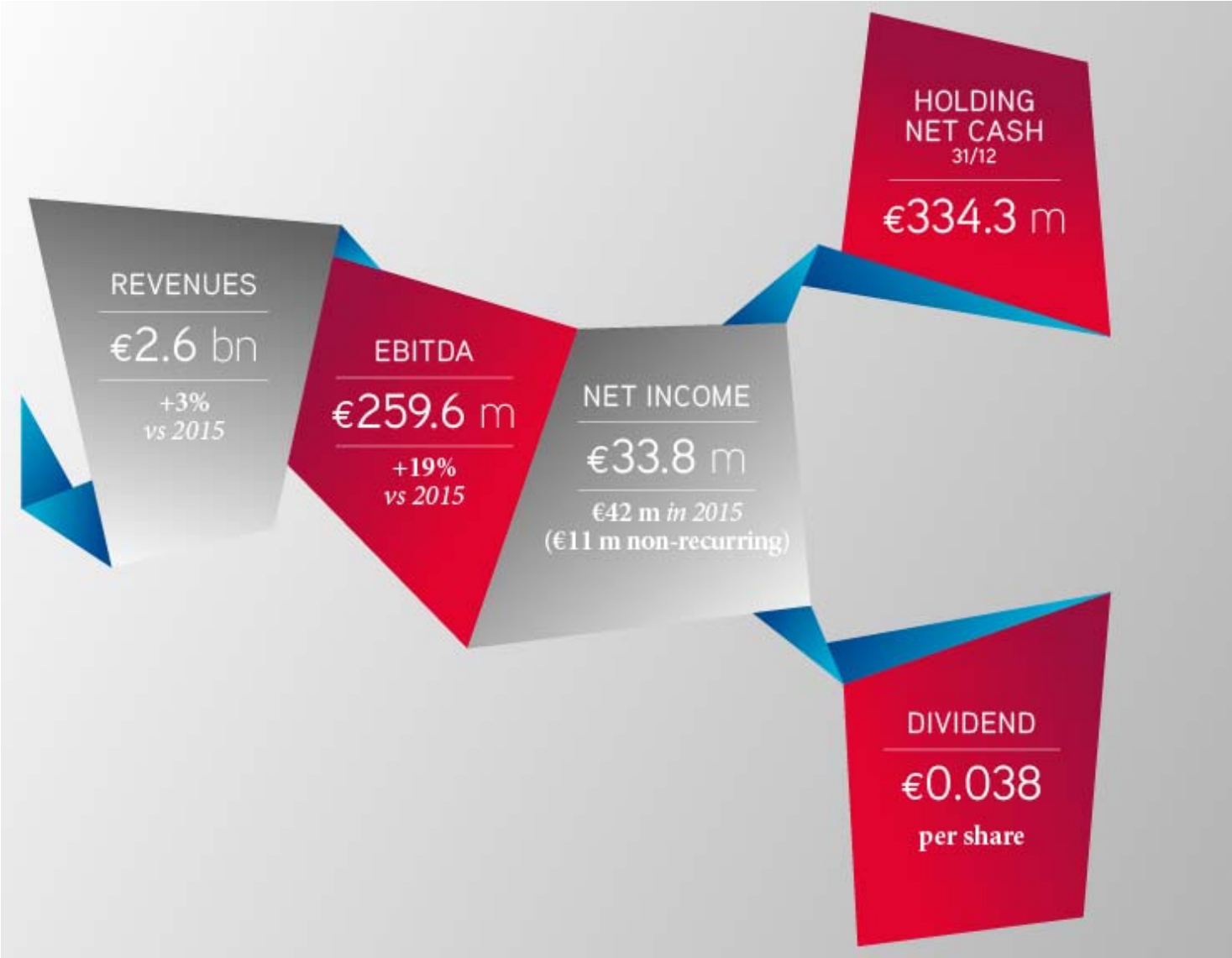




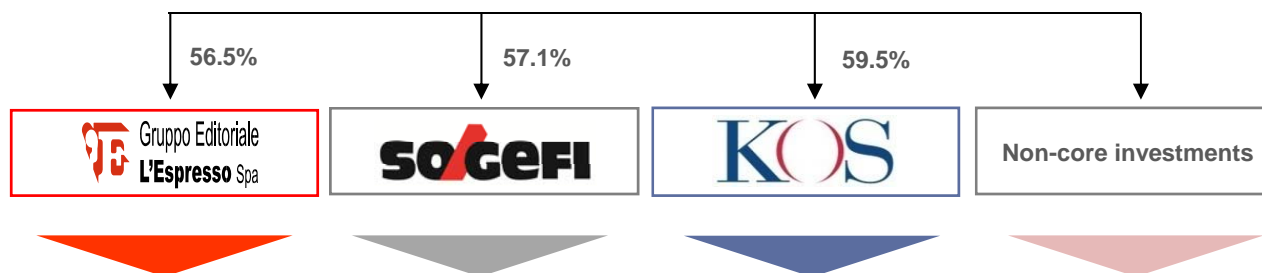
FY 2016 Results

March 2017

FY 2016 at a glance



Group structure



Revenues 2016	€85 M	€1.574 M	€461 M	--	Total €2.621 M
Businesses	<i>Italian media group, with presence in dailies, periodicals, radio, internet and advertising</i>	<i>Global automotive supplier of suspensions, filtration, air intake & cooling components</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 Italy:</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>Leadership positions in core geographies (Europe and South America), leveraged to expand globally</i>	<i>Leader in Italian long term care, developing presence in UK, India</i>		

Note: Participation stakes updated as of 31 December 2016 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 2016 consolidated financials highlights



- 2016 consolidated net income: € 33.8 M
(vs. € 42.0 M in 2015, which included 11.0 M non recurring items).
Contribution of industrial businesses (Espresso, Sogefi and KOS): € 25.1 M
(vs. € 20.4 M in 2015)
- Consolidated net financial position at December 31, 2016: - €143.6 M
(vs. - €121.7 M at December 31, 2015), including:
 - A net financial surplus at holding level of €334.3 M
(decreasing vs. €417.9 M at December 31, 2015 due mainly to the KOS transaction, shares buyback and dividend distribution)
 - A net debt of consolidated subsidiaries of €477.9 M
(decreasing vs. € 539.6 M at December 31, 2015, mainly thanks to cash generation at Espresso (+€42.4 M) and Sogefi (+€23.3 M))

Consolidated income statement



€M

	2015	2016
Revenues	2,544.4	2,620.7
EBITDA	218.2	259.6
EBIT ⁽¹⁾	80.0	130.4
Financial expense ⁽²⁾	(3.2)	(21.8)
Taxes ⁽³⁾	(20.9)	(52.9)
Assets held for sale ⁽⁴⁾	9.4	2.0
Group net result ⁽⁵⁾	42.0	33.8

(1) EBIT was impacted by Goodwill impairments related to Espresso (equal to € 30.9 M in 2015 and € 4.4 M in 2016)

(2) Included extraordinary gain of € 41.9 M in 2015, related to the sale of Swiss Education Group

(3) Included positive one off accounting items of € 9.9 M at Espresso in 2015 and negative one off items of € 10.2 M at Sogefi in 2016

(4) Related to assets sold by Espresso in 2015

(5) Net of third party interests (equal to € 23.9 M in 2016 and € 23.3 M in 2015)

Consolidated income statement by business sector



€M

	2015	2016
Espresso Group	9.6	5.9
Sogefi Group	0.7	5.3
KOS Group	10.1	13.9
Total industrial companies⁽¹⁾	20.4	25.1
CIR holding recurring income ⁽²⁾	10.6	8.7
Net result before extraordinary items	31.0	33.8
CIR holding Non recurring income ⁽³⁾	11.0	--
Net result	42.0	33.8

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

(2) Including treasury and non core investments, operating costs

(3) Sale of Education business +41,9; Espresso Goodwill amortisation -30,9

Consolidated balance sheet – main group assets

€M

Group equity in consolidated balance sheet	31 Dec. 2015	31 Dec. 2016
Espresso	332.2	337.9
Sogefi	100.4	100.7
KOS	137.2	161.9
Total industrial companies	569.8	600.5
Fixed assets	16.9	16.4
Private equity ⁽¹⁾	59.2	58.1
Non performing Loans ⁽¹⁾	43.0	38.3
Other investments	11.5	18.3
Other Liabilities	(15.3)	(13.6)
Net cash	417.9	334.3
Total CIR holding level	533.2	451.8
Total CIR Group shareholders' equity ⁽²⁾	1,103.0	1,052.3
Shareholder's equity per share	1.39	1.32
Shareholder's equity per share (net of treasury shares) ⁽³⁾	1.61	1.58

(1) Book value decreasing due to cash reimbursements to CIR

(2) The decrease of CIR shareholders' equity was mainly due to the distribution of dividends, the buyback of treasury shares and to the accounting treatment of the KOS acquisition according to IFRS 3 (the value of the additional KOS stake was entered at its equity book value, as opposed to its acquisition cost)

(3) Treasury shares as of 31 December 2016: n.128.6m, equal to 16.19% of share capital

Consolidated net financial position



€M

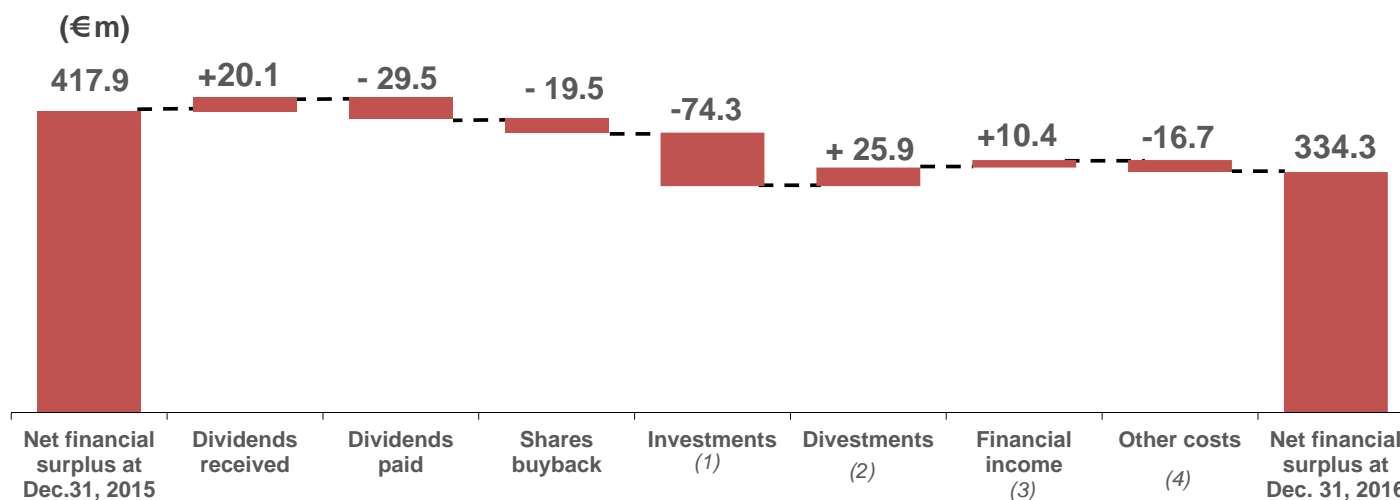
	31 Dec. 2015	31 Dec. 2016
Espresso Group	(10.7)	31.7
Sogefi Group	(322.3)	(299.0)
KOS Group	(210.0)	(213.6)
Other subsidiaries	3.4	3.0
Total subsidiaries	(539.6)	(477.9)
CIR Holding level	417.9	334.3
Consolidated net financial indebtedness	(121.7)	(143.6)
Total shareholders' equity⁽¹⁾	(1,590.3)	(1,518.5)
Consolidated net invested capital	1,712.0	1,662.1

(1) Including third party interests

Net financial position at CIR Holding level

- Decrease of net cash at CIR financial holdings is mainly due to investments, dividends and the buyback of treasury shares

Evolution of net financial position as at 31 December 2016



(1) Of which € 64.3 M to increase stake in KOS

(2) Private equity and NPL reimbursements, sale of non-core participations

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

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

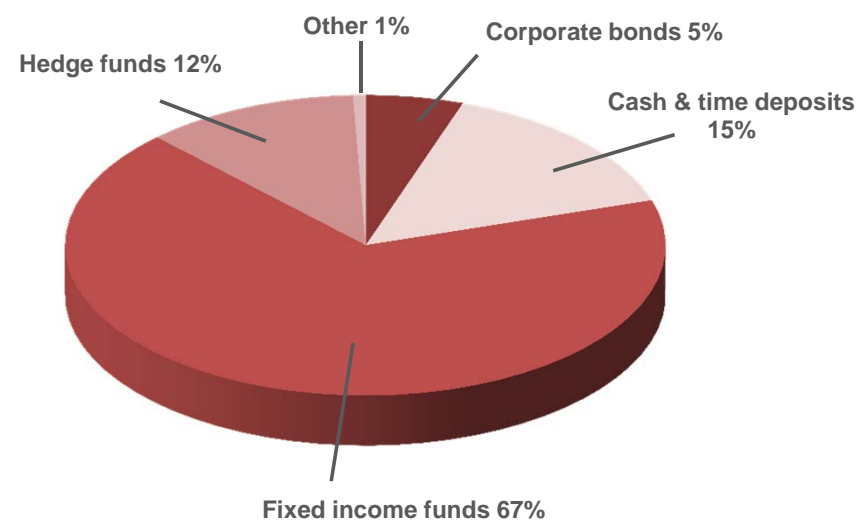
Composition of liquid assets and gross financial debt



€m

	31 Dec. 2015	31 Dec. 2016
Cash and time deposits	50.0	49.9
Government bonds	4.2	--
Corporate bonds	58.7	17.6
Fixed income funds	252.7	226.3
Hedge funds	46.0	38.7
Other (stocks, equity funds)	7.0	2.3
Total liquid assets	418.6	334.8
Gross financial debt	(0.7)	(0.5)
Net financial position	417.9	334.3

Liquid assets at 31 December 2016



2016 Subsidiaries' financial and operational highlights

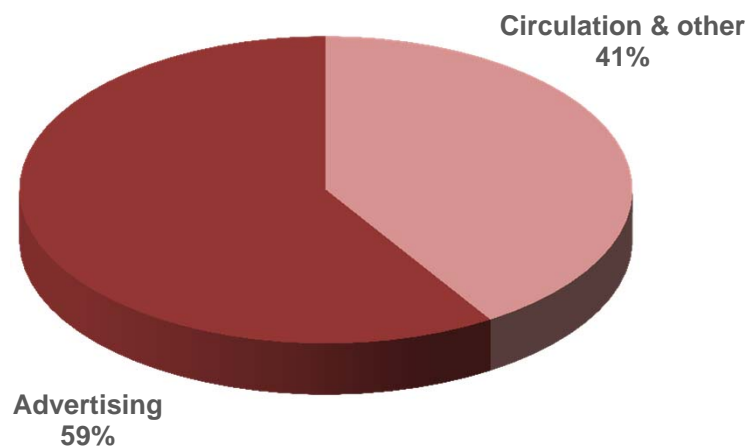


	2016 Highlights	Key strategic objectives
Espresso	<ul style="list-style-type: none"> ▪ Decrease of press circulation revenues (-6.4%) while total advertising revenues was substantially in line with 2015 (-0,9%): radio and internet advertising reported a slight increase, while press advertising was affected by the critical performance of the market ▪ Despite such top line decline, Espresso reported positive net results and stable EBITDA margin, thanks to the continuing focus on efficiency ▪ Net financial surplus of €31.7M, vs. a net debt of €10.7M at 4Q2015, thanks to a strong cash flow in the period ▪ Espresso 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"> ▪ Expansion of digital platforms, leveraging on leadership in traditional media ▪ Further efficiency improvement
Sogefi	<ul style="list-style-type: none"> ▪ Revenues growth of 5% (+9.8% at constant exchange rates), thanks to double digit growth in North America and Asia and a slight increase in Europe, and despite a weak performance in South America, also affected by exchange rates ▪ Increasing EBITDA (+32.2%) and net result (€9.3M vs. €1.1M in 2015), thanks to growth and improved margins ▪ Strong cash flow generation in the period 	<ul style="list-style-type: none"> ▪ Completion of global footprint, through growth focused on Asia and North America ▪ Further efficiency improvement ▪ Product innovation
KOS	<ul style="list-style-type: none"> ▪ Continuing growth of revenues (+5%) and EBITDA (+12.9%) thanks to ongoing organic growth and acquisitions 	<ul style="list-style-type: none"> ▪ Further consolidation in Italian nursing homes and rehabilitation markets ▪ Geographical expansion (current focus on India)
Non-core investments	<ul style="list-style-type: none"> ▪ Sale of a non-strategic investment in China (capital gain of €6.5M) 	<ul style="list-style-type: none"> ▪ Realisation of existing assets ▪ Selective approach on new investments

Espresso - overview



2016 Revenues breakdown



Key financials

€ M	2015	2016
Revenues	605.1	585.5
EBITDA	47.5	44.7
Net income <i>(excluding discontinued operations)</i>	6.8	8.5
Net income	17.0	10.4

2016 Performance and outlook

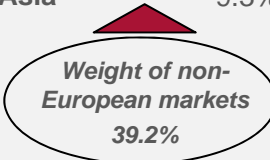
- Circulation revenues at € 242.5 M, decreasing by 6.4%, in a market down 8%.
- Total advertising revenues were substantially flat (-0.9%): radio and internet reported a slight increase while print was affected by declining market trends
- EBITDA margin was substantially stable vs. the previous year, with decline in revenues compensated by cost reduction
- Net income decline is due to the extraordinary gains related to the sale of DeeJay TV to Discovery in January 2015 (€ 10.3M in 2015 and € 2M in 2016)
- As for the 2017 outlook, evidence available to date suggests similar market trends as for 2016

Espresso – Integration with ITEDI

- On March 2, 2016 CIR and Gruppo Editoriale L'Espresso (GELE) signed a memorandum of understanding with ITEDI (publisher of daily newspapers La Stampa and Il Secolo XIX) and its shareholders (FCA and the Perrone family), aimed at the merger by incorporation of ITEDI into Espresso
- This transaction creates the first Italian, and one of the main European publishing groups in daily newspapers as well as digital news
- On August 1, 2016 the framework agreement was signed, according to which:
 - CIR will hold 43.4% in GELE, FCA 14.63% and Ital Press (Perrone family) 4.37%
 - FCA will then distribute its entire stake to its shareholders and as a result EXOR (Agnelli family holding company) will receive 4.3% of GELE
 - CIR will have the right to appoint the Chairman and the CEO of the joint group, while the other key shareholders will have representation rights on GELE's board
- The completion of the merger, which is subject to the authorization by the competent authorities and by the shareholder's meetings of Gruppo Editoriale L'Espresso and ITEDI, is expected in the second quarter of 2017
- In order to reach post-merger compliance with Italian regulatory limits on total circulation, Espresso signed agreements to sell 2 local dailies ("Il Centro and "La Citta di Salerno"), 71% of Seta (publisher of "Alto Adige" and "Il Trentino") and 1 printing centre
- On March 9, 2017 the Italian Antitrust Authority approved the transaction, with the condition that advertising collection for La Repubblica's local editions in Turin and Genoa be



2016 Revenues breakdown

Customers		Regions	
FORD	12.6%	Europe	60.8%
RENAULT/NISSAN	11.5%	North America	19.6%
FCA/CNH Industrial	11.3%	South America	10.3%
PSA	10.8%	Asia	9.3%
GM	10.0%		
DAIMLER	8.1%		
VOLKSWAGEN/AUDI	3.0%		
BMW	2.9%		
TOYOTA	2.8%		
OTHERS (including Aftermarket)	27.0%	Business units	
		Suspensions	36%
		Filtration	34%
		Air & Cooling	30%

Key financials

€ M	2015	2016
Revenues	1,499.1	1,574.1
EBITDA	115.5	152.7
Net income	12.9	9.3

2016 Performance and outlook

- Revenues grew 5% (+9.8% at constant exchange rates), due to strong performance in North America (+16.9%) and Asia (+25.6%), while Europe reported an increase of 1.4%; South America (now down to 10% of total sales) declined 7.1%, due to the depreciation of local currencies and local markets crisis
- EBITDA increased thanks to revenue growth and the improvement of profitability from 7.7% to 9.9%
- Free Cash Flow was + €31.2 M (vs. - €24.8 M in 2015, which included €20.3 M of quality costs). Without extraordinary items, Free Cash Flow amounted to €21.9 M in 2016
- In 2017 Sogefi is targeting a mid-single digit revenue growth in percentage terms, driven by a good performance in China and India and to a lower extent by growth in North and South America. In this environment, Sogefi expects to continue to improve its profitability, thanks to the ongoing operational efficiency program

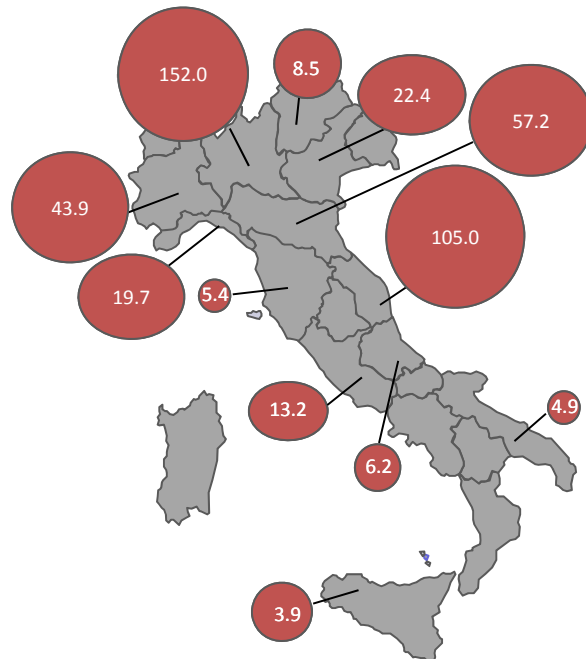
KOS - overview



Key financials

€ M	2015	2016
Revenues	439.2	461.1
EBITDA	73.0	82.4
Net income	19.8	23.4

Revenues breakdown by region (2016)



2016 Performance and outlook

- Revenues grew 5%, thanks mainly to green field developments and organic growth in the nursing home area, to the acquisition of a psychiatric rehabilitation facility in the Marche region and the opening of its first rehabilitation facility in India
- The company now has 77 facilities, located mainly in the centre and north of Italy, with more than 7,300 beds
- EBITDA grew 12% to €82,4 M
- Main objectives are to pursue market consolidation in core businesses in Italy and to selectively expand internationally, with a primary focus on India

KOS – F2i and CIR purchased 46.7% of KOS from Ardian



- On May 17, 2016 CIR and F2i (Italian Infrastructure Fund) completed a transaction with Ardian to buy 46.7%⁽¹⁾ of KOS for an amount of € 292 M.
 - F2i and a minority shareholder bought a 37.3%⁽²⁾ stake, investing € 240 M through a common vehicle (F2i Healthcare)
 - CIR bought the remaining part, plus shares held by minority investors and those deriving from the exercise of management stock options, investing €85 M and raising its stake to 62.7%⁽²⁾
- The implied valuation for 100% of KOS equity was € 644 M⁽²⁾; post transaction KOS distributed an extraordinary dividend of € 20 M
- On August 1, 2016 Bahrain Mumtalakat Holding Company, the sovereign fund of Bahrain, further invested in KOS through the F2i Healthcare vehicle. As part of this deal:
 - CIR sold to F2i Healthcare 3.2% of KOS for an amount of approximately € 20 million, and now holds 59.53% of KOS
 - F2i Healthcare raised its stake to 40.47%
 - The valuation of KOS in this transaction was the same as that of the May 17 deal, apart from technical adjustments
 - Minority investors will be represented by F2i, who will exercise co-control rights along with CIR

(1) Pre-dilution of management stock options

(2) Post-dilution of management stock options

Non-core investments

Private equity

- Diversified portfolio of private equity funds and direct minority private equity investments, with a fair value of €58.1 M at 31 December 2016 (declining vs. previous year due to reimbursements).
The portfolio has reached its maturity/reimbursement phase, as limited investments were added in the recent past
- As for “other non strategic investments”, their value of €18.3 M at 31 December 2016 is net of the sale of a minority investment in China, which generated a capital gain of €6.5 M in 2016

NPL

- At the end of December 2016 the net value of CIR investment in the non-performing loan portfolios amounted to €38.3 M (declining vs. previous year due to reimbursements).
- CIR no longer owns operating companies in this industry and is currently in the process of collecting the existing receivables, with no further investments

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