38.3 M to € 11.1 M at 31 December 2017, due to 2017 cash reimbursements, the sale of receivables in Q4 for € 17 M (with no material accounting impact) and the allocation of an existing € 6.4 M risk provision to the remaining NPL assets (no P&L impact)
- 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 December 2017. In FY 2017 the exit from existing investments generated a capital gain of € 11.3 M.

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