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PRESS RELEASE

The Board of Directors of MITTEL S.p.A. has examined and approved the Consolidated Half-yearly Financial Report (1 January - 30 June 2018) with a profit of EUR 3,5 million

- *The positive performance in the half reflects the consolidation of the results generated by the majority stakes acquired in the previous year (Gruppo Zaffiro S.r.l., Ceramica Cielo S.p.A. and Industria Metallurgica Carmagnolese S.p.A.), which influence the main Group indicators as at 30 June 2018:*
 - *Net revenues amounted to EUR 55,9 million (EUR 15,3 million as at 30 June 2017)*
 - *EBITDA, benefitting from the profit margins expressed by the new investments as well as the reduction of central costs, recorded a significant improvement, amounting to a positive EUR 7,9 million (negative EUR 3,5 million as at 30 June 2017)*
 - *The net profit pertaining to the Group in the half came to EUR 3,5 million (in the first half of 2017, excluding the non-recurring effect generated by the sale of the Livanova PLC shares for EUR 15 million, said item would have been negative for EUR 2,6 million)*
 - *The net financial position, which improved thanks to the cash generation of Industria Metallurgica Carmagnolese S.p.A. and Ceramica Cielo S.p.A., together with the continuation of the process to dispose of non-core assets, came to a negative value of EUR 90,8 million (negative EUR 101,1 million as at 31 December 2017). The cash flows generated more than offset the investment process which, in the first half of the year, involved the Zaffiro Group in particular, the Group platform in the Nursing Home sector*
- *In addition to development in the Nursing Home, Design and Automotive sectors, over the next few months, Mittel will continue to research new investment platforms with the goal of creating value in the long-term and, at the same time, will continue the process of disposal of non-strategic assets (property inventories and financial receivables) and reduction of costs.*

Milan, 14 September 2018 - At its meeting today, the Board of Directors of Mittel S.p.A. examined and approved the Consolidated Half-yearly Financial Report for the period 1 January - 30 June 2018.

Operating performance overview

Following the acquisitions made in the previous year (Gruppo Zaffiro S.r.l. / Nursing Home; Ceramica Cielo S.p.A. / Design; Industria Metallurgica Carmagnolese S.p.A. / Automotive), Mittel increasingly took on the strategic identity of investment holding and the profitability margins of the consolidated financial statements started to benefit from the consolidation of the majority stakes acquired. In the first half of 2018, this benefit applied for the entire period and was, however, incorporated in already improved margins due to the rationalisation measures implemented in the meantime.

The first build-up operations were implemented in the first half of 2018 in the reference investment sectors described above. In particular, the first tangible results of the intense scouting and analysis activities carried out in the last few months concerned the Zaffiro Group which, during the half, effectively performed the function of aggregation platform for the other entities operating in the Nursing Home sector.

At the same time as the investment transactions, the operating cost containment measures and the valuation of non-core assets in the portfolio continued, in order to generate new funding for investments. Although there were significant transfers of investments in the previous year (Castello SGR, Intesa Sanpaolo and UBI Banca, ISA and Livanova), in the first half of 2018, the sale of assets mainly concerned the property inventories and some collections on financial receivables held by the Group.

As of today, therefore, the company has significant financial resources for new transactions, consistent with the objectives defined in the 2016-19 Strategic Plan.

Main consolidated income statement figures in the half

(Thousands of Euro)	30.06.2018	30.06.2017
Revenue and other income	59.498	19.220
Increases (decreases) in inventories	(3.576)	(3.906)
Net revenue	55.921	15.314
Purchases, provision of services, sundry costs	(32.882)	(10.608)
Personnel costs	(15.155)	(8.228)
Operating costs	(48.037)	(18.836)
Operating margin (EBITDA)	7.884	(3.521)
Amortisation/depreciation, allocations and adjustments to non-current assets	(3.002)	(543)
Share of income (loss) of investments	(585)	15.159
Operating result (EBIT)	4.297	11.095
Profit (loss) from financial management	(3.102)	(1.473)
Profit (loss) from management and valuation of financial assets, loans and receivables	1.918	2.814
Profit (loss) from trading of financial assets	-	182
Profit (loss) before taxes	3.113	12.618
Taxes	1.542	(285)
Net profit (loss) for the year	4.655	12.334
Profit (loss) pertaining to non-controlling interests	1.201	(213)
Profit (loss) pertaining to the Group	3.454	12.547

- **Revenue and other income:** the item amounted to EUR 59,5 million as at 30 June 2018 (EUR 19,2 million as at 30 June 2017). This balance was the combined result of the following factors:

- (i) revenue recognition for EUR 58,1 million (EUR 18,9 million as at 30 June 2017); the following sectors primarily contributed to this total:
 - the Automotive sector (IMC S.p.A. and Balder S.r.l.) for EUR 23,5 million (sector still not present in the period of comparison);
 - the Nursing Home sector (Zaffiro Group and subsidiaries) totalled EUR 14,0 million (EUR 12,3 million in the comparison period);
 - the Design sector (Ceramica Cielo S.p.A.) for EUR 13,4 million (not present in the period of comparison);
 - the Real Estate sector for EUR 5,7 million (EUR 4,7 million as at 30 June 2017);
 - the Advisory sector for EUR 1,2 million (EUR 1,7 million as at 30 June 2017);
- (ii) the recognition of other income for EUR 1,4 million (EUR 0,5 million in the comparison period), of which EUR 0,9 million relating to the Design sector.

• **Increases (decreases) in inventories:** the negative contribution recorded in the half, amounting to EUR 3,6 million (EUR 3,9 million as at 30 June 2017), is due to the net effect of:

- (i) the reduction for offloading of selling costs of property inventories for EUR 4,7 million (EUR 4,2 million as at 30 June 2017);
- (ii) the increase in property inventories for costs capitalised in the period for EUR 0,1 million (EUR 0,3 million as at 30 June 2017);
- (iii) the net increase in the inventories of the Automotive sector for EUR 1,1 million;
- (iv) the net reduction in the inventories of the Design sector for EUR 0,1 million.

• **Costs for purchases, provision of services, sundry costs:** this item, totalling EUR 32,9 million (EUR 10,6 million as at 30 June 2017), was heavily influenced by the operating costs of the companies acquired in the previous year and includes costs for purchases of EUR 18,3 million (EUR 1,0 million in the comparison period), costs for services of EUR 13,3 million (EUR 8,3 million as at 30 June 2017), sundry costs of EUR 1,3 million (in line with the comparison period). The main contributors to this item were the following sectors:

- (i) the Automotive sector for EUR 15,1 million;
- (ii) the Design sector for EUR 7,9 million;
- (iii) the Nursing Home sector for EUR 6,2 million (EUR 4,9 million in the comparison period);
- (iv) the Parent Company Mittel S.p.A. for EUR 2,0 million (EUR 3,0 million in the comparison period);
- (v) the Real Estate sector for EUR 1,3 million (EUR 1,2 million in the comparison period).

• **Personnel costs:** the item reported a balance of EUR 15,2 million (EUR 8,2 million as at 30 June 2017), of which EUR 6,4 million deriving from the Nursing Home sector (EUR 5,8 million in the comparison period), EUR 3,3 million relating to the Design sector, EUR 3,3 million attributable to the Automotive sector, EUR 1,5 million relating to the Parent Company Mittel S.p.A. (in line with those of the comparison period) and EUR 0,5 million attributable to the Advisory sector (EUR 0,9 million in the comparison period).

• **Operating margin (EBITDA):** due to the items reported above, the operating margin in the half was a positive EUR 7,9 million (a negative EUR 3,5 million in the comparison period), attributable for a positive EUR 6,4 million to the Automotive sector, for a positive EUR 3,0 million to the Design sector, for a positive EUR 1,4 million to the Nursing Home sector (influenced in the period by the results of the investment transactions and the associated start-up costs), and for the remaining portion, a negative EUR 2,9 million, to the net contribution of the Group's other operating sectors.

• **Amortisation/depreciation, allocations and adjustments to non-current assets:** the item, insignificant as at 30 June 2017 (when it presented a total balance of EUR 0,5 million), amounted to a total of EUR 3,0 million as at 30 June 2018, due to:

- (i) Depreciation of property, plant and equipment and amortisation of intangible assets, amounting to EUR 2,8 million, explained primarily by the depreciation of property, plant and equipment relating to newly acquired companies; in particular, the Automotive sector made a contribution of EUR 1,9 million to the item, the Design sector EUR 0,4 million and the Nursing Home sector EUR 0,3 million;
- (ii) Net allocations to the provision for risks and charges for EUR 0,2 million (EUR 0,1 million in the comparison period).

- **Share of income (loss) of investments:** the item, a negative EUR 0,6 million (positive EUR 15,2 million in the comparison period), is composed almost entirely of the result deriving from the synthetic consolidation of Bios S.p.A.; the significant positive contribution in the comparison period was explained by the gains from the sale of Livanova securities registered by the associate Tower 6 bis and, to a lesser extent, the jointly-controlled company Bios S.p.A..
- **Profit (loss) from financial management:** presented a net loss of EUR 3,1 million (a loss of EUR 1,5 million in the comparison period); the item is primarily attributable to the negative contribution of the Parent Company Mittel S.p.A. (EUR 2,5 million), which presented financial income of EUR 1,5 million (attributable primarily to the interest accrued on the financial receivables held) and financial expenses for EUR 4,0 million (relating almost entirely to bonds in place); the negative net contribution of the Parent Company (as described, amounting to EUR 2,5 million), the Nursing Home sector (EUR 0,5 million) and the Automotive sector (EUR 0,5 million), is in contrast primarily to the positive contribution of EUR 0,5 million of the subsidiary Ghea S.r.l., attributable to the interest income accrued in the period on the receivable due to said entity from Bios S.p.A..
- **Profit (loss) from management and valuation of financial assets, loans and receivables:** the item made a positive contribution to the consolidated income statement of EUR 1,9 million (EUR 2,8 million as at 30 June 2017) and is explained by:
 - (i) Net income from investments for EUR 0,2 million (EUR 5,1 million in the comparison period), composed entirely of dividends collected in the period on non-qualifying investments; the significant positive balance in the comparison period was explained by the sales of listed securities (Intesa Sanpaolo and UBI Banca) and non-qualifying investments (ISA) made by the Parent Company in the period;
 - (ii) Net write-backs on financial assets and loans and receivables, amounting to EUR 1,7 million due to the effect: (i) of the fair value adjustment of the mutual real estate funds and investment vehicles held by the Group, which involved a total net write-back of EUR 1,2 million (net value adjustment of EUR 2,2 million in the comparison period); (ii) of net write-backs on loans and receivables for EUR 0,5 million (net value adjustments of EUR 0,1 million in the comparison period), largely due to a write-back on a financial receivable held by the Gruppo Locaefte S.r.l. in liquidation, whose revalued value was collected in July 2018.

Main consolidated financial and equity figures

(Thousands of Euro)	30.06.2018	31.12.2017
Intangible assets	70.361	68.862
Property, plant and equipment	46.688	43.915
Investments	55.354	55.939
Non-current financial assets	99.205	107.054
Provisions for risks, employee severance indemnity and employee benefits	(7.395)	(7.069)
Other non-current assets (liabilities)	453	495
Tax assets (liabilities)	(1.578)	(1.974)
Net working capital (*)	75.880	81.047
Net invested capital	338.969	348.268
Equity pertaining to the Group	(223.398)	(223.915)
Non-controlling interests	(24.790)	(23.218)
Total Equity	(248.188)	(247.134)
Net financial position	(90.781)	(101.134)

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

Intangible assets amounted to EUR 70,4 million (EUR 68,9 million as at 31 December 2017). The item refers, for EUR 39,3 million, to goodwill relating to the acquisition (which took place in November 2016) of Gruppo Zaffiro S.r.l., company headed up by the Group of the same name active in the Nursing Home sector,

augmented by an amount of EUR 1,1 million relating to the value attributed to the trademark at the phase of completion of the purchase price allocation (completed as at 31 December 2017).

Goodwill relating to the acquisition of 80% 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 at the time of the completion (at the date of this half-yearly report) of the purchase price allocation.

Lastly, goodwill of EUR 19,3 million was booked relating to the acquisition of IMC (which owns 100% of another company operating in the same sector, Balder S.r.l.). The provisional goodwill recognised at the time of the acquisition (completed on 30 September 2017), equal to EUR 35,5 million, actually reduced to EUR 19,3 million as at 31 December 2017, as a result of the partial allocation to the property, plant and equipment held by IMC (which involved the allocation of the related deferred taxes). The goodwill of the latter acquisition was still determined provisionally, pending the conclusion of the process of allocation of the goodwill to the assets involved in the business combination (PPA), to be completed, in accordance with IFRS 3, within 12 months of the acquisition date.

Property, plant and equipment amounted to EUR 46,7 million (EUR 43,9 million as at 31 December 2017) and were heavily influenced by the contribution of the Automotive sector, amounting to EUR 23,3 million (amount including the partial allocation to IMC presses of the goodwill recognised at the time of the acquisition), the Nursing Home sector, which contributed EUR 14,4 million to the item (of which EUR 9,2 million relating to the Rivignano nursing home acquired under a lease in April 2017 and unveiled after the close of the half under review) and of Ceramica Cielo, which contributed EUR 5,6 million to the item (of which EUR 3,3 million attributable to land and buildings and EUR 2,0 million to plant and machinery).

Investments measured using the equity method totalled EUR 55,4 million (EUR 55,9 million as at 31 December 2017). As at 30 June 2018, the item was composed almost entirely of the investments held by the Parent Company Mittel S.p.A. in Bios S.p.A. (EUR 49,5 million) and in Mittel Generale Investimenti S.r.l. (EUR 5,4 million) and decreased with respect to the comparison period due to the negative pro-rata result, amounting to EUR 0,6 million, accrued on the investee Bios S.p.A. in the period.

Non-current financial assets amounted to EUR 99,2 million and refer: i) for EUR 74,8 million (EUR 81,8 million in the comparison period) to non-current financial receivables, mainly relating to the credit positions held by the Parent Company (equal to EUR 53,5 million), plus the receivable (attributable to the equity rights on the class B shares held) due to Ghea S.r.l. from Bios S.p.A. (EUR 21,1 million); ii) of EUR 24,4 million (EUR 25,3 million in the comparison period) and other non-current financial assets, represented mainly by shares in real estate UCITS held by the Parent Company and shares in investment vehicles held by Mittel S.p.A. and Earchimede S.p.A..

Provisions for risks, employee severance indemnity and employee benefits amounted to EUR 7,4 million (EUR 7,1 million as at 31 December 2017). In particular, as at 30 June 2018, this item is composed, for EUR 5,1 million, of Provisions for personnel (EUR 4,8 million in the comparison period) and, for EUR 2,3 million, of Provisions for risks and charges (value in line with the comparison period). The main contributors to the item provisions for personnel were from the Zaffiro Group (EUR 1,8 million), Ceramica Cielo S.p.A. (EUR 1,3 million), Mittel S.p.A. (EUR 0,8 million) and the Automotive sector (EUR 0,7 million). Provisions for risks and charges instead refer primarily to Mittel S.p.A. (EUR 1,2 million) and the Fashion District Group (EUR 0,6 million).

The item **other non-current assets (liabilities)** was a positive EUR 0,5 million (value essentially in line with the comparison period). The item is composed of other receivables and other assets for EUR 0,6 million (essentially in line with those as at 31 December 2017) and sundry payables and other liabilities for EUR 0,1 million (in line with the comparison period).

The item **net tax assets (liabilities)** was a negative EUR 1,6 million (negative EUR 2,0 million as at 31 December 2017), and is composed of the sum of current tax assets of EUR 7,5 million (EUR 9,5 million as at 31 December 2017) and deferred tax assets of EUR 0,5 million (EUR 0,4 million in the comparison period), offset by deferred tax liabilities of EUR 7,9 million (EUR 10,2 million in the comparison period) and current tax liabilities for EUR 1,6 million (EUR 1,6 million in the comparison period).

Net working capital amounted to EUR 75,9 million (EUR 81,0 million as at 31 December 2017). The item is composed: (i) of the value of inventories for EUR 87,1 million, attributable for EUR 73,7 million to property inventories, for EUR 4,5 million to Ceramica Cielo S.p.A. and for EUR 8,8 million to the Automotive sector; the

overall item decreased compared to EUR 90,7 million as at 31 December 2017, mainly due to the offloading of the property inventories sold in the half; (ii) of sundry receivables and other current assets amounting to EUR 25,6 million (EUR 23,0 million in the comparison period), to which the main contributors were the Automotive sector for EUR 9,9 million (EUR 8,8 million as at 31 December 2017), Ceramica Cielo S.p.A. for EUR 9,0 million (EUR 7,1 million as at 31 December 2017) and the Nursing Home sector for EUR 2,9 million (EUR 2,1 million as at 31 December 2017); (iii) of sundry payables and other current liabilities for EUR 36,8 million (EUR 32,6 million in the comparison period), to which the main contributors were the Automotive sector for EUR 11,7 million (EUR 10,8 million as at 31 December 2017), Ceramica Cielo S.p.A. for EUR 7,4 million (EUR 5,6 million as at 31 December 2017) and the Nursing Home sector for EUR 5,0 million (EUR 4,0 million as at 31 December 2017), in addition to the Parent Company Mittel S.p.A., which contributed EUR 11,0 million to the item (EUR 10,1 million as at 31 December 2017), of which EUR 8,5 million relating to the liability still outstanding as at 30 June 2018 in relation to the collections received regarding an active tax dispute, which became final in July 2018 (with the associated positive impact in the income statement, which will be therefore accounted for in the second half of 2018).

As a result, **net invested capital** amounted to EUR 339,0 million (EUR 348,3 million as at 31 December 2017), financed by equity for EUR 248,2 million (EUR 247,1 million in the comparison period) and by the net financial position for EUR 90,8 million (EUR 101,1 million as at 31 December 2017).

Equity pertaining to the Group amounted to EUR 223,4 million (EUR 223,9 million as at 31 December 2017), while non-controlling interests amounted to EUR 24,8 million (EUR 23,2 million as at 31 December 2017).

Given the performance of consolidated equity and profit figures described above, the negative **net financial position** amounted, as described, to EUR 90,8 million (EUR 101,1 million as at 31 December 2017). In terms of contributions, note should be taken, in particular, of the improved performances of the Automotive and Design sectors, with net financial positions respectively of EUR 24,1 million (from EUR 28,0 million as at 31 December 2017) and EUR 3,6 million (from EUR 5,9 million) with the Nursing Home sector which, consistently with the investment process, saw an increase to EUR 32,5 million (from EUR 28,5 million).

As at 30 June 2018, the financial resources generated by the sales of Livanova Plc shares by Bios S.p.A. in 2017 had still not been fully distributed to the Parent Company; the impact of this distribution on the consolidated net financial position will be positive for around EUR 60 million.

Statement relating to the consolidated net financial position

(Thousands of Euro)	30.06.2018	31.12.2017
Cash	83	74
Other cash equivalents	150.223	155.397
Current liquidity	150.306	155.471
Current financial receivables	1.863	396
Bank loans and borrowings	(50.951)	(63.089)
Bonds	(175.571)	(176.096)
Other financial payables	(16.429)	(17.817)
Financial debt	(242.950)	(257.002)
Net financial position	(90.781)	(101.134)

Main significant events in the first half of the year

Implementation of measures defined in the Strategic Plan

On 5 March 2018, through a specially established SPV, Gruppo Zaffiro S.r.l. acquired a new initiative in the nursing homes for the elderly sector, more specifically in Sanremo. The total investment was around EUR 1,2 million and the facility, already in operation, had approximately 80 beds. The transaction, together with the

acquisition of an area in the Municipality of Pogliano Milanese (in which the Group intends, over the next few years, to establish a nursing home with more than 200 beds) and the transactions currently being studied, is incorporated in the Group's growth project in the sector, which expects to use the Zaffiro Group as a solid base on which a process of combining with other local healthcare operators can be created, with the aim, over the next few years, of becoming a reference point for the sector.

Governance and corporate events

On 26 April 2018, the ordinary Shareholders' Meeting of Mittel S.p.A., resolved:

- to approve the Directors' Report on Operations and the Financial Statements for the year ended 31 December 2017 (15 months), as well as the proposal for the coverage of the loss for the year of EUR 4.592.489 by using the available reserves;
- to confirm the appointments to director, respectively, of Valentina Dragoni and Patrizia Galvagni, who will remain in office until the expiry of office of the current Board of Directors, and therefore until approval of the financial statements for the year ended as at 31 December 2019;
- to approve the free assignment to shareholders, in the form of an extraordinary dividend, through use of the corresponding part of the "Hopa Merger" reserve, of a maximum of 5.811.508 ordinary treasury shares, based on ratio of 1 ordinary treasury share for every 13 ordinary shares held by each shareholder other than Mittel S.p.A..

On 9 May 2018, the dividend resolved by the Shareholders' Meeting was paid (coupon detachment date of 7 May and record date of 8 May). A total of 6.559.649 treasury shares was held by the company following the distribution.

On 23 May 2018, Mittel S.p.A.'s Board of Directors, following the decision taken by the shareholders regarding confirmation of the appointment of the directors Valentina Dragoni and Patrizia Galvagni, ascertained that said individuals met the independence requirements and confirmed the tasks assigned to them in the internal Board committees.

Main significant events after 30 June 2018

Implementation of measures defined in the Strategic Plan

On 2 July 2018, the Zaffiro Group unveiled the new nursing home for the elderly, located in Rivignano (Udine). The facility, whose property component acquired in the previous year underwent refurbishment work by the Group, represents an important step in the company's growth plan through the renovation of already existing buildings or still to be constructed.

The Group, also considering the recent acquisition of the operating unit of a nursing home in Sanremo (March 2018), now manages 10 facilities (of which one, in Rivignano, also owns the building) with roughly 1.100 beds. All facilities are characterised by significant insourcing of services and high quality of the services offered.

Governance and corporate events

On 17 July 2018, the company Progetto Co-Val S.p.A., in which, as of said date, Seconda Navigazione S.r.l. held a stake of 69,18% and Fondazione Cassa di Risparmio di Trento and Rovereto held a stake of 30,82%, informed the market, pursuant to and in accordance with art. 102, paragraph 1, of the TUF (Consolidated Law on Finance) and art. 37, paragraph 1, of the Issuers' Regulation, that on the same date, the legal requirements were verified for the promotion, by Progetto Co-Val S.p.A., of a full mandatory take-over bid in accordance with articles 102 and 106, paragraph 1, and art. 109 of the Consolidated Law on Finance.

On 4 September 2018, Consob approved the document relating to the bid described previously, whose subscription period will start on 17 September 2018 and end on 12 October 2018 (included), except in the event of extensions or any re-opening of the terms.

Other significant events

In July 2018, the favourable ruling for Mittel S.p.A. in relation to a tax dispute initiated in previous years concerning Hopa S.p.A. (merged in Mittel S.p.A. in 2012) became final. The total provisional amounts repaid to

the company by the Italian Revenue Agency, equal to EUR 8,5 million (of which EUR 6,7 million in the previous year and EUR 1,8 million as at June 2018), which, as at 30 June 2018, were deferred in the balance sheet in a liability item, will be recognised as a contingent asset in the income statement in the second half of 2018.

In relation to the Snia dispute, on 22 August 2018, the Council of State, following the hearing on 14 June 2018, fully rejected (with no possibility of appeal) the administrative appeal filed by the Ministry of the Environment against a number of entities including Mittel S.p.A., which consisted of a formal notice to comply regarding a programme of reclamation works at the former production sites of the Caffaro Group. This second instance decision follows the first-instance ruling issued by the Regional Administrative Court of Lazio in 2016, which had already ruled favourably for Mittel S.p.A. (and the other defendants summoned by the Ministry of the Environment).

Therefore, in conclusion, below is a recap of the situation as regards disputes related to Snia, as things stand today:

- the previous administrative dispute was definitively closed favourably;
- civil proceedings are currently pending on appeal solely regarding the Ministries (by contrast, position already settled vis-à-vis Snia) regarding the split-off decision, for which a hearing has been set for 23 January 2019 for the presentation of closing remarks.

Business outlook for the year

In the previous year, the company completed a major transformation of its assets through the acquisition of the majority stakes in three target companies (Gruppo Zaffiro S.r.l. / Nursing Home; Ceramica Cielo S.p.A. / Designer ceramic sanitary-ware and IMC - Industria Metallurgica Carmagnolese S.p.A. / Automotive components), and refinanced its medium/long-term debt (2017-2023 six-year bond issue for a total of EUR 129,5 million), in line with the investment strategy identified in the 2016-2019 Strategic Plan, obtaining a significant reduction in the cost (coupon of 3,75%).

Over the next few months, the company will therefore continue to look for new investment opportunities with the goal of creating long-term value, through the acquisition of companies characterised by excellence from an Italian entrepreneurial perspective.

From this angle, the financial and strategic support for the investments already in the portfolio in the nursing home, designer ceramic sanitary-ware and automotive components sectors, which constitute the platforms for achieving internal and external growth, is extremely important. At the same time, Mittel will continue to research additional investment platforms to go along with those already in place.

Additional acquisitions will be financed not just by the significant cash funds of the Group, but also with additional funding that will be generated by the disposal of non-strategic assets, as of today relating primarily to the real estate sector, financial receivables and other non-core assets which will, over time, account for an increasingly smaller portion of the Group's consolidated assets. Therefore, Mittel will increasingly take on the mantle of industrial holding company, in line with the provisions of the Strategic Plan.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in thousands of Euro

	30.06.2018	01.01.2018 (*)	31.12.2017
Non-current assets			
Intangible assets	70.361	68.862	68.862
Property, plant and equipment	46.688	43.915	43.915
Investments accounted for using the equity method	55.354	55.939	55.939
Financial receivables	74.764	77.395	81.776
Other financial assets	24.441	25.279	25.279
Sundry receivables and other assets	594	635	635
Deferred tax assets	461	423	423
Total non-current assets	272.664	272.448	276.829
Current assets			
Inventories	87.111	90.678	90.678
Financial receivables	1.863	396	396
Current tax assets	7.495	9.451	9.451
Sundry receivables and other assets	25.618	22.957	22.957
Cash and cash equivalents	150.306	155.471	155.471
Total current assets	272.394	278.953	278.953
Total assets	545.058	551.401	555.782
Equity			
Share capital	87.907	87.907	87.907
Share premium	53.716	53.716	53.716
Treasury shares	(11.178)	(21.058)	(21.058)
Reserves	89.499	82.118	86.499
Profit (loss) for the period	3.454	16.851	16.851
Equity pertaining to the Group	223.398	219.534	223.915
Non-controlling interests	24.790	23.218	23.218
Total Equity	248.188	242.753	247.134
Non-current liabilities			
Bonds	172.316	173.023	173.023
Financial payables	53.922	50.942	50.942
Other financial liabilities	7.585	7.550	7.550
Provisions for personnel	5.136	4.787	4.787
Deferred tax liabilities	7.946	10.222	10.222
Provisions for risks and charges	2.260	2.282	2.282
Sundry payables and other liabilities	141	141	141
Total non-current liabilities	249.305	248.947	248.947
Current liabilities			
Bonds	3.255	3.072	3.072
Financial payables	5.872	22.414	22.414
Current tax liabilities	1.589	1.626	1.626
Sundry payables and other liabilities	36.849	32.588	32.588
Total current liabilities	47.565	59.701	59.701
Total equity and liabilities	545.058	551.401	555.782

(*) Figures as at 1 January 2018 adjusted for the effects of the first-time application of IFRS 9

CONSOLIDATED INCOME STATEMENT

Amounts in thousands of Euro

	01.01.2018	01.01.2017
	30.06.2018	30.06.2017
Revenue	58.059	18.869
Other income	1.439	352
Variations in inventories	(3.576)	(3.906)
Costs for purchases	(18.253)	(1.029)
Costs for services	(13.317)	(8.323)
Personnel costs	(15.155)	(8.228)
Other costs	(1.313)	(1.255)
Amortisation and value adjustments to intangible assets	(2.768)	(451)
Allocations to the provision for risks	(234)	(92)
Share of income (loss) of investments accounted for using the equity method	(585)	15.159
Operating result (EBIT)	4.297	11.095
Financial income	2.082	2.339
Financial expenses	(5.185)	(3.812)
Dividends	215	152
Profit (loss) from management of financial assets and investments	-	4.937
Value adjustments to financial assets, loans and receivables	1.703	(2.275)
Profit (loss) from trading of financial assets	-	182
Profit (loss) before taxes	3.112	12.618
Income taxes	1.542	(285)
Profit (loss) for the year	4.655	12.334
Attributable to:		
Profit (loss) pertaining to non-controlling interests	1.201	(213)
Profit (loss) pertaining to the Group	3.454	12.547

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