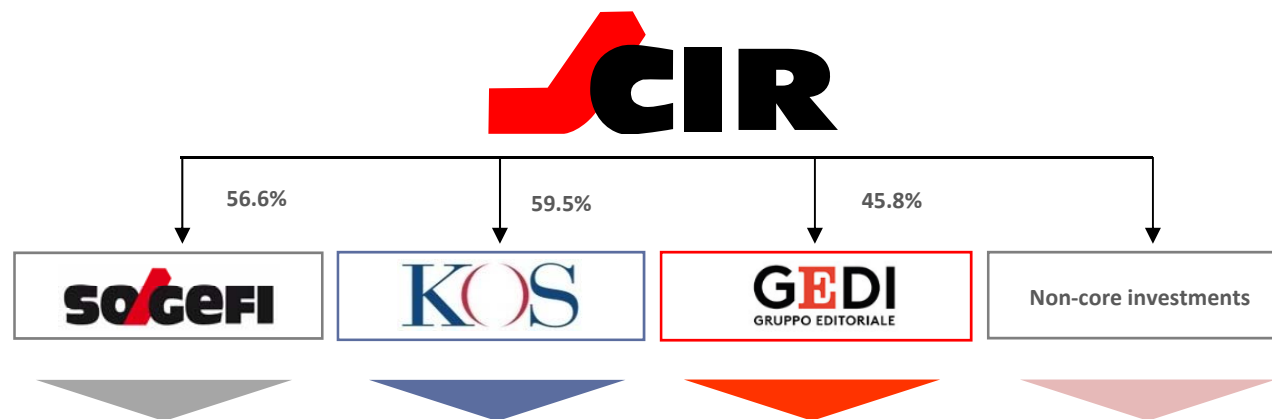




1H 2018 Results

July 2018

Group structure *as of 30 June 2018*



Businesses	Global automotive supplier of suspensions, filtration, air intake & cooling components	Healthcare group specialized in long term care (nursing homes/rehab), diagnostics and cancer care	Italian media group, with presence in dailies, periodicals, radio, internet and advertising	Investments in Private equity, NPLs
Competitive position	Leadership positions in core geographies (Europe and South America), leveraged to expand globally	Leader in Italian long term care, developing presence in UK, India	First Italian publishing group: <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 	

Note: Participation stakes updated as of 30 June 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

() 56.0% net of treasury shares*

1H 2018 consolidated financials highlights

- Consolidated net result in 1H 2018: € 25.4 M (vs € 26.8 M in 1H 2017)
Contribution of industrial businesses (Sogefi, GEDI and KOS): € 21.5 M
(vs. € 21.1 M in 1H 2017)
- Consolidated net financial position at June 30, 2018: - € 320.6 M
(vs. - € 272.5 M at December 31, 2017), including:
 - A net financial surplus at holding level of € 328.8 M
(decreasing vs. € 343.0 M at December 31, 2017, mainly due to dividends and shares buyback)
 - A net debt of consolidated subsidiaries of € 649.4 M
(increasing vs. € 615.5 M at December 31 2017 due to KOS investments and dividend distribution, not including the final instalment of GEDI's tax settlement, paid on July 2th 2018)

Consolidated income statement



€ M

	1H 2017 ⁽¹⁾	1H 2018	
Revenues	1,364.9	1,431.1	+4.9%
EBITDA	168.1	167.5	-0.4%
EBIT	82.1	82.4	+0.4%
Financial result ⁽²⁾	(11.8)	(15.6)	
Taxes	(24.6)	(22.1)	
Group net result ⁽³⁾	26.8	25.4	

(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 € -19.3 M in 1H 2018 and € -19.9 M in 1H 2017)

Consolidated income statement by business sector

€ M

	1H2017 ⁽¹⁾	1H 2018
Sogefi Group	11.1	9.7
GEDI Group	3.3	2.0
KOS Group	6.7	9.8
Total operating companies⁽²⁾	21.1	21.5
CIR holding ⁽³⁾	5.7	3.9
Net result	26.8	25.4

(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⁾	30 June 2018
Sogefi	102.8	109.9
GEDI	254.8	256.6
KOS	171.8	163.1
Total operating companies	529.4	529.6
Fixed assets	15.3	15.2
Private equity ⁽²⁾	53.0	49.3
Non performing loans	11.1	10.9
Other investments	9.9	16.8
Other Assets (Liabilities)	(0.7)	0.4
Net cash	343.0	328.8
Total CIR holding level	431.6	421.4
Total CIR Group shareholders' equity	961.0	951.0
Shareholder's equity per share	1.21	1.20
Shareholder's equity per share (net of treasury shares) ⁽³⁾	1.46	1.46

(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 30 June 2018: n. 144.8 m, equal to 18.2% of share capital

Consolidated net financial position

€ M

	31 Dec. 2017 ⁽¹⁾	30 June 2018
Sogefi Group	(264.0)	(259.6)
GEDI Group	(115.1)	(111.4)
KOS Group	(237.1)	(279.0)
Other subsidiaries	0.7	0.6
Total subsidiaries	(615.5)	(649.4)
CIR holding level	343.0	328.8
Consolidated net financial indebtedness	(272.5)	(320,6)
Total shareholders'equity⁽²⁾	(1,481.2)	(1,474.2)
Consolidated net invested capital	1,753.7	1,794.8

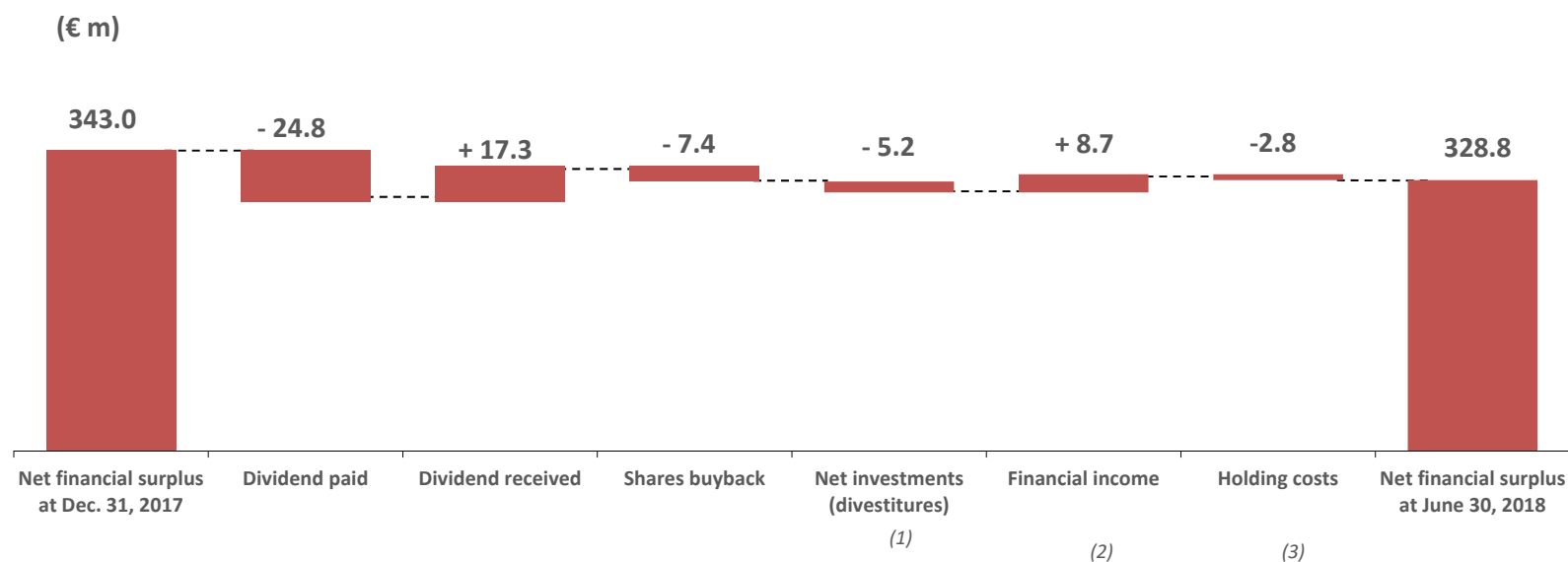
(1) 2017 figures restated in application of IFRS 15

(2) Including third party interests

Net financial position at CIR Holding level

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

Evolution of net financial position in 1H 2018



(1) Private equity investments

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

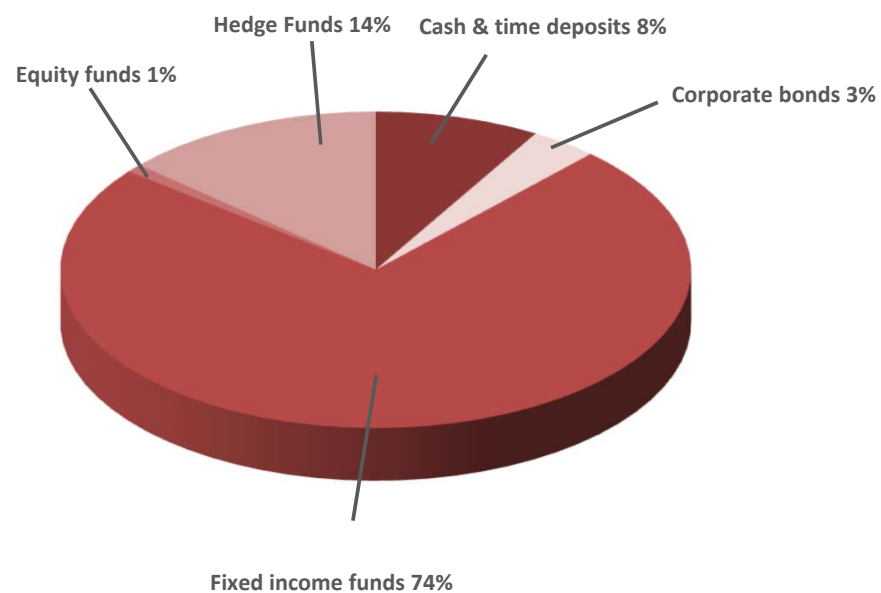
(3) Operating costs, taxes, etc.

Composition of liquid assets

€ M

	31 Dec. 2017	30 June 2018
Cash and time deposits	60.5	27.9
Corporate bonds	11.2	11.4
Fixed income funds	228.9	242.7
Equity funds	2.6	2.8
Hedge funds	39.1	44.4
Other ⁽¹⁾	0.7	--
Total liquid assets	343.0	329.2
Gross financial debt ⁽¹⁾	--	(0.4)
Net financial position	343.0	328.8

Liquid assets at 30 June 2018

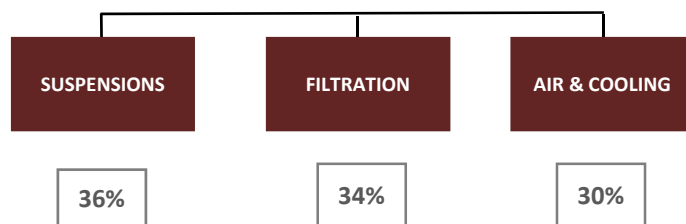


(1) Fair value derivatives


1H 2018 Subsidiaries' financial and operational highlights



	1H 2018 Highlights	Key strategic objectives
Sogefi	<ul style="list-style-type: none"> ▪ The global automotive market reported a growth in production of 1.7% (Europe +1.8%, Asia +4.2%, South America +10.7%, North America -2.9%) ▪ SOGEFI revenues grew 3.2% at constant exchange rates (down 2.1% at current exchange rates) ▪ EBITDA at € 104.0 down from € 114,0 in 1H2017 (exchange rates' effect of € 5.4M and higher steel price impact of € 6,0M) ▪ Net result € 17.0M (vs. €19.4M in 1Q2017) ▪ Positive cash flow generation (€3.9M vs. €19.0 in 1H2017) 	<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 (+12.7%) and EBITDA (+24.6%), 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
GEDI	<ul style="list-style-type: none"> ▪ Persisting weakness in press markets: circulation -7.4%; advertising -8.2% ▪ Market growth in Radio (+6.8%) and Internet (+2.1%, excluding Search&Social) ▪ GEDI revenues grew 20.2% thanks to ITEDI integration but were down 5.7% at constant perimeter, slightly outperforming advertising reference markets ▪ EBITDA €22.1M, in line with previous year ▪ Net result €4.3M, down from €7.4M in 1Q217 (€5.6M 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
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%		

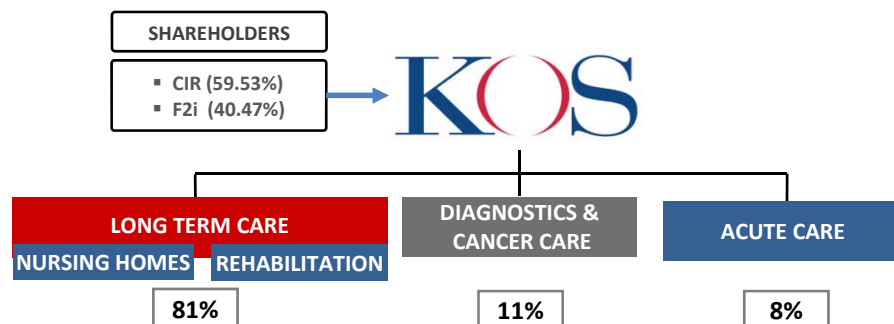
Key financials

€ M	1H 2017	1H 2018
Revenues	857.5	839.1
EBITDA	114.0	104.0
Net result	19.4	17.0

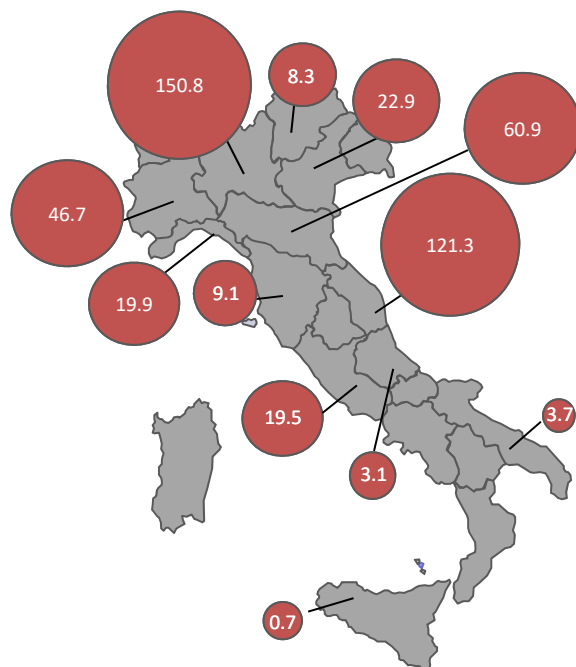
1H 2018 Performance and outlook

- Revenues grew 3.2% at constant exchange rates (down 2.1 at real exchange rates) outperforming markets in almost all regions: at constant exchange rate, revenues are slightly up in Europe and North America and growing in South America (+13.5%) e in Asia (+10%)
- EBITDA at € 104.0 M down from 1H2017 (€114,0 M), due to exchange rates (€ 5.4 M impact) and higher steel prices (€ 6.0M impact). EBITDA margin declined from 13.3% to 12.4%, driven mainly by the suspensions divisions
- Free Cash Flow was + € 3.9 M (vs. + € 19.0 M in 1H2017), decreasing due to lower EBITDA and the cash-out related to the start-up of the new plant in Morocco (around € 9.0 M)
- Net debt down to € 259.6 M, reporting an improvement of € 4.4 M vs. 4Q2017
- Sogefi expects to moderately outperform the market at constant exchange rates and achieve a net result comparable to 2017, despite adverse raw materials and exchange rates effects

KOS - overview



2017 Revenues breakdown



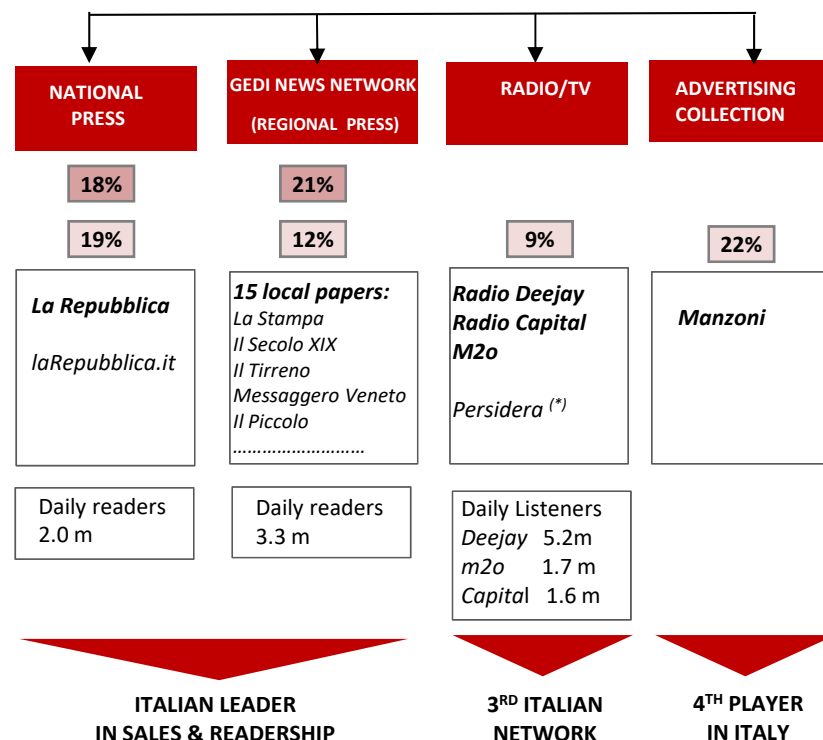
Key financials

€ M	FY 2017	1H 2017	1H 2018
Revenues	490.6	239.1	269.5
EBITDA	87.9	39.4	49.1
Net result	29.0	11.3	16.5
NFP	(237.1)	(231.6)	(279,0)

1H 2018 Performance and outlook

- Revenues grew 12.7%, thanks to organic growth across all business lines, as well as acquisitions and greenfield projects completed in 2017 and 1H2018
- EBITDA grew 24.6%, driven by top line growth
- The company owns 85 Long Term Care facilities, located mainly in the centre and north of Italy, with 8,038 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

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	1H 2017(*)	1H 2018
Revenues	268.3	322.5
EBITDA	22.5	22.1
Net result	7.4	4.3

(*) ITEDI non consolidated in 1Q2017

1H 2018 Performance and outlook

- Circulation revenues at € 141.9 M (+30.7% including ITEDI, but -8.7% at constant perimeter) in a market down 7.4%.
- Advertising revenues at € 159.1 M (+15.1%, but -2.1% at constant perimeter):
 - press advertising rose by 20.0% (-6.3% at constant perimeter, vs. market -8.2%)
 - internet advertising up +21.5% (+2.7% at constant perimeter, vs. market + 2.1%)
 - radio reported a 7.0% increase vs. market +6.8%
- EBITDA at 22.1 M
- Net result at € 4.3, down from € 7.4 M (€ 5.6 M at constant perimeter)
- Net debt at € 111.4 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 disbursed on July 2th 2018)
- As for the 2018 outlook, evidence available to date suggests similar market trends as in 2017. In the absence of unforeseeable events, GEDI should still report a positive result in 2018

Private equity

- Diversified portfolio of private equity funds and direct minority private equity investments, with a fair value of € 49.3 M at 30 June 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 € 10.9 M at 30 June 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 € 16.8 M at 30 June 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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