

FIRST HALF 2021 RESULTS REVIEWED BY BOARD OF DIRECTORS

• **ITALMOBILIARE S.p.A.**

- > *At June 30, 2021, the NAV of Italmobiliare exceeds 2 billion euro (1,838.2 million euro at December 31, 2020), with the NAV of the Portfolio Companies rising to 1,252.8 million (+130.7 million euro on December 31, 2020). The total change also reflects the increase in the market value of the investment in HeidelbergCement AG (+10.6 million euro), of the other listed investments (+5.5 million euro) and of the private equity funds (+18.2 million euro), net of dividends paid out.*
- > *The NAV per share amounts to 47.31 euro, an increase of 10.31% compared with the end of 2020, gross of dividends paid (+8.65% net of the dividend of 0.65 euro per share).*
- > *During the half year, the overall performance of the Portfolio Companies, which represent more than 60% of NAV, showed a decidedly positive result compared with both 2020 and 2019 prior to Covid.*
- > *All of the companies closed the half year with a growth of over 15% on 2020 (with the exception of Sirap, penalised by the loss in intragroup revenues) with revenue higher than the same period in 2019 and a rising GOP. The Officina Profumo-Farmaceutica di Santa Maria Novella, which has had another less than brilliant result in the retail segment because of the pandemic, was the only exception.*
- > *For Italmobiliare S.p.A., revenue increased during the half year mainly due to the increase in dividends approved or collected from investee companies and the positive results from the financial assets.*
- > *The consolidated financial position at June 30, 2021 was a positive balance of 354.5 million euro, compared with 320.8 million euro at the end of December 2020.*
- > *At a consolidated level, revenue came to 232.7 million euro (155.6 million at June 30, 2020) and the profit to 117.4 million (1.4 million in the first half of 2020).*

Milan, July 29, 2021. *Italmobiliare's Board of Directors has reviewed and approved the interim report at June 30, 2021. At the end of the half year, the NAV of Italmobiliare was equal to 2 billion euro or 2,000.2 million euro (1,838.2 million euro at December 31, 2020), with a change linked in particular to the increase in Portfolio Companies (+130.7 million euro, already net of dividend distributed for 27.1 million euro) of HeidelbergCement AG (+10.6 million euro) and other listed investments (+5.5 million euro) and Private Equity fund (+18.2 million euro). In absolute terms, the greatest increase is linked to Caffè Borbone, while, in relative terms, the company that sees its NAV grow more than at the end of 2020 is Tecnica Group, which shows that it has overcome the problems caused by the pandemic. All the other portfolio companies are either growing or substantially stable. At*

June 30, 2021, the NAV per share of Italmobiliare S.p.A. amounted to 47.31 euro, an increase of 8.65% compared with December 31, 2020 (after paying a dividend of 0.65 euro per share), or 10.31% gross of the dividend distribution.

For Italmobiliare S.p.A., the first half of 2021 closed with a positive result of 41.7 million euro (negative for 16.6 million euro at June 30, 2020).

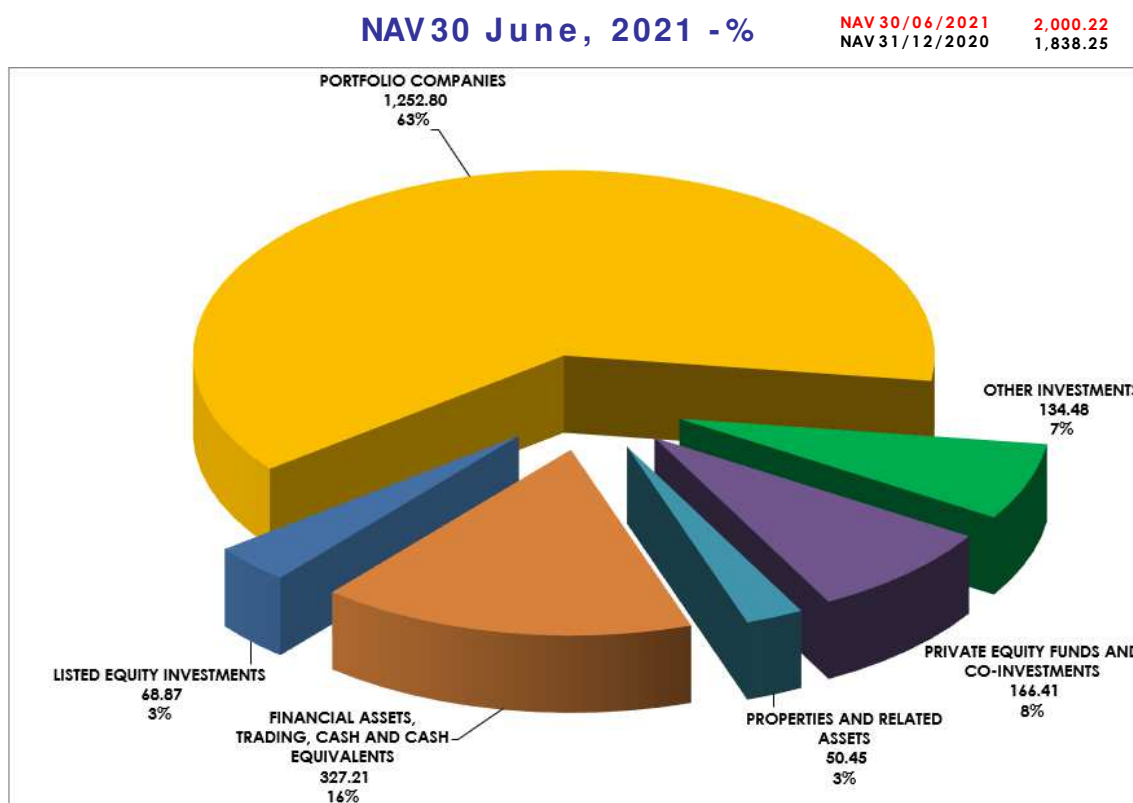
“Achieving a symbolic and important goal such as a NAV of two billion euro - says Chief Executive Officer Carlo Pesenti - highlights the solid and continuous growth of the portfolio companies, as is the value of Italmobiliare's support, capable of enhancing the excellences that our country expresses, even in scenarios of considerable uncertainty, and of providing the tools for governance, operational excellence, financial flexibility and effective risk management so that they can best exploit the emerging economic, technological and consumption trends which are being accelerated considerably by the pandemic experience. Italmobiliare's strategy, which is increasingly characterised by the integration of ESG best practices in the development plans of its investee companies, traces the path -from commitment to values to daily operations- with coherence and effectiveness and reflects the European and international focus on the ecological and energy transition of business activities”.

Even though the situation still makes it difficult to offer a thoughtful and detailed assessment of the future, we can confirm the overall solidity of the portfolio and the ability to seize opportunities to enhance synergies, to strengthen best practices already in place and to open up new opportunities offered by structural changes. In particular, in the food sector, Caffè Borbone confirms its growth trajectory and Capitelli is growing in terms of both revenue and gross operating profit. In the energy sector, Italgas closed a decidedly positive half year, Autogas also turned in a positive performance, which in addition to the growth in revenue and gross operating profit, also posted good cash generation during the period. In the industrial sector, neutralising some contingent factors, the first half year of the “new” Sirap (after selling its main assets in February and April 2021) is essentially in line with the same period of the previous year. Iseo has done very well, demonstrating that it has overcome the problems that it had due to the initial impact of Covid. Tecnica Group closes the period with positive performances and results that are decidedly better than 2020 and well above even pre-Covid levels, although the difficulties affecting the sector of winter brands in Europe. Officina Profumo-Farmaceutica di Santa Maria Novella closes the half year up on 2020, while still suffering the difficulties of the retail business due to the restrictions caused by the pandemic. The companies that entered the portfolio at the end of 2020 (Casa della Salute and Callmewine) continue to demonstrate their growth potential.

In March 2021 Italmobiliare, already an investor in the Clessidra Capital Partners 3 fund, participated as one of the fund's co-investors in the operation which saw the acquisition by the Clessidra Capital Partners 3 fund of a majority stake in Botter, a Venetian company that is one of the major exporters of Italian wine in the world, owned by the Botter family and DeA Capital. After June 30, part of the co-investment in the Clessidra IV fund was sold. In June 2021 Italmobiliare signed a commitment to the first closing of 75 million euro of the Clessidra Capital Partners 4 fund.

Milan, July 29, 2021 – The Board of Directors of Italmobiliare S.p.A. today reviewed and approved the consolidated interim financial statements at June 30.

NET ASSET VALUE (NAV)



The **Net Asset Value (NAV)** of Italmobiliare at June 30, 2021, excluding treasury shares, amounted to 2,000.2 million (1,838.2 million at December 31, 2020).

The main changes in NAV are due to the increase in the fair value of the portfolio companies (+ 130.7 million euro, net of dividends paid of 27.1 million euro), of HeidelbergCement AG (+10.6 million euro) and of the other listed investments (+5.5 million euro mainly attributable to the investment in the finance company Fin.Priv. which holds shares in Mediobanca) and of the private equity funds (+18.2 million euro).

In particular, as regards the Portfolio Companies, the greatest increase in absolute terms is linked to Caffè Borbone, while, in relative terms, the company that sees its NAV grow more than at the end of 2020 is Tecnica Group, which shows that in the first half of 2021 it has overcome the problems caused by the initial impact of the pandemic. All the other portfolio companies are either growing or substantially stable.

At June 30, 2021 the NAV per share of Italmobiliare S.p.A., excluding treasury shares, amounts to 47.31 euro.

SUMMARY OF RESULTS

For Italmobiliare S.p.A., the first half of 2021 closed with a positive result of 41.7 million euro (negative for 16.6 million euro at June 30, 2020).

Net income and charges from equity investments are positive for 30.1 million euro, up on the 8.6 million euro at June 30, 2020, mainly because of higher dividends collected or approved (+21.0 million euro, mainly due to postponement in 2020 of the distribution of dividends by Caffè Borbone following the Covid-19 risk, which were then distributed in the second half of 2020). Furthermore, there were write-downs of equity investments for 0.5 million euro in 2020 (zero in 2021).

Net gains on investments of cash and cash equivalents show a positive balance of 29.9 million euro (negative for 10.9 million euro at June 30, 2020). The change is mainly due to the positive performance of trading investments and investment funds which in 2020 were penalized by the negative performance of international markets because of the pandemic.

Other income and expense are negative for 14.5 million euro (-19.1 million euro at June 30, 2020), down mainly because of higher extraordinary operating costs recorded in 2020 (5.8 million euro for MBO and LTI payments referring to the previous three years and donations). At June 30, 2021 the net financial position of Italmobiliare S.p.A. is showing a decrease of 59.96 million euro, going from 387.17 million euro at December 31, 2020 to 327.21 million euro at the end of June 2020. The main flows include the investment as co-investor of the Clessidra Capital Partners 3 fund in the acquisition of Casa Vinicola Botter Carlo & C. S.p.A., through Bacco (-43.6 million euro), the investment in private equity funds (- 23.9 million euro) and other investments (-19.5 million euro), partially offset by the sale of HeidelbergCement shares (+29.9 million euro). Equity at June 30, 2021 amounts to 1,315.3 million euro, 35.1 million euro up on December 31, 2020 (1,280.2 million euro).

At a consolidated level, the profit came to 117.4 million compared with 1.4 million euro at June 30, 2020. Compared with what was indicated in the quarterly report, due to a different accounting method (IFRS 10) of the consolidated capital gain generated by the sale of Sirap's assets to Faerch, the result of discontinued operations has been reduced to 65.9 million euro. The result attributable to the owners of the parent company was a profit of 107.1 million euro. The equity attributable to the owners of the parent company comes in at 1,413.8 million euro (1,330.4 million euro at December 31, 2020).

Breakdown of consolidated profit by segment

(in millions of euro)	June 2021	June 2020
Business segments		
Italmobiliare	41.7	(16.9)
Caffè Borbone	14.8	14.0
Sirap	70.0	2.2
Italgen	4.9	2.4
Capitelli	1.7	0.8
Officina Profumo-Farmaceutica di Santa Maria Novella	0.9	0.2
Casa della Salute	(0.1)	0.0
Callmewine	(0.1)	0.0
Tecnica Group	(1.0)	(6.6)
Autogas Nord - AGN Energia	6.6	2.2
Iseo	2.9	(1.2)
Other companies	(1.0)	1.0
Elimination of dividends and intragroup gains/losses	(34.2)	(6.2)
Profit/(loss) for the period attributable to owners of the parent company	107.1	(8.1)

The other main economic results of the Italmobiliare Group are:

Revenue: 232.7 million on 155.6 million at June 30, 2020;

Gross operating profit: 80.1 million (15.6 million);

Operating profit: 69.1 million (7.9 million).

(2020 figures are reviewed on the basis of the exclusion of Sirap from the consolidation area).

PERFORMANCE OF THE PORTFOLIO COMPANIES

Performance of the main Group companies

(in millions of euro)	Revenue			Gross operating profit (EBITDA)			Fcf ¹ 1st half 2021 Actual
	June 30 2021	June 30 2020	Change %	June 30 2021	June 30 2020	Change %	
Italmobiliare	63.9	30.5	>100	45.9	(20.6)	>100	n.s.
Portfolio companies							
Caffè Borbone	129.2	104.1	24.1	46.2	34.3	34.8	29.5
Officina Profumo-Farmaceutica di Santa Maria Novella	12.1	10.5	15.5	3.8	2.8	37.2	4.2
Sirap	34.5	35.4	(2.4)	0.2	0.9	(73.2)	n.s.
Italgen	18.3	13.5	35.2	8.7	5.0	75.5	3.4
Casa della Salute	12.5	6.6	90.2	1.6	0.4	>100	(8.3)
Capitelli	8.4	7.2	16.4	2.0	1.8	13.9	(0.2)
Callmewine	8.3	5.4	52.7	0.0	0.3	(85.1)	(1.4)
Tecnica Group	173.7	136.8	27.0	17.1	2.7	> 100	10.8
Autogas Nord - AGN Energia	259.5	224.2	15.7	34.4	27.4	25.5	34.0
Iseo	78.6	57.5	36.7	12.0	4.0	>100	(0.9)
Total portfolio companies	735.1	601.2	22.3	126.0	79.6	58.3	71.1

n.s.: not significant

As regards the Portfolio Companies, the first half year closes with a decidedly positive result if compared with both 2020 and 2019 prior to Covid. Looking at the pro-forma aggregate

for the half year, revenues amount to 735.1 million euro, up by 22.3% compared with first half of last year. The gross operating profit for the half year amounted to 126.0 million euro, with an overall improvement of 58.3% compared with the same period of 2020.

CAFFÈ BORBONE (60%)

In general, the half year for Caffè Borbone was characterized by a very positive performance on the part of the capsule business, that continues to trigger the overall performance of the company, recording a growth of almost 30% in the half year compared with the previous year. At channel level, Caffè Borbone continues its trend of increasing market share in the large-scale retail trade, closing the half year with a +57% compared with 2020 in a mono-portioned market which posted an overall +7% (source: Nielsen); the performance of the specialist store channel was also very positive.

Caffè Borbone closes the first half of 2021 with a turnover of 129.2 million euro, up by 24.1% compared with 2020. The gross operating profit for the first half comes to 46.2 million euro, up by almost 35% compared with 2020 and with a margin of 35.7% of sales, an improvement compared with the same period of 2020 (2.8 percentage points more).

Profit for the first half of the year was 24.7 million euro, 4.3% up on the previous year.

The net financial position at June 30, 2021 is negative for 12.3 million euro, already net of the distribution of dividends for 30 million euro in the second quarter. Cash generation before dividends in the first half was positive for 29.5 million euro.

OFFICINA PROFUMO-FARMACEUTICA DI SANTA MARIA NOVELLA (80%)

The revenue of the Santa Maria Novella Group in the first half of the year shows a recovery of 15.5% (+1.6 million euro) compared with last year.

The positive trend in the half year is mainly attributable to the performance of the wholesale channel, driven by the APAC market, and by e-commerce sales. On the other hand, there has been a contraction in direct retail sales compared with last year: the lack of a recovery on the part of the “La Scala” store in Florence, caused mainly by the contraction in international tourist flows, has been partially offset by the positive results of the stores in the US (+67% compared with the first half of 2020).

The gross operating profit was 3.8 million euro, up by 37.2% compared with last year. There is also a positive impact of 0.9 million euro due to post-closing adjustments.

At June 30, 2021 the net financial position was positive for 16.1 million euro, with an improvement of 6.0 million euro compared with the end of 2020, including the proceeds from the sale of San Carlo; without them, cash generation in the half year was positive for 4.2 million euro.

On May 19, 2021, Santa Maria Novella completed the sale of its entire shareholding in the subsidiary San Carlo S.p.A., which operates in the bottled water sector, for 1.8 million euro. This will not have a significant impact on Santa Maria Novella's revenue and gross operating margin.

On July 1, 2021, the company completed the acquisition of 100% of Farmacia Ltd (UK), which is the exclusive distributor of Santa Maria Novella products in the UK, for 1.9 million euro.

SIRAP (100%)

The beginning of 2021 saw a radical change in the corporate structure of the Sirap Group (which operates in the food packaging sector) with the sale of its activities in Italy, Poland and Spain to Faerch (in January) and of the Petruzalek Group and Sirap GmbH to Zeus Packaging (in April).

The new scope of the Sirap Group consists of Sirap France, Sirap UK and Sirap Gema in Italy, which carries out coordination activities after the sale of the Italian business.

In the first half of the year, the Sirap Group's revenue amounted to 34.5 million euro, down by 2.4% on the same period last year (based on pro-forma results for 2020 using the same scope of consolidation to make like-for-like comparisons). Neutralising the effect of the decline in intragroup revenue due to the new scope, revenue is constant compared with 2020. Gross operating profit in the first six months came to 0.2 million euro, including 1.1 million euro of costs related to the asset disposals; neutralising them, gross operating profit is positive for 1.3 million euro, up 0.4 million euro compared with 2020 pro-forma, despite the hefty increase in the cost of plastic raw materials that marked the first few months of 2021. The net financial position at June 30 is positive for 65.4 million euro, with an improvement of 130 million euro compared with December 31, 2020 because of the transactions mentioned previously.

On April 30, 2021 Sirap paid the European Commission the balance of the fine that was due to settle the Antitrust dispute.

ITALGEN (100%)

The Italgén group's business - production and distribution of electricity from renewable sources - posted hydroelectric output in the first half of the year of 157.8 GWh, a slight increase (+1%) on the same period of 2020, which was already the highest level achieved in the last 5 years.

Average unit revenue is 62.8 €/MWh, which is much higher than the figure for the first half of 2020 (+34%). Overall revenue for the half year amounted to 18.3 million euro, with an increase of 4.8 million euro (+35.2%) compared with last year, mainly due to the positive price effect. The gross operating profit comes to 8.7 million, an increase of 3.7 million (+75.5%) compared with the first half of 2020.

The profit for the first half is 4.9 million euro, substantially doubling the result recorded last year.

The net financial position of the Italgén Group at June 30, 2021 was negative for 23.9 million euro, already net of the distribution of dividends for 4.8 million euro in the second quarter. Furthermore, on June 29, 2021 the acquisition of 100% of Idroenergy Srl was finalised, which will allow Italgén to control 8 hydroelectric plants distributed between the provinces of Verbano Cusio-Ossola and Vercelli, with an expected annual production of approximately 19 GWh. The deal, which has a maximum enterprise value of 15.1 million euro if the objectives set by an earn-out mechanism are achieved in full, had a negative impact of 12.3 million euro. Neutralising both the dividends and the extraordinary transaction, positive cash generation in the half year was 3.4 million euro, despite an unfavourable trend in working capital.

On July 22, 2021 Italgén committed to buy two plants in the province of Bergamo, with an expected annual production of approximately 5 GWh and an enterprise value of 8 million euro. The company expects to finalise the deal by the end of the third quarter of 2021.

CASA DELLA SALUTE (92.5%)

Casa della Salute closed the first half year with revenue of 12.5 million euro, up by 90.2% compared with the same period of last year, which was impacted by the first lockdown. In terms of performance, medical imaging and dental services are up compared with 2020, but still slowed by the ongoing pandemic; outpatient services and surgery, on the other hand, are very positive.

The gross operating profit comes to 1.6 million euro, which quadrupled the result of last year, with a margin of 12.8%.

The bottom line for the first half of the year was negative for 30 million euro, improving on last year.

Investments during the period amounted to 8.5 million euro, a significant increase compared with the previous year. The majority of the investments are attributable to the opening of new clinics planned for 2021.

The net financial position at June 30, 2021 is negative for 24.8 million euro, with a cash generation in the half year negative for 8.3 million euro for the aforementioned investments for the opening of new clinics during the year.

CAPITELLI (80%)

Capitelli, an Italian excellence that specializes in the production of premium-quality cooked ham, posted revenue in the first half of 2021 of 8.4 million euro, up 16.4%.

The result for the half year is even more positive considering the continuing impact of the ongoing health emergency on Capitelli: the Ho.Re.Ca channel remains very slack, while the growth recorded in the large-scale retail trade (+25% vs. 2020) was achieved despite the restrictions still present on tastings at the point of sale, which is fundamental for the company's business model.

Gross operating profit in the half year was 2.0 million euro, up 0.2 million euro on last year; margins remain substantially unchanged - at very high levels for the sector.

Profit for the half year was positive for 2.1 million euro, substantially doubling the result recorded last year, mainly thanks to a one-off positive impact on taxes for 0.9 million euro linked to the decision to realign the tax and statutory value of goodwill.

The net financial position at June 30, 2021 is positive for 1.5 million euro, already net of the distribution of dividends for 2.0 million euro in the second quarter and payment of a substitute tax of 1.3 million euro that arose from the decision to "step up" the statutory value of goodwill to its value for tax purposes. Neutralising these two effects, cash generation in the half year was positive for 1.1 million euro.

CALLMEWINE (60%)

Callmewine closed the first half with revenues of 8.3 million euro, up by 52.7% compared with the same period of last year; the second quarter recorded a +12%, with the slowdown also attributable to lower social restrictions (and lower domestic consumption of wine as a result) compared with the same period of 2020, which benefited from a sharp acceleration at the time of the first lockdown.

The gross operating profit came in at 0.1 million euro; As mentioned in the previous quarterly report, this result was affected for 0.2 million euro by the theft at the company's warehouse in February 2021, which it expects to recover entirely during the course of 2021. Without considering the impact of the theft, gross operating profit came in at 0.3 million euro, in line with 2020; the growth in revenue and product margin was in fact offset by the increase in marketing costs and staff costs, both in preparation for the company structural growth in the future.

Profit for the first half of the year was 0.1 million euro, which is lower than last year. The net financial position at June 30, 2021 was positive for 3.2 million euro, with a negative cash flow of 1.4 million euro in the period attributable to the increase in working capital, partly linked to the seasonal nature of the business.

TECNICA GROUP (40%)

The Tecnica Group, one of the European leaders in the sports system sector, has ended the first half with a net turnover of 173.7 million euro, up 27% compared with last year and higher than the 2019 result (149.3 million euro).

Excluding the winter sports brands, which posted revenue in line with or slightly higher than last year, but lower than in 2019 (driven by the excellent results of the North American market, but penalised by cancellation of the 2020/21 winter season in Europe), all of the Group's other brands recorded a marked increase in revenue compared with 2020 and higher than pre-Covid 2019. In addition to confirming Lowa's growth (+24% on the previous year), the excellent results by Rollerblade, which consolidates the growth started in 2020, and by Moon Boot, which is beginning to capitalise on the brand's revitalisation process, are also confirmed.

The gross operating profit for the period was positive for 17.1 million euro, up by over 14 million euro compared with last year and well above the 2019 result (gross operating loss of -1.0 million euro),

The bottom line for the period - strongly influenced by the seasonal nature of the winter sports business - was a loss of 2.5 million euro, still negative but a distinct improvement on the previous year.

At June 30, 2021 the net financial position is negative for 161.6 million euro, with a positive cash generation during the half year of 10.8 million euro, despite the seasonal nature of the business. Compared with June 30, 2020, cash generation in the last twelve months has been positive for 51.8 million euro.

AUTOGAS NORD – AGN ENERGIA (30%)

In the first half of the year, the Autogas Group's turnover amounted to 259.5 million euro, up by 15.7% compared with the same period last year, also due to the increase in the cost of LPG used as a raw material, reflected in terms of revenues but without any impact on the company's profitability.

LPG revenue recorded an increase of 21% compared with the first half of 2020, benefiting both from the price effect and from Retail volumes up by 9.4% compared with 2020. The "new" businesses (electricity, natural gas and energy efficiency) closed the half year with revenues up by 15% compared with 2020, thanks to the increase in the average price of energy and the growth in volumes (+7% for electricity, +9% for natural gas).

Gross operating profit amounted to 34.4 million euro, up by 25.5% compared with the same period of last year and well above the result recorded in 2019 (28.8 million euro).

The profit for the half year comes to 16.9 million euro, an increase of 57.9% compared with last year.

At June 30, 2021 the net financial position was negative for 95 million euro, net of dividends of 4.3 million euro paid in the second quarter. Not considering the dividends, cash generation in the half year was positive for 34.0 million euro.

ISEO (39%)

The Iseo Group has closed the first half with revenue of 78.6 million euro, up by 36.7% on the same period of 2020, which was hit by the consequences of the first lockdown; comparison with the revenue of the same period of 2019 (+6%) is also positive, confirming that the Group has returned to pre-Covid levels.

In terms of products, the mechanical sector saw revenue up by 30% compared with the first half of 2020 and more or less flat compared with 2019; the electronic sector did very well, closing the half year with a +75% compared with 2020 (+53% on 2019) and a promising pipeline of projects.

Gross operating profit came to 12.0 million euro, substantially tripling the result for 2020 and recording growth of 55% even compared with the same period of 2019.

Profit for the period was positive for 7.1 million euro, a clear improvement compared with the previous year (-0.5 million euro).

At June 30, 2021 the net financial position was negative for 24.1 million euro, net of dividends of 3.5 million euro paid in the second quarter. During the half year, cash generation before dividends was negative for 0.9 million euro, more than explained by the increase in net working capital (+6.7 million euro compared with December 31, 2020) attributable to the growth in turnover and to the seasonal nature of the business.

CLESSIDRA GROUP (100%)

Clessidra decided to rationalise its structure by separating the "private equity" business from the "credit" business, dividing the asset managers according to the type of assets that they have under management and creating an "investment platform" in the form of a financial group ("Clessidra Group").

The Clessidra group now operates through the three companies Clessidra Private Equity SGR, Clessidra Capital Credit SGR and Clessidra Factoring, specialising respectively in private equity funds, in Unlikely-to-Pay ("UTP") loans and factoring.

The Group's brokerage margin was positive for 6.6 million euro (6.6 million euro at June 30, 2020) and is essentially represented by the management fees of the Clessidra funds and by the fees deriving from the factoring business

Administrative expenses for the year amount to 10.6 million euro (8.6 million at June 30, 2020) and are mainly due to personnel expense of 4.8 million euro and to consulting and operating expenses.

After the positive balance of other operating income and charges of 2.8 million euro (3.8 million euro in the first half of 2020) and income tax of 0.3 million euro, the half year ended with a negative result of 0.9 million euro.

OUTLOOK

The world economic cycle closed the first half of the year on a solid growth path: compared with +4% in the first quarter, real GDP in the second quarter can be estimated at around +12% year-on-year. While benefiting from the statistical comparison with 2020, the expansion recorded in the two quarters of 2021 and the current indicators are consistent with an expected final growth figure close to 6% in 2021 and 4.5% in 2022. The growth path of the global economy is expected to rise above the pre-Covid trend starting from the third quarter, driven by the increase in the growth of capital investment. The expansion of the manufacturing sector showed a moderate decline in June, but remains on the highest expansion trend of the last ten years, with 80% of countries participating in this growth, while the service sector's indicators in June stood at their highest level since 2007, beating the manufacturing indicators for the third month running.

The world cycle is being driven by the United States. For the first time in over twenty years it is not China that is bolstering the economy, with a final change in GDP for the current year likely to be above 6.5%. Average Eurozone growth is estimated at 4.8% in 2021, whereas in 2022 it should converge at 4.5%, levels also expected in the USA. The expected change in Italian GDP recorded an increase during the second quarter, with averages close to 5% in 2021, while it was slightly below the Eurozone average in 2022.

Inflationary dynamics are on the rise, particularly in the United States, stemming in part from contingent factors that constrain supply, the friction between labour supply and demand deriving from the reopening of economic activity and the increase in the price of raw materials. The increase in labour productivity and the persistence of structural deflationary factors (the impact of technology, demographics, debt) support the view that price increases should be transitory, a view that is also shared by the US central bank and by financial market valuations.

However, uncertainty about the risk of higher inflation remains along with the possibility of further expansion of US fiscal policy compared with other developed countries, which would close the output gap of the US economy faster than before. Financial instability deriving from the perception of a possible longer-lasting acceleration in prices and the effects of the Delta variant of the virus are the main sources of uncertainty affecting the scenario.

In a context that, despite the robust economic recovery currently under way, is still characterised by uncertainty, Italmobiliare further intensified its support for the portfolio companies so that they can fully seize the opportunities offered by the huge stimulus initiatives activated by the principal national and international institutions and by emerging economic, technological and consumer trends which the pandemic experience has accelerated considerably. Italmobiliare's strategy, which is increasingly characterised by the integration of ESG best practices in the development plans of its portfolio companies is very consistent with the focus on the European Union and, more in general, by the main world economies on the ecological and energy transition of business activities.

The implementation of measures aimed at guaranteeing operational excellence, financial flexibility and effective risk management continues at all Group companies, while at the same time innovative marketing solutions are being explored, the transition to a pervasive use of digital commercial channels is being optimised and work continues on attracting talents and strengthening management teams through qualified skills.

As part of the investments made through participation in alternative investment funds, a broad diversification was achieved thanks to a portfolio that provides strategic access to key geographical areas, particularly in Europe and the USA, which is proving to be the main

engine of global economic growth, and to various asset classes, from Private Equity to Venture & Growth Capital, with performances that have contributed significantly to the growth in NAV. Full support is being given to the process of reorganizing and diversifying Clessidra, a multi-asset and multi-business platform capable of intercepting the different needs of investors interested in the Italian market; at the same time it is capable of responding to the financial needs of a dynamic entrepreneurial fabric (even if greatly stressed after more than a year of pandemic) through dedicated Private Equity instruments (where Italmobiliare continues to be anchor investor also in the CCP4 fund, which reached the threshold of 270 million euro at the first closing and is still in the collection phase), Private Debt and Factoring.

BOND ISSUES

Italmobiliare does not have bonds or other debt securities outstanding. No debt securities have been issued during the period under review and no bonds or debt securities are expected to mature in the 18 months after June 30, 2021.

DIRECTOR CO-OPTED

Milan, January 27, 2021 - Today's board meeting of Italmobiliare, in accordance with the law and the Company's by-laws, co-opted Valentina Casella, who will remain in office until the next shareholders' meeting.

Valentina Casella, the first unelected candidate on the minority list presented by Compagnia Fiduciaria Nazionale at the shareholders' meeting of April 21, 2020, has taken over from Marinella Soldi, who was on the same list, following his resignation communicated on July 27, 2021.

The Board of Directors has ascertained that Valentina Casella meets the independence requirements laid down in the Consolidated Law on Finance and the Corporate Governance Code.

The Board of Directors, having assessed her competence in this area, also approved the appointment of Valentina Casella as a member of the Remuneration and Nominations Committee and of Vittorio Bertazzoni as the new Chairman of the Committee (taking over from Marinella Soldi, who has resigned).

Valentina Casella's curriculum vitae is available on the Company's website in the Governance/Board of Directors section.

PRESENTATION TO ANALYSTS

The presentation for the financial community, updated with the results at June 30, 2021, will be made available on the Company's website in the Investor/Presentations section (<https://www.italmobiliare.it/en/investor/presentations>) by the end of July 29.

The Financial Reporting Officer of Italmobiliare S.p.A., Mauro Torri, certifies - pursuant to art. 154-bis, paragraph 2 of the Consolidated Law on Finance (Legislative Decree 58/1998) - that the accounting information contained in this press release agrees with the supporting documentation, books of account and accounting entries.

Disclaimer

This press release may contain forward-looking statements. These statements are based on the Group's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: continued volatility and further deterioration of capital and financial markets, changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in laws and regulations and the institutional environment (in each case in Italy or abroad), and many other factors, most of which are beyond the Group's control.

ITALMOBILIARE ON THE INTERNET: www.italmobiliare.it

Italmobiliare

Media Relations Tel. (0039) 02.29024.212

Investor Relations Tel. (0039) 02.29024.212

The attached income statement and statement of financial position figures are currently being examined by the independent auditors.

Italmobiliare Group

Income statement (in thousands of euro)	H1 2021		H1 2020 IFRS 5		Change	
		%		%		%
Revenue	188,924		125,016		63,908	
Gains on disposal	3,637		9,933		(6,296)	
Other income	40,139		20,612		19,527	
Total revenue and income	232,700	100.0	155,561	100.0	77,139	49.6
Other revenue and income	3,314		2,739		575	
Changes in inventories	2,591		514		2,077	
Internally produced and capitalised assets	79		63		16	
Raw materials and supplies	(72,804)		(52,856)		(19,948)	
Services	(43,600)		(26,614)		(16,986)	
Personnel expenses	(32,955)		(24,060)		(8,895)	
Other operating income (expenses)	(9,186)		(39,777)		30,591	
Gross operating profit (EBITDA)	80,139	34.4	15,570	10.0	64,569	> 100
Amortization and depreciation	(11,002)		(7,630)		(3,372)	
Impairment losses on non-current assets					-	
Operating profit (EBIT)	69,137	29.7	7,940	5.1	61,197	> 100
Finance income	89		55		34	
Finance costs	(1,452)		(913)		(539)	
Net gain/(loss) on exchange-rate differences and derivatives	156		(47)		203	
Impairment of financial assets			(798)		798	
Share of profit/(loss) of equity-accounted associates	8,558		(4,743)		13,301	
Profit/(loss) before tax	76,488	32.9	1,494	1.0	74,994	> 100
Income tax	(24,951)		(2,657)		(22,294)	
Profit/(loss) from continuing operations	51,537	22.1	(1,163)	-0.7	52,700	> 100
Profit/(loss) from discontinued operations, net of tax	65,879		2,548		63,331	
Profit/(loss) for the period	117,416	50.5	1,385	0.9	116,031	> 100
Attributable to:						
Owners of the parent company	107,092	46.0	(8,148)	-5.2	115,240	> 100
Non-controlling interests	10,324	4.4	9,533	6.1	791	8.3
Earnings per share						
Basic ordinary shares	2.533 €		(0.193) €			
Diluted ordinary shares	n.a.		(0.193) €			

Italmobiliare Group

STATEMENT OF COMPREHENSIVE INCOME (in thousands of euro)	H1 2021	%	H1 2020 IFRS 5	%	Change	%
Profit/(loss) for the period	117,416	50.5	1,385	0.9	116,031	> 100
Other comprehensive income (expense) from continuing operations						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of net defined benefit liability	106				106	
Remeasurement of net defined benefit liability - share of other comprehensive income of associates						
Income tax						
Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI	17,031		(54,380)		71,411	
Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI - share of other comprehensive income of associates						
Income tax	(40)		89		(129)	
Total items that will never be reclassified to profit or loss	17,097		(54,291)		71,388	
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation reserve	(64)		(2)		(62)	
Foreign currency translation reserve - share of other comprehensive income of associates	452		(41)		493	
Fair value gain/(loss) arising on hedging instruments during the period	66		(123)		189	
Fair value gain/(loss) arising on hedging instruments during the period - share of other comprehensive income of associates	(603)		(170)		(433)	
Income tax			5		(5)	
Total items that may be reclassified subsequently to profit or loss	(149)		(331)		182	
Total other comprehensive income (expense) relating to continuing operations net of tax effect	(149)		(331)		182	
Other comprehensive income (expense) relating to assets classified as held for sale	4,233		(2,170)		6,403	
Total other comprehensive income for the period	21,181		(56,792)		77,973	
Total comprehensive income for the period	138,597	59.6	(55,407)	35.6	194,004	> 100
Attributable to:						
owners of the parent company	128,275		(64,934)		193,209	
non-controlling interests	10,322		9,527		795	

Italmobiliare Group

STATEMENT OF FINANCIAL POSITION (in thousands of euro)	30.06.2021	31.12.2020	Change
Non-current assets			
Property, plant & equipment	166,982	159,857	7,125
Investment property	5,430	7,632	(2,202)
Goodwill	238,802	250,723	(11,921)
Intangible assets	309,905	302,832	7,073
Investments in equity-accounted associates	194,272	183,749	10,523
Other equity investments	164,028	119,737	44,291
Trade receivables and other non-current assets	191,877	161,404	30,473
Deferred tax assets	16,832	18,177	(1,345)
Non-current receivables from employees		612	(612)
Total non-current assets	1,288,128	1,204,723	83,405
Current assets			
Inventories	39,982	48,057	(8,075)
Trade receivables	92,908	76,892	16,016
Other current assets including derivative financial instruments	28,713	19,461	9,252
Tax assets	8,638	17,125	(8,487)
Equity investments, bonds and current financial receivables	362,266	324,174	38,092
Cash and cash equivalents	88,295	123,066	(34,771)
Total current assets	620,802	608,775	12,027
Assets classified as held for sale	7	131,531	(131,524)
Total assets	1,908,937	1,945,029	(36,092)
Equity			
Share capital	100,167	100,167	
Share premium	55,607	55,607	
Reserves	19,481	(6,495)	25,976
Treasury shares	(5,166)	(6,620)	1,454
Retained earnings	1,243,716	1,187,705	56,011
Equity attributable to owners of the parent company	1,413,805	1,330,364	83,441
Non-controlling interests	150,840	193,766	(42,926)
Total equity	1,564,645	1,524,130	40,515
Non-current liabilities			
Financial liabilities	52,573	83,050	(30,477)
Employee benefits	11,041	12,007	(966)
Provisions	26,947	64,175	(37,228)
Non-current tax liabilities	9,977	13,733	(3,756)
Other non-current liabilities	6,258	597	5,661
Deferred tax liabilities	8,103	4,004	4,099
Total non-current liabilities	114,899	177,566	(62,667)
Current liabilities			
Loans and borrowings	26,602	10,937	15,665
Financial liabilities	37,211	46,907	(9,696)
Trade payables	57,206	51,497	5,709
Provisions	1,677	1,608	69
Tax liabilities	15,652	16,722	(1,070)
Other liabilities	90,955	55,560	35,395
Total current liabilities	229,303	183,231	46,072
Total liabilities	344,202	360,797	(16,595)
Liabilities directly associated with assets classified as held for sale	90	60,102	(60,012)
Total equity and liabilities	1,908,937	1,945,029	(36,092)

Pursuant to Consob Resolution no. 15519 of July 27, 2006, the effects of transactions with related parties on the financial position and results of operations are set out in the relevant annexes.

Italmobiliare Group

STATEMENT OF CASH FLOWS (in thousands of euro)	H1 2021	H1 2020
Net financial position at the beginning of the period	320,831	475,236
Cash flows from operating activities	2,272	1,809
Capital expenditure:		
<i>PPE, investment property and intangible assets</i>	<i>(24,125)</i>	<i>(13,972)</i>
<i>Non-current financial assets</i>	<i>(84,657)</i>	<i>(54,349)</i>
Cash flows from investing activities	(108,782)	(68,321)
Proceeds from disposal of non-current assets	176,483	48,547
Dividends paid	(39,884)	(75,999)
Translation and structure differences	(6,892)	987
Other	10,545	2,185
Net cash flows for the period	33,742	(90,792)
Cash flows relating to assets classified as held for sale	(95)	0
Net financial position at the end of the period	354,478	384,444

Italmobiliare Group

NET FINANCIAL POSITION (in thousands of euro)	June 30, 2021	December 31, 2020	Change
Current financial assets	460,636	456,505	4,131
Cash and bank balances	88,295	123,066	(34,771)
Cash and cash equivalents			
Derivative financial instruments	523	539	(16)
Other current financial assets	371,818	332,900	38,918
Current financial liabilities	(74,025)	(67,904)	(6,121)
Bank loans and overdrafts	(26,602)	(10,937)	(15,665)
Borrowings	(41,991)	(51,648)	9,657
Current lease payables	(4,526)	(4,765)	239
Derivative financial instruments	(906)	(554)	(352)
Non-current financial assets	20,464	35,179	(14,715)
Non-current financial assets	20,464	35,179	(14,715)
Derivative financial instruments			
Non-current financial liabilities	(52,602)	(83,171)	30,569
Non-current financial liabilities	(23,253)	(55,055)	31,802
Non-current lease payables	(29,320)	(27,995)	(1,325)
Derivative financial instruments	(29)	(121)	92
Net financial position relating to continuing operations	354,473	340,609	13,864
Assets classified as held for sale	7	2,529	(2,522)
Liabilities directly associated with assets classified as held for sale		(22,307)	22,307
Net financial position relating to discontinued operations	7	(19,778)	19,785
Total net financial position	354,480	320,831	33,649