

PRESS RELEASE

FININVEST GROUP – FINANCIAL STATEMENTS 2012

EUR 5,154 MILLION OF CONSOLIDATED REVENUES

**OPERATING MARGIN BEFORE NON-RECURRING ITEMS: EUR 53 MILLION
CONSOLIDATED OPERATING MARGIN: EUR -490.5 MILLION**

**NET PROFIT BEFORE NON-RECURRING ITEMS: EUR 59.4 MILLION
CONSOLIDATED NET PROFIT: EUR -285.2 MILLION**

**DEBT DROPS TO EUR 1,881.3 MILLION
(EUR 2,077.5 MILLION AT 31/12/ 2011)**

CONSOLIDATED NET EQUITY OF EUR 5,418.2 MILLION

EUR 1 BILLION OF INVESTMENTS

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The Shareholders' Meeting of Fininvest SpA held today under the chairmanship of Marina Berlusconi approved the financial statements of the parent company and examined the consolidated financial statements for the year that ended December 31, 2012.

*The extreme downturn in pertinent markets and the sharp decline in consumption and investment have had a marked effect on the 2012 results of the Fininvest Group. In the face of such a markedly negative situation, the Group has undertaken with determination to review and **rationalize production and organizational processes**, aiming to significantly improve its **structural efficiency** and **significantly reduce costs** without affecting the quality of its products. This approach has brought about significant **non-recurring restructuring charges**. In a parallel manner, macro-economic structural changes in the markets in which the Group operates have necessitated **significant write-downs of balance sheet assets**, made as a result of an impairment test. These operations have had a **significant impact** on the income statement at the end of the financial year. However, it should be stressed that a **financial plan** careful of costs and a management strategy targeted on investments have enabled the Group to record a **surplus of nearly EUR 200 million**.*

FININVEST GROUP CONSOLIDATED FINANCIAL STATEMENTS 2012

There follow the main pro-forma consolidated results for the financial year 2012:*

The **consolidated revenues** for the financial year 2012 of the Fininvest Group amounted to EUR **5,154 million**, down by 11.3% compared to the EUR 5,811.1 million for 2011.

The **consolidated gross operating margin** amounted to EUR **1,259.8 million**, compared to EUR 1,946.3 million for the previous financial year (-35.3%).

The **operating result** showed a loss of EUR **490.5 million** (profit of EUR 609.9 million at 31 December 2011). The figure includes **non-recurring charges amounting to EUR 543.5 million** that refer both to the write-downs of some assets, carried out as a result of the impairment tests performed on them and to restructuring charges. Excluding the impact of these items the operating result would have been positive for EUR **53 million**.

The **consolidated net result** shows a loss of EUR **285.2 million** (a profit of EUR 7.5 million for 2011). Excluding the impacts of the adjustments of asset values and other non-recurring costs there would have been a profit of EUR **59.4 million**.

The **net financial position** of the Fininvest Group at 31 December 2012 shows **debt** of EUR **1,881.3 million** compared to EUR 2,077.5 million at 31 December 2011, with a **financial surplus** of EUR **196.2 million**. This results was achieved due to the significant generation of **free cash flow** (amounting to EUR **217 million**).

The **consolidated net equity** at 31 December 2012 amounted to EUR **5,418.2 million**, of which EUR 2,262.3 million belonging to minorities.

The **investments** made during the financial year 2012 amounted to EUR **951.9 million**.

** pro-forma: the Milan equity investment is consolidated with the net equity method.*

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FININVEST S.P.A. FINANCIAL STATEMENTS 2012

The net statutory result of the Group Parent Company Fininvest S.p.A. for the financial year 2012 showed a loss of EUR **193.1 million**, compared to the profit of EUR 105.9 million for the financial year 2011.

This result was impacted by the **write-downs of the book values of some equity investments** for a total of EUR **220 million**, of which EUR 211.7 million refer to write-downs carried out as a result of impairment tests.

Excluding these adjustments the net result of Fininvest S.p.A. would have been a profit of EUR **18.6 million**.

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Events after the closure of the financial year 2012

On 20 March 2013, the Shareholders Meeting of Fininvest S.p.A. evaluated the amount of the distributable reserves, as well as the amount of the available financial resources and passed a resolution, based on the proposal of the Board of Directors, to distribute part of the retained earnings for the amount of EUR 93.6 million.

Milan, 28 June 2013

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