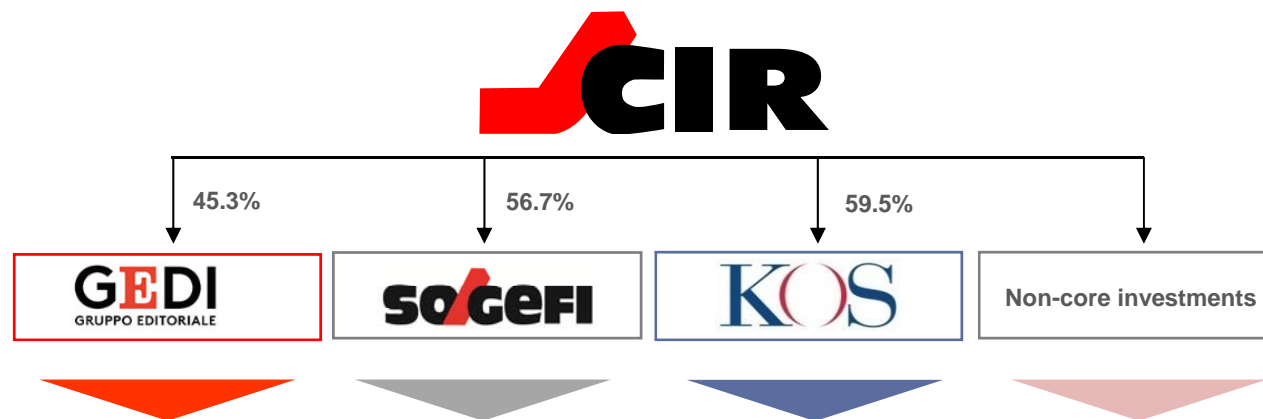




9M 2017 Results

October 2017

Group structure as of 30 September 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 30 September 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

9M 2017 consolidated financials highlights



- Consolidated net result in 9M 2017: - € 26.0 M, affected by the settlement of a pending tax dispute at GEDI (- € 70 M)
Consolidated net result before extraordinary tax charge in 9M 2017: + € 44.0 M (vs. + € 37.4 M in 9M 2016)
- Consolidated net financial position at Sept 30, 2017: - €131.9 M (vs. - €143.6 M at December 31, 2016), including:
 - A net financial surplus at holding level of € 327.5 M (decreasing vs. € 334.3 M at December 31, 2016 mainly due to shares buyback and dividends)
 - A net debt of consolidated subsidiaries of € 459.4 M (decreasing vs. € 477.9 M at December 31, 2016, excluding the impact of the GEDI tax settlement of € 140.2 M, to be paid in Q4 2017).

Consolidated income statement



€M

	9M 2016	9M 2017	
Revenues	1,946.7	2,056,6	+5.6%
EBTDA	192.4	216.4	+12.5%
EBIT	105.1	121.8	+15.9%
Financial result ⁽¹⁾	(8.9)	(14.4)	
Taxes ⁽²⁾	(35.4)	(189.3)	
Group net result ⁽³⁾	37.4	(26.0)	

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

(2) In 9M 2017 Taxes include the tax charge (€ 154,5 M) resulting from the settlement of the dispute at GEDI (see page 14)

(3) Net of third party interests (equal to +€ 54.7 M in 2017 and -€ 24.4 M in 2016) and contribution from Assets held for sale (equal to € 1.2 in 2017 and € 1.0 in 2016)

Consolidated income statement by business sector



€M

	9M 2016	9M 2017
GEDI Group ⁽¹⁾	7.9	(65.2)
Sogefi Group	9.0	15.9
KOS Group	10.3	11.3
Total operating companies ⁽²⁾	27.2	(38.0)
CIR holding ⁽³⁾	10.2	12.0
Net result	37.4	(26.0)

(1) In 9M 2017, following the ITEDI integration, CIR consolidates only 45.3% (vs. 56.5% in 9M 2016) of GEDI net result, which includes ITEDI's contribution starting July 1st 2017. The 9M GEDI result includes a loss from the settlement of tax dispute for € 154.5 M: the impact on CIR contribution is - € 70 M. Moreover, 9M 2017 net result is affected by the sale of local newspapers in 4Q16

(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	30 Sept .2017
GEDI	337.9	243.4 ⁽¹⁾
Sogefi	100.7	111.1
KOS	161.9	165.8
Total operating companies	600.5	520.3
Fixed assets	16.4	15.6
Private equity ⁽²⁾	58.1	47.2
Non performing loans ⁽²⁾	38.3	35.1
Other investments	18.3	18.6
Other Liabilities	(13.6)	(15.0)
Net cash	334.3	327.5
Total CIR holding level	451.8	429.0
Total CIR Group shareholders' equity	1,052.3	949.3
Shareholder's equity per share	1.32	1.20
Shareholder's equity per share (net of treasury shares) ⁽³⁾	1.58	1.44

(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

(3) Treasury shares as of 30 September 2017: n. 136.3 m, equal to 17.16% of share capital

Consolidated net financial position

€M

	31 Dec. 2016	30 Sept.2017
GEDI Group ⁽¹⁾	31.7	40.5
Sogefi Group	(299.0)	(266.7)
KOS Group	(213.6)	(234.0)
Other subsidiaries	3.0	0.8
Total subsidiaries	(477.9)	(459.4)
CIR holding level	334.3	327.5
Consolidated net financial indebtedness	(143.6)	(131.9)
Total shareholders' equity ⁽²⁾	(1,518.5)	(1,461.7)
Consolidated net invested capital	1,662.1	1,593.6

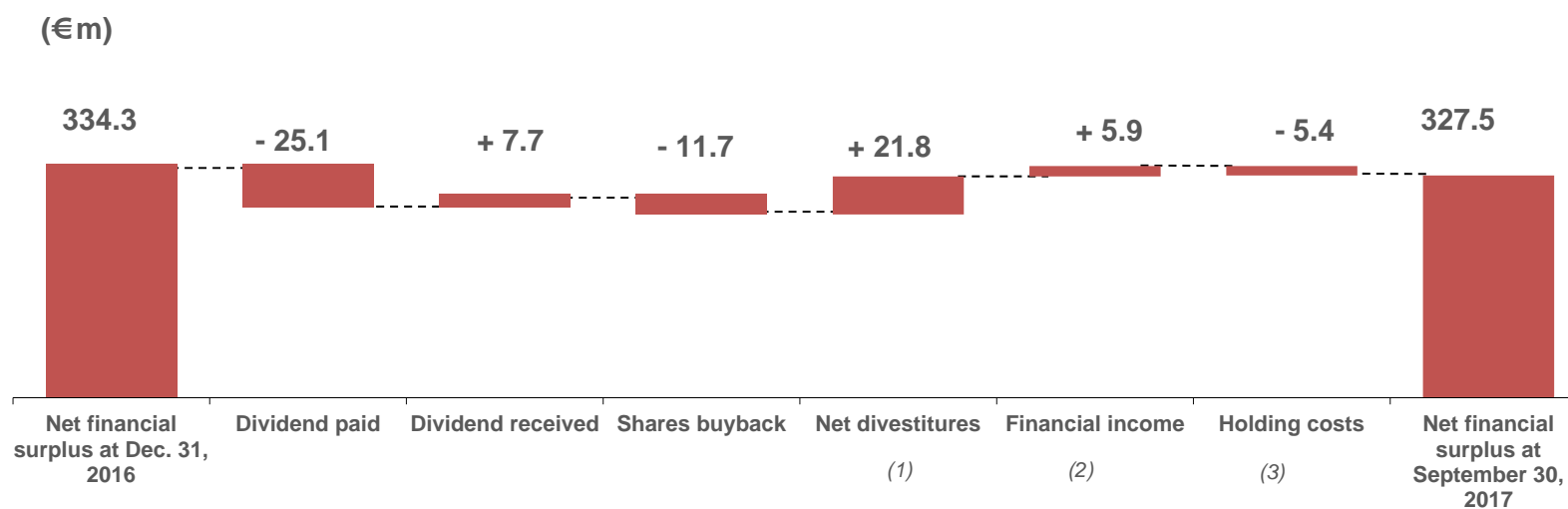
(1) excluding the impact of the GEDI tax settlement of € 140.2 M, to be paid in Q4 2017

(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 the buyback of treasury shares in the period

Evolution of net financial position in 9M 2017



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

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

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

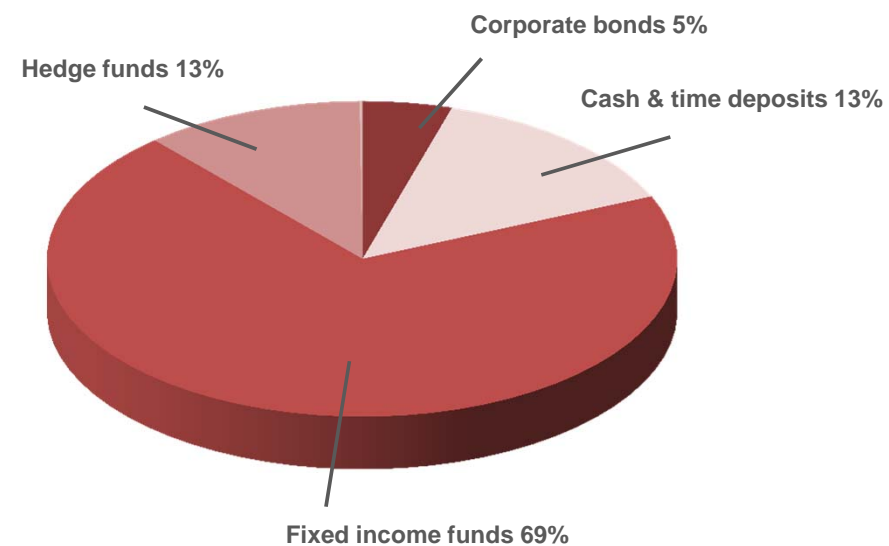
Composition of liquid assets and gross financial debt



€M

	31 Dec. 2016	30 Sept. 2017
Cash and time deposits	47.4	45.8
Corporate bonds	17.7	15.1
Fixed income funds	228.5	230.2
Hedge funds	38.7	37.2
Other (stocks, equity, funds)	2.5	--
Total liquid assets	334.8	328.3
Gross financial debt	(0.5)	(0.8)
Net financial position	334.3	327.5

Liquid assets at 30 September 2017

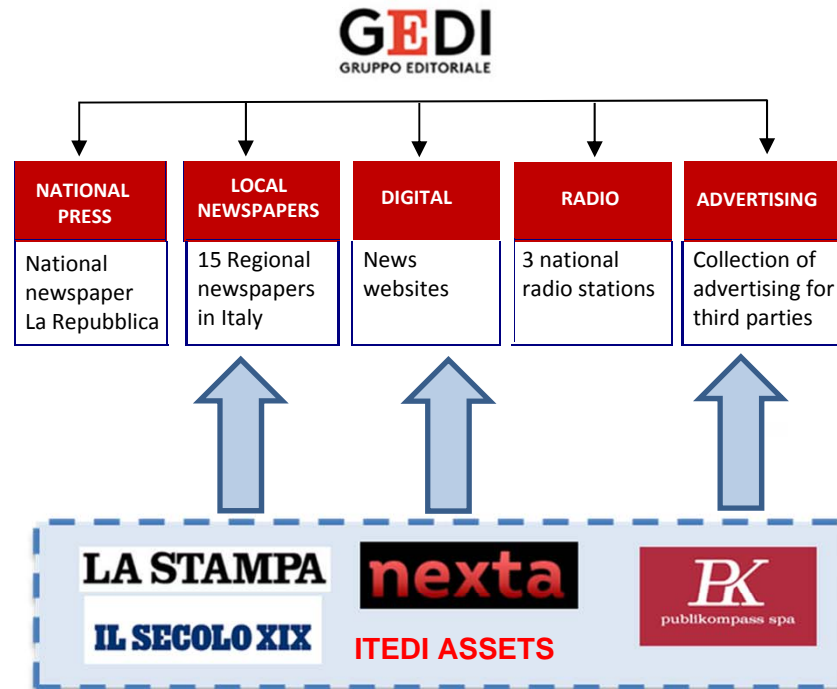


9M 2017 Subsidiaries' financial and operational highlights



	9M 2017 Highlights	Key strategic objectives
GEDI	<ul style="list-style-type: none"> Stable sales (+3.7% at constant perimeter); press circulation revenues decreased (-5.6%); total advertising revenues were up by 11% (+6% at constant perimeter), thanks to a significant increase in third-party concessions, radio advertising up by 2.8% and internet advertising reporting a slight increase; press advertising was instead affected by the critical performance of the market. Despite the adverse evolution of the sector, GEDI reported stable EBITDA, thanks to the continuing focus on efficiency Net financial surplus of €40.5M, vs. €31.7M at 4Q2016, despite the negative contribution of ITEDI 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 6.3% (+6.6% at constant exchange rates), thanks to above market growth in all geographical areas Increasing EBITDA (+14.4%) and net result (€28M vs. €15.8M in 9M2016), thanks to growth and improved margins Increasing cash flow generation and deleveraging 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 (+5.1%) and EBITDA (+6.2%), thanks to ongoing organic growth and acquisitions 	<ul style="list-style-type: none"> Further consolidation in Italian nursing homes and rehabilitation markets Focused geographical expansion
Non-core investments	<ul style="list-style-type: none"> On going realisation of Private Equity and NPL investments 	<ul style="list-style-type: none"> Realisation of existing assets Selective approach on new investments

GEDI - overview



PRO FORMA FY2016	€ M	ESPRESSO PRO FORMA (1)	ITEDI PRO FORMA	GEDI PRO FORMA
Revenues		568.5	137.4	705.9
EBITDA		41.8	13.3	55.1
Net income		7.5	4.4	11.9
NFP		31.7	(15.1) ⁽²⁾	16.6

≅ 15 M synergies
expected
in the medium term

Key financials

€ M	9M 2016	9M 2016 PF (1)	9M 2017
Revenues	424.3	440.7	440.0
EBITDA	34.1	32.9	34.1
Net result	14.0	11.5	(143.9)

9M 2017 Performance and outlook

- Circulation revenues at € 145.0 M, decreasing by 5.6%, in a market down 8.8%.
- Total advertising revenues increased by 11.0% (+6% at constant perimeter): radio reported a slight increase, print was affected by declining market trends, while third party advertising (including collections for ITEDI newspapers) contributed positively
- EBITDA stable (increasing at constant perimeter)
- Net result affected by € 154.5 charge from the settlement of a tax dispute
- As for the 2017 outlook, evidence available to date suggests similar market trends as for 2016

(1) Pro Forma excluding businesses sold in 4Q 2016 (5 local dailies and 1 printing centre) and adding ITEDI in Q3 2016

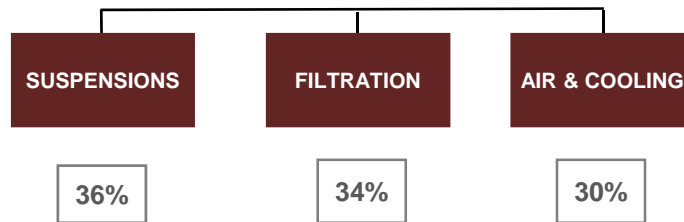
(2) Normalized for pro-soluto factoring

- 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 CIR diluted its stake in GEDI to 43.40%(45.30% net of treasury shares), EXOR to 4.3% and IPH to 4.37%. EXOR also declared its intention to raise its stake
- 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 an amount of €175.3 M, of which €70.1 M were paid on October 2, 2017, €70.1 M will be paid by November 30 and the remaining €35.1 M 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 September 30 2017, amounts to €154.5 M and is entirely covered by available shareholders' equity reserves, without affecting the share capital

SOGEFI



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%	Business units	
BMW	2.9%		
TOYOTA	2.8%	Suspensions	36%
OTHERS (including Aftermarket)	27.0%	Filtration	34%
		Air & Cooling	30%

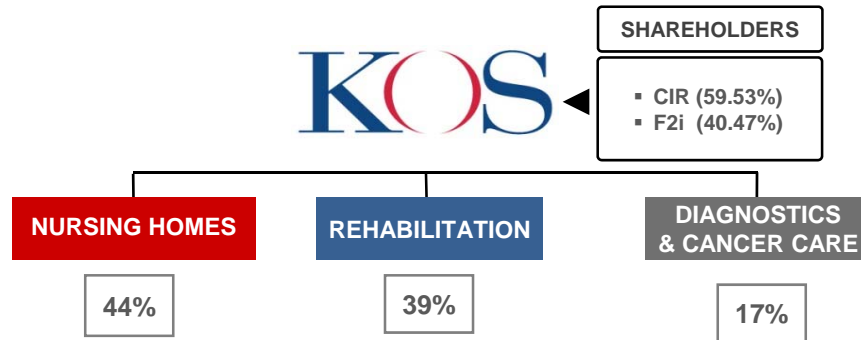
Key financials

€M	9M 2016	9M 2017
Revenues	1,181.5	1,256.5
EBITDA	114.5	131.0
Net result	15.8	28.0

9M 2017 Performance and outlook

- Revenues grew 6.3% (+6.6% at constant exchange rates), outperforming markets in all regions: strong performance in Asia (+25.2%), + 3.3% in North America (despite market slowdown in the third quarter) and + 2.8% in Europe; South America also grew 19.8% (+17.1 at constant exchange rates)
- EBITDA increased thanks to revenue growth and efficiency improvement, which drove margin from 9.7% to 10.4%
- Free Cash Flow was + € 32.5 (vs. + € 12.3 M in 9M 2016). NFP improved by € 32.3 M in the first 9 months and by € 47.4 M over the last 12 months
- The outlook for the automotive market in 4Q 2017 shows a slightly positive trend, albeit at a slower pace than in the first 9M 2017.
- At Sogefi, growth and profitability improvement for the whole of 2017 should be in line with the positive performance recorded in the first 9 months, despite an ongoing reflation of raw materials

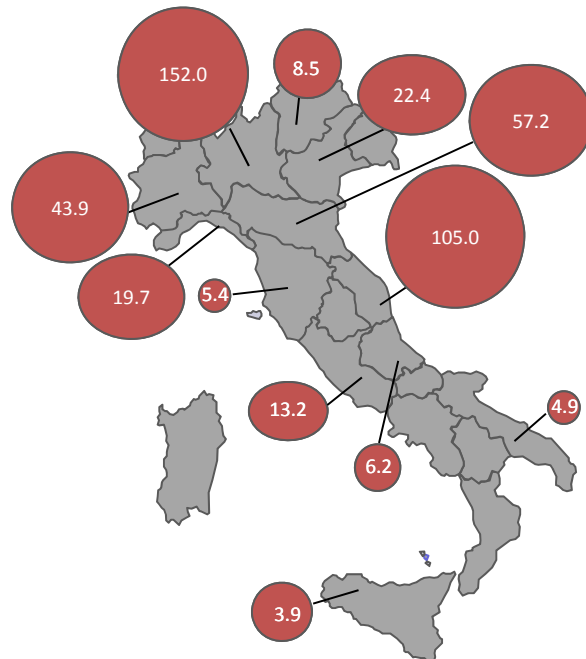
KOS - overview



Key financials

€M	9M 2016	9M 2017
Revenues	340.8	360.1
EBITDA	60.0	63.0
Net result	17.4	19.0

2016 Revenues breakdown



9M 2017 Performance and outlook

- Revenues grew 5.7%, thanks to organic growth across all business lines and acquisitions completed in 2016 and 2017
- EBITDA grew 5%, driven by top line growth
- The company now has 79 facilities, located mainly in the centre and north of Italy, with about 7,500 beds, making it the first long term care operator in Italy
- Main objectives are to pursue market consolidation in core businesses in Italy and to selectively expand internationally

Non-core investments

Private equity

- Diversified portfolio of private equity funds and direct minority private equity investments, with a fair value of € 47.2 M at 30 September 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

- At the end of September 2017 the net value of CIR investment in the non-performing loan portfolios amounted to € 35.1 M (with declining trend due to reimbursements).
On October 20 2017, an agreement was settled for the sale of a part of the portfolio (€ 17 M), with no material accounting impact
- CIR no longer owns operating companies in this industry and is currently in the process of collecting the existing receivables, with no further investments

Other Investments

- Other non strategic investments include direct minority stakes with a value of €18.6 M at 30 September 2017, net of the sale of an investment in 3Q 2017 which generated a capital gain of € 7,9 M.

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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