

PRESS RELEASE

Board of Directors approves results as of June 30 2015

COFIDE GROUP: NET INCOME FOR FIRST HALF AT € 20.3 MLN (€ 0.6 MLN IN 2014)

*The result benefits from the higher contribution of the subsidiary CIR
and from the return to profit of the parent company COFIDE S.p.A.,
thanks to the improvement in financial management*

Financial highlights of H1 2015

(in millions of €)

	H1 2014*	H1 2015	Δ%
Revenues	1,203.2	1,290.7	7.3
EBITDA	104	119.7	15.1
Net income	0.6	20.3	

**Economic results at June 30 2014 reclassified in application of IFRS 5*

Milan, July 27 2015 - The **Board of Directors** of **COFIDE-Gruppo De Benedetti S.p.A.**, which met today in Milan under the chairmanship of **Rodolfo De Benedetti**, has approved the **Interim Financial Report of the Group as of June 30 2015**.

COFIDE is the controlling **shareholder** of **CIR-Compagnie Industriali Riunite S.p.A.**, the company at the head of an industrial group active mainly in the sectors of media, auto components, healthcare. The COFIDE group also has investments in **Jargonant**, the private equity fund specializing in real estate assets in Germany and Eastern Europe.

Consolidated results and results of the Parent Company

The **revenues** for the first half of 2015 of the COFIDE group came in at **€ 1,290.7 million** and were up by **7.3%** from € 1,203.2 million in the same period of 2014.

EBITDA came to **€ 119.7 million** (9.3% of revenues) and was **up by 15.1%** compared to € 104 million (8.6% of revenues) in the first half of 2014. **EBIT** was **€ 68.4 million** (5.3% of revenues), **up by 21.7%** from € 56.2 million (4.7% of revenues) in 2014. The consolidated margins of COFIDE benefited from the higher profitability of the CIR group.

In the first half of the year the COFIDE group reported **net income of € 20.3 million** versus € 0.6 million in the same period of 2014. This result was due mainly to the higher contribution of its subsidiary CIR (€ 18.6 million in the first half, up from € 2.6 million in 2014) but also partly to the return to profit of the **parent company COFIDE S.p.A.** (€ 1.7 million compared to a loss of € 2 million in 2014) thanks to the improvement in financial management.

In the first half of 2015 the net result of the CIR group was a positive € 36.4 million, up from € 5.3 million in the first half of 2014.

The **net debt of the parent company COFIDE S.p.A.** stood at **€ 25.1 million** at June 30 2015 (€ 32.8 million at December 31 2014).

The **consolidated net financial debt of the COFIDE group** amounted to **€ 234.6 million** at June 30 2015 compared to € 145.6 million at December 31 2014; the change was due to the increase in the net financial debt of CIR.

Total consolidated equity stood at **€ 1,598.8 million** at June 30 2015, versus € 1,558.5 million at December 31 2014. The **consolidated equity of the group** rose from € 528.4 million at December 31 2014 to **€ 560.4 million** euro at June 30 2015. The equity of the **parent company COFIDE S.p.A.** came to **€ 560.8 million** at June 30 2015 (€ 559.1 million at December 31 2014).

As far as the interest in the fund **Jargonnant** is concerned, the value of the investment at June 30 2015 was **€ 13.1 million**.

Outlook for the whole year 2015

The performance of the COFIDE group in the second half of the year will be affected by the evolution of the Italian economic environment, the impact of which is significant particularly for the media sector, and by the performance of the main world car markets for the automotive components sector.

For the whole year, the group should obtain a positive net result after the loss in 2014, unless there are any events of an extraordinary nature that cannot be foreseen at present.

The executive responsible for the preparation of the company's financial statements, Giuseppe Gianoglio, hereby declares, in compliance with the terms of paragraph 2 Article 154 bis of the Finance Consolidation Act (TUF), that the figures contained in this press release correspond to the results documented in the company's accounts and general ledger.

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Alternative performance indicators

Below the meaning and content are given of the "alternative performance indicators", not envisaged by IFRS accounting standards but used in this press release to provide a better evaluation of the economic and financial performance of the COFIDE group.

- **EBITDA (gross operating margin):** an indicator of operating performance calculated by adding "amortization, depreciation and write-downs" to the EBIT figure (earnings before financial items and taxes);
- **Consolidated net financial debt:** an indicator of the financial structure of the group; it is the algebraic sum of financial receivables, securities, available-for-sale financial assets and cash and cash equivalents in current assets, of bonds and notes and other borrowings in non-current liabilities, and of bank overdrafts, bonds and notes and other borrowings in current liabilities;

Attached are key figures from the consolidated statement of financial position and income statement.

Consolidated Statement of Financial Position

ASSETS	30.06.2015	31.12.2014
NON-CURRENT ASSETS	2,169,765	2,090,919
INTANGIBLE ASSETS	1,039,199	977,733
TANGIBLE ASSETS	660,531	622,695
INVESTMENT PROPERTY	21,128	21,291
INVESTMENTS IN COMPANIES CONSOLIDATED AT EQUITY	147,749	148,301
OTHER EQUITY INVESTMENTS	5,705	4,980
OTHER RECEIVABLES	67,807	89,239
<i>of which with related parties</i>	2,693	23,973
SECURITIES	104,507	110,727
DEFERRED TAXES	123,139	115,953
CURRENT ASSETS	1,381,171	1,340,994
INVENTORIES	145,519	128,664
CONTRACTED WORK IN PROGRESS	36,412	29,546
TRADE RECEIVABLES	467,749	431,691
<i>of which from related parties</i>	2,113	6,826
OTHER RECEIVABLES	109,037	92,181
<i>of which with related parties</i>	104	104
FINANCIAL RECEIVABLES	28,549	10,017
SECURITIES	161,547	149,044
FINANCIAL ASSETS AVAILABLE FOR SALE	136,095	150,966
CASH AND CASH EQUIVALENTS	296,263	348,885
ASSETS HELD FOR DISPOSAL	26,910	2,539,260
ELISIONS TO/FROM DISCONTINUED OPERATIONS	--	(10,308)
TOTAL ASSETS	3,577,846	5,960,865

LIABILITIES AND EQUITY	30.06.2015	31.12.2014
EQUITY	1,598,752	1,558,457
SHARE CAPITAL	359,605	359,605
RESERVES	101,557	89,883
RETAINED EARNINGS (LOSSES)	78,901	93,369
NET INCOME (LOSS) FOR THE YEAR	20,325	(14,468)
EQUITY OF THE GROUP	560,388	528,389
MINORITY INTERESTS	1,038,364	1,030,068
NON-CURRENT LIABILITIES	1,035,392	1,045,432
BONDS	281,986	270,568
OTHER BORROWINGS	371,124	382,650
OTHER PAYABLES	6,993	7,137
DEFERRED TAXES	148,925	143,313
PERSONNEL PROVISIONS	144,828	143,854
PROVISIONS FOR RISKS AND LOSSES	81,536	97,910
CURRENT LIABILITIES	943,702	858,226
BANK OVERDRAFTS	52,054	15,671
BONDS	4,838	4,677
OTHER BORROWINGS	147,094	130,955
<i>of which from related parties</i>	--	--
TRADE PAYABLES	445,176	417,191
<i>of which to related parties</i>	892	7,408
OTHER PAYABLES	217,862	207,077
<i>of which to related parties</i>	--	--
PROVISIONS FOR RISKS AND LOSSES	76,678	82,655
LIABILITIES HELD FOR DISPOSAL	--	2,509,058
ELISIONS TO/FROM DISCONTINUED OPERATIONS	--	(10,308)
TOTAL LIABILITIES AND EQUITY	3,577,846	5,960,865

Consolidated Income Statement

(in thousands of euro)

	1st Half 2015	1st Half 2014
SALES REVENUES	1,290,737	1,203,189
<i>of which from related parties</i>	--	--
CHANGE IN INVENTORIES	10,670	4,082
COSTS FOR THE PURCHASE OF GOODS	(483,948)	(434,049)
<i>of which from related parties</i>	--	--
COSTS FOR SERVICES	(324,641)	(301,914)
<i>of which from related parties</i>	(979)	(2,977)
PERSONNEL COSTS	(362,020)	(347,453)
OTHER OPERATING INCOME	34,713	17,812
<i>of which from related parties</i>	922	1,122
OTHER OPERATING COSTS	(47,934)	(39,095)
<i>of which with related parties</i>	--	--
ADJUSTMENTS TO THE VALUE OF INVESTMENTS		
CONSOLIDATED AT EQUITY	2,157	1,441
AMORTIZATION, DEPRECIATION AND WRITEDOWNS	(51,352)	(47,822)
INCOME BEFORE FINANCIAL ITEMS AND TAXES (E B I T)	68,382	56,191
FINANCIAL INCOME	13,669	13,390
<i>of which from related parties</i>	5,353	5,094
FINANCIAL EXPENSE	(37,510)	(50,623)
<i>of which with related parties</i>	(4,989)	(4,989)
DIVIDENDS	262	82
<i>of which from related parties</i>	--	--
GAINS FROM TRADING SECURITIES	32,939	12,963
LOSSES FROM TRADING SECURITIES	(2,147)	(3,641)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(190)	(846)
INCOME (LOSS) BEFORE TAXES	75,405	27,516
INCOME TAXES	(16,726)	(17,745)
RESULT AFTER TAXES FROM OPERATING ACTIVITY	58,679	9,771
INCOME (LOSS) FROM ASSETS HELD FOR DISPOSAL	(94)	(2,059)
NET INCOME (LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS	58,585	7,712
- LOSS (INCOME) OF MINORITY INTERESTS	(38,260)	(7,132)
- NET INCOME (LOSS) OF THE GROUP	20,325	580
BASIC EARNINGS (LOSS) PER SHARE (in euro)	0.0283	0.0008
DILUTED EARNINGS (LOSS) PER SHARE (in euro)	0.0283	0.0008

Consolidated Cash Flow Statement

(in thousands of euro)

	1st Half 2015	1st Half 2014
OPERATING ACTIVITY		
NET INCOME/(LOSS) FOR PERIOD INCLUDING MINORITY INTERESTS - CONTINUING OPERATIONS	58,679	9,771
ADJUSTMENT:		
AMORTIZATION, DEPRECIATION AND WRITEDOWNS	51,352	47,822
SHARE OF RESULT OF COMPANIES CONSOLIDATED AT EQUITY	(2,157)	(1,441)
ACTUARIAL VALUATION OF STOCK OPTION/STOCK GRANT PLANS	2,268	2,847
CHANGE IN PERSONNEL PROVISIONS, PROVISIONS FOR RISKS AND LOSSES	(21,377)	(1,146)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	190	846
INCREASE (REDUCTION) IN NON-CURRENT RECEIVABLES AND PAYABLES	19,378	(51,635)
(INCREASE) REDUCTION IN NET WORKING CAPITAL	(42,710)	(23,169)
CASH FLOW FROM OPERATING ACTIVITY - CONTINUING OPERATIONS	65,623	(16,105)
of which:		
- interest received (paid)	(18,370)	(22,227)
- income tax payments	(12,279)	(12,013)
INVESTMENT ACTIVITY		
AMOUNT PAID FOR BUSINESS COMBINATIONS	(51,139)	--
NET FINANCIAL POSITION OF COMPANIES ACQUIRED	(20,405)	--
(PURCHASE) SALE OF SECURITIES	10,382	(30,373)
PURCHASE OF FIXED ASSETS	(70,312)	(78,249)
CASH FLOW FROM INVESTMENT ACTIVITY - CONTINUING OPERATIONS	(131,474)	(108,622)
FUNDING ACTIVITY		
INFLOWS FROM CAPITAL INCREASES	206	4,207
OTHER CHANGES IN EQUITY	14,114	(5,344)
LIQUIDITY RELATING TO DISCONTINUED OPERATIONS	--	(217)
DRAWDOWN/(REPAYMENT) OF OTHER FINANCIAL PAYABLES/RECEIVABLES	(2,340)	13,704
BUYBACK OF OWN SHARES	(28,226)	(81)
DIVIDENDS PAID	(6,908)	(1,046)
CASH FLOW FROM FUNDING ACTIVITY - CONTINUING OPERATIONS	(23,154)	11,223
INCREASE (REDUCTION) IN NET CASH AND CASH EQUIVALENTS - CONTINUING OPERATIONS	(89,005)	(113,504)
NET CASH FLOW/CASH AND CASH EQUIVALENTS AT START OF PERIOD - DISCONTINUED OPERATIONS	--	95,134
NET CASH AND CASH EQUIVALENTS AT START OF PERIOD	333,214	766,981
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	244,209	748,611

Statement of Changes in Consolidated Shareholders' Equity

(in thousands of euro)	Attributable to the Shareholders of the parent company					Minority interests	Total
	Share Capital	Reserves	Retained earnings (losses)	Net income (losses) for the year	Total		
Balance at December 31 2013	359,605	82,858	223,785	(130,360)	535,888	1,049,919	1,585,807
Capital increases	--	--	--	--	--	5,170	5,170
Dividends to Shareholders	--	--	--	--	--	(3,153)	(3,153)
Retained earnings	--	56	(130,416)	130,360	--	--	--
Effects of changes in equity of subsidiaries	--	3,252	--	--	3,252	(13,555)	(10,303)
<i>Comprehensive result for the year</i>							
Fair value measurement of hedging instruments	--	(2,392)	--	--	(2,392)	(6,902)	(9,294)
Fair value measurement of securities	--	7,543	--	--	7,543	3,381	10,924
Securities fair value reserve released to income statement	--	(674)	--	--	(674)	(696)	(1,370)
Effects of changes in equity of subsidiaries	--	--	--	--	--	--	--
Currency translation differences	--	5,527	--	--	5,527	9,086	14,613
Actuarial gains (losses)	--	(6,287)	--	--	(6,287)	(16,136)	(22,423)
Result for the year	--	--	--	(14,468)	(14,468)	2,954	(11,514)
<i>Total comprehensive result for the year</i>	--	3,717	--	(14,468)	(10,751)	(8,313)	(19,064)
Balance at December 31 2014	359,605	89,883	93,369	(14,468)	528,389	1,030,068	1,558,457
Capital increases	--	--	--	--	--	206	206
Dividends to Shareholders	--	--	--	--	--	(6,908)	(6,908)
Retained earnings	--	--	(14,468)	14,468	--	--	--
Effects of changes in equity of subsidiaries	--	6,687	--	--	6,687	(35,922)	(29,235)
<i>Comprehensive result for the year</i>							
Fair value measurement of hedging instruments	--	5,693	--	--	5,693	11,839	17,532
Fair value measurement of securities	--	4,154	--	--	4,154	3,968	8,122
Securities fair value reserve released to income statement	--	(7,589)	--	--	(7,589)	(7,278)	(14,867)
Effects of changes in equity of subsidiaries	--	--	--	--	--	--	--
Currency translation differences	--	3,087	--	--	3,087	4,990	8,077
Actuarial gains (losses)	--	(358)	--	--	(358)	(859)	(1,217)
Result for the year	--	--	--	20,325	20,325	38,260	58,585
<i>Total comprehensive result for the year</i>	--	4,987	--	20,325	25,312	50,920	76,232
Balance at June 30 2015	359,605	101,557	78,901	20,325	560,388	1,038,364	1,598,752