

MITTEL S.p.A.
Offices in Milan - Piazza A. Diaz 7
Share Capital EUR 87.907.017, fully paid-in
Listed in the Milan Register of Companies with no. 00742640154
www.mittel.it

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PRESS RELEASE

In the first half of the 2014/2015 financial year, the financial position improved significantly and the equity increased. Loss of EUR 8 million compared to a profit of EUR 0,2 million last year (not comparable in that affected by non-recurring extraordinary profits) and compared to a loss of EUR 33,6 million in the entire 2013/2014 period

The Group will focus on the development of its assets and on the management of four business lines: Advisory, Debt and Grant, Real Estate and Portfolio Management

In a short time, the three-year business plan of the Group

- **Equity pertaining to the Group as at 31 March 2015, including the result for the period, totalled EUR 330,1 million, compared to EUR 280,6 million as at 30 September 2014, increasing significantly by EUR 49,5 million (+18%), mainly due to the adjustment to the market values of the investment in listed securities held by the Group (mainly Sorin S.p.A.), and reflected in valuation reserve**
- **The net financial position amounted to EUR 83,1 million compared to EUR 201,8 million as at 30 September 2014 marking an improvement totalling EUR 118,7 million (-59%) mainly attributable to the completion, in the current half-year, of the transfer by the Fashion District Group of the property complexes in Mantova and Molfetta**
- **The consolidated economic result of the Mittel Group of the first half-year posted a significant reduction of the loss of EUR 8,0 million compared to a loss of EUR 33,6 million for the entire 2013/2014 period; the profit of EUR 0,2 million in the first half of the previous financial year was mainly influenced by non-recurring extraordinary profits deriving from the transfer of the Moncler S.p.A. shares by means of the associate Brands Partners 2 S.p.A currently in liquidation**

Main consolidated income statement figures

(thousands of Euro)	31.03.2015	31.03.2014	30.09.2014
Revenues	14.454	25.742	41.453
Purchases, provision of services, sundry costs	(15.470)	(23.872)	(45.882)
Personnel costs	(4.506)	(5.536)	(11.675)
Operating costs	(19.976)	(29.409)	(57.558)
Income (expenses) from investments	2.115	6.586	13.571
Operating margin (EBITDA)	(3.408)	2.920	(2.533)
<i>EBITDA %</i>	<i>(23,58)%</i>	<i>11,34%</i>	<i>(6,11)%</i>
Amortisation/depreciation, allocations and adjustments to non-current assets	(3.306)	(13.081)	(29.180)
Value adjustments to financial assets and receivables	(3.692)	(10.819)	(25.963)
Share of income (loss) of investments	(465)	18.480	25.787
Income (loss) from non-recurring transactions after taxes (*)	(288)	-	(13.155)
Operating result (EBIT) (*)	(11.158)	(2.501)	(45.044)
<i>EBIT %</i>	<i>(77,20)%</i>	<i>(9,71)%</i>	<i>(108,66)%</i>
Income (loss) from financial management	(2.000)	(6.764)	(15.200)
Income (loss) from trading of financial assets	4.661	2.781	2.426
Income (loss) before taxes (*)	(8.497)	(6.484)	(57.818)
Taxes	(148)	1.314	5.870
Net income (loss) for the period	(8.645)	(5.170)	(51.948)
Income (loss) pertaining to non-controlling interests	625	5.321	18.358
Income (loss) pertaining to the Group	(8.021)	151	(33.590)

(*) The item as at 30 September 2014 is net of the tax effect (positive and amounting to EUR 5,2 million) due to the realignment of deferred taxes, pursuant to IAS 12, relating to the properties in Mantova and Molfetta; the same effect is instead classified under "Income taxes" in the financial statements.

Main consolidated statement of financial position figures

(thousands of Euro)	Q2 as at 31.03.2015	Financial year as at 30.09.2014	31.03.2014
Net invested capital	451.305	521.462	576.898
Equity pertaining to the Group	(330.128)	(280.605)	(334.746)
Non-controlling interests	(38.069)	(39.015)	(50.545)
Total equity	(368.197)	(319.620)	(385.291)
Net financial position	(83.109)	(201.842)	(191.607)

Milan, 27 May 2015 - The Board of Directors of Mittel S.p.A., which met today under the chairmanship of Prof. Franco Dalla Sega, reviewed and approved the Half-yearly Consolidated Financial Report of the first six months of the 2014-2015 financial year.

The consolidated income statement results

In terms of the consolidated economic result, in the first half of the year, 1 October 2014 - 30 September 2015 (130th year since the foundation of Mittel S.p.A.), the Mittel Group posted a loss of EUR 8,0 million, compared to a profit of EUR 0,2 million in the corresponding period of the previous year and a loss of EUR 33,6 million recorded as at 30 September 2014.

In relation to the approved economic figures, note that on 18 November 2014 Fashion District Group S.p.A. and IDeA FIMIT SGR S.p.A. - company operating in the name and on behalf of the closed-end Real Estate Fund called "MOMA" (whose shares are held by the American investor Blackstone) - completed the transfer of the entire share capital of Fashion District Mantova S.r.l. and Fashion District Molfetta S.r.l. as well as of the factory outlets of

Bagnolo San Vito (MN) and Molfetta (BA). The definitive transfer of the business unit related to the management of the factory outlet of Valmontone (RM) by the subsidiary Fashion District Roma S.r.l. took place on 23 December 2014. Therefore, the half-year subject matter of this report includes significant changes resulting from the deconsolidation of the companies mentioned above making the economic performance as well as the income (loss) for the period ended as at 31 March 2015 substantially not fully comparable with the same period in the previous year.

The income (loss) recorded in the half-year was mainly affected by:

- **Revenues:** the item includes revenues, other income and the change in property inventories and amounted to EUR 14,5 million, compared to EUR 25,7 million as at 31 March 2014, marking a decrease of EUR 11,2 million. This change is the combined result of lower revenues of the half-year of EUR 16,3 million (from EUR 28,9 million as at 31 March 2014 to EUR 12,7 million as at 31 March 2015), of which EUR 9,6 million attributable to the decrease deriving from the contribution of the Outlet Sector and to the decrease of other income (from EUR 1,4 million as at 31 March 2014 to EUR 0,6 million as at 31 March 2015) partially offset by the increase of EUR 5,8 million inferable from the comparison between the change in property inventories (i.e. the net value between the increase in inventories for the property development and the reduction due to sales of residential units) of the two periods (from a negative EUR 4,6 million as at 31 March 2014 to a positive EUR 1,2 million as at 31 March 2015);
- **Operating costs:** they amounted to EUR 20,0 million compared to EUR 29,4 million as at 31 March 2014 marking a decrease of EUR 9,4 million (of which EUR 6,2 million attributable to the decrease deriving from the contribution of the outlet sector). They are composed of costs for purchases, provision of services and sundry costs of EUR 15,5 million compared to EUR 23,9 million as at 31 March 2014 with a decrease of EUR 8,4 million and of personnel costs of EUR 4,5 million compared to EUR 5,5 million as at 31 March 2014 with a decrease of EUR 1,0 million. The change in costs for purchases, provision of services and sundry costs is the combined result of lower costs for services of EUR 9,3 million (from EUR 19,7 million as at 31 March 2014 to EUR 10,4 million as at 31 March 2015), of a decrease in the item sundry costs of EUR 1,0 million (from EUR 3,0 million as at 31 March 2014 to EUR 2,0 million as at 31 March 2015) and of an increase in the item costs for purchases of EUR 1,9 million (from EUR 1,2 million as at 31 March 2014 to EUR 3,1 million as at 31 March 2015);
- **Personnel costs:** this item amounted to EUR 4,5 million, posting a decrease of EUR 1,0 million compared to the previous year.
- **Income from investments:** the item, a positive EUR 2,1 million, decreased to EUR 4,5 million compared the corresponding period in the previous year. This item is comprised of dividends (EUR 0,6 million) deriving from available-for-sale financial assets compared to EUR 1,0 million in the same period of the previous year and of income (EUR 1,5 million) deriving from the partial sale of the UBI Banca S.c.p.A. and Intesa Sanpaolo S.p.A. securities, held by Mittel Partecipazioni Stabili S.r.l., compared to EUR 5,5 million in the same period of the previous year;
- **Operating margin (EBITDA):** a negative EUR 3,4 million, compared to a positive EUR 2,9 million as at 31 March 2014, marking a decrease of EUR 5,9 million compared to the same period of the previous year due to the combined effect of what was described above;
- **Amortisation/depreciation, allocations and adjustments to non-current assets:** this item amounted to EUR 3,3 million compared to EUR 13,1 million as at 31 March 2014. The decrease is mainly due to the elimination of depreciations of property, plant and equipment related to the two property complexes in which the factory outlets of Bagnolo San Vito (MN) and Molfetta (BA) operate, respectively, in that held for sale already in the financial statements as at 30 September 2014 and therefore not depreciated in the period from 1 October 2014 to 18 November 2014, date on which the transfer (details of which can be found in the Financial Statements as at 30 September 2014) was completed. The item also includes the EUR 3,0 million allocation for contractual disputes set aside during the period by the parent company Mittel S.p.A to cover potential losses. At the date of this consolidated half-yearly financial report, the amounts and date of occurrence were still undetermined;

- **Value adjustments to financial assets and receivables:** these amounted to EUR 3,7 million (EUR 10,8 million as at 31 March 2014) and mainly consisting of the value adjustment to the Fondo Progressio Investimenti II (Progressio Investimenti II Fund) (EUR 0,8 million) based on its negative trend, to adjustments (EUR 1,3 million) recorded by Fashion District Group S.p.A. on credit positions recorded by it and to the impairment of two credit positions (EUR 1,3 million) made by the subsidiaries Locaeffe S.r.l. and Markfactor S.r.l. both in liquidation;
- **Share of income (loss) of investments:** this item amounted to a negative EUR 0,5 million compared to a positive EUR 18,5 million of the previous year, decreasing by EUR 19,1 million. The figure of last year was mainly affected by the positive pro-rata share of income (loss) of the investee Brands Partners 2 S.p.A. in liquidation, following the partial placement of 3,73% of Moncler S.p.A. during the initial public offering, occurred in December 2013;
- **Income (loss) from non-recurring transactions after taxes:** this item amounted to a negative EUR 0,3 million and refers to the effect related to the transfer of the companies Fashion District Mantova S.r.l. and Fashion District Molfetta S.r.l. and of the property complexes;
- **Operating result (EBIT):** the loss of EUR 11,2 million compared to the loss of EUR 2,5 million of the corresponding period, shows a worsening of EUR 8,7 million;
- **Income (loss) from financial management:** it amounted to negative EUR 2,0 million, compared to negative EUR 6,8 million in the corresponding period of the previous year, and it increased by EUR 4,8 million. The item is mostly affected by the negative contribution of the parent company Mittel S.p.A. of EUR 3,2 million;
- **Income (loss) from trading of financial assets:** income of EUR 4,7 million compared to EUR 2,8 million in the previous period, rising by EUR 1,9 million. The item is made up of the income (loss) from trading of securities of EUR 1,0 million and of market valuation of securities trading still in the portfolio of EUR 3,7 million;
- **Taxes:** negative by EUR 0,1 million, compared to positive EUR 1,3 million in the previous year, marking a decrease of EUR 1,4 million.

The consolidated statement of financial position as at 31 March 2015

(thousands of Euro)	31.03.2015	30.09.2014	31.03.2014
Intangible assets	201	310	26.048
Property, plant and equipment	1.016	1.669	130.838
Investments	109.317	56.184	79.697
Non-current financial assets	228.165	243.231	253.152
Assets (liabilities) held for sale (**)	245	120.317	-
Provisions for risks, employee severance indemnity and employee benefits	(14.206)	(13.996)	(9.832)
Other non-current assets (liabilities)	(563)	(618)	(3.055)
Tax assets (liabilities)	3.215	1.428	(12.959)
Net working capital (*)	123.915	112.937	113.009
Net invested capital (**)	451.305	521.462	576.898
Equity pertaining to the Group	(330.128)	(280.605)	(334.746)
Non-controlling interests	(38.069)	(39.015)	(50.545)
Total equity	(368.197)	(319.620)	(385.291)
Net financial position (***)	(83.109)	(201.842)	(191.607)

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

(**) Not including as at 30 September 2014 the Net Financial Position of EUR 50,8 million of the Group of Assets and Liabilities classified as held for sale in accordance with IFRS 5.

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Intangible assets amounted to EUR 0,2 million (almost unchanged with respect to the year ended as at 30 September 2014);

Property, plant and equipment amounted to EUR 1,0 million versus EUR 1,7 million of the 2013-2014 financial year, with a decrease by EUR 0.7 million due mainly to the total depreciation of the residual assets owned by Fashion District Roma S.r.l. following the transfer to RREEF Inv. GmbH of the property of the business unit including the commercial licences related to the management of the Valmontone (Rome) factory outlet.

Investments valued using the equity method amounted to EUR 109,3 million and increased by EUR 53,1 million compared to EUR 56,2 million of the 2013-2014 financial year. The increase is mainly due to the increase in the value of the investee Sorin S.p.A. held through the vehicles Bios S.p.A. (EUR 39,0 million) and Tower 6 Bis S.a.r.l. (EUR 13,8 million);

Non-current financial assets amounted to EUR 228,2 million, compared to EUR 243,2 million in 2013-2014, marking a decrease of EUR 15,0 million. This change is due to the combined effect of the increase in non-current financial receivables of EUR 9,2 million compared to the decrease of EUR 24,7 million in the value of other financial assets. With regard to non-current financial receivables, the item increased by EUR 5,0 million for the current account used as a guarantee set up pursuant to the transfer contract of the factory outlets to IDeA FIMIT SGR S.p.A., by EUR 1,6 million due to the classification under non-current assets of two credit positions previously valued as current and reclassified on the basis of the changed time horizon within which the collection is expected, for the residual portion mainly depending on the interests accrued on non-current loans in which the payment falling due is expected. The decrease in other financial assets is mainly due to the reclassification as current financial assets of the entire listed equity portfolio held by Mittel Partecipazioni Stabili S.r.l.

The value recorded in **assets held for sale** corresponds to the valuation of the investment held in Progressio SGR S.p.A. in connection with the put option exercised by Mittel S.p.A. The decrease compared to the value of EUR 120,3 million recorded on 30 September 2014 is due to the completion, occurred on 18 November 2014, of the sale of the factory outlets in favour of IDeA FIMIT SGR S.p.A. in addition to the transfer, always to the same subject, of the companies Fashion District Mantova S.r.l. and Fashion District Molfetta S.r.l. Note that this value consisted of the total value of the assets (EUR 131,4 million) net of liabilities (EUR 61,9 million), with the exclusion of net financial debt (EUR 50,8 million), directly attributable to the assets of Fashion District Group S.p.A. to be sold. In particular, they refer to the values of the property complexes (factory outlets) of Mantova and of Molfetta and of the related authorisation licences to carry out retail trade activities held by Fashion District Group S.p.A. and of the additional assets owned by Fashion District Mantova S.r.l. and Fashion District Molfetta S.r.l., to be sold, valued at sale price net of related costs;

Provisions for risks, employee severance indemnity and employee benefits amounted to EUR 14,2 million compared to EUR 14,0 million of the 2013-2014 financial year marking an increase of EUR 0,2 million. In particular, as at 31 March 2015, this item is composed of EUR 2,0 million of *Provisions for personnel* (EUR 2,3 million as at 30 September 2014) and of EUR 12,2 million of *Provisions for risks and charges* (EUR 11,7 million as at 30 September 2014). The increase in the Provisions for risks and charges is mainly due to the net increase of EUR 1,8 million, carried out in the first half of the current year by the parent company Mittel S.p.A. to hedge liabilities for contractual guarantees issued by the latter. This increase is partially offset by the decrease of EUR 1,3 million recorded by the subsidiary Fashion District Group S.p.A.;

Other non-current liabilities totalled EUR 0,6 million, substantially in line with the figure of the financial year 2013-2014;

Tax assets amounted to EUR 3,2 million (versus tax assets of EUR 1,4 million of the financial year 2013-2014), with an increase of EUR 1,8 million. This increase is due to the partial release of the tax

effect resulting from the allocation of deferred taxes calculated on property appreciation and on the collection of the “earn-out” deferred price deriving from the transfer of the factory outlets of Bagnolo San Vito (MN) and Molfetta (BA), partially offset by the net change in prepaid taxes;

Net working capital amounted to EUR 123,9 million versus EUR 112,9 million of the 2013-2014 financial year. Net working capital comprises the value of the property inventories, i.e. EUR 116,7 million (EUR 115,8 million in the financial statements for the previous year), sundry receivables and other current assets of EUR 22,1 million (EUR 23,4 million in the financial statements for the previous year) and sundry payables and other current liabilities of EUR 14,9 million (EUR 26,2 million in the financial statements for the previous year). In particular, the reduction in sundry payables of EUR 11,3 million is mainly attributable to the deferred payment of EUR 7,2 million by Mittel S.p.A. to Bios S.p.A. for the purchase in 2011 of the tax receivable claimed by the latter from the Revenue Agency, as well as by the reduction in sundry payables of EUR 4,1 million recorded by the subsidiary Fashion District Group S.p.A. as a consequence of the downsizing of its activity following the completion of the transfer of the factory outlets;

Net invested capital amounted to EUR 451,3 million (with a decrease by EUR 70,2 million) with EUR 368,2 million financed by equity and EUR 83,1 million by the net financial position;

Equity pertaining to the Group amounted to EUR 330,1 million, compared to EUR 280,6 million in 2013-2014, marking an increase of EUR 49,5 million, while non-controlling interests came to EUR 38,3 million, compared to EUR 39,0 million of the financial statements for the previous year. Total equity amounted to EUR 368,2 million, compared to EUR 319,6 million in the previous year, marking an increase of EUR 48,6 million. This significant increase is mainly attributable to the higher value of the valuation reserve related to the investments by means of which Mittel S.p.A. has a stake in Sorin S.p.A., or Bios S.p.A. and Tower 6 bis S.à.r.l., valued according to the equity method and marking a total increase in value of the reserve of EUR 53,4 million (and EUR 39,4 million and EUR 14,0 million, respectively).

The negative **net financial position** amounted to EUR 83,1 million compared to a negative EUR 201,8 million as at 30 September 2014 with a total improvement of EUR 118,7 million. This improvement is attributable to the collection of EUR 120,1 million, occurred at the completion of the transfer by the Fashion District Group of the factory outlets of Bagnolo San Vito (MN) and Molfetta (BA) in addition to the reclassification, in current assets, of the listed securities held by Mittel Partecipazioni Stabili S.r.l. of EUR 27,5 million. As regards the payment related to the factory outlets, note that this income enabled to extinguish bank payables of approximately EUR 51 million due by the Fashion District Group and to recognise cash equivalents amounting to approximately EUR 70 million (of which EUR 5 million used as collateral). Bank payables net of cash and cash equivalents amounted to EUR 29,2 million as at 31 March 2015 marking a decrease of EUR 103,8 million (EUR 133,0 million as at 30 September 2014). As at 31 March 2015, the item other cash equivalents included EUR 3,1 million (same value in the financial statements as at 30 September 2014) in receivables classified under current financial receivables in the financial statements, referring to the giro account in place between Earchimede S.p.A. and the investee Mittel Generale Investimenti S.p.A.; this inclusion reflects the fact that the receivables can readily be converted to a known amount of cash, with no risk of a change in the value.

Statement relating to the net financial position

	31.03.2015	30.09.2014	Change
<i>(thousands of Euro)</i>			
Cash	24	706	(682)
Other cash equivalents (*)	76.318	35.887	40.431
Securities held for trading (**)	46.311	15.812	30.499
Current liquidity	122.653	52.405	70.248
Current financial receivables (*)	2.157	20.294	(18.137)
Bank payables	(105.591)	(168.912)	63.321
Bond loans	(98.225)	(97.974)	(251)
Other financial payables	(4.104)	(7.655)	3.552
Financial debt	(207.919)	(274.541)	66.622
Net financial position	(83.109)	(201.842)	118.733

(*) other cash equivalents included EUR 3,1 million in receivables classified under current financial receivables in the financial statements, referring to the giro account in place between Earchimede S.p.A. and the investee Mittel Generale Investimenti S.p.A., this inclusion reflects the fact that the receivables can readily be converted to a known amount of cash, with no risk of a change in the value.

(**) Available-for-sale assets posted under current assets and financial assets held for trading were reclassified to this item.

Significant events in the first half of the year

On 1 October 2014, the Board of Directors of Mittel S.p.A. co-opted, to replace Director Mr. Gianluca Ponzellini, Mr. Marco Colacicco.

On 9 October 2014, the Board of Directors of Mittel S.p.A. resolved to raise to 5 the number of members of the Executive Committee, which thus consists of Messrs.: Giorgio Franceschi (appointed Chairman), Marco Giovanni Colacicco, Stefano Gianotti, Michele Iori and Giuseppe Pasini. At the same time, Prof. Franco Dalla Sega, Chairman of the Board of Directors, resigned from the Executive Committee of the Company, adopting certain authoritative corporate governance best practice indications, which suggest that the Chairman of the Board of Directors should not serve in executive or managerial roles.

On 18 November 2014, Fashion District Group S.p.A. – FDG (66,7% owned by Earchimede S.p.A., itself 85% owned by Mittel S.p.A.) performed the transfer contract signed on 31 July 2014, pertaining to the two factory outlets of Bagnolo San Vito (MN) and of Molfetta (BA), as well as 100% of the share capital of its two companies responsible for the local commercial management of the aforesaid outlets, Fashion District Mantova S.r.l. and Fashion District Molfetta S.r.l. The purchaser is IDeA FIMIT SGR S.p.A., the company that manages the “MOMA” closed-end real estate fund reserved for qualified investors, fully subscribed by entities referred to the funds managed by the Blackstone Real Estate Partners IV Group, important international operator with a track record in the acquisition of outlets and shopping centres in Italy. The total consideration of EUR 122,2 million, including approximately EUR 2 million of payables remained in the sold assets, was collected in full on 18 November 2014, also through the simultaneous reimbursement to banks of mortgage loans totalling approximately EUR 51 million. On 23 December 2014, exercising the call option announced on 17 September 2013 from RREEF Investment Gmbh to Fashion District Roma S.r.l. (an indirect subsidiary of Mittel S.p.A.), the latter transferred to RREEF Inv. Gmbh the ownership of the business unit including the commercial licences related to the Valmontone (Rome) outlet for EUR 12,7 million. RREEF Investment Gmbh operates on behalf of the German open-ended real estate fund called “Grundbesitz Europa”, owner of the properties of the Valmontone outlet.

On 28 January 2015, the Board of Directors of Mittel S.p.A. appointed Gaetano Casertano new General Manager of Mittel S.p.A., as of 31 January 2015. Casertano has an important expertise in the merchant banking, private equity, advisory and property sectors (all central in the

future development plans of Mittel) and an extensive managerial experience in some of the most important industrial groups and services of the Country. He is also Professor of Real Estate Finance and Business Crisis and Debt Restructuring at the Luiss University of Rome in the Department of Economics and Finance. The exit of Squinzi from the Group was acknowledged during the same board meeting as from the end of January 2015.

On 26 February 2015, the Board of Directors of Mittel S.p.A. resolved to grant its support to the project to integrate Sorin S.p.A. with Cyberonics Inc. (NASDAQ: CYBX), company active in the production of medical devices in the United States and specialised in the field of neuromodulation. Mittel S.p.A. and Equinox Two S.c.a., which hold indirectly 25,4% of the capital of Sorin S.p.A. through the companies Bios S.p.A. and Tower 6bis S.à r.l., signed a *Support Agreement* with Cyberonics Inc. undertaking to support the integration transaction with Sorin S.p.A. and in particular: (i) to vote in favour during the Extraordinary shareholders' meeting of Sorin S.p.A., which will be called in the future to resolve on the transaction; (ii) not to sell its shares until the completion of the transaction. The proposed transaction will give rise to a new global leader in medical technologies with an aggregate capitalisation of around EUR 2,4 billion, calculated on the basis of the closing price of the Sorin S.p.A. and Cyberonics Inc. shares on 25 February 2015. According to the terms of the transaction, Sorin S.p.A. and Cyberonics Inc. will converge in a newly formed holding "NewCo". Each shareholder of Sorin S.p.A. will receive ordinary shares of NewCo for each Sorin S.p.A. share held on the basis of the fixed share exchange ratio of 0,0472. Each shareholder of Cyberonics Inc. will receive 1 ordinary NewCo share for each Cyberonics Inc. share held. Assuming that no shareholder of Sorin S.p.A. exercises the Right of withdrawal envisaged by the regulations in force, Mittel S.p.A. and Equinox Two S.c.a. will indirectly hold around 11,5% of the new entity. The transaction is expected to be executed before the end of 2015 and it is subject to the approval by the shareholders, to obtaining the necessary antitrust authorisations and those of the competent supervisory authorities, as well as to other typical conditions for this kind of transactions. NewCo will be listed in New York (NASDAQ) and the London Stock Exchange.

On 12 March 2015, the Shareholders' Meeting of Mittel S.p.A. approved the Directors' report on operations and the financial statements as at 30 September 2014 as well as the confirmation of the appointments as Director of Michele Iori and Marco Giovanni Colacicco, respectively, whose mandate was due to expire. Lastly, the shareholders' meeting endorsed the Report on Remuneration drafted by the Board of Directors. In this regard, with reference to the termination of the professional relation with the withdrawing General Manager of Mittel S.p.A., Squinzi - communicated to the market last January 28 - it was notified that, as a result and due to the signing of the relevant agreement on the same date - following the approval of the Remuneration and Appointments Committee and the Related party transactions Committee - the Company paid Squinzi, in addition to the fees already accrued and payable until 31 January 2015 (effective date of the termination of the office of General Manager and of the further offices held in the bodies of the subsidiaries) the following additional gross amounts: (i) EUR 241.666,67 equal to the fixed or variable fee that Squinzi, on the basis of the contract signed at the time of taking on the position, would have been entitled to receive until the original expiration provided by contract, or 14 May 2015, as well as (ii) EUR 75.000,00 by way of special recognition for the undeniable value of the work carried out by her as part of the sale, by the subsidiary Fashion District Group S.p.A., of the property complexes of the outlets of Mantova and Molfetta as well as of the entire share capital of Fashion District Mantova S.r.l. and Fashion District Molfetta S.r.l., companies in charge of the commercial management of the same outlets.

On 31 March 2015, the Board of Directors of Mittel S.p.A. resolved to confirm the current composition of the Executive Committee. Therefore, this Committee, whose chairmanship is entrusted to Giorgio Franceschi, is composed of Giorgio Franceschi, Marco Giovanni Colacicco, Stefano Gianotti, Michele Iori, Giuseppe Pasini. The Board of Directors confirmed, until the approval of the financial statements as at 30 September 2016, Pietro Santicoli as "The Manager responsible for preparing the company's financial reports" pursuant to art. 154 bis of Italian Legislative Decree no. 58/1998. The appointment was made following approval by the Board of Statutory Auditors and in accordance with the requirements of integrity and professionalism required by current regulations and by the articles of association. Finally, the Board of Directors confirmed the existence of the independence requirements of the Directors who claimed to possess these requirements when standing as a nominee, i.e. on 10 March 2014. The following members are independent: Maria Vittoria Bruno, Marco Merler, Duccio Regoli, Carla Sora, Michela Zeme.

Significant events after 31 March 2015

After 31 March 2015, there are no particularly significant events to be reported and that have significantly affected the financial statements.

Business outlook for the year

With the entry into the company of Gaetano Casertano as new General Manager of Mittel S.p.A., as of 31 January 2015, and previously with the enlargement of the members of the Executive Committee, the process of strategic and business repositioning of Mittel strengthened: the objective of the group is to become a listed financial platform of investments and services.

With reference to the business outlook for the year, note that the Mittel Group started a process for reorganising the services and activities currently provided as well as the definition of the business strategies to be pursued through the identification of a reference model and the drafting of the business plan. The company will focus on the development of its assets and on the active management of the different business lines that characterise it, in order to maximise the creation of value of investments through the integrated services provided by their specialised teams.

In particular, the group will focus on the increase in services offered according to four business lines: Advisory, Debt and Grant, Real Estate and Portfolio Management.

The Half-yearly financial report, accompanied by the limited auditing report of the Company Deloitte & Touche S.p.A., will be filed at the registered office, at Borsa Italiana S.p.A. on 29 May 2015 and will be available on the company's website at <http://www.mittel.it/investor-relations/bilanci-e-relazioni/>.

MITTEL S.p.A.

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Consolidated statement of financial position

Amounts in thousands of Euro	31.03.2015	30.09.2014
Non-current assets		
Intangible assets	201	310
Property, plant and equipment	1.016	1.669
Investments accounted for using the equity method	109.317	56.184
Financial receivables	155.983	146.841
Other financial assets	72.183	96.390
Sundry receivables and other assets	264	278
Prepaid tax assets	6.329	5.505
Total non-current assets	345.292	307.177
Current assets		
Property inventories	116.669	115.791
Financial receivables	5.234	23.348
Other financial assets	46.311	15.812
Current tax assets	16.097	17.492
Sundry receivables and other assets	22.108	23.389
Cash and cash equivalents	73.265	32.424
Total current assets	279.684	228.256
Assets held for sale	245	131.435
Total Assets	625.221	666.867
Equity		
Share capital	87.907	87.907
Share premium	53.716	53.716
Treasury shares	(26.515)	(26.515)
Reserves	223.040	199.086
Profit (loss) for the year	(8.021)	(33.590)
Equity pertaining to the Group	330.128	280.605
Non-controlling interests	38.069	39.015
Total equity	368.197	319.620
Non-current liabilities		
Bond loans	96.924	96.661
Financial payables	3.640	41.151
Provisions for personnel	1.965	2.275
Deferred tax liabilities	17.279	20.552
Provisions for risks and charges	12.241	11.722
Sundry payables and other liabilities	827	896
Total non-current liabilities	132.875	173.257
Current liabilities		
Bond loans	1.302	1.313
Financial payables	105.591	80.710
Other financial liabilities	464	2.804
Current tax liabilities	1.931	1.017
Sundry payables and other liabilities	14.862	26.242
Total current liabilities	124.150	112.086
Liabilities held for sale	-	61.905
Total equity and liabilities	625.221	666.867

Consolidated income statement

	31.03.2015	31.03.2014	31.03.2014
Revenues	12.672	28.942	52.039
Other income	575	1.397	5.269
Variations in property inventories	1.207	(4.597)	(15.855)
Costs for purchases	(3.110)	(1.171)	(2.860)
Costs for services	(10.355)	(19.670)	(37.194)
Personnel costs	(4.506)	(5.536)	(11.675)
Other costs	(2.005)	(3.032)	(5.828)
Dividends	595	1.037	7.721
Profit (loss) from management of financial activities and investments	1.520	5.549	5.850
Gross operating margin (EBITDA)	(3.408)	2.920	(2.533)
Amortisation and value adjustments to intangible assets	(314)	(11.083)	(22.581)
Allocations to the provision for risks	(2.992)	(1.997)	(6.599)
Value adjustments to financial assets and receivables	(3.692)	(10.819)	(25.963)
Share of income (loss) of investments accounted for using the equity method	(465)	18.480	25.787
Income (loss) from non-recurring transactions	(288)	-	(18.375)
Operating result (EBIT)	(11.158)	(2.501)	(50.264)
Financial income	4.483	4.177	6.923
Financial expenses	(6.483)	(10.941)	(22.122)
Profit (loss) from trading of financial assets	4.661	2.781	2.426
Income (loss) before taxes	(8.497)	(6.484)	(63.038)
Income taxes	(148)	1.314	11.090
Profit (loss) for the year	(8.645)	(5.170)	(51.948)
Attributable to:			
Income (loss) pertaining to non-controlling interests	(625)	(5.321)	(18.358)
Income (loss) pertaining to the Group	(8.021)	151	(33.590)

Pursuant to Article 154 bis, paragraph 2, of Italian Legislative Decree 58/98, it is declared that the accounting information provided in this document matches the information reported on the company's documents, books and accounting records.

The Manager responsible for preparing the Mittel Group's financial reports, Pietro Santicoli