



SPAFID CONNECT

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Societa' : COFIDE

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Informazione
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Diffusione presunta

Oggetto : COFIDE Group: net income at € 15.8 mln
in first nine months of 2018

Testo del comunicato

Vedi allegato.

PRESS RELEASE

Board of Directors approves results as of September 30 2018

COFIDE GROUP: NET INCOME AT € 15.8 MLN IN FIRST NINE MONTHS OF 2018

Financial highlights for 9M 2018

(in millions of €)

| | <u>9M 2017</u> * | <u>9M 2018</u> | Δ% |
|--------------------|------------------|----------------|-------|
| Revenues | 2,027.8 | 2,092.6 | +3.2% |
| EBITDA | 246.0 | 245.0 | -0.4% |
| Net result | -15.0 | 15.8 | |
| | 31/12 | 30/9 | |
| Net financial debt | 303.6 | 381.6 | |

* Some values for 2017 were restated following the application of "IFRS 15 - Revenue from Contracts with Customers"

Milan, October 29 2018 – The **Board of Directors of COFIDE-Gruppo De Benedetti S.p.A.**, which met today under the chairmanship of **Rodolfo De Benedetti**, has approved the **Interim Financial Report as of September 30 2018**.

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 automotive components (*Sogefi*), media (*GEDI Gruppo Editoriale*) and healthcare (*KOS*). The COFIDE group also has financial investments in **Jargonnant**, a private equity fund specializing in real-estate investment, in **Three Hills Decalia**, an investment fund that supports the growth of small and medium enterprises in Europe, and other non-strategic shareholdings.

Consolidated results

The **revenues** of the COFIDE group came in at **€ 2,092.6 million** in the first nine months of 2018 and were **up by 3.2%** from € 2,027.8 million in the same period of 2017.

EBITDA came to **€ 245 million** (11.7% of revenues), in line with the figure of € 246 million (12.1% of revenues) reported for the first nine months of 2017.

In the first nine months of 2018 the COFIDE group achieved **net income** of **€ 15.8 million** compared to a loss of € 15 million in the same period of the previous year. The result was a combination of the positive contribution of € 19.1 million from the subsidiary CIR (versus a negative contribution of € 14.4 million in the first nine months of 2017) and the loss of the parent company COFIDE S.p.A. of € 3.3 million (a loss of € 0.6 million in the first nine months of 2017).

The **consolidated net debt of the COFIDE group** at September 30 2018 amounted to **€ 381.6 million**, up from € 303.6 million at December 31 2017.

The **net financial debt** of the **parent company COFIDE S.p.A.** at September 30 2018 stood at **€ 27.2 million** versus € 31.1 million at December 31 2017. The change was due mainly to inflows from the divestment of non-strategic shareholdings for an amount of € 8.6 million, to the receipt of dividends, net of those paid out, for € 4.1 million,

net investments in private equity funds for € 3 million and a disbursement of € 2.1 million for the buyback of own shares.

Total equity stood at **€ 1,470.4 million** at September 30 2018, compared to € 1,469.6 million at December 31 2017.

The **equity of the group** totalled **€ 523.6 million** at September 30 2018, compared to € 521.2 million at December 2017. The change was mainly due to the distribution of dividends and the buyback of own shares offset by the net result for the period.

Financial investments totalled **€ 15.1 million** at September 30 2018, of which **€ 8 million** were in the **Three Hills Decalia** fund, **€ 1.8 million** in the **Jargonnant** fund and € 5.3 million in other non-strategic equity investments.

At September 30 2018 the COFIDE group had **16,411 employees** (15,839 at December 31 2017).

Outlook for the year 2018

For the whole year the COFIDE group expects to confirm the trends reported in the first nine months unless there are any extraordinary events that cannot at the moment be foreseen.

For further information on the results of the subsidiary CIR, see the press release issued by the company today (goo.gl/n31pMN).

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 CIR 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 other borrowings in non-current liabilities, and of bank overdrafts, bonds and other borrowings in current liabilities.

Attached are key figures from the Consolidated Statement of Financial Position and Income Statement.

STATEMENT OF FINANCIAL POSITION

(in thousands of euro)

| ASSETS | 30.09.2018 | 30.06.2018 | 31.12.2017 |
|--|-------------------|-------------------|-------------------|
| NON-CURRENT ASSETS | 2,357,996 | 2,363,550 | 2,352,230 |
| INTANGIBLE ASSETS | 1,162,487 | 1,168,215 | 1,156,202 |
| TANGIBLE ASSETS | 803,807 | 800,587 | 799,830 |
| INVESTMENT PROPERTY | 18,867 | 19,057 | 19,434 |
| SHAREHOLDINGS CONSOLIDATED USING THE EQUITY METHOD | 121,740 | 121,689 | 125,181 |
| OTHER EQUITY INVESTMENTS | 12,104 | 12,117 | 12,249 |
| OTHER RECEIVABLES | 58,295 | 61,277 | 56,874 |
| OTHER FINANCIAL ASSETS | 83,971 | 80,338 | 79,511 |
| DEFERRED TAX ASSETS | 96,725 | 100,270 | 102,949 |
| CURRENT ASSETS | 1,186,673 | 1,298,663 | 1,294,304 |
| INVENTORIES | 143,308 | 143,916 | 139,222 |
| TRADE RECEIVABLES | 423,260 | 483,331 | 472,614 |
| OTHER RECEIVABLES | 106,769 | 112,950 | 105,207 |
| FINANCIAL RECEIVABLES | 12,909 | 10,995 | 21,717 |
| SECURITIES | 41,303 | 44,350 | 57,228 |
| OTHER FINANCIAL ASSETS | 284,898 | 267,375 | 235,251 |
| CASH AND CASH EQUIVALENTS | 174,226 | 235,746 | 263,065 |
| ASSETS HELD FOR DISPOSAL | 2,341 | 2,341 | 3,418 |
| TOTAL ASSETS | 3,547,010 | 3,664,554 | 3,649,952 |
| LIABILITIES AND EQUITY | 30.09.2018 | 30.06.2018 | 31.12.2017 |
| SHAREHOLDERS' EQUITY | 1,470,377 | 1,464,611 | 1,469,585 |
| SHARE CAPITAL | 347,905 | 348,451 | 350,011 |
| RESERVES | 47,292 | 48,460 | 76,349 |
| RETAINED EARNINGS (LOSSES) | 112,657 | 112,647 | 97,758 |
| NET INCOME (LOSS) FOR THE PERIOD | 15,769 | 13,437 | (2,967) |
| EQUITY OF THE GROUP | 523,623 | 522,995 | 521,151 |
| MINORITY SHAREHOLDERS' EQUITY | 946,754 | 941,616 | 948,434 |
| NON-CURRENT LIABILITIES | 1,051,408 | 1,026,419 | 1,099,686 |
| BONDS | 269,115 | 267,074 | 365,112 |
| OTHER BORROWINGS | 358,467 | 312,347 | 281,863 |
| OTHER PAYABLES | 64,026 | 67,716 | 72,116 |
| DEFERRED TAX LIABILITIES | 176,694 | 177,061 | 171,963 |
| PERSONNEL PROVISIONS | 134,408 | 137,241 | 139,735 |
| PROVISIONS FOR RISKS AND LOSSES | 48,698 | 64,980 | 68,897 |
| CURRENT LIABILITIES | 1,025,225 | 1,173,524 | 1,080,681 |
| BANK DEPOSITS | 14,277 | 6,746 | 17,551 |
| BONDS | 115,552 | 112,658 | 20,168 |
| OTHER BORROWINGS | 137,486 | 207,121 | 196,189 |
| TRADE PAYABLES | 482,588 | 514,862 | 513,928 |
| OTHER PAYABLES | 208,365 | 263,564 | 261,601 |
| PROVISIONS FOR RISKS AND LOSSES | 66,957 | 68,573 | 71,244 |
| LIABILITIES HELD FOR DISPOSAL | -- | -- | -- |
| TOTAL LIABILITIES AND EQUITY | 3,547,010 | 3,664,554 | 3,649,952 |

INCOME STATEMENT

(in thousands of euro)

| | 1/1-30/9 2018 | 1/1-30/9 2017 | III Quarter 2018 | III Quarter 2017 |
|---|------------------|------------------|---------------------|---------------------|
| REVENUES | 2,092,562 | 2,027,812 | 661,393 | 662,911 |
| CHANGE IN INVENTORIES | 458 | 72 | (889) | (2,415) |
| COSTS FOR THE PURCHASE OF GOODS | (750,943) | (737,430) | (237,457) | (229,347) |
| COSTS FOR SERVICES | (501,030) | (474,381) | (161,510) | (166,886) |
| PERSONNEL COSTS | (571,300) | (538,189) | (177,747) | (175,372) |
| OTHER OPERATING INCOME | 19,399 | 20,635 | 4,735 | 7,478 |
| OTHER OPERATING COSTS | (44,160) | (52,486) | (10,345) | (17,782) |
| AMORTIZATION, DEPRECIATION AND WRITEDOWNS | (127,198) | (125,428) | (42,105) | (39,451) |
| OPERATING INCOME | 117,788 | 120,605 | 36,075 | 39,136 |
| FINANCIAL INCOME | 6,786 | 7,677 | 1,660 | 2,424 |
| FINANCIAL EXPENSE | (42,646) | (39,921) | (13,401) | (13,507) |
| DIVIDENDS | 2,782 | 61 | 15 | 21 |
| GAINS FROM TRADING SECURITIES | 8,381 | 19,051 | 1,637 | 9,947 |
| LOSSES FROM TRADING SECURITIES | (734) | (33) | (339) | -- |
| SHARE OF INCOME (LOSS) ON INVESTMENTS CONSOLIDATED USING THE EQUITY METHOD | 212 | (743) | 51 | (79) |
| ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS | (3,113) | 320 | (2,340) | (996) |
| RESULT BEFORE TAXES | 89,456 | 107,017 | 23,358 | 36,946 |
| INCOME TAXES | (31,052) | (189,613) | (8,841) | (164,917) |
| RESULT OF OPERATIONS DESTINED TO CONTINUE | 58,404 | (82,596) | 14,517 | (127,971) |
| INCOME/(LOSS) FROM OPERATIONS HELD FOR DISPOSAL | -- | 1,161 | -- | 161 |
| NET INCOME (LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS | 58,404 | (81,435) | 14,517 | (127,810) |
| - (NET INCOME) LOSS OF MINORITY SHAREHOLDERS | (42,635) | 66,440 | (12,185) | 98,380 |
| - NET INCOME (LOSS) OF THE GROUP | 15,769 | (14,995) | 2,332 | (29,430) |

NET FINANCIAL POSITION

(in thousands of euro)

| | 30.09.2018 | 30.06.2018 | 31.12.2017 |
|--|------------------|------------------|------------------|
| A. Cash and bank deposits | 174,226 | 235,746 | 263,065 |
| B. Other cash equivalents | 284,898 | 267,375 | 235,251 |
| C. Securities held for trading | 41,303 | 44,350 | 57,228 |
| D. Cash and cash equivalents (A) + (B) + (C) | 500,427 | 547,471 | 555,544 |
| E. Current financial receivables | 12,909 | 10,995 | 21,717 |
| F. Current bank borrowings | (81,078) | (122,759) | (118,604) |
| G. Bonds issued | (115,552) | (112,658) | (20,168) |
| H. Current part of non-current debt | (70,685) | (91,108) | (95,136) |
| I. Other current financial payables | -- | -- | -- |
| J. Current financial debt (F) + (G) + (H) + (I) | (267,315) | (326,525) | (233,908) |
| K. Net current financial position (J) + (E) + (D) | 246,021 | 231,941 | 343,353 |
| L. Non-current bank borrowings | (295,762) | (247,152) | (211,709) |
| M. Bonds issued | (269,115) | (267,074) | (365,112) |
| N. Other non-current payables | (62,705) | (65,195) | (70,154) |
| O. Non-current financial debt (L) + (M) + (N) | (627,582) | (579,421) | (646,975) |
| P. Net financial position (K) + (O) | (381,561) | (347,480) | (303,622) |

Fine Comunicato n.0097-125

Numero di Pagine: 7