

DeA Capital

Balance sheet supports growing AAM platform

During the past year DeA Capital has exploited its financial strength and leading Italian position in alternative asset management (AAM) to grow and internationalise its AAM platform, extend its customer reach and enhance its product capability. The agreements with Quaestio Group marked a further important step in this process and should provide additional growth opportunities in less certain economic and market conditions.

Year end	Closing AUM (€m)	AUM fees* (€m)	NAV/share (€)	DPS (€)	P/NAV (x)	Yield (%)
12/18	11.9	63.3	1.84	0.12	0.64	10.3
12/19	14.8	66.4	1.76	0.12	0.66	10.3
12/20e	15.2	67.7	1.65	0.12	0.71	10.3
12/21e	15.5	69.5	1.55	0.12	0.75	10.3

Note: NAV as reported, including goodwill. *Platform AAM fees, before group consolidation adjustment for own funds managed, and including 'Other AAM'.

Robust performance in H120

H120 financial performance was robust. Consolidated assets under management (AUM) increased slightly to €14.9bn (FY19: €14.8bn) but was up from €11.8bn in H119, primarily due to the acquisition of the Quaestio non-performing loan (NPL) asset management business in November. Since the end of H120, two new funds have been launched in the private equity area, with a total commitment of more than €400m. Including €7.6bn of assets managed by the equity accounted associate Quaestio Capital, 'combined AUM' was €22.5bn (end-FY19: €22.6bn). Asset management fees increased to €32.6m (H119: €31.7m) with the H120 Quaestio NPL contribution partly offset by lower performance-related fees. Net asset value (NAV) per share was €1.63 compared with €1.64 at end-FY19 adjusted for the subsequent €0.12 per share distribution. Our forecast for underlying FY20 AAM division earnings is little changed and our group forecasts assume no net new investment or change in portfolio valuations.

Well positioned for a rebound

Alternative investments have taken an increasing share of the investment market in recent years, but weaker economies and more volatile markets may yet be a drag on future sales of AAM product and new fund launches. Positively, the Quaestio transactions provide support in the form of a larger base of fee-earning AUM and give DeA access to a wider customer base and Quaestio's added-value investment solutions and capital allocation capabilities. The continued growth and enhancement of DeA's AAM platform should leave it well positioned to capitalise on market opportunities. Meanwhile, liquidity remains high (c 17% of NAV) and the strong balance sheet is well able to withstand any set back in investment portfolio valuations. We estimate a 10% increase/decrease in portfolio valuation increases/reduces NAV by c €0.05 per share.

Valuation: Low P/NAV and high yield

At c 0.7x H120 IFRS NAV, DeA has the lowest P/NAV of a range of peers and the highest yield. Our P/E ratio valuation of the AAM business supports the carried value of the businesses, including intangibles, and the group NAV.

H120 results and outlook

Financial services

2 October 2020

Price €1.17

Market cap €305m

Consolidated net financial position (€m) 97.2
at 30 June 2020

Shares in issue (excluding treasury shares) 261.0m

Free float 30.4%

Code DEA

Primary exchange BIT

Secondary exchange N/A

Share price performance



%	1m	3m	12m
Abs	(0.3)	(6.9)	(13.0)
Rel (local)	(2.1)	(6.0)	(0.6)
52-week high/low	€1.50	€0.97	

Business description

DeA Capital, a De Agostini group company, is Italy's leading alternative asset manager of real estate, private equity and non-performing loans. The 30 June 2020 combined AUM (including associates of €7.6bn) was c €22.5bn and the investment portfolio, comprising co-investment in funds managed, investment in the asset management platform, and direct investment, amounted to more than €340m.

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Leader in Italian alternative asset management

DeA Capital (DeA) is the leading independent (non-bank) platform operator in AAM in Italy, providing a broad range of products and services for institutional investors. At 30 June 2020 combined AUM (including c €7.6bn managed by Quaestio Capital Management, in which DeA is the largest shareholder, acquiring a 38.8% stake in November 2019) were c €22.5bn.

Exhibit 1: Consolidated and combined AUM at 30 June 2020

	€bn
Real estate	9.9
Credit	3.2
Private equity	1.8
DeA Capital consolidated AUM	14.9
Quaestio Capital	7.6
Combined AUM	22.5

Source: DeA Capital

Within the alternative investment area, DeA is engaged in the promotion, management and development of real estate, credit and private equity funds, as well as multi-asset/multi-manager investment solutions. Its growing AAM platform combines experience, know-how and market reach to support the sourcing of investments, the structuring of often complex transactions and the ability to distribute these to a broad investor base.

An investment portfolio of €343.2m at 30 June 2020 comprises the equity of the AAM businesses (€207.5m) and a portfolio of alternative investments (€135.7m). The portfolio of alternative investments mainly comprises 'platform investments', mainly investments in own-managed funds and supporting the AAM platform and its development.

DeA shares are listed on the FTSE Italia STAR section of the Milan Stock Exchange and the company is majority owned by De Agostini, a large Italian private group of companies owned by the Boroli and Drago families, with operations in the media, gaming and services sectors. De Agostini owns 67.1% of DeA and the free float is 30.4%.

Exhibit 2: DeA Capital group financial position at 30 June 2020

	Net assets (%)	Net assets (€m)		Net assets per share (€)	
	Jun-20	Jun-20	Dec-19 (adjusted*)	Jun-20	Dec-19 (adjusted*)
– DeA Capital Real Estate	30.3%	128.7	141.2	0.49	0.54
– DeA Capital Alternative Funds	13.3%	56.7	55.6	0.22	0.21
– Quaestio Capital	3.2%	13.7	14.3	0.05	0.06
– Other (YARD, DeA Cap. RE Trance, Iberia, Poland)	2.0%	8.4	6.6	0.03	0.03
Total Alternative Asset Management (A)	48.8%	207.5	217.7	0.79	0.84
– Platform investments	24.3%	103.2	118.0	0.40	0.45
– Other alternative investments	7.6%	32.5	51.4	0.13	0.20
Total alternative investments (B)	31.9%	135.7	169.4	0.52	0.65
Investment portfolio (A + B)	80.7%	343.2	387.1	1.32	1.49
Other net assets/(liabilities)	2.6%	10.9	4.6	0.04	0.02
Holding Co. net financial position	16.8%	71.3	34.5	0.27	0.13
NAV	100.0%	425.4	426.2	1.63	1.64

Source: DeA Capital. Note: *December 2019 (FY19) adjusted for subsequent payment of shareholder distribution relating to FY19 financial year (€0.12 per share/c €30m).

DeA's NAV at 30 June 2020 was €425.4m, or €1.63 per share, after an annual distribution to shareholders in June 2020 of €0.12 per share (c €30m). The consolidated financial position was €97.2m and adjusting for subsidiaries the holding company net financial position was €71.3m/€0.27 per share (c 17% of NAV). Outstanding capital commitments to private equity funds are c €69m, although management expects only a minority of this is likely to be called due to the maturity of the funds involved. This suggests further scope for continuing AAM investment and distributions.

The significance of the AAM business, with its growing stream of recurring income, as the driver of the group financial performance and valuation can be seen in Exhibit 3. We examine the AAM business, the alternative investment portfolio and the group valuation in detail later in the report.

Exhibit 3: Management income statement

€m	H120	H119	FY19
Net operating result AAM*	7.5	7.4	14.6
Other AAM	(0.9)	(1.1)	(2.9)
Net result AAM division	6.6	6.3	11.7
Alternative investment	(7.1)	(6.8)	5.3
Holding cost	(4.6)	(4.0)	(6.3)
Tax	3.3	0.6	1.6
Net group results	(1.8)	(3.9)	12.3

Source: DeA Capital. Note:*The net operating result AAM includes the net result attributable to DeA from the three platform management companies, DeA Capital Real Estate (100% owned), DeA Capital Alternative Investments (100% owned) and Quaestio Holding (38.8% owned), adjusted purchase price allocation amortisation (PPA) and other non-recurring items. PPA is an intangible asset established on acquisition, allocating the purchase price into various assets and liabilities.

COVID-19

DeA remained operationally and financially robust during H120 despite the impacts of the COVID-19 pandemic. From an operational standpoint, the adoption of smart-working practices enabled it to successfully navigate the lockdown and restricted working practices that have followed. The disruptive effects of the pandemic on the global economy and financial markets have thus far had a limited impact on DeA's financial results, with H120 NAV per share of €1.63 little changed on the end-FY19 level of €1.64, adjusted for the June shareholder distribution of €0.12 per share, which went ahead uninterrupted. Although the platform investments saw fair value reductions of €10.3m, focused on platform fund investments, this was partially offset by the non-platform investments. Importantly, fund development activities continued, with two new real estate funds launched in June and two new private equity funds closing after the period end.

Given the resilience thus far displayed by the business, there was no impairment of the €126.3m of goodwill and intangibles on the balance sheet, primarily linked to the AAM platform and the prospects for future fee income.

Growing AAM scale and reach

Over the past year DeA's asset management platform has experienced a significant growth in AUM, broadening of product capability and widening of customer reach, primarily driven by the Quaestio transactions that were agreed in July 2019 and completed in November 2019. The transactions included:

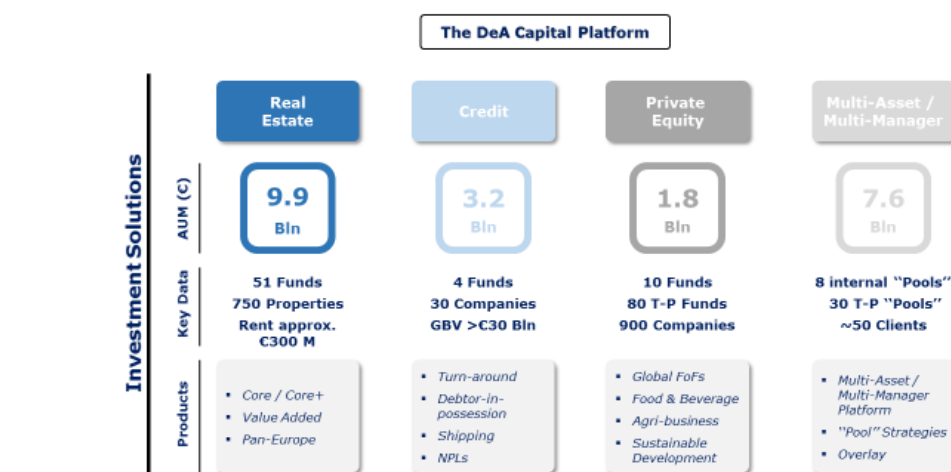
- The acquisition by DeA of the NPL asset management business of Quaestio Capital, significantly increasing the consolidated AUM of DeA Capital Alternative Funds.
- The acquisition by DeA of a significant minority investment in Quaestio Capital itself via its holding company. With a 38.8% stake, DeA is now the largest single shareholder in Quaestio.
- A product and marketing partnership between the two companies, under which DeA will not develop its own liquid products but will offer those of Quaestio, whereas Quaestio will not develop illiquid products and will offer those of DeA to its customers. DeA also benefits from access to Quaestio's added-value investment solutions and capital allocation capabilities.

Meanwhile, DeA has continued to invest alongside the core AAM platform management companies (DeA Capital Real Estate, DeA Capital Alternative Funds, and Quaestio Capital) in the internationalisation of its real estate management capabilities (reported as part of 'other AAM' in Exhibit 3), most recently launching a start-up German-based subsidiary to cover the German and

Austrian markets, complementing similar ventures launched in the past couple of years in France, Spain/Portugal and Poland.

Exhibit 4 provides a summary of the structure and activities of the AAM platform. The wholly owned subsidiaries (DeA Capital Real Estate and DeA Capital Alternative Funds) focus on private, non-quoted alternative assets in the real estate, private equity and credit areas. The Quaestio Capital associate (held through an investment in the Quaestio holding company), now focused on traditional liquid investments, contributes €7.6n of non-consolidated AUM to the combined AUM of the group (Exhibit 1).

Exhibit 4: DeA Capital AAM Platform (data as at H120)



Source: DeA Capital

DeA Capital Real Estate

DeA Capital Real Estate is Italy's largest independent real estate asset management company, and with AUM of c €9.7bn it accounts for the vast majority of DeA's real estate AUM of €9.9bn (the balance represents assets managed by the early-stage, pan-European businesses under development). DeA Capital Real Estate has 51 funds under management (including two listed funds) and specialises in core real estate investment strategies, targeting income-producing real estate which is bought then held for the long term; however, it also offers value strategies. Value strategies look for opportunities to benefit from improving the income stream and value of the property acquired. Overall, it seeks investments in transactions with low-risk, stable returns and low volatility. As a result, its portfolios are focused on good-quality real estate assets in large Italian cities with a significant share of the total represented by office buildings and bank branches.

DeA Capital Real Estate's appeal to institutional investors such as pension funds, insurance companies, sovereign wealth funds, corporations and banks, both from Italy and from abroad, is enhanced by its strong market positioning in Italy. The investor base comprises c 100 institutional investors, representing c 90% of all investments and more than 70,000 retail investors.

Business development is focused on expanding existing funds, launching new core and value initiatives and expanding the product range.

DeA Capital Alternative Funds

DeA Capital Alternative Funds is a leader in the somewhat more fragmented Italian private equity management sector. It manages a range of alternative investment funds (funds of funds, theme funds and credit funds) with AUM of €5.0bn. Fund launches in recent years have been in the areas of thematic funds and credit funds, driving a gradual shift away from funds of funds, which are of older vintage and in their disinvestment phase, and have proved less popular with investors.

Looking forward, DeA anticipates a regular stream of new fund launches, with a seeding commitment of c 10%, consistent with its experience of recent launches.

The acquisition of the Quaestio NPL asset management business accounted for most of the c €2.5bn increase in AUM in FY19, adding the Atlante and Italian Recovery Funds with AUM of €2.4bn. Prior to the Quaestio transaction, DeA's investor base comprised more than 280 limited partners, including high net worth individuals/entrepreneurs as well as institutional investors, and management expects the product and marketing agreement with Quaestio will further expand its investor reach.

Quaestio Capital

Quaestio Capital is mainly active in investment solutions for institutional investors (particularly bank foundations and pension funds) with AUM of €7.6bn. It operates a multi-asset/multi-manager platform through which a pool of manager mandates can be accessed by investors, allocating assets on the basis of specific risk/return objectives. The platform provides full visibility of the investments to support risk management and generates significant administrative, accounting and tax simplification.

AAM supported by a strong group balance sheet

The primary purposes of DeA's alternative investment portfolio are to support the development of the AAM activities and enhance the returns on shareholder capital. At end-H120 it amounted to €135.7m, focused mainly on 'platform investments' but including some other alternative investments. The other investments are a mix of legacy investments (Kenan and the venture capital funds) and more recent opportunistic investments directed at enhancing returns on the balance sheet capital. In addition to the investment portfolio, €46.0m of investment in DeA managed real estate funds is held within the DeA Capital Real Estate subsidiary (comprising €44.3m of the funds held at fair value as well as a €1.7m interest in the Venere real estate fund held as an associate).

Exhibit 5: Summary of alternative investment portfolio

€m	Jun-20	Mar-20	Dec-19	
Platform fund investments	95.3	110.8	111.2	Investments in nine own-managed funds
IDeA Tol co-investment	5.0	5.0	5.0	A minority stake in an IDeA Tol controlled vehicle for investment in Alice Pizza
Other	2.9	2.7	1.8	Includes DeA interest in property investment vehicles promoted by DeA Capital France
Total AI Platform Investments	103.2	118.5	118.0	
Kenan	20.7	13.9	15.7	Legacy 17.1% interest in vehicle owning c 12% of Turkish retailer Migros
Cellularline	4.8	4.2	6.8	Italian leader in in development and sale of smartphone and tablet accessories
IDeaMI	5.7	22.4	22.4	SPAC sponsored by DeA and Banca IMI, in liquidation
Venture capital funds	1.3	4.7	6.5	Legacy investment in externally managed VC funds
Total Other AI Investments	32.5	45.2	51.4	
Total AI Investments	135.7	163.7	169.4	

Source: DeA Capital

Platform investments

At end-H120 the platform investments amounted to €103.2m, of which €95.3m related to investments directly into 11 owned-managed private equity, credit and real estate funds, shown in Exhibit 6.

A key purpose for the platform investments is to sponsor the new fund initiatives by providing seed capital and DeA expects to make a seeding commitment of up to c 10% of total commitments for new fund launches. This is lower than has historically been the case and due to the heavier commitments to older fund launches, the average of DeA's commitments to the current managed funds is closer to 20%.

Exhibit 6: Platform fund holdings

	Accounting treatment	Fair value (€m)	Vintage	DeA share	DeA outstanding commitment* (€m)
IDeA 1 Fund of Funds	Fair value	20.9	2007	25.5%	14.2
IDeA Opportunity Fund I	Consolidated	9.9	2008	47.0%	4.5
ICF II	Fair value	24.5	2009	18.2%	13.0
IDeA EESS fund	Associate	3.6	2011	30.4%	5.5
ICF III	Fair value	12.0	2014	18.7%	2.7
IDeA Taste of Italy	Fair value	16.5	2014	11.6%	2.2
IDeA Corporate Credit Recovery 1 Fund	Fair value	1.0	2016	3.1%	5.6
IDeA Corporate Credit Recovery II Fund	Fair value	4.0	2017	21.6%	11.5
IDeA Agro	Fair value	1.4	2019		1.8
Santa Palomba	Fair value	0.7			0.4
Venere fund	Associate	0.8			0.0
Total		95.3			61.4

Source: DeA Capital data. Note: *Edison estimate

During H120 the value of the platform investments reduced by €14.8m, which included net reimbursements of €4.3m and a fair value reduction of €10.3m.

Total outstanding commitments in respect of the platform fund investments amount to €61.4m, although a substantial proportion of this relates to older vintage funds (more than half to pre-2010 vintages) that management considers unlikely now to be called. Additionally, these older funds are likely to be a net contributor to group cash flow as investment realisations are made and capital reimbursed. Since H120 DeA has committed c €25m out of a total commitment target of €400m to the two recent new private equity fund initiatives.

In addition to own-fund investment, DeA targets selective investment in new private equity transactions but, in contrast to earlier transactions, on a co-investment/club basis with a smaller (€25–30m) ticket size. A recent example of this is the FY19 €5.0m co-investment in Alice Pizza alongside IDeA Taste of Italy fund I. Other platform investment of €2.9m includes minority co-investment by DeA in real estate vehicles recently promoted by DeA Capital Real Estate France.

Other ('non-platform') alternative investments

The €32.5m of other alternative investments comprise two legacy investments and two investments related to more recent special purpose acquisition company (SPAC) investment. The two legacy investments are:

- A 17.5% stake in Kenan Investments, which in turn owns c 12% of quoted Turkish retailer Migros. The stake has already been much reduced over a number of years and a full exit is expected over the medium term. The increase in the end-H120 valuation to €20.7m (end-FY19: €15.7m) was driven by an increase in the Migros share price (to TRY38.5 from TRY24.22) partly offset by a weaker Turkish lira (TRY7.71/€ vs TRY6.68/€). At the time of writing the further appreciation in the Migros share price has been more than offset by further weakness with the Turkish lira, resulting in a c 10% reduction in the euro valuation.
- An investment in five externally managed venture capital funds. The reduction in the value of the holdings to €1.3m at end-H120 compared with €6.5m at end-FY19 mainly reflects capital reimbursements of €4.4m.

The more recent SPAC-related investments include:

- A c 4% minority shareholding in quoted Cellularline, which results from a business combination of Cellular Group with the former-Crescita SPAC investment acquired in 2017.
- A €5.7m receivable related to an investment in IDEaMI, a SPAC sponsored by DeA in 2017 that is being liquidated after failing to successfully create a business combination in the specified time. In May 2020, DeA received €16.5m of liquidation proceeds.

Financials

Recent performance summary

DeA recently published results for the six months ended 30 June 2020 (H120). The key trends and developments include:

- Directly managed and consolidated AUM increased from c €14.8bn at end-FY19 to c €14.9bn and combined AUM, including the funds managed by the equity accounted associate Quaestio Capital, reduced slightly from €22.6bn to €22.5bn.
- Since the end of H120 the alternative asset management platform has launched two new funds in the private equity area, with a total commitment of more than €400m.
- Gross consolidated management fees (before a slight accounting reduction for own managed funds), including the AAM platform management business as well as fees related to the pan-European real estate business that are within 'other AAM', increased to €32.6m from €31.7m in H119 (and €34.7m in H219 including real-estate related deal fees). Although not consolidated, Quaestio generated asset management fees of €12.8m but a net loss of €1.5m including non-recurring expenses. DeA's share of the loss was €0.6m and we estimate c €0.2m before the non-recurring expenses.
- As shown in Exhibit 3 above, the net operating result of the core AAM platform was €7.5m (H119: €7.4m; H219: €7.2m). Including the other AAM activities and the non-recurring items that are excluded from the core net operating result, the overall net asset management division net profit was €6.6m (H119: €6.3m; H219: €5.4m).
- The group net loss of €1.8m included a €7.1m net loss from the alternative investments (primarily revaluation losses on fund investments offset by gains on the indirect stake in Migros), holding costs of €4.6m and tax of €3.3m.
- NAV per share was €1.63 at end-H120 compared with €1.64 at end-FY19 adjusted for the subsequent €0.12 per share distribution.
- Liquidity has remained strong with a consolidated net financial balance of €97.2m (end-FY19 €105.6m or €74.5m adjusted for the distribution) and a holding company net financial balance of €71.3m (end-FY19 €65.6m or €34.5m adjusted for the distribution).

Key drivers of value

A summary of the historical and our forecast group financial statements (prepared under IFRS) is shown at the back of this report in Exhibit 13. In addition to the AAM performance, the IFRS results include the contribution from holdings/eliminations as well as changes in the fair value of DeA's fund and direct investments. The latter contribute significant volatility in the group's reported results. We continue to suggest investors focus on:

- trends and recurring performance within the core AAM division;
- the development of NAV total return, including the profit contribution from AAM, but also changes in the value of the investment portfolio; and
- cash flow and dividend-generating capacity after investment.

AAM division forecasts

We have presented our AAM division forecasts in line with the management income statement shown in Exhibit 3. The core net operating result includes DeA Capital Real Estate, DeA Capital Alternative Funds and DeA's share of earnings from Quaestio Capital, all adjusted for amortisation of purchase price allocation (PPA) and other non-recurring items, including the investment result from fund holdings. 'Other' AAM includes the contribution from the 41%-owned property services associate YARD and the newly created pan-European real estate platform subsidiaries/associates

in France, Spain, Germany and Poland, all of which are in the investment phase and loss-making. 'Other AAM' also includes (adds back) the adjustments in respect of PPA and non-recurring items that are made to the core net operating result.

Our modelling is based on AUM and the appropriate fee margins as a percent of AUM, but it is worth noting that there is a difference between the headline AUM and the actual fee-earning asset base. DeA publishes both and at end-H120, the fee-earning asset base was €4.2bn for alternative funds compared with €5.0bn AUM, and in real estate it was €8.5bn compared with €9.6bn AUM. For the directly managed private equity and credit funds, AUM is defined as total investment commitments, whereas the actual basis for management fees may be AUM or the fund-level NAV; and in some cases, other arrangements exist. Similarly, in real estate, there is a difference between published AUM, based on the gross assets managed, and the fee-earning asset base. In real estate, the difference mainly arises because some funds generate fees based on net rather than gross assets.

While DeA's expanded market presence, enhanced product capability and plans to leverage its Quaestio investment are positive indicators for AUM growth, the longer-term economic impact of the COVID-19 pandemic and its effect on new fund launches remains difficult to predict (despite the progress year to date). The older vintage funds should also be expected to run-off over time. As a result, our forecasts for this year and next assume broadly flat AUM and average fee margins.

From our discussion with the company, we expect that investment in the pan-European real estate platform development will continue to be c €2.5–3.0m per year over the forecast period and we have allowed for this with only modest revenue benefit. In Exhibit 7 this is reflected in the 'other' segment loss, with investment costs partly offset by other activities including 45%-owned associate YARD.

Given the uncertain economic environment we have no longer included notional 'normalised returns' on DeA's investment in our group forecasts, some of which are reported in the AAM division. We will continue to include these on a trailing basis as reported but exclude these from the net operating result.

For the YARD associate (41%), we continue assume an annualised contribution to DeA of c €0.4m (reduced from c €1.0m previously), implying a c 3–4% margin on revenues (H120 contribution to DeA €174m). For the Quaestio associate (39%), we estimate that the loss of €0.6m attributable to DeA included c €0.4m of non-recurring reorganisation costs and, looking forward, we have for now assumed no contribution.

Exhibit 7 shows our IFRS forecasts for the 'core' AAM platform management companies (DeA Capital Real Estate, DeA Capital Alternative Funds and Quaestio), the adjustments to get to underlying earnings (PPA, investment results and other non-recurring items, and tax and minority effects), and the resulting net operational income. We then show the residual AAM division contribution and the divisional IFRS result.

For the core AAM platform, we forecast FY20 net operational income of €15.9m, compared with €14.6m in FY19 and €7.5m in H120. For FY21 we forecast €16.6m. We forecast the net loss from the underlying 'other AAM' operations to increase this year, primarily because we do not assume a repeat of the transaction fees earned in 2019. Adding back the adjustments made to the core AAM platform earnings, we forecast the AAM divisional result on an IFRS basis at €13.0m in FY20 and €12.5m in FY21.

We have re-worked the AAM presentation in Exhibit 7 to better track the company's management income statement presentation (Exhibit 3) and as a result it does not compare directly with our previous format. We previously forecast Edison adjusted AAM earnings of €13.5m for FY20. The earnings adjustments are similar and this would be the equivalent of the AAM divisional earnings of

€12.4m shown in Exhibit 7 plus the net earnings adjustments of €0.9m, a total of €13.4m. We had not previously published an FY21 forecast.

Exhibit 7: AAM 'core' platform and divisional results and forecasts

€m unless stated otherwise	2018	2019	2020e	2021e
'CORE' AAM PLATFORM (DeA Capital Real Estate, DeA capital Alternative Funds, Quaestio)				
Period-end AUM (€bn)				
DeA Capital Alternative Funds	2.430	4.942	5.109	5.109
DeA Capital Real Estate	9.451	9.888	10.094	10.406
Total consolidated AUM (€bn)	11.881	14.830	15.203	15.515
Quaestio AUM (€bn)	N/A	7.779		
Period-end Combined AUM (€bn)	11.881	22.609		
Growth in consolidated AUM (y-o-y)				
DeA Capital Alternative Funds	11%	103%	3%	0%
DeA Capital Real Estate	-1%	5%	2%	3%
Total growth in consolidated AUM	1%	25%	3%	2%
Period average consolidated AUM (€bn)				
DeA Capital Alternative Funds	2.230	2.722	5.027	5.109
DeA Capital Real Estate	9.266	9.352	9.847	10.206
Total period average consolidated AUM (€bn)	11.495	12.074	14.875	15.315
Management fees/AUM bps				
DeA Capital Alternative Funds	105.3	89.9	55.6	55.0
DeA Capital Real Estate	42.9	43.2	39.6	40.0
INCOME STATEMENT – CORE AAM PLATFORM				
DeA Capital Real Estate	39.8	40.4	39.0	40.8
DeA Capital Alternative Funds	23.5	24.5	27.9	28.1
Total alternative asset management fees (before group consolidation adjustments)	63.3	64.9	67.0	68.9
DeA share of Quaestio earnings	0.0	(0.2)	(0.6)	0.0
Other investment income/expense	(4.5)	2.0	(0.5)	0.0
Income from services	0.1	0.0	0.2	0.0
Total revenue	58.8	66.7	66.0	68.9
Total expenses	(45.3)	(45.9)	(46.7)	(46.4)
Finance income/expense	0.0	(0.1)	(0.1)	(0.1)
Profit before tax	13.5	20.6	19.2	22.4
Taxation	(4.8)	(6.6)	(3.7)	(6.7)
Profit after tax	8.7	14.0	15.5	15.7
Minority interests	0.2	(0.1)	0.0	0.0
Core AAM platform net attributable profit	8.9	13.9	15.5	15.7
Adjustments:				
PPA		0.6	1.3	1.3
(Gain)/loss on real estate fund valuation		(2.0)	0.5	0.0
Real estate fund provisions		0.5	0.0	0.0
Quaestio non-recurring (post-tax)*		0.0	0.4	0.0
Other non-recurring		1.7	0.9	0.0
Tax effects		(0.3)	(2.7)	(0.4)
Total after-tax adjustments	6.4	0.6	0.4	0.9
Core AAM platform net operating result	15.3	14.6	15.9	16.6
Other AAM (underlying)	0.2	(2.2)	(2.6)	(3.2)
Net adjustments/non-recurring items	(6.4)	(0.6)	(0.4)	(0.9)
AAM division on reported IFRS basis	9.1	11.7	13.0	12.5

Source: DeA Capital historical data, Edison Investment Research. Note: *Edison estimate.

Future changes in NAV

In Exhibit 8 we show a summary of our group forecasts using the management income statement format. These forecasts, less distributions, are the primary drivers of our NAV forecasts.

Exhibit 8: Summary of group net income forecasts

€m	FY19	FY20e	FY21e
Net operating result AAM*	14.6	15.9	16.6
Other AAM	(2.9)	(3.0)	(4.1)
Net result AAM division	11.7	13.0	12.5
Alternative investment	5.3	(7.1)	0.0
Holding cost	(6.3)	(9.2)	(9.3)
Tax	1.6	4.9	3.3
Net group results	12.3	1.6	6.5

Source: DeA Capital historical data, Edison Investment Research

Importantly, we have made no assumption about investment returns, positive or negative, in respect of the investment portfolio. This is not to imply there will be no returns but recognising that the timing and quantum of these is more uncertain, especially in the near term. It also focuses our forecasts on the AAM business, which we expect to be the driver of earnings and valuation. We had previously assumed a normalised annual growth in the value of the fund investments (whether consolidated or equity accounted), but had attached no return assumption to the quoted investments in Migros, Cellularline and IDEaMI.

The current level of shareholder distributions (c €31m), which we assume will be maintained in respect of the current year, is not covered by recurring income and expenses and without the benefit of investment returns we show a declining NAV per share in FY20 (€1.65 per share compared a post-distribution €1.63 at end-H120) and FY21 (€1.55 per share). It is entirely possible that positive investment returns may offset some, or all, of this reduction.

The current level of distribution was set some years ago in the context of the company's strategic rebalance away from larger, capital consumptive private equity investments and towards less capital-intensive asset management activities. The cash flows from the divestment of historical private equity investment were applied to investment in growing the AAM platform and returning excess capital to shareholders (by generous distributions and share repurchases). While the balance sheet and liquidity levels remain strong and the continuing wind-down of older fund investments should continue to support cash flows, over time it is possible that the company may seek to rebalance distributions to a lower level.

We estimate a 10% increase/decrease in the value of the alternative investment portfolio would increase/reduce NAV per share by c €0.05.

Forecast continuing strong cash position

Our forecast cash position reflects the group results above and dividend payments. We have assumed no new investments, operational or portfolio, and no net investment/divestment from the alternative investment portfolio. As noted above, DeA expects only a minority of the outstanding fund commitments to be called, while perhaps up to €60m of reimbursements from older vintage funds may be expected in the next three to four years. Even on this conservative basis we forecast a consolidated financial position at end-FY20 of €96.8m and €71.8m at end-FY21 (end-H120: €97.2m).

DeA has a share repurchase programme in place with a target of acquiring up to 20% of the c 266m ordinary shares outstanding. The H120 treasury share position stood at c 5.5m shares. At the current discount to NAV, repurchases would be accretive and we would expect them to contribute to discount narrowing. However, DeA's ability to execute on repurchases is constrained by currently reduced trading liquidity in the shares and limitations on the proportion of daily volumes that repurchases may represent.

Valuation: Resources to grow AAM and NAV discount

DeA shares trade at a P/NAV of c 0.7x, the lowest in the peer group shown in Exhibit 10. At the same time, DeA's yield of c 10% (with distributions supported by a strong holding company financial position rather than recurring earnings) is the highest in the group. This suggests there is significant value potential not captured in the current share price. In part, this reflects a low return on equity (ROE) compared with the peer group, partly but not wholly explained by the depressing effect of high liquidity. A continued successful deployment of resources into the further growth of the low capital intensity AAM platform, while continuing to reward shareholders with attractive distributions, should enhance ROE.

Exhibit 9: NAV total return (ROE)

	FY15	FY16	FY17	FY18	FY19	Cumulative FY15–19
Opening NAV per share (€)	2.41	2.07	2.03	1.92	1.84	2.4
Closing NAV per share (€)	2.07	2.03	1.92	1.84	1.76	1.8
Distribution per share (€)	0.30	0.12	0.12	0.12	0.12	0.8
NAV total return	-1.4%	3.5%	0.5%	2.2%	2.2%	5.6%

Source: DeA Capital data, Edison Investment Research

Peer valuation comparison

We have divided Exhibit 10 into two groups. The first is a narrow group of companies that DeA management believes most closely resemble its own strategy of combining AAM for third parties with balance sheet investment (both co-investment in funds managed and direct investment) supported by permanent capital. We have also included a broad range of other private equity, specialist and conventional asset managers, many of which focus on 'balance sheet-light' third-party asset management. Given this mix of strategies among its peer group, combining widely differing reliance on 'recurring' asset management earnings and balance sheet-driven investment earnings, we would caution against focusing on any particular valuation multiple.

Exhibit 10: Peer group comparison

	Share price	Market cap (US\$m)	CY19 P/E (x)	CY20e P/E (x)	CY21e P/E (x)	CY19 P/B (x)	CY20e P/B (x)	CY21e P/B (x)	CY19 EV/EBITDA (x)	CY20e EV/EBITDA (x)	CY21e EV/EBITDA (x)	Div yield (%)
Brookfield Asset Management	44.8	50,853	19.5	636.3	19.6	1.5	1.7	1.6	N/A	17.9	19.1	0.8
KKR	34.7	29,317	20.8	22.2	17.1	2.1	1.8	1.7	26.5	27.3	21.9	1.4
3i Group	1,027.0	12,908	N/A	14.8	8.2	1.2	1.2	1.0	N/A	7.6	7.0	3.3
Intermediate Capital	1,200.0	4,560	19.7	18.3	13.5	2.5	2.6	2.4	N/A	35.9	25.0	4.1
Tikehau	21.3	3,411	N/A	N/A	14.2	N/A	1.0	0.9	N/A	N/A	14.7	2.2
EQT	176.8	18,816	N/A	77.7	31.4	N/A	14.3	11.6	N/A	57.0	25.2	1.2
Average narrow group			20.0	153.9	17.3	1.8	3.8	3.2	26.5	29.1	18.8	2.2
Median narrow group			19.7	22.2	15.7	1.8	1.8	1.6	26.5	27.3	20.5	1.8
Deutsche Beteiligungs	33.4	588	N/A	149.5	11.6	1.2	1.1	1.0	N/A	68.4	10.5	4.2
Blackstone	53.5	64,035	23.2	26.5	18.4	5.4	6.9	4.1	22.1	26.0	17.5	3.6
Partners Group	851.4	24,248	26.8	33.6	25.3	11.4	10.1	9.4	N/A	25.9	21.1	2.8
Apollo	47.0	20,764	17.4	24.9	17.4	6.3	13.1	9.4	N/A	15.2	13.9	4.3
Schroders	2,742.0	9,397	14.2	15.7	14.9	0.8	1.9	1.8	9.4	10.8	10.3	4.3
Janus Henderson	21.6	3,971	8.8	8.6	8.8	0.9	0.9	0.9	3.5	3.6	3.7	6.7
Man Group	115.0	2,191	7.1	12.1	9.1	0.0	1.4	1.3	N/A	8.3	6.9	7.1
Ashmore	364.4	3,355	12.1	14.2	14.4	3.0	2.9	2.8	8.0	8.8	9.0	4.5
Jupiter	228.6	1,633	N/A	11.0	10.1	1.8	1.7	1.7	N/A	6.8	5.7	7.7
Azimut	15.3	2,472	6.0	9.1	9.4	3.6	2.6	2.4	N/A	7.9	8.3	6.3
Patrizia	23.1	2,422	N/A	31.8	26.1	1.9	1.7	1.6	N/A	15.6	13.7	1.2
Average broader group			14.5	30.6	15.0	3.3	4.0	3.3	10.7	17.9	11.0	4.8
Average whole group			16.0	69.1	15.9	2.9	3.9	3.3	13.9	21.4	13.7	3.9
Median broader group			13.2	15.0	14.6	2.4	2.2	2.1	8.7	9.8	9.6	4.4
Median whole group			17.4	20.2	14.4	1.9	1.8	1.7	9.4	15.4	13.7	4.1
DeA Capital – Edison*	1.2	357	24.7	195.2	47.1	0.7	0.7	0.8	16.5	-103.4	21.5	10.3

Source: Refinitiv, Edison Investment Research (for DeA data). Data as at 2 October 2020. Note: *Forward-looking DeA figures are our forecasts and are group figures, which differ from the AAM segment forecasts.

DeA's share price performance over the past 12 months is very slightly below the narrow and broad peer groups, although this does not adjust for its higher yield.

Exhibit 11: Peer group share price performance comparison (% change)

	RIC	One month	Three months	One year	Year to date	From 12m high
Brookfield Asset Management	BAMa.TO	1.0	0.3	-2.2	-10.4	-25.9
KKR	KKR	-4.3	12.4	33.1	18.9	-6.7
3i Group	III.L	12.2	23.6	-10.9	-6.5	-13.4
Intermediate Capital	ICPL	-9.4	-6.3	-15.1	-25.5	-36.7
Tikehau	TKOO.PA	-1.4	-10.1	3.9	-3.2	-19.3
EQT	EQTAB.ST	8.9	6.6	105.8	62.4	-22.0
Average narrow group		1.2	4.4	19.1	6.0	-20.7
Median narrow group		1.0	4.4	3.9	-3.2	-20.7
Deutsche Beteiligungs	DBANn.DE	7.6	12.9	-1.5	-15.5	-21.5
Blackstone	BX	-0.4	-4.7	13.3	-4.3	-17.6
Partners Group	PGHN.S	-6.5	-2.1	12.0	-4.1	-12.1
Apollo	APO	-2.4	-6.2	26.8	-1.4	-15.1
Schroders	SDR.L	-0.8	-5.6	-8.9	-17.8	-20.9
Janus Henderson	JHG	5.3	6.2	-1.7	-11.7	-21.5
Man Group	EMG.L	-4.9	-10.6	-32.9	-27.2	-31.2
Ashmore	ASHM.L	-10.3	-12.9	-27.4	-29.7	-37.3
Jupiter	JUP.L	10.9	-10.3	-33.6	-44.2	-47.8
Azimut	AZMT.MI	-5.0	0.9	-10.8	-28.3	-38.2
Patrizia	PATGn.DE	-8.0	6.5	32.5	16.1	-9.7
Average broader group		-1.3	-2.4	-2.9	-15.3	-24.8
Average whole group		-0.4	0.0	4.9	-7.8	-23.3
Median broader group		1.0	6.6	-1.5	-6.5	-21.5
Median whole group		-1.4	-2.1	-1.7	-10.4	-21.5
DeA Capital	DEA.MI	-0.3	-6.9	-5.3	-13.1	-16.0

Source: Refinitiv, Edison Investment Research (for DeA data). Note: Data as at 2 October 2020. For DeA, data as at 29 September 2020.

NAV fairly captures AAM valuation

The equity of the AAM platform companies is carried at €207.5m in the H120 financial statements and includes c €126m of goodwill and intangible assets. This is equivalent to a 13.0x multiple of the FY20e net operating result and 12.5x the FY21e result.

Obviously an investor cannot access the core platform earnings in isolation and so it is reasonable to also include the other AAM result, although noting that this is currently burdened by investment costs related to the pan-European real estate build-out. Based on the underlying earnings for the total AAM division (including 'Other AAM' but excluding PPA, investment gains/losses and other non-recurring items), the AAM equity is equivalent to a 16.0x multiple for FY20 and 15.4x for FY21.

This suggests to us that in broad terms the AAM equity carried within the NAV of the group fairly matches the underlying fair value of the AAM platform, measured in terms of earnings capacity and fair market multiples.

Exhibit 12: AAM platform valuation

AAM platform equity at H120 (€m)	207.5	
	FY20	FY21
AAM net operating result (€m)	15.9	16.6
Implied P/E ratio based on AAM net operating result (x)*	13.0	12.5
Underlying AAM result including 'Other AAM' (€m)	13.0	13.5
Implied P/E ratio based on underlying total AAM result (x)*	16.0	15.4

Source: Edison Investment Research. Note: *Ratio of carried AAM NAV to earnings.

Sensitivities

DeA's financial results and prospects are very sensitive to financial market conditions over the short to medium term. Financial market conditions directly affect its ability to launch new funds, find new investment opportunities, make divestments and influence the valuations of its investments.

Although AAM is not immune from these market fluctuations, its growing significance within the overall group and the increasing share of recurring fee income within revenues is likely to reduce the overall sensitivity of reported earnings to market fluctuations.

The valuations of the underlying investments in the private equity funds and those direct investments that are in unquoted investments are based on a rigorous but ultimately subjective assessment by management, with inevitable uncertainty about realisable values. External managing partners for the fund of funds apply British Private Equity and Venture Capital Association guidelines to private equity investments and, for directly managed funds, DeA is subject to Bank of Italy regulations, which management believes are potentially stricter as they are based on the lower of cost or realisable value (ie do not include unrealised gains).

Annual shareholder distributions of c €31m are in excess of likely recurring earnings but are supported by the significantly positive holding company net financial position. As a proxy for recurring earnings, our forecast for the AAM division net earnings in FY20 is €13.0m. Any extended disruption to markets could be expected to slow the pace at which the alternative investment funds are able to realise investment and reimburse capital and this could have a noticeable effect on the net balance of capital calls and reimbursements with a negative impact on group cash flow.

Exhibit 13: Financial summary

Period ending 31 December (€000s)	2014	2015	2016	2017	2018	2019	2020e	2021e
	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS								
Alternative Asset Management fees (after inter-company eliminations)	66,045	62,416	59,114	57,944	62,422	66,117	67,578	69,385
Income (loss) from equity investments	(786)	(539)	524	3,898	(59)	(647)	(506)	400
Other investment income/expense	(56,149)	72,464	12,338	8,633	37,848	6,832	(8,903)	0
Income from services	19,176	18,496	8,509	2,208	2,505	378	45	0
Other income	3,204	3,204	288	144	141	63	373	0
Revenue	28,286	156,041	80,773	72,827	102,857	72,743	58,587	69,785
Expenses	(87,957)	(128,514)	(66,888)	(98,616)	(56,232)	(59,475)	(60,701)	(59,604)
Net Interest	2,905	4,982	(1,220)	(84)	485	2,791	(2,413)	(260)
Profit Before Tax	(56,766)	32,509	12,665	(25,873)	47,110	16,059	(4,527)	9,921
Tax	1,720	6,452	(199)	(420)	(5,765)	(5,003)	1,205	(3,457)
Profit After Tax	(55,046)	38,961	12,466	(26,293)	41,345	11,056	(3,322)	6,464
Profit from discontinued operations	(887)	286	0	682	0	0	0	0
Profit after tax	(55,933)	39,247	12,466	(25,611)	41,345	11,056	(3,322)	6,464
Minority interests	(1,668)	1,825	(39)	13,959	(30,275)	1,200	4,880	0
Net income (FRS 3)	(57,601)	41,072	12,427	(11,652)	11,070	12,256	1,558	6,464
Profit after tax breakdown								
Private equity	(60,739)	78,322	7,859	8,327	39,152	4,896	(11,531)	0
Alternative asset management	9,464	(37,304)	7,309	(31,073)	9,228	10,920	12,516	12,534
Holdings/Eliminations	(4,658)	(1,771)	(2,702)	(2,865)	(7,035)	(4,760)	(4,306)	(6,070)
Total	(55,933)	39,247	12,466	(25,611)	41,345	11,056	(3,321)	6,464
Average Number of Shares Outstanding (m)	273.8	266.6	263.1	258.3	253.9	258.9	260.0	260.0
IFRS EPS (c)	(21.0)	15.4	4.7	(4.5)	4.4	4.7	0.6	2.5
Distributions per share (declared basis)	0.30	0.12	0.12	0.12	0.12	0.12	0.12	0.12
BALANCE SHEET								
Fixed Assets	786,141	558,086	559,335	454,156	390,278	420,644	355,640	356,040
Intangible Assets (inc. goodwill)	229,711	167,134	156,583	117,233	114,768	147,559	126,328	126,328
Other assets	39,988	38,590	35,244	10,305	26,567	25,494	27,656	27,656
Investments	516,442	352,362	367,508	326,618	248,943	247,591	201,656	202,056
Current Assets	117,585	173,882	141,521	178,161	185,686	171,937	172,977	147,844
Debtors	50,711	20,694	15,167	32,955	18,729	16,860	22,123	22,123
Cash	55,583	123,468	96,438	127,916	143,767	99,511	100,173	75,040
Other	11,291	29,720	29,916	17,290	23,190	55,566	50,681	50,681
Current Liabilities	(36,193)	(31,294)	(26,979)	(34,783)	(40,720)	(85,020)	(52,614)	(52,614)
Creditors	(35,833)	(30,643)	(25,757)	(34,583)	(40,516)	(68,498)	(52,614)	(52,614)
Short term borrowings	(360)	(651)	(1,222)	(200)	(204)	(16,522)	0	0
Long Term Liabilities	(40,911)	(15,514)	(12,830)	(12,475)	(29,464)	(26,463)	(28,093)	(28,093)
Long term borrowings	(5,201)	0	(19)	0	(2,859)	(1,020)	(3,210)	(3,210)
Other long term liabilities	(35,710)	(15,514)	(12,811)	(12,475)	(26,605)	(25,443)	(24,883)	(24,883)
Net Assets	826,622	685,160	661,047	585,059	505,780	481,098	447,910	423,177
Minorities	(173,109)	(138,172)	(131,844)	(95,182)	(39,299)	(23,634)	(19,203)	(19,203)
Shareholders' equity	653,513	546,988	529,203	489,877	466,481	457,464	428,707	403,974
Year-end number of shares m	271.6	263.9	261.2	255.7	253.8	260.0	260.0	260.0
NAV per share	2.41	2.07	2.03	1.92	1.84	1.76	1.65	1.55
CASH FLOW								
Operating Cash Flow	188,419	188,492	19,148	91,146	96,408	9,151	30,182	6,064
Acquisitions/disposals	(1,476)	70	(290)	(633)	(275)	(6,640)	5,343	0
Financing	(157,756)	(38,148)	(4,362)	(26,073)	(46,994)	(11,840)	(3,527)	0
Dividends	0	(82,432)	(33,494)	(32,962)	(33,098)	(37,531)	(31,337)	(31,197)
Other								
Cash flow	29,187	67,982	(18,998)	31,478	16,041	(46,860)	661	(25,133)
Other items	0	(97)	(8,032)	0	(190)	2,604	0	0
Opening consolidated cash	26,396	55,583	123,468	96,438	127,916	143,767	99,511	100,172
Closing consolidated cash	55,583	123,468	96,438	127,916	143,767	99,511	100,172	75,039
Financial debt	(5,561)	(651)	(1,241)	(200)	(3,063)	(17,542)	(3,210)	(3,210)
Closing consolidated net (debt)/cash	50,022	122,817	95,197	127,716	140,704	81,969	96,962	71,829
Consolidated net financial position	57,780	133,816	103,139	128,901	100,994	105,579	96,795	71,762

Source: DeA Capital, Edison Investment Research

Contact details	Revenue by geography
Via Brera 21 Milan 20121 Italy www.deacapital.it	N/A
Management team	
Executive chairman: Lorenzo Pelliccioli	CEO: Paolo Ceretti
Lorenzo Pelliccioli has been CEO of the De Agostini Group since 2005. His early career was spent in media and advertising including roles with the Mondadori Group. He later joined Costa Crociere Group, where he held a number of senior management positions. In 1997, he participated in the privatisation of Seat Pagine Gialle, becoming CEO of Seat and then taking charge of the internet business unit of Telecom Italia. From 2006 until 2015, he was chairman of Gtech. Then, following the merger with IGT, he was appointed deputy chairman of IGT and chairman in 2018. He has wide-ranging board experience and is currently a member of the board of directors of Assicurazioni Generali and a member of the advisory board of Palamon Capital Partners.	Paolo Ceretti has been CEO since 2007, having held the position of general manager of De Agostini SpA, the holding company of the De Agostini Group, since 2004. He is also chairman of DeA Capital Alternative Funds and a member of the board of directors of Quaestio Holding and other companies in the group. He gained his professional experience inside the Agnelli Group, holding various roles from 1979 including Fiat (internal auditing and finance) and in the financial services sector (planning, credit and control) and subsequently assuming the position of head of strategic planning and development of Ifil (now EXOR). After assuming responsibility for the internet B2C sector of Fiat/Ifil in 1999 as CEO of CiaoHolding and CiaoWeb, he was appointed CEO of GlobalValue, a Fiat/IBM joint venture in the IT sector.
COO: Manolo Santilli	CEO, DeA Capital Real Estate: Emanuele Caniggia
Manolo Santilli was appointed COO of DeA Capital in July2020, having been CFO for more than 10 years. He is also a board member of the three group asset management companies – DeA Capital Real Estate, DeA Capital Alternative Funds and Quaestio Capital – as well as in the three companies belonging to the International Real Estate Platform (respectively in France, Spain/Portugal and Poland). He gained his professional experience starting in 1996 in STET International (Telecom Italia Group, in the planning, controlling and initiative evaluation area), subsequently in 2000 at Ifil/Fiat, in 2002 became investment manager in Finmeccanica and since 2004 he entered the De Agostini Group.	Emanuele Caniggia has been CEO of the asset management company Dea Capital Real Estate, since April 2014. During his business career, he has established numerous companies in which he has held various positions, beginning with Ar.Co.Graph in 1988. In 1996, he founded Abaco Servizi, a property services company, which later became Abaco Team, a leader in real-estate services. In 2006, he sold a 65% stake in Abaco Team to Gabetti Property Solutions, while continuing as the CEO until 2009; he then sold the remaining 35% and became a shareholder in Gabetti, which he left in August 2012. From 2009 to 2012, he was a member of the boards of directors of Gabetti Property Solutions, Gabetti Agency, Patrigest and TreeRe. In October 2012, he set up Innovation Real Estate (formerly First Atlantic RE), which he took over, together with DeA Capital, and was the CEO until 2014.
CEO, DeA Capital Alternative Funds: Gianandrea Perco	
Gianandrea Perco was appointed CEO of DeA Capital Alternative Funds in June 2017. His professional experience began in 1997 in Mediobanca, in the equity capital market team, and in 2000, he moved to Lehman Brothers Investment Banking team. In 2001, he started his experience in UniCredit where he has developed his career for 10 years in the corporate and investment banking division, heading the Italian Corporate Finance Advisory team and the Multinational Financing team. In 2011, he joined FondiariaSai as deputy general manager with responsibility for the real estate business, the diversified businesses and the M&A team. From 2013 to July 2015 he was Partner at PwC Italy heading the M&A team. From August 2015 to June 2017 he was director of strategy and management of existing shareholdings at DeA Capital, supporting the top management in strategic investments, divestments and management of the portfolio.	
Principal shareholders	
De Agostini SpA	(%) 67.1
Treasury shares	2.0

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