Offices in Milan – Via Borromei n. 5
Share Capital € 87.907.017 fully paid-in
Listed in the Milan Register of Companies at n. 00742640154
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PRESS RELEASE

MITTEL S.p.A. APPROVES THE CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS AT 30 JUNE 2020

- ***Strong solidity, financial and operational stability of the Group*** *in a delicate situation of the global public health emergency.*

- ***Limited impact on economic results*** *despite important effects produced by the lockdown on commercial and production operations and despite unfavourable half-year period due to ordinary seasonality phenomena and extraordinary components relating to historical assets.*

- ***Consolidated revenues in increase,*** *equal to € 69.4 million (€ 68.1 million in the comparison period).*

- ***Broadly positive EBITDA****, equal to € 7.1 million, thanks to contributions of the consolidated industrial sectors (Nursing Home (RSA), Design and Automotive)****.***

- ***Net consolidated result,*** *negative in the first half-year, equal to € 5.5 million, attributable to the presence of non-recurring items (i.e. value adjustments for € 1.9 million on loans and other non-core financial assets, and interest expense for € 1.0 million accrued on the portion of the bond loan already repaid in August) and the negative impact of a total of € 2.8 million deriving from the application of IFRS 16.*

- *Net of the application of IFRS 16,* ***Group NFP*** *is in further sharp reduction (€ 23.4 million, compared to € 45.7 million at 31 December 2019).*

- ***Important post-development real estate sale transaction*** *made by the Zaffiro Group (Pogliano Milanese) as part of the agreement signed with a primary international real estate fund, according to which Zaffiro retains the management of nursing home facilities in the post-development and sale process: gross proceeds of approximately € 21 million with a gross capital gain of approximately € 4.5 million, largely insignificant in accounting terms due to the application of IFRS 16 (sale & leaseback).*

- *Expected improvement in the* ***second half of the year****, which results would benefit, in case there is not any further escalation of the Covid emergency, from the full incorporation of the growth process engaged in the operating sectors:*
  - *aggregate turnover data available for the months following the end of the half-year provide initial confirmation of a decisive recovery phenomenon in the post lockdown period;*
  - *expectation, for the Nursing Home sector (RSA), of the quick recovery as soon as the post Covid regulatory restrictions on new admissions will become obsolete;*
  - *a recently acquired order in the Automotive sector capable of significantly impacting turnover and margins in the second half of the year;*
  - *the subsidiary Sport Fashion Service will generate its turnover and the related operating margins in the second half of the year, as a consequence of the physiological seasonality that characterises the sector;*
  - *significant future impact of the reduction in holding costs and, specifically, of the voluntary early repayment – which took place in the month of August - of a portion of the bond loan (maturity in 2023), to be added to the full repayment in July 2019 of the previously outstanding additional bond loan.*

*** *** ***

Milano, 25 September 2020 - At today's meeting, chaired by Mr. Michele Iori, the Board of Directors of Mittel S.p.A. reviewed and approved the Consolidated Half-Year Financial Report for the period 1 January - 30 June 2020.

Operating performance overview

It is a well-known fact that, starting January 2020, the national and international scenarios were impacted by the spread of the new Coronavirus (COVID-19) and by the consequent restrictions, aimed at its containment, put in place by the Government authorities of the countries concerned. The emergency situation of an unprecedented scale produced devastating impacts on the global economic and social systems. In such a context, the Mittel Group however demonstrated strong solidity and suffered very limited effects on its equity, thus proving once again its strong financial and operational stability, without necessity to resource new financing for the industrial subsidiaries, except for development projects already planned, and, as detailed below, proceeded with a voluntary early repayment, in July 2020, of a significant portion of the bond issued by the Parent Company.

The negative influence on the economic outcomes was relatively limited despite the important commercial and production impacts suffered during the lockdown period (particularly in March and April) and despite the fact that the pandemic contingency occurred during the first half of the year, which was already unfavourable due to ordinary seasonality phenomena in some sectors of the Group's operations.

The company management, thanks to the solid business model of the Group, effectively balanced opposing needs in different phases of the crisis and took decisions based on rigor, prudence and attention to the safety of workers and stakeholders during the most delicate phase of the health crisis, and on trust and proactivity in the current recovery phase, focusing on concrete economic measures to guarantee an important relaunch, never compromising on safety or risks perception, but taking up challenges and opportunities that will surely pop up in the coming months in different activity sectors.

Having now fully completed the reorganization process of previous years, characterised by a transformation into the industrial holding company that began in 2016 and was intensified following recent changes in the Company governance model, and, as the result of strategic acquisitions made up to date, the Group currently operates in four investment verticals which, despite the difficult situation arisen globally due to the outbreak of the health emergency since February 2020, present high income prospects in the medium / long term. In particular, the Group operates in:

- healthcare nursing sector, through Gruppo Zaffiro S.r.l. which, since November 2016 (date of its acquisition by Mittel S.p.A.), confirms to be a solid platform for aggregating other companies in the healthcare sector and to have potential to become, within coming years, a reference point for this market which presents clear structural growth trends associated with demographic and social factors, while still having a highly fragmented offer structure with significant room for combination;
- production and marketing of designer ceramic sanitary-ware and accessories for the luxury sector in Italy and abroad, through Ceramica Cielo S.p.A. acquired in June 2017, that offers products characterised by a stylistically avant-garde design and innovative use of materials (with particular attention to R&D and obtaining excellence awards) and two new companies acquired at the end of June 2019, Galassia S.r.l. and Disegno Ceramica S.r.l., as part of the transactions aimed at creating an aggregation platform in bathroom fixtures and fittings sector in which Italian design occupies a very important and globally recognised position;
- automotive components sector (cold moulding of structural and internal components on steel and aluminium elements for primary producers in the automotive sector), through IMC - Industria Metallurgica Carmagnolese S.p.A., acquired in September 2017 and recognised by the sector for its considerable technological know-how and high service standards offered to customers;
- clothing sector, through Sport Fashion Service S.r.l., acquired in November 2019. The company operates in the informal clothing market, in particular, in the Urban/Lifestyle and Outdoor segments, owns the iconic and highly renowned brand Ciesse Piumini and extends the experience built up in technical-sports products, intended for extreme expeditions also, to clothing items for urban fashion, combining manufacturing excellence with comfort and style.

As described earlier, the first half of 2020, which presented a delicate frame of reference, was faced with extreme prudence due to uncertainties of the present historical moment while continuing the Group operations with strong commitment. and even led to further significant results in the growth of the subsidiary Gruppo Zaffiro. In fact, on 30 June, the property of Pogliano Milanese was sold to the French real estate fund Primonial totalling EUR 21 million of gross proceeds (a greenfield transaction). The operation produced a gross capital gain of approximately EUR 4.5 million (largely not accounted for due to the IFRS 16 provisions, which envisage, for properties sold and located back, the spreading of the achieved capital gain over the lease period).
It is worth recalling that last year Gruppo Zaffiro signed a contract with Primonial, a leading EURpean real estate investor, for the development of new Nursing Homes (RSA)s (RSA) throughout Italy. The contract specifically envisages that Primonial will own the real estate component while operating management of the facilities will be carried out by Gruppo Zaffiro. This significant agreement will allow to accelerate growth plans of the group aimed at achieving over 5,000 beds under management over the next few years and will free up significant resources for new investments and enhance the property component at the same time.

Furthermore, compatibly with the present difficult situation and with important results already achieved in the previous years, the group continued to implement measures for further containment of operating costs and valuation of non-core assets held in the portfolio in order to generate new resources for investments. In particular, as regards disposals, the divestment process of non-strategic assets of the historical portfolio continued during the reporting period and concerned real estate inventories and financial receivables mainly.

It should be noted that, starting from the previous year, due to the application of IFRS 16 standard (Leasing), the consolidated accounting figures have undergone significant changes, showing dynamics that require some specification for a better understanding of the management performance. The IFRS 16 standard which, in a nutshell, provides for the recognition in fixed assets of the “right of use” of leased assets that fall within the standard’s application scope and the recognition in liabilities of the related financial payable, has produced a significant impact on equity and income statement items (in particular on those of the Nursing Homes (RSA) sector, characterised by long-term lease contracts) resulting in the following main effects on the figures at 30 June 2020:

- higher value of fixed assets, equal to EUR 201.6 million (right of use on property mainly referring to real estate property);
- increase in the value of the consolidated net financial position of EUR 215,7 million, therefore not dependent on a higher financial exposure in the strict sense but on the valuation of the contractual obligation connected with the right of use;
- increase of EUR 5,5 million in the operating margin (EBITDA), essentially deriving from lease payments, excluding the negative impact on non-recurring profit items. For details please refer to the capital gains from disposal in the Nursing Homes (RSA) sector;
- overall negative impact of EUR 1,1 million on the Group’s net result of ordinary nature, due to prevalence of amortisation of the right of use and financial expenses on financial liabilities booked on the write-off of lease payments;
- as a result of the specific accounting rules for sale and lease-back transactions envisaged by the new standard, capital gains of EUR 3,8 million were written off for accounting purposes (EUR 2,8 million net of the effects for deferred tax assets recognised, of which EUR 1,7 million pertaining to the Group), which was earned as part of significant sale transactions for the real estate component of the Nursing Homes (RSA) sector. The non-recognition as revenue of this amount will entail recognition in the future of an economic benefit over the lease term, represented by lower amortisation that will be recorded on the relative rights of use, currently recognised in assets at the original value.

The consolidated net result of the first half 2020, negative for EUR 5.5 million, was therefore negatively impacted by the application of IFRS 16 standard for a total of EUR 2.8 million (EUR 1.1 million on recurring items and EUR 1.7 million due to non-recognition of capital gains from sale, which has become, in any case, a systematic corollary of Nursing Homes (RSA) developments since the previous year), amount to add to significant write-downs, totaling EUR 1.9 million (entirely pertaining to the Group), of the non-core financial receivables and assets, as the result of strict valuation policies adopted by the Group in applying IFRS 9 standard in this specific emergency context. Furthermore, the result for the first half 2020 includes financial expenses of approximately EUR 1.0 million attributable to the portion of the bond subject to voluntary early repayment in August.
Net of such negative impacts, the net result would have been essentially balanced, despite the effects of the lockdown period on operating margins of the industrial subsidiaries and the seasonality phenomena that characterise, in the first six months of the year, the activity sector where Sport Fashion Service operates.

Equity pertaining to the Group at 30 June 2020 amounted to EUR 214.9 million, in decrease compared to EUR 220.1 million at 31 December 2019, mainly due to the recognition of the loss for the period.

The consolidated net financial position amounted to negative EUR 243.6 million, with an improvement compared to EUR 251.9 million recorded at 31 December 2019. This improvement is even more significant if we consider the figures before the application of IFRS 16, excluding financial payables related to the rights of use on lease contracts. This amount, which decreased from EUR 45.7 million at 31 December 2019 to EUR 24.3 million at 30 June 2020, benefited, among other important items, from the significant proceeds made by Gruppo Zaffiro from sale of the real estate component of the Pogliano nursing home (RSA).

Main economic figures of the Group

(Thousands of EUR)	30.06.2020	30.06.2019
Revenue and other income	69.401	68.056
Increases (decreases) in inventories	(4.131)	(9.890)
Net revenue	**65.270**	**58.166**
Purchases, provision of services, sundry costs	(34.904)	(31.254)
Personnel costs	(23.217)	(17.402)
Operating costs	**(58.120)**	**(48.656)**
Operating margin (EBITDA)	**7.150**	**9.510**
Amortisation/depreciation, allocations and adjustments to non-current assents	(8.485)	(6.058)
Share of profit (loss) of investments	(158)	(60)
Operating result (EBIT)	**(1.493)**	**3.392**
Profit (loss) from financial management	(5.829)	(4.991)
Result of management and valuation of financial assets and receivables	(1.942)	(1.053)
Profit (loss) before taxes	**(9.264)**	**(2.652)**
Taxes	3.518	3.459
Net profit (loss) of the interim reporting period	**(5.745)**	**807**
Profit (loss) pertaining to non-controlling interests	(223)	458
Profit (loss) pertaining to the Group	**(5.523)**	**349**

For greater clarity and easier comparison with the profit margins of the comparison period, the following table highlights the impact of the application of IFRS 16 on EBITDA.

(Thousand of EUR)	30.06.2020	30.06.2019
Operating margin (EBITDA) post IFRS 16	**7.150**	**9.510**
Lease payments	(5.504)	(4.071)
Operating (EBITDA) before IFRS 16 before capital gain	**1.646**	**5.439**
Sale & leaseback capital gains	3.821	-
Operating margin before IFRS 16 with capital gain	**5.467**	**5.439**

Similarly, the reconciliation of the Group result that would have occurred in the event of non-application of IFRS 16 is shown here below.

(Thousands of EUR)	30.06.2020	30.06.2019
Profit (loss) pertaining to the Group post IFRS 16	**(5.523)**	**349**
Lease payments	(5.504)	(4.072)
Amortisation/depreciation	4.361	3.099
Financial expenses	3.505	2.222
Deferred tax assets	(662)	(348)
Profit (loss) pertaining to non-controlling interests	(602)	(230)
Ordinary profit (loss) pertaining to the Group before IFRS 16	**(4.423)**	**1.020**
S*ale & leaseback* capital gains	3.821	-
Deferred tax assets	(1.066)	-
Profit (loss) pertaining to non-controlling interests	(1.102)	-
Profit (loss) pertaining to the Group before IFRS 16	**(2.770)**	**1.020**

It should be noted that revenues and other income of the consolidated industrial sectors as at 30 June 2020 (represented by: the Nursing Homes (RSA) sector led by Gruppo Zaffiro S.r.l.; the Automotive sector, which includes IMC S.p.A. and its subsidiary Balder S.r.l.; the Design sector, which includes Ceramica Cielo S.p.A. Galassia S.r.l. and Disegno Ceramica S.r.l.; the Clothing sector with Sport Fashion Service S.r.l.) are particularly significant and equal to EUR 64.9 million (EUR 55.5 million in the comparison period), corresponding to approximately 94% of the consolidated revenues and other income (amounting to total EUR 69.4 million, compared to EUR 68.1 million in the comparison period).

In the first half of the year, despite relevant negative impacts of the lockdown period, the natural seasonality of the Clothing industry in the first six months of the year and the concentration of an important order acquired in the Automotive sector for the second half of the year, the industrial sectors contributed to generate a broadly positive consolidated operating margin, equivalent to EUR 7.2 million (EUR 9.5 million as at 30 June 2019), as a result of the following net contributions by sector:

- *Nursing Home (RSA) (RSA)*: EBITDA of EUR 12.7 million (EUR 5.6 million at 30 June 2019), positively influenced by the application of IFRS 16, which resulted which resulted in lease payments not being recognised amongst operating costs (EUR 4.4 million at 30 June 2020 and EUR 3.1 million in the comparison period), but which also led to non-recognition of capital gains of EUR 3.8 million deriving from sale and leaseback of *property assets*; note should also be taken of significant development and start-up costs of new Nursing Homes (RSA)s (RSA) (RSA) related to a positive progression of the ambitious growth project pursued by the Group; in addition, the coronavirus health emergency blocked or delayed new admissions, entailed greater costs and impacted on the profitability for the period, as was already foreseen in budgets approved after the breakout of the pandemic;

- *Design*: EBITDA of EUR 4.2 million (EUR 3,9 million at 30 June 2019), in slight increase due to the consolidation of Galassia S.r.l. and Disegno Ceramica S.r.l. (absent in the comparison period), despite significant negative effects of the lockdown period, which caused the production to stop in March and April, after very promising first two months of the year, until a decisive restart at the beginning of May;

- *Automotive*: EBITDA of EUR 1.4 million (EUR 2.8 million at 30 June 2019), in significant reduction due to the negative trend in sector demand within an overall macroeconomic scenario of contingent weakness, worsened by the current health emergency; to be noted however that an important order acquisition, being currently completed, will increase the contribution in the second half of the year;

- *Clothing*: EBITDA of negative EUR 1.6 million (absent in the comparison), due to a naturally unfavourable seasonality which characterises the sector and which makes less meaningful the contribution of the first half of the year compared to annual figures;

- *Real Estate*: EBITDA of negative EUR 0.6 million (negative for EUR 0.4 million at 30 June 2019), with revenues in decrease (EUR 4.3 million against EUR 12.4 million of the comparison period) due to substantial disposal of residential property inventories held by the group, with some initiatives in completion phase (Via Metauro residential initiative in Milan) or in progress (Via Regina Teodolinda residential initiative in Como); to be noted that that Via Metauro initiative has been commercially successful already in the phase construction in terms of preliminary sales;

- *Equity and Investments*: EBITDA of negative EUR 2.0 million (negative EUR 2.7 million at 30 June 2019), which benefits from the strong reduction in holding costs achieved in previous years and the absence of non-recurring charges in the comparison period.

Details on the most significant items are presented below:

- **Revenue and other income:** this reclassified item includes the financial statement items for revenue and other income and amounts to EUR 69.4 million at 30 June 2020 (EUR 68.1 million in the comparison period). This balance was the combination result of the following factors::
  (i) Revenue recognition for EUR 66.9 million (EUR 66.1 million at 30 June 2019); the following sectors primarily contributed to this total:
    - Nursing Homes (RSA) sector (Gruppo Zaffiro and subsidiaries) for EUR 25.3 million (EUR 20.0 million in the comparison period);
    - Design sector (Ceramica Cielo S.p.A, Galassia S.r.l. and Disegno Ceramica S.r.l.) for EUR 24.4 million (EUR 26.3 million attributable solely to Ceramica Cielo in the comparison period);
    - Automotive sector (IMC S.p.A and Balder S.r.l.) for EUR 9.8 million (EUR 18.8 million in the comparison period);
    - Clothing sector for EUR 2.8 million (absent in the comparison period), which contribution during the first six months of the year is not meaningful in terms of annual amounts due to the business seasonality;
    - the Real Estate sector for EUR 4.3 million (EUR 12.3 million in the comparison period);

  (ii) the recognition of other income for EUR 2.5 million (EUR 2.0 million in the comparison), attributable to the Design sector for EUR 1.4 million and to the Nursing Homes (RSA) sector for EUR 0.8 million.

- **Increases (decreases) in inventories:** the negative contribution recorded in the period, equal to EUR 4.1 million (EUR 9.9 million in the comparison period), is explained by the net effect of:
  (i) reduction due to offloading of selling cost of real estate property inventories for EUR 3.9 million (EUR 11.0 million at 30 June 2019);
  (ii) increase in real estate property inventories for costs capitalised and other changes for EUR 0.9 million (EUR 0.5 million at 30 June 2019);
  (iii) net increase in inventories in the Clothing sector for EUR 0.8 million (item absent in the comparison period);
  (iv) net reduction in inventories of the Automotive sector of EUR 1.4 million (net increase of EUR 0.1 million in the comparison period;
  (v) net reduction in inventories of the Design sector of EUR 0.5 million (increase of EUR 0.5 million in the comparison period).

- **Costs for purchases, provision of services, sundry costs**: the item, amounting to EUR 34.9 million (EUR 31.3 million at 30 June 2019), is strongly influenced by the operating costs of the industrial subsidiaries and includes purchase costs for EUR 18.0 million (EUR 18.1 million in comparison period), provision of services for EUR 15.4 million (EUR 11.7 million at 30 June 2019) and sundry costs for EUR 1.5 million (in line with the comparison period). The main contributors to the overall item are:
  (i) Automotive sector, for EUR 5.2 million (EUR 12.6 million in the comparison period);
  (ii) Design sector, for a total of EUR 13.7 million (EUR 9.2 million in the comparison period, attributable to Ceramica Cielo S.p.A. only);
  (iii) Nursing Homes (RSA) sector, for EUR 8.6 million (EUR 5.7 million in the comparison period);
  (iv) Clothing sector, for EUR 4.5 million (contribution absent in the comparison period);
  (v) Parent Company Mittel for EUR 1.3 million (EUR 1.5 million in the comparison period;
  (vi) Real Estate sector for EUR 1.7 million (EUR 1.9 million in the comparison period).

- **Personnel costs:** the item reported a balance of EUR 23.2 million (EUR 17.4 million at 30 June 2019), of which EUR 11.6 million coming from the Nursing Homes (RSA) sector (EUR 9.2 million in the comparison period), EUR 7.4 million relating to the Design sector (EUR 3.5 million in the comparison period, to which only Ceramica Cielo S.p.A. contributed), EUR 2.0 million attributable to the Automotive sector (EUR 2.9 million in the comparison period), EUR 1.2 million relating to the Parent Company Mittel (EUR 1.6 million in the comparison period) and EUR 1.0 million relating to the Clothing sector (no contribution in the comparison period).

- **Amortisation/depreciation, allocations and adjustments to non-current assets**: the item amounted to EUR 8,5 million at 30 June 2020 of EUR 8.5 million at 30 June 2020 (EUR 6.1 million at 30 June 2019), mainly due to the amortization of rights use recognised as the result of the application of IFRS 16 standard, equal to EUR 4.4 million (EUR 3.1 million in the comparison period), of which EUR 3.3 million pertaining to the Nursing Homes sector (RSA) (EUR 2.4 million in the comparison period) and, for the remainder, due to the depreciation of the other tangible assets held by the operating companies (EUR 2.1 million for Automotive sector, EUR 1.4 million for Design sector and EUR 0.5 million for Nursing Homes (RSA) sector).

- **Profit (loss) from financial management**: presented a net loss of EUR 5,8 million (loss of EUR 5,0 million in the comparison period); the item is attributable to financial expenses for EUR 3.5 million recognised in accordance with IFRS 16 (for EUR 3.2 million pertaining to the Nursing Homes/RSA sector) and for the residual EUR 2.6 million for expenses on the financial debt (bond loan of Mittel SpA and bank debt of the operating subsidiaries) net of interest income accrued on residual financial receivables held by the Group; more specifically, the Parent Company's contribution to the item (equal to EUR 1.6 million), is related to financial income for EUR 0.8 million (mainly due to interest accrued on residual financial receivables held) and financial expenses for EUR 2.4 million, entirely related to the aforementioned bond which, as specified in other sections of this report, was subject to voluntary early repayment in August 2020 for the part equal to the nominal amount of EUR 50.9 million (out of total 123, 5 million), with the consequent elimination of the interest costs on this component in future periods, equal to approximately EUR 1.0 million in the half year.

- **Result of management and valuation of financial assets and receivables**: the item made a negative contribution to the consolidated income statement for EUR 1.9 million (negative contribution for EUR 1.3 million at 30 June 2019) and is explained by net value adjustments to financial assets for EUR 1.3 million, essentially due to major write-downs on a real estate mutual fund held, and by adjustments to loans, for a total of 0.6 million; these write-downs were made on non-core assets as the result of strict valuation policies adopted by the Group in application of IFRS 9 in this specific emergency situation.

- **Taxes**: the item made a positive contribution to the consolidated income statement for EUR 3.5 million (value in line with the comparison period) which is primarily due to the net effect of: the cost for current IRAP taxes for EUR 0.4 million, from provisions for deferred tax assets of EUR 1.9 million (mainly relating to items recognized as the result of IFRS 16), revenue from the release of deferred taxes for EUR 0.9 million (mainly related to the amortization of unreleased capital gains of tangible assets and capital gains of previous years paid in instalments for IRES purposes) and to taxes of previous years of approximately EUR 1.0 million, including significant amounts related to tax measures that affected IRAP balances in 2019.

Main consolidated financial and equity figures of the Group

(Thousands of EUR)	**30.06.2020**	**31.12.2019**
Intangible assets	105.113	105.502
Property, plant and equipment	257.592	260.557
- of which IFRS 16 rights of use	*201.648*	*193.382*
Investments	5.956	6.113
Non-current financial assets	44.647	49.821
Assets (liabilities) held for sale	-	-
Provisions for risks, employee severance indemnity and employee benefits	(9.504)	(9.661)
Other non-current assets (liabilities)	(170)	71
Tax assets (liabilities)	4.422	2.290
Net working capital (*)	67.551	74.239
Net invested capital	**475.607**	**488.932**
Equity pertaining to the Group	(214.930)	(220.127)
Non-controlling interests	(16.980)	(16.875)
Total net equity	**(231.910)**	**(237.002)**
Net financial position	**(243.697)**	**(251.930)**
- of which IFRS 16 financial liabilities	*(220.325)*	*(206.182)*
Net financial position before IFRS16	**(23.372)**	**(45.748)**

(*) *Comprised of the sum of Property inventories, Sundry receivables (payables) and other current assets (liabilities)*

As detailed below, the composition of the aforementioned items, and in particular intangible assets and property, plant & equipment, reflects the effects of the acquisitions made in the previous years and the additional ones completed during the year in the Design, Nursing Home and Clothing sectors. Conversely, the progress of the disposal of non-core assets has led to a reduction in the related items in the statement of financial position (investments, financial receivables and other non-current financial assets) in recent years.

Intangible assets amounted to EUR 105,1 million (EUR 105,5 million as at 31 December 2018). The item, almost exclusively related to goodwill and trademarks, refers to goodwill relating to the acquisition (which took place in November 2016) of Gruppo Zaffiro, the head company of the Group bearing the same name active in the Nursing Home sector, for EUR 39,3 million, augmented by EUR 1,1 million relating to the value attributed to the trademark upon conclusion of the purchase price allocation (completed as at 31 December 2017). Also in the Nursing Home sector, additional goodwill was recognised against the build-up operations that were carried out during previous years and relating to the acquisition, in March 2018, of the business unit of a nursing home based in Sanremo (EUR 0,5 million in goodwill), the purchase in December 2018 of the company Villa Gisella, which owns a historic nursing home based in Florence (EUR 3,0 million in goodwill) and the purchase of three Nursing Homes in Piemonte (totalling EUR 3,0 in goodwill).
Goodwill relating to the acquisition of Ceramica Cielo S.p.A. (which took place in June 2017) amounted to EUR 5,6 million, augmented by EUR 4,3 million relating to the fair value measurement of the company's trademark, carried out upon conclusion (at 30 June 2018) of the purchase price allocation.
In addition, as regards the Design sector, the balance sheets at 31 December 2019, showed, although provisional (pending upon PPA completion process) the goodwill relating to the acquisitions of:
(i) Galassia S.r.l., for EUR 6.7 million downsized at 30 June 2020 to EUR 4.4 million mainly due to a partial allocation to trademark and to the reduction of the purchase price following the definition of the claim against selling counterparties for some contractual guarantees given by them at the time of purchase;
(ii) Disegno Ceramica S.r.l., for EUR 2.1 million;
the amounts therefore became final at 30 June 2020 with the completion of the related PPA processes provided for by IFRS 3.
In addition, goodwill of EUR 19.3 million was booked for the acquisition of IMC S.p.A. The goodwill recognised at the time of the acquisition (completed on 30 September 2017), equal to EUR 35.5 million, had already been reduced to EUR 19.3 million as at 31 December 2017, as the result of the partial allocation to the property, plant and equipment held by IMC S.p.A. (which involved the allocation of the related deferred taxes). As at 31 December 2018, the purchase price allocation (PPA) process for the business combination was completed, with the final confirmation of the allocation values that had been determined as at 31 December 2017.
Lastly, the purchase of Sport Fashion Service S.r.l., completed in November 2019, although not involving the recognition of any goodwill from first-time consolidation (the difference, which is positive, between the net book value and the purchase consideration, including the expected outlay for the earn-out, which qualifies as a *bargain purchase*, was booked directly as increase in equity and not as profit in the income statement, being the nature of the transaction that of *under common control*), determined the initial recognition, based on continuity of values, of goodwill (EUR 18,4 million) and trademarks (EUR 1,8 million) recognised in the IFRS first-time consolidation package of the company at the acquisition date.

Property, plant and equipment amounted to EUR 257.6 million (EUR 105.5 million as at 31 December 2018), of which EUR 201.6,4 million resulting from the IFRS 16 rights of use (EUR 181.9 million pertaining to the Nursing Home sector, characterised by long-term lease contracts on properties used as nursing residences). The residual portion of this item's balance, equal to EUR 56.0 million, was heavily influenced by the contribution from the Automotive sector, amounting to EUR 18.4 million (including the partial allocation of goodwill for moulds recognised at the time of the acquisition to IMC S.p.A.), from the Nursing Home sector, which contributed EUR 13.9 million (amount reduced following the sale of the Pogliano Milanese property, whose rights of use implicit in the subsequent leaseback are kept recorded, among the rights of use, at the original value net of the capital gain), and from the Design sector, which contributed EUR 23,3 million

Investments measured using the equity method totalled EUR 6,0 million (EUR 6.1 million at 31 December 2019) and refer primarily to shareholdings held by the Parent Company Mittel S.p.A. in Mittel Generale Investimenti S.r.l. (EUR 5,4 million), which did not present changes in the comparison period.

Non-current financial assets amounted to EUR 44.6 million (EUR 49.8 million at 31 December 2019) and refer: i) for EUR 30.2 million (EUR 33.5 million in the comparative period) to non-current financial receivables, almost entirely explained by the credit positions held by the Parent Company; ii) for EUR 14.5 million (EUR 16.4 million in the comparison period) to other non-current financial assets, mainly represented by shares in real estate UCIs held by the Parent Company and by shares in investment vehicles held by Mittel S.p.A. and by the subsidiary Earchimede S.p.A.

Provisions for risks, employee severance indemnity and employee benefits amount to EUR 9.5 million (EUR 9.7 million as at 31 December 2019). In particular, as at 30 June 2020, the item comprised EUR 7.5 million of *Provisions for personnel* (EUR 7.7 million in the comparison period) and EUR 2.0 million *of Provisions for risks and charges* (EUR 1.9 million in the comparison period). The main contributors to Provisions for personnel are: the Nursing Home sector (for EUR 2.3 million), the Design sector (for EUR 3.1 million), the Parent Company Mittel S.p.A. (for EUR 1.1 million), the Automotive sector (EUR 0.5 million) and the Clothing sector (EUR 0.4 million), while the Provisions for risks and charges mainly refer to Mittel S.p.A. (for EUR 0.4 million), Fashion District Group S.r.l. in liquidation (for EUR 0,6 million) and to the Nursing Home sector (EUR 0,4 million).

The item **net tax assets (liabilities**) is positive for EUR 4.4 million (EUR 2.3 million at 31 December 2019) and is the sum of the current tax assets for EUR 0.6 million (EUR 1.6 million at 31 December 2019 and the deferred tax assets of EUR 13.2 million (EUR 11.4 million in the comparison period), which are offset by deferred tax liabilities of EUR 8.7 million (EUR 9.1 million in the comparison) and current tax liabilities of EUR 0.7 million (EUR 1.6 million in the comparison period).

The **net working capital** amounts to EUR 67.6 million (EUR 74.2 million as at 31 December 2019). The item is composed of: (i) the value of Inventories for EUR 74.5 million, attributable for EUR 48.8 million to real estate inventories (down compared to EUR 51.9 million in the comparison period due to sales made in the period), for EUR 15.9 million to the Design sector (EUR 16.2 million in the comparison period), for EUR 4.2 million to the Automotive sector (EUR 5.6 million in the comparison period) and for EUR 5.6 million to the Clothing sector (EUR 4.8 million in the comparison period); (ii) sundry receivables and other current assets for EUR 41.6 million (EUR 50.2 million in the comparative period), to which the Design sector contributes for EUR 16.5 million (EUR 17.1 million as at 31 December 2019), the Nursing Home sector for EUR 11.8 million (EUR 10.4 million as of 31 December 2019), the Automotive sector for EUR 5,1 million (EUR 6.2 million as of 31 December 2019) and the Clothing sector for EUR 4.5 million (EUR 13.7 million in the comparison period); (iii) Sundry payables and other current liabilities for EUR 48.6 million (EUR 54.5 million in the comparison period), with main contibutions from the Design for EUR 16.8 million (EUR 20.0 million as at 31 December 2019), the 1nursinf Home sector for EUR 16.5 million (EUR 7.6 million as at 31 December 2019), the Automotive sector for EUR 4.7 million (EUR 7.4 million as at 31 December 2019) and the Clothing sector for EUR 2.7 million (EUR 6.6 million in the previous year).

The **net invested capital** is consequently equal to EUR 475.6 million (EUR 488.9 million at 31 December 2019) and includes, as previously explained, rights of use accounted for in accordance with IFRS 16 for a total of EUR 201.6 million. The invested capital is financed for EUR 231.9 million from the net assets (EUR 237.0 million in the comparison period) and for EUR 243.7 million from the net financial position (EUR 251.9 million as of December 31, 2019), also influenced by the application of IFRS 16 (financial payables for leases totalling EUR 220.3 million).

The **equity pertaining to the Group** amounts to EUR 214.9 million (EUR 220.1 million at 31 December 2019), while the non-controlling interests amount to EUR 17.0 million (EUR 16.9 million at 31 December 2019).

Against the described trend of the consolidated equity and income figures, the **net financial position** amounts to negative EUR 243.7 million (EUR 251.9 million at 31 December 2019). Please, refer to the breakdown of the item shown below. As mentioned earlier, the debt level is substantially attributable to the application of IFRS 16 standard, which led to the recognition, at the end of June 2020, of the increase in financial payables for EUR 220.3 million. Net of this component, the net financial position would be equal to EUR 23.4 million, in improvement compared to previous EUR 45.7 million, due to the important generation of financial resources by the industrial subsidiaries and the process of valuation of the non-core assets (to be noted the proceeds collected from the sale of the real estate component of the Pogliano RSA to the Primonial in the first half-year).

Statement relating to the net financial position

(Thousands of EUR)	30.06.2020	31.12.2019
Cash	122	103
Other cash and cash equivalents	184.558	173.062
Securities held for trading	-	-
Current liquidity	**184.680**	**173.165**
Current financial receivables	**3**	**25**
Bank loans and borrowings	(61.538)	(71.805)
Bonds	(131.397)	(131.397)
Other financial payables	(235.444)	(221.918)
Financial debt	**(428.380)**	**(425.120)**
Net financial position	**(243.697)**	**(251.930)**
- of which IFRS 16 financial liabilities	*(220.325)*	*(206.182)*
Net financial position before IFRS 16	**(23.372)**	**(45.748)**

Main significant events in the first half of the year

Covid-19: response of the Group

As known, starting January 2020, the national and international scenarios were impacted by the spread of a new Coronavirus (COVID-19) and the subsequent containment measures put in place by Government authorities of the countries concerned.
In particular, on 31 January 2020, Italy, by means of resolution of the Council of Ministers, declared the state of emergency and, in February, the spread of the virus was registered.
In order to tackle the emergency, the Italian Government issued a series of decrees envisaging urgent measures to deal with the epidemiological emergency (COVID-19).
In light of this situation, the Group not only implemented, from the outset, all the necessary measures to guarantee workers' safety, but initiated, where possible, procedures for the performance of work activities remotely, in order to reduce the risk of the virus spreading and ensure business continuity.

In the Nursing Home Sector, whose services qualify as "essential", the local facilities and their operators played an active role in tackling this pandemic, by both assisting patients and supporting the public system most directly committed to treatment of patients suffering from the virus.
The Nursing Home facilities took steps to apply the safety protocols developed by the national institutions and the Ministry of Health, purchasing equipment on an ad hoc basis and the Personal Protective Equipment for the personnel, applied the provisions on guest behaviour to be observed in accessing the facilities, for the recovery of residents and for the operations of employees, also ensuring the necessary training. In addition, means of electronic communication were established to guarantee a direct channel for informing relatives of the clinical and assistance conditions of their residents.
After the pandemic peak in the months of March and April, the group maintained strict protocols while the aim to return to (new) normality in order that patients in the facilities could meet their relatives and friends safely; such visits resumed in compliance with the indications of the health and government institutions.

For the other companies, in particular, those exposed to "retail" trends and/or that provide non-essential goods and services, therefore hit hardest by the containment measures, specific measures were applied, where possible, to monitor and organise production and work flexibility, with extensive use of remote working where compatible. Some production departments of industrial companies were gradually closed in March 2020 and made safe. As a result of these closures, some Group companies applied, where the conditions are met, the measures set forth in the government decrees.
Following the post lockdown reopening of the activities, customers' safety remained the utmost priority and the stores were prepared to satisfy the needs of consumers, focusing on the human factor and the new digital technologies wherever possible; the Group companies were able to meet the maximum hygiene and safety conditions and also evaluated the most appropriate ways to review their model and adapt it to this new normality.

This situation, still constantly evolving, has produces direct and indirect repercussions on economic activities, financial markets and on *consumer confidence* at the worldwide level; the aforementioned circumstances, extraordinary in nature and scope, have created the context of general uncertainty, the evolution and effects of which are difficult to quantify and evaluate.

With the progressive spread of the epidemic, Mittel constantly and carefully monitored the evolution of the outside situation, assessing and managing potential risks and their impacts on the consolidated economic and financial situation, to prove the Group's ability to react to uncertainties of changed scenarios and to mitigate risks deriving from the such contingencies. Despite the difficulty to assess the impacts of the evolving economic context, which depends on the effectiveness of measures to support recovery adopted by local and European institutions, the Group assessed the most relevant effects on future business and operating activities, by monitoring the economic, equity and financial values of the Group and the final figures of the Group.
The sensitivity analyses, carried out also assuming reductions in revenues within reasonable ranges in a scenario of uncertainty, did not highlight issues in the consolidated half-year statements in terms of impairment tests.

Presently, taking into account solid economic, equity and liquidity indicators of the Group, as well as specific and diversified business areas of the Group operations, no elements have emerged such as to compromise the Group business continuity; moreover, it is believed that, thanks to measures provided by the Italian Government and to rapid actions taken for cost containment, the Group will be able to absorb inevitable production and commercial impacts without disregarding value creation perspectives for the investments held, in the medium and long-term.

Governance and corporate events

On 26 June 2020, the Shareholders of Mittel S.p.A., met through telecommunication means, in line with the option provided for by art. 106, paragraph 2, Law Decree 18/2020, converted into Law no. 24/2020 – resolved to:

- approve the Directors' Report on Operations and the Financial Statements for the year ended 31 December 2019, as well as the proposal to carry forward the profit for the year of EUR 9.204.063;
- approve, pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, of Legislative Decree 58/1998 (TUF), Section I of the Report on remuneration policy and remuneration paid, concerning the remuneration for the year 2020 and the related adoption and implementation procedures; the Shareholders' Meeting, pursuant to Article 123-ter, paragraph 6, of the TUF, also voted in favour of Section II of the aforesaid Report concerning the remuneration paid in the year 2019, indicated therein.
- confirm that Dr. Gabriele Albertini will serve as Board Director until the approval of the Financial Statements which will expire on December 31, 2021 recognizing him the same emolument included in the total amount determined by the Ordinary Shareholders' Meeting on January 28, 2019

The Board of Directors confirmed that Mr. Gabriele Albertini possesses requirements of independence and integrity as established by TUF, and that he will continue to serve as member of: the "Committee for Related-party Transactions" and the "Remuneration and Appointments Committees.

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On 22 July 2020 the Board of Directors of Mittel S.p.A. resolved to adapt the Articles of Association to the regulatory provisions introduced by Law no. 160/2019, which introduced changes to the TUF and to the Issuers' Regulations regarding the allocation criteria to ensure gender balance on the composition of the Board of Directors and the Board of Statutory Auditors.
The Board of Directors of Mittel S.p.A. resolved specifically to amend articles 15.7 and 31.4 of the Articles of Association.

Significant events after 30 June 2020

After 30 June 2020, the reference date of the present financial statements, and until 25 September 2020, date on which the financial statements were approved by the Board of Directors of Mittel S.p.A., no relevant events took place such to involve adjustments of the consolidated economic and financial figures presented.

It should be noted for information that on 23 July 2020, the Board of Directors of Mittel, after having carefully and positively assessed: (i) the significant liquid assets present in Mittel S.p.A. and in the system of controlled holding companies; (ii) the success achieved to date in asset management and recovery activities for non-strategic assets and credit receivables; (iii) the cash generation achieved by the group of industrial subsidiaries, despite an extremely complex economic context following the Covid-19 health emergency and the consequent effects on consumption and industrial activities; (iv) no need of financing for the industrial

subsidiaries in terms of additional loans (from banks or from the parent company Mittel) to be attributed to the described emergency context; resolved to proceed with a partial voluntary early repayment of the "Mittel S.p.A. 2017-2023 "(ISIN code IT0005257784) for a nominal amount of EUR 50.6 million out of total EUR 129.5 million.
The resolution passed by the Board of Directors, in a context characterised by significant requests for liquidity not only from the majority of the industrial and commercial system, but also from Sovereign States themselves, represents a strong sign of confidence of the Group management regards the solidity of the equity and of the financial position of the head company itself and the industrial subsidiaries.

During the months of February and April 2020, Mittel Design S.r.l. sent price adjustment demands to the sellers of Galassia S.r.l. in relation to some issues concerning the warehouse, unpaid receivables and other charges that emerged during the 2019 financial year but pertaining to the 2018 financial year. In the course of the following months, the parties carried out, with the help of specialised consultants, an in-depth analysis both on the receivables and on the inventory that were subject of the demand for the price adjustment, with the aim to bring closer the positions and reach an arrangement.
In July, a settlement agreement was reached with the recognition of total EUR 1,023,220 in favour of Mittel Design S.r.l. The decision to reach the agreement was primarily backed up by intentions to continue r along the virtuous path that Galassia S.r.l. undertook in recent months, proving alignment of interests and harmony with the top management of the Group. It should be noted that two of the selling shareholders are still minority shareholders and hold the positions of Chief Executive Officer and Commercial Director respectively.

During the months of February and April 2020 Mittel Design S.r.l. has sent requests for price adjustments to the sellers of Galassia S.r.l. in relation to some issues concerning the warehouse, unpaid receivables and other charges that emerged during the 2019 financial year but pertaining to the 2018 financial year. In the following months, the parties carried out, also with the help of specialised consultants, an in-depth analysis both on the receivables and on the inventory subject of the price adjustment demands, in order to bring their positions closer. In July, a settlement agreement was reached through the recognition of an amount equal to EUR 1,023,220 in favour of Mittel Design S.r.l The decision to reach settlement derived mainly from the intentions to continue a virtuous path that Galassia S.r.l. undertook recently, showing alignment of interests and harmony with the top management. It should be notedd that two of the selling parties are still minority shareholders and hold positions of Chief Executive Officer and Commercial Director.

On 3 August 2020, the CEO of Disegno Ceramica S.r.l., Mr. Marco Carabelli, holder of 20.00% of the share capital of the company, exercised the irrevocable sale option against Mittel Design S.r.l., at a pre-established price equal to EUR 440,000, concerning 5.00% of the share capital of Mittel Design S.r.l. The exercise of this option represents the execution of the last phase of the acquisition of the investee, as this step was already defined in the structuring phase of the transaction itself, as a price component extended over time and exclusively in favour of the minority shareholder.

On 21 September 2020, Mittel Investimenti Immobiliari S.r.l. implemented the agreement signed with the Como-based company Nessi & Majocchi S.p.A. regards the increase of the share capital of Regina S.r.l. entirely reserved to the mentioned company through contribution in cash. To date, 70% of the share capital of Regina S.r.l. is owned by Mittel Investimenti Immobiliari S.r.l. and 30% by Nessi & Majocchi S.p.A. This operation is prodromal to the construction of a for residential building, to be located in Como, in via Regina Teodolinda n. 23, of about 3,000 square meters of gross floor area.

Business outlook for the year

Despite the ongoing emergency situation (Covid-19) and the consequent restrictive measures for its containment, which affected the timing of implementation of some strategic actions already planned, the Group has never suspended the activity of strengthening the investee companies and the search of further investment opportunities. In the first half of 2020, in particular, the Group directed the efforts towards consolidating the objectives achieved in the previous year in terms of creating value in the interest of the Shareholders, having finalised, in 2019, further investments with high medium-long term profitability perspectives.

The Group reacted immediately to this unprecedented crisis and to numerous measures issued by national and international institutions to mitigate its impact, by implementing specific activities in response to the Covid-19 contingency; in particular, the management has intensified and will continue to carry out, on a continuous basis, the monitoring activities of the situation of uncertainty in which the Group is forced to operate due to the external scenario.

The Group results are undoubtedly related to sector performances where the Group strategic industrial investees operate and to the evolution of real estate and financial markets determining the returns on residual assets (in further reduction) managed by non-industrial subsidiaries.
However, as clearly emerged from the analysis of the half-year data, the strong solidity shown by the Group during the events of the first half-year, permitted to reduce negative capital impacts, which were really contained, and to demonstrate the Group’s financial and operational stability allowing to reduce negative impact on the Group economic results, despite important effects produced by the lockdown period on commercial and production operations and despite the naturally unfavourable half-year period for some of the Group activity sector due to ordinary seasonality.
Furthermore, it is important to underline that the Group's economic and financial solidity also guarantee the autonomy in supporting operational needs and development programs of the Group.
Therefore, in absence of Covid-19 second wave, the second half-year is expected to show net improvement and the Group results of the coming months will certainly benefit from the full incorporation of the growth process engaged in the Nursing Home, Design sectors and Clothing sectors, being the latter only partially consolidated in 2019 (due to the acquisition date) and up to June 2020 (mainly due to the peak of the health emergency and the physiological seasonality of the Clothing sector).

More specifically, the following important aspects are to be highlighted:

- the combined turnover figures, available for the months following the end of the half-year, provide first confirmations that a decisive recovery process has been recorded after the lockdown period;
- the Nursing Home sector will be in net recovery as soon as the post Covid regulatory restrictions on new admissions will be lifted as they will stop to a lower average occupancy rate of the facilities recorded in the first half-year;
- an important order in the Automotive sector has been acquired recently and is expected to significantly improve the related turnover and margins in the second half of the year;
- the subsidiary Sport Fashion Service generates its turnover and the related operating margins in the second half of the year, as consequence of the physiological seasonality of the sector;
- the significant positive effect has been, and will be produced also in future, by the reduction of the holding costs and, specifically, by the voluntary early repayment - in August 2020 - of a portion of the bond loan maturing in 2023, together with a fully repaid - in July last year - additional bond, previously outstanding.

As already described in detailed, the management continues to protect the Group by implementing actions aimed at mitigating potential negative effects on the results of the year and focusing on the reinforcement of the existing investments.
In conclusion, the management confirms that, compatibly with the uncertainty relating to the duration of the aforesaid situation and in accordance with actions taken to contain its negative effects, both the process of consolidation of the existing investments and the strategies for further development will be continued also in the following months, with the long-term objective to create value for all the Shareholders.

MITTEL S.p.A.

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Consolidated statement of financial position as at 30 June 2020

Amounts in thousands of EUR

	30.06.2020	31.12.2019
Non-Current Assets		
Intangible assets	105.113	105.502
Property, plant and equipment	257.592	260.557
- of which IFRS 16 rights of use	*201.648*	*193.382*
Investments accounted for using the equity method	5.956	6.113
Financial receivables	30.191	33.460
Other financial assets	14.456	16.361
Sundry receivables and other assets	482	898
Deferred tax assets	13.239	11.417
Total Non-Current Assets	**427.030**	**434.308**
Current Assets		
Inventories	74.530	78.514
Financial receivables	3	25
Other financial assets	-	-
Current tax assets	627	1.614
Sundry receivables and other assets	41.632	50.200
Cash and cash equivalents	184.680	173.165
Total Current Assets	**301.472**	**303.520**
Assets held for sale	-	-
Total Assets	**728.501**	**737.827**
Equity		
Share capital	87.907	87.907
Share premium	53.716	53.716
Treasury shares	-	-
Reserves	78.830	78.053
Profit (loss) for the period	(5.523)	450
Equity pertaining to the Group	**214.930**	**220.127**
Non-controlling interests	16.980	16.875
Total Equity	**231.910**	**237.002**
Non-Current Liabilities		
Bonds	129.335	129.308
Financial payables	264.877	261.976
- of which IFRS 16 financial liabilities	*215.738*	*200.909*
Other financial liabilities	5.912	5.958
Provisions for personnel	7.517	7.722
Deferred tax liabilities	8.724	9.098
Provisions for risks and charges	1.988	1.939
Sundry payables and other liabilities	652	827
Total Non-Current Liabilities	**419.004**	**416.828**
Current Liabilities		
Bonds	2.062	2.089
Financial payables	20.467	19.420
- of which IFRS 16 financial liabilities	*4.587*	*5.273*
Other financial liabilities	5.727	6.368
Current tax liabilities	721	1.643
Sundry payables and other liabilities	48.611	54.476
Total Current Liabilities	**77.588**	**83.997**
Liabilities held for sale	-	-
Total Equity and Liabilities	**728.501**	**737.827**

Consolidated Income Statement

Amounts in thousands of EUR

	01.01.2020 30.06.2020	01.01.2019 30.06.2019
Revenue	66.885	66.090
Other income	2.516	1.966
Changes in inventories	(4.131)	(9.890)
Costs for purchases	(17.975)	(18.052)
Costs for services	(15.432)	(11.699)
Personnel costs	(23.217)	(17.402)
Other costs	(1.496)	(1.504)
Amortisation and value adjustments to intangible assets	(8.471)	(6.003)
Allocations to the provision for risks	(14)	(55)
Share of income (loss) of investments accounted under the equity method	(158)	(60)
Operating Result	**(1.493)**	**3.391**
Financial income	1.512	2.307
Financial expenses	(7.341)	(7.298)
Dividends	0	183
Profit (Loss) from management of financial assets and investments	0	83
Value adjustments to financial assets, loans and receivables	(1.942)	(1.318)
Profit (Loss) before Taxes	**(9.264)**	**(2.652)**
Income taxes	3.518	3.459
Profit (Loss) for the period	**(5.745)**	**807**
Attributable to:		
Profit (Loss) pertaining to non-controlling interests	(223)	458
Profit (Loss) pertaining to the Group	**(5.523)**	**349**

The Manager in charge of the financial reporting, Mr. Pietro Santicoli, hereby declares, pursuant to art. 154-bis, paragraph 2, of the Consolidated Law on Finance, that the accounting information disclosed in this press release corresponds to the documentary results, books and accounting records.