

MITTEL S.p.A.
Offices in Milan - Piazza A. Diaz 7
Share Capital EUR 87,907,017, fully paid-in
Tax ID Code - Milan Register of Companies - VAT 00742640154
R.E.A. of Milan no. 52219

PRESS RELEASE

- **Fashion District Group S.p.A., a 56.7% indirectly controlled subsidiary of Mittel S.p.A., finalised today the transfer to IDeA FIMIT SGR of the Mantua outlet and of the Molfetta outlet (Bari) as well as of 100% of the two companies Fashion District Mantova S.r.l. and Fashion District Molfetta S.r.l. for a total consideration of EUR 122.2 million**
- **Net financial debt of the Mittel Group of roughly EUR 200 million is halved thanks to resources deriving from the transfer**
- **The operation represents an important step in the rationalisation process of the investment portfolio of the holding company for investments Mittel S.p.A. and generates financial resources useful for the development of the Group**

Milan 18 November 2014 – Today, Fashion District Group S.p.A. – FDG (a 66.7% subsidiary of Earchimede S.p.A., which is in turn a 85% subsidiary of Mittel S.p.A.) executed the transfer agreement signed on 31 July 2014 with a fund managed by IDeA FIMIT SGR S.p.A, concerning the two property complexes where the outlet Fashion District of Bagnolo San Vito (MN) and the outlet Fashion District of Molfetta (BA) operate, respectively, as well as 100% of the share capital of the two companies responsible for the local business management of the aforementioned outlets, Fashion District Mantova S.r.l. and Fashion District Molfetta S.r.l. The properties and the management companies were acquired by a mutual real estate fund entirely subscribed by entities associated with the Blackstone Group, a major international operator with a track record in the acquisition of outlets and shopping centres in Italy.

The operation was carried out after the positive fulfilment of several obligations requested by the counterparty over the last few months concerning personnel, properties and companies transferred involved in the transaction.

The total consideration of EUR 122.2 million, including about EUR 2 million of liabilities attached to the sold assets, was fully collected today also through the repayment at the same time of mortgages to the banks for a total of about EUR 51 million.

The reduction of EUR 1.5 million compared to the total consideration of EUR 123.7 million announced on 31 July cy, was agreed upon against the full payment at the closing of the overall amount, in addition to obtaining improvements of other contract economic conditions of about EUR 0.4 million.

The management of the outlets of Mantua and Molfetta will remain entrusted to FDG.

As already announced, thanks to this transfer, the consolidated net financial position of the Mittel Group improved by about EUR 100 million, also considering the pro-rata allocation of financial resources to non-controlling shareholders of FDG and significantly reduced the consolidated net debt of the Mittel Group by about 50%. The negative impact on the consolidated profit/loss of the Group is estimated to be about EUR 8 million. The net result of the Group in the outlet sector was negative over the last 3 years for a total of more than EUR 20 million, with a cash absorption by FDG of about EUR 28 million, disbursed by its subsidiary Earchimede S.p.A. and that will be repaid as a result of the transfer.

The financial resources generated will be used to facilitate the future development of the Mittel Group.

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