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QUARTERLY CONSOLIDATED FINANCIAL REPORT AT SEPTEMBER 30, 2018  
TAMBURI INVESTMENT PARTNERS GROUP

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## Corporate Boards

### Board of Directors of Tamburi Investment Partners S.p.A.

Giovanni Tamburi	Chairman and Chief Executive Officer
Alessandra Gritti	Vice Chairman and Chief Executive Officer
Cesare d'Amico	Vice Chairman
Claudio Berretti	Executive Director & General Manager
Alberto Capponi (1)(2)	Independent Director *
Paolo d'Amico	Director
Giuseppe Ferrero (1)	Independent Director *
Manuela Mezzetti (1)(2)	Independent Director *
Daniela Palestra (2)	Independent Director *

### Board of Statutory Auditors

Myriam Amato	Chairperson
Fabio Pasquini	Statutory Auditor
Alessandra Tronconi	Statutory Auditor
Andrea Mariani	Alternate Auditor
Massimiliano Alberto Tonarini	Alternate Auditor

### Independent Audit Firm

PricewaterhouseCoopers S.p.A.

(1) Member of the appointments and remuneration committee

(2) Member of the control and risks and related parties committee

\* In accordance with the Self-Governance Code

## Quarterly Interim Directors' Report of the Tamburi Investment Partners Group at September 30, 2018

On the basis of the same accounting policies as 2017, TIP closes the first nine months of 2018 with a net profit of Euro 95.6 million, compared to Euro 56.3 million in the same period of 2017, with net equity of Euro 733.1 million, compared to Euro 647.5 million at December 31, 2017.

From January 1, 2018, the TIP Group was required to adopt IFRS 9 for the preparation of its financial statements.

This resulted in a change in the accounting policies and criteria used from those applied for the preparation of the financial statements at December 31, 2017, with the consequent reclassifications and adjustments of the amounts in the financial statements. The company, as permitted by IFRS 9 at the time of transition, adopted the option to not adjust the 2017 figures presented for comparative purposes.

For a correct and complete presentation of period results and to ensure their comparability with preceding periods, and as considered much more representative of and consistent with TIP's activities, the first nine months 2018 pro-forma income statement applying the same accounting standards for financial assets and liabilities in place at December 31, 2017 (IAS 39) is presented below.

The Directors' Report comments upon the pro-forma figures, while the Explanatory Notes provide disclosure upon the figures calculated as per IFRS 9.

	IFRS 9 30/09/2018	Reclassification to income statement of capital gain realised	Reclassification to income statement of adjustments to financial assets	Reversal of convertible fair value adjustments	PRO FORMA 30/09/2018	30/09/2017
<b>Consolidated income statement</b> (in Euro)						
<b>Total revenues</b>	<b>3,871,917</b>				<b>3,871,917</b>	<b>5,497,388</b>
Purchases, service and other costs	(2,296,186)				(2,296,186)	(1,556,990)
Personnel expenses	(18,034,331)				(18,034,331)	(12,002,530)
Amortisation, depreciation & write-downs	(43,987)				(43,987)	(53,755)
<b>Operating profit/(loss)</b>	<b>(16,502,587)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(16,502,587)</b>	<b>(8,115,887)</b>
Financial income	16,571,733	96,707,970		77,788	113,357,491	40,669,783
Financial charges	(5,588,073)				(5,588,073)	(4,805,695)
<b>Profit before adjustments to investments</b>	<b>(5,518,927)</b>	<b>96,707,970</b>	<b>0</b>	<b>77,788</b>	<b>91,266,831</b>	<b>27,748,201</b>
Share of profit/(loss) of associates measured under the equity method	11,721,416				11,721,416	28,083,424
Adjustments to financial assets	0		(7,312,229)		(7,312,229)	0
<b>Profit before taxes</b>	<b>6,202,489</b>	<b>96,707,970</b>	<b>(7,312,229)</b>	<b>77,788</b>	<b>95,676,018</b>	<b>55,831,625</b>
Current and deferred taxes	1,055,925	(1,170,190)		(5,620)	(119,885)	440,524
<b>Profit of the period</b>	<b><u>7,258,414</u></b>	<b><u>95,537,780</u></b>	<b><u>(7,312,229)</u></b>	<b><u>72,168</u></b>	<b><u>95,556,133</u></b>	<b><u>56,272,149</u></b>
<b>Profit/(loss) of the period attributable to the shareholders of the parent</b>	<b>4,741,710</b>				<b>70,757,227</b>	<b>55,930,590</b>
<b>Profit/(loss) of the period attributable to the minority interest</b>	<b>2,516,704</b>				<b>24,798,906</b>	<b>341,559</b>

The capital gain generated by the Roche Bobois deal and the capital gains on other divestments have substantially contributed to achieving this result.

Roche Bobois S.A., previously Furn Invest S.a.s., held 38.34% through the subsidiary TXR, within the listing process, has in fact made available the IFRS accounting data necessary to apply the equity method of accounting. This has removed the objective limitation upon the exercise of significant influence which required fair value measurement of the investment. This transfer from fair value measurement to the equity method resulted in the booking of the fair value increases cumulated until the date of transfer similarly to that for the divestment of the holding. Therefore, having ascertained significant influence, the cumulative fair value increase of approximately Euro 46 million, recognised to the OCI reserve, has been booked to the pro-forma income statement according to IAS 39, and to equity as per IFRS 9; the investment previously classified to “Investments valued at FVOIC” was reversed and was recognised to “associated companies measured under the equity method”.

The present book value is Euro 20 per share, corresponding to the initial listing price. The share subsequently rose slightly.

As noted, Roche Bobois was listed on the stock market in July and its shares currently trade at approximately three times the average purchase price by TXR. During the IPO, TXR sold 3.5% of its Roche Bobois holding (which currently has a free float of 11.5%), while remaining a major shareholder with approximately 35%.

The other main divestments concerned approximately one-third of the shares held at December 31, 2017 in Moncler and FCA. The TIP Group portfolio therefore maintains a highly significant amount of its original investments, reflecting the continued confidence in the significant potential of these companies.

In the first nine months of 2018, in addition to the purchase of treasury shares, investing activity continued, in particular on Prysmian, both with regards to the capital increase subscribed pro-quota by Clubtre and TIP and also aside from it, but also on Hugo Boss and on certain acquisitions of StarTIP.

An additional investment was finalised in July in Alpitour for an amount of approximately Euro 82 million, through Asset Italia 1, with the transaction generating a direct disbursement by TIP of approximately Euro 36.3 million, undertaken jointly with other investors for a total amount of approximately Euro 220 million. Following this investment, TIP holds approximately 35.81% of the shares related to Asset Italia 1.

The transaction concerned the purchase of 36.76% (40.5% on a fully diluted basis) of Alpitour S.p.A. by Alpiholding S.r.l. Alpiholding is held 49.9% by Asset Italia 1, which already held approximately 33% of Alpitour S.p.A.

In July, Alpitour also completed the acquisition of Eden Viaggi, boosting its growth and consolidating further its holding in the tourism sector in Italy.

The first nine months of the year were also profitable in terms of financial income outside of the transactions commented upon - principally in the form of dividends and interest - of approximately Euro 16.6 million; the share of profits from associated companies, in addition, amounts to approximately Euro 11.7 million, with advisory activities reporting revenues of approximately Euro 3.9 million.

The result also reflects an adjustment of approximately Euro 7.3 million to the book value of a non-listed investment in view of persistent uncertainties upon future results.

Operating costs increased mainly due to the non-recurring costs sustained by the subsidiary TXR in relation to the Roche Bobois listing and the related disposal of shares on IPO. The executive director's fees, as usual, are linked to the company's performance and were calculated on pro-forma figures according to the accounting standards adopted until the end of 2017.

Consolidated net equity increased by over Euro 85 million, mainly due to the value increase of the investee companies measured at fair value, after a buy-back of treasury shares of Euro 12.3 million and a dividend distribution of nearly Euro 16.8 million, of which Euro 11 million distributed by TIP and Euro 5.8 million distributed by TXR to minority shareholders. In June, 4,380,183 warrants were exercised, resulting in the issue of the same number of new TIP shares and a capital increase, including share premium, of approximately Euro 20 million.

The consolidated net debt of the TIP Group - taking into account the TIP 2014-2020 bond loan - was approximately Euro 92 million, improving approximately Euro 24 million on approximately Euro 116 million at December 31, 2017.

The main investees, Amplifon, FCA, Ferrari, Interpump and Moncler announced their nine months results confirming the 2018 good expectations; Alpitour, Alkemy, Azimut Benetti, BE, Beta Utensili, Chiorino, Eataly, Furla, iGuzzini and Roche Bobois are also achieving improved results.

Amplifon reported for the first nine months of 2018 consolidated revenues of Euro 962.8 million, up 7.3% on the same period of 2017 (+10.4% at like-for-like exchange rates). EBITDA in the period was Euro 150.6 million, up 9.6%. The network was expanded with 240 new DOS between stores and shop-in-shops. The Group in July announced the signing of a definitive and binding agreement for the acquisition of the GAES Group, the leading Spanish group in the sector, with a significant presence also in Portugal and in South America, for a countervalue of approximately Euro 530 million. Antitrust authorisation was recently obtained and closing is expected in the middle of December. The transaction perfectly fits with the Group's growth strategy.

FCA continued to report record results in the third quarter 2018, with net revenues for the first nine months of Euro 84.8 billion and an adjusted EBIT of approximately Euro 5.3 billion, up 2%. The announced sale of Magneti Marelli will provide further significant income in the coming months.

Ferrari again announced record results, with shipments and revenues respectively up 7% and 4% at like-for-like exchange rates compared to the first nine months of 2017. The adjusted EBIT, amounting to Euro 630 million, improved 8%.

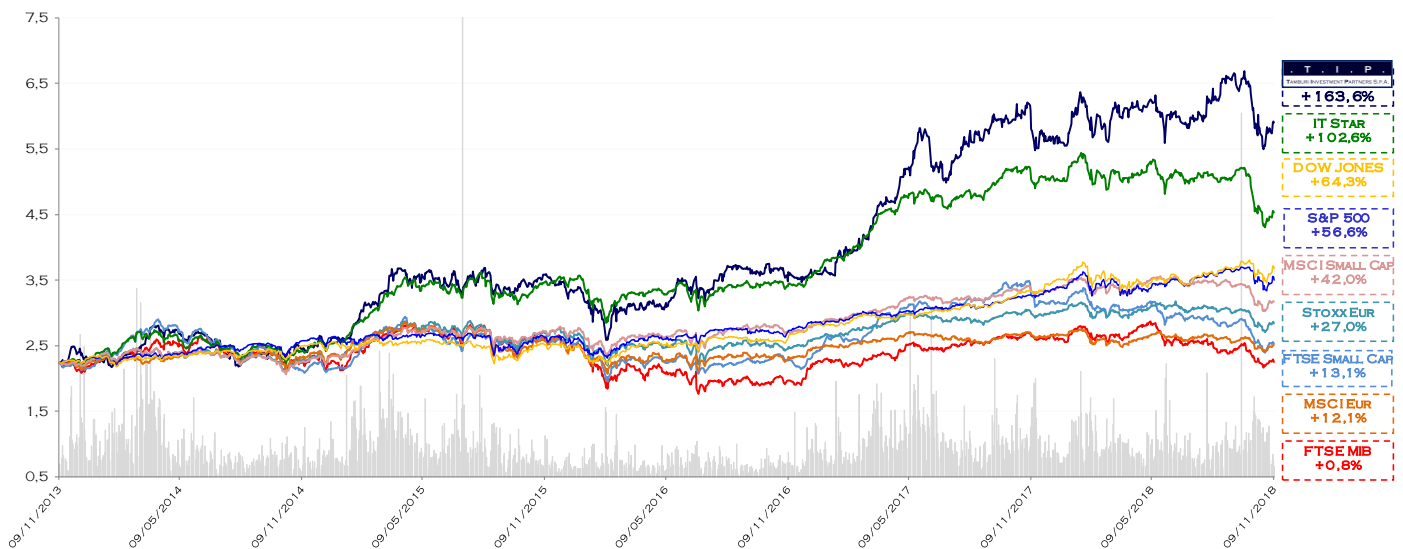
Interpump reported for the first nine months of 2018 revenues of Euro 953.6 million, growing 16.5%. EBITDA was Euro 219.8 million, increasing 14.5% on the same period of the previous year.

The Moncler Group reported consolidated revenues for the first nine months of 2018 of Euro 873 million, growing 18% on the same period of 2017 (+23% at like-for-like exchange rates). This growth was principally concentrated in the retail channel.

Prysmian has not yet announced its results for the first nine months of 2018.

Hugo Boss continued to grow, returning revenues of Euro 2,013 million for the first nine months, up 4% at like-for-like exchange rates with the same period of 2017, and EBITDA before special items of Euro 331 million, impacted by a contracting margin in the last quarter, which is however expected to be recovered by the end of the year.

The TIP share and warrant prices, after advancing until the beginning of October 2018, then suffered from the general decline of the markets, although the TIP share remains one of the few Italian listings to remain in positive territory since the beginning of the year.



TIP workings on data collected on November 9, 2018 at 18.18 source Bloomberg

The usual five-year TIP share chart (at November 9, 2018) highlights the good performance of the TIP share, up 163.6%; the total return for TIP shareholders over the five years was 183.0% (annual average of 36.6%).

## RELATED PARTY TRANSACTIONS

Related party transactions are reported in detail at note 22.

**SUBSEQUENT EVENTS TO SEPTEMBER 30, 2018**

As known the recent trend of the international financial markets showed a general decrease of the prices of listed companies and this trend, if persisting, could partially erode the growth of the net equity of TIP.

Also after September 30, 2018 the acquisition of treasury shares, Hugo Boss and Prysmian continued and the investment in Clubtre, the vehicle that owns Prysmian shares, was further increased.

On October 15, 2018 TIPO and Fimag signed with Fagerhult AB, Swedish leader in the lighting sector, a letter of intent to acquire 100% of the shares of iGuzzini Illuminazione S.p.A.

Based on this LOI, Fagerhult has exclusivity to conduct a customary due diligence with the purpose – in case of positive outcome – of the signing of the final agreement before the end of 2018. The finalizing of the transaction is subject to the approval of the respective competent bodies and any anti-competition approvals. Upon finalizing the transaction, the sellers will receive a significant portion of the consideration in Fagerhult shares.

**OUTLOOK**

TIP, also in such phase of international markets difficulties, continued its activity of research of investments aimed to consolidate its growth and affirmation of its role – through employing a peculiar business model in Italy – as an entrepreneurial partner and financial backer for outstanding companies willing to grow and/or resolve governance issues, always with a view to accelerate the business development.

Given the nature of TIP's activity it is not easy to predict the trend of the results for the last quarter of the year as it will depend – partially – on market performances.

**TREASURY SHARES**

At September 30, 2018, treasury shares in portfolio totalled 4,764,416, equal to 2.897% of the share capital. At the present date, treasury shares in portfolio total 5,245,009, equal to 3.190% of the share capital.

For the Board of Directors  
The Chairman  
Giovanni Tamburi

Milan, November 13, 2018



## Consolidated Income Statement Tamburi Investment Partners Group (1)

(in Euro)	Nine months period ended September 30, 2018	Nine months period ended September 30, 2017	Note
Revenues from sales and services	3,840,674	5,430,759	4
Other revenues	31,243	66,629	
<b>Total revenues</b>	<b>3,871,917</b>	<b>5,497,388</b>	
Purchases, services and other costs	(2,296,186)	(1,556,990)	5
Personnel expenses	(18,034,331)	(12,002,530)	6
Amortisation, depreciation & write-downs	(43,987)	(53,755)	
<b>Operating profit / (loss)</b>	<b>(16,502,587)</b>	<b>(8,115,887)</b>	
Financial income	16,571,733	40,669,783	7
Financial charges	(5,588,073)	(4,805,695)	7
<b>Profit / (loss) before adjustments to investments</b>	<b>(5,518,927)</b>	<b>27,748,201</b>	
Share of profit / (loss) of associated companies measured under the equity method	11,721,416	28,083,424	8
<b>Profit before taxes</b>	<b>6,202,489</b>	<b>55,831,625</b>	
Current and deferred taxes	1,055,925	440,524	
<b>Profit of the period</b>	<b>7,258,414</b>	<b>56,272,149</b>	
<b>Profit / (loss) attributable to the shareholders of the parent</b>	<b>4,741,710</b>	<b>55,930,590</b>	
<b>Profit / (loss) attributable to minority interests</b>	<b>2,516,704</b>	<b>341,559</b>	
<b>Basic earnings / (losses) per share</b>	<b>0.03</b>	<b>0.37</b>	18
<b>Diluted earnings / (losses) per share</b>	<b>0.03</b>	<b>0.37</b>	18
Number of shares in circulation	159,677,251	158,205,473	

(1) The nine months 2018 income statement has been prepared in accordance with IFRS 9 and therefore does not include capital gains in the period on the sale of equity investments of Euro 96.7 million. The Directors' Report (page 4) presents the pro-forma income statement at like-for-like accounting standards related to financial assets and liabilities (IAS 39) adopted at December 31, 2017, reporting a net profit of Euro 95.6 million.

**Consolidated comprehensive income statement****Tamburi Investment Partners Group**

(in Euro)	Nine months period ended September 30, 2018	Nine months period ended September 30, 2017	Note
<b>Profit</b>	<b>7,258,414</b>	<b>56,272,149</b>	
<b>Other comprehensive income items</b>			
<b>Income through P&amp;L</b>			<b>17</b>
<b>Increase/(decrease) in non-current AFS financial assets</b>	<b>0</b>	<b>100,675,502</b>	
Unrealised profit / (loss)	0	100,039,366	
Tax effect	0	636,136	
<b>Increase/(decrease) in associated companies measured under the equity method</b>	<b>336,087</b>	<b>(6,932,518)</b>	
Unrealised profit / (loss)	334,374	(6,361,088)	
Tax effect	1,713	(571,430)	
<b>Increases/decreases in the value of current financial assets measured at FVOCI</b>	<b>(73,551)</b>	<b>408,150</b>	
Unrealised profit / (loss)	187,847	537,040	
Tax effect	(261,398)	(128,890)	
<b>Income not through P&amp;L</b>			<b>17</b>
<b>Increase/decrease investments measured at FVOCI</b>	<b>105,076,011</b>	<b>0</b>	
Profit/(loss)	106,022,536	0	
Tax effect	(946,525)	0	
<b>Increase/(decrease) in associated companies measured under the equity method</b>	<b>(16,443,944)</b>	<b>0</b>	
Profit / (loss)	(16,643,668)	0	
Tax effect	199,724	0	
<b>Other components</b>	<b>(24,200)</b>	<b>9,220</b>	
<b>Total other comprehensive income items</b>	<b>88,870,403</b>	<b>94,160,354</b>	
<b>Total comprehensive income</b>	<b>96,128,817</b>	<b>150,432,503</b>	
<b>Comprehensive income attributable to the shareholders of the parent</b>	<b>76,143,667</b>	<b>150,090,944</b>	
<b>Comprehensive income attributable to minority interests</b>	<b>19,985,150</b>	<b>341,559</b>	

## Consolidated statement of financial position Tamburi Investment Partners Group

(in Euro)	September 30, 2018	December 31, 2017 (1)	Note
<b>Non-current assets</b>			
Property, plant and equipment	98,986	124,017	
Goodwill	9,806,574	9,806,574	
Other intangible assets	125	2,307	
AFS financial assets	0	443,478,469	
Investments measured at FVOCI	410,322,637	0	9
Associated companies measured under the equity method	392,328,632	297,133,792	10
Financial receivables	0	25,981,883	
Financial receivables measured at amortised cost	6,761,612	0	11
Financial assets measured at FVTPL	21,223,016	0	12
Tax receivables	426,417	398,082	
Deferred tax assets	0	0	
<b>Total non-current assets</b>	<b>840,967,999</b>	<b>776,925,124</b>	
<b>Current assets</b>			
Trade receivables	1,478,531	713,657	
Current financial receivables	0	10,828,027	
Current financial receivables measured at amort. cost	11,119,463	0	13
Current financial assets	0	630,687	
Derivative instruments	9,000	0	
AFS financial assets	0	37,764,710	
Current financial assets measured at FVOCI	81,930,727	0	14
Cash and cash equivalents	1,175,925	3,283,840	15
Tax receivables	787,018	339,956	
Other current assets	254,247	264,919	
<b>Total current assets</b>	<b>96,754,911</b>	<b>53,825,796</b>	
<b>Total assets</b>	<b>937,722,910</b>	<b>830,750,920</b>	
<b>Equity</b>			
Share capital	85,509,667	83,231,972	16
Reserves	377,325,756	374,654,100	17
Retained earnings	231,264,083	98,456,635	17
Result of the parent	4,741,710	71,765,289	18
<b>Total equity attributable to the shareholders of the parent</b>	<b>698,841,216</b>	<b>628,107,996</b>	
<b>Equity attributable to minority interests</b>	<b>33,537,748</b>	<b>19,383,598</b>	
<b>Total Equity</b>	<b>732,378,964</b>	<b>647,491,594</b>	
<b>Non-current liabilities</b>			
Post-employment benefits	334,462	307,384	
Financial payables	129,399,416	129,129,224	19
Deferred tax liabilities	532,127	251,142	
<b>Total non-current liabilities</b>	<b>130,266,005</b>	<b>129,687,750</b>	
<b>Current liabilities</b>			
Trade payables	755,259	410,991	
Current financial liabilities	56,996,157	39,012,505	20
Tax payables	277,148	331,362	
Other liabilities	17,049,377	13,816,718	21
<b>Total current liabilities</b>	<b>75,077,941</b>	<b>53,571,576</b>	
<b>Total liabilities</b>	<b>205,343,946</b>	<b>183,259,326</b>	
<b>Total equity and liabilities</b>	<b>937,722,910</b>	<b>830,750,920</b>	

(1) The reclassifications made to the statement of financial position at December 31, 2017 following the adoption of IFRS 9 are presented in note 2.

## Statement of changes in Consolidated Equity

in Euro

	Share Capital	Share premium reserve	Legal reserve	Revaluation reserve AFS Financial assets	FVOCI reserve without reversal to profit and loss	FVOCI reserve with reversal to profit and loss	Treasury shares reserve	Other reserves	IFRS reserve business combination	Merger surplus	Retained earnings	Result for the period shareholders of parent	Equity shareholders of parent	Net Equity minorities	Result for period minorities	Equity
<b>At January 1, 2017 consolidated</b>	76,855,733	113,544,232	15,370,743	96,178,426			(4,853,854)	10,153,111	(483,655)	5,060,152	56,977,958	51,486,389	420,289,235	(17,359,512)	34,146,981	437,076,704
Change in fair value of financial assets available-for-sale				100,675,502									100,675,502			100,675,502
Rigiro di riserva di FV a seguito di realizzo				(5,378,757)				(1,553,761)					(6,932,518)			(6,932,518)
Change in fair value of associated companies measure under equity method				408,150									408,150			408,150
Change in fair value of current financial assets								9,220					9,220			9,220
<b>Total other comprehensive income items</b>	0	0	0	95,704,895	0	0	0	(1,544,541)	0	0	0	0	94,160,354	0	0	94,160,354
Profit/(loss) at September 30, 2017												55,930,590	55,930,590		341,559	56,272,149
<b>Total comprehensive income</b>	0	0	0	95,704,895	0	0	0	(1,544,541)	0	0	0	55,930,590	150,090,944	0	341,559	150,432,503
Allocation profit 2016			404								41,385,076	(41,385,480)		34,146,981	(34,146,981)	0
Other changes of associated companies measure under equity method								(7,679,562)					(7,679,562)			(7,679,562)
Dividends distribution												(10,100,909)	(10,100,909)	(343,000)		(10,443,909)
Warrant exercise	6,376,239	44,511,049														50,887,288
Acquisition of treasury shares							(3,016,297)									(3,016,297)
Sale of treasury shares		23,659					729,116	(340,725)								412,050
<b>At June 30, 2017 consolidated</b>	83,231,972	158,078,940	15,371,147	191,883,321			(7,141,035)	588,283	(483,655)	5,060,152	98,363,034	55,930,590	600,882,749	16,444,469	341,559	617,668,777

	Share Capital	Share premium reserve	Legal reserve	Revaluation reserve AFS Financial assets	FVOCI reserve without reversal to profit and loss	OCI reserve with reversal to profit and loss	Treasury shares reserve	Other reserves	IFRS reserve business combination	Merger surplus	Retained earnings	Result for the period shareholders of parent	Equity shareholders of parent	Net Equity minorities	Result for period minorities	Equity
<b>At January 1, 2018 consolidated</b>	83,231,972	158,078,940	15,371,147	208,829,278			(11,991,347)	(210,415)	(483,655)	5,060,152	98,456,635	71,765,289	628,107,996	19,061,939	321,659	647,491,594
Adjustments for IFRS 9 adoption				(208,829,278)	208,308,181	521,097					17,800		17,800			17,800
<b>Equity adjusted after IFRS 9 adoption</b>	83,231,972	158,078,940	15,371,147	0	208,308,181	521,097	(11,991,347)	(210,415)	(483,655)	5,060,152	98,474,435	71,765,289	628,125,796	19,061,939	321,659	647,509,394
Change in fair value of investments measured at FVOCI					87,607,565								87,607,565	17,468,446		105,076,011
Change in associated companies measured under the equity method					(16,443,944)	336,087							(16,107,857)			(16,107,857)
Change in fair value of current financial assets measured at FVOCI						(73,551)							(73,551)			(73,551)
Employee benefits								(24,200)					(24,200)			(24,200)
<b>Total other comprehensive income items</b>	0	0	0	0	71,163,621	262,536	0	(24,200)	0	0	0	0	71,401,957	17,468,446	0	88,870,403
Profit/(loss) at September 30, 2018												4,741,710	4,741,710		2,516,704	7,258,414
<b>Total comprehensive income</b>	0	0	0	0	71,163,621	262,536	0	(24,200)	0	0	0	4,741,710	76,143,667	17,468,446	2,516,704	96,128,817
Reversal of Fv reserve due to capital gain realised					(73,255,578)						73,255,578					0
Change in reserves of associated companies measure under equity method								(2,153,285)					(2,153,285)			(2,153,285)
Dividends distribution											(10,955,972)		(10,955,972)	(5,831,000)		(16,786,972)
Warrant exercise	2,277,695	17,652,137														19,929,832
Allocation profit 2017			1,275,247								70,490,042	(71,765,289)	0	321,659	(321,659)	0
Acquisition of treasury shares							(12,277,712)						(12,277,712)			(12,277,712)
Sale of treasury shares		(14,574)					67,801	(24,337)								28,890
<b>At September 30, 2018 consolidated</b>	85,509,667	175,716,503	16,646,394	0	206,216,224	783,633	(24,201,258)	(2,412,237)	(483,655)	5,060,152	231,264,083	4,741,710	698,841,216	31,021,044	2,516,704	732,378,964

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**NOTES TO THE QUARTERLY CONSOLIDATED FINANCIAL REPORT AT SEPTEMBER 30, 2018****(1) Group activities**

The TIP Group is an independent investment/merchant bank mainly focused on Italian medium-sized companies, with a particular involvement in:

1. investments: as an active shareholder in companies (listed and non-listed) capable of achieving “excellence” in their relative fields of expertise and, with regards to the StarTIP project, in start-ups and innovative companies;
2. advisory: in corporate finance operations, in particular acquisitions and sales through the division Tamburi & Associati (T&A).

**(2) Accounting standards**

The parent company TIP was incorporated in Italy as a limited liability company and with registered office in Italy.

The company was listed in November 2005 and on December 20, 2010 Borsa Italiana S.p.A. assigned the STAR classification to TIP ordinary shares.

This quarterly consolidated financial report at September 30, 2018 was approved by the Board of Directors on November 13, 2018.

The report was prepared on a going concern basis.

The quarterly consolidated financial report comprises the income statement, the comprehensive income statement, the statement of financial position, the statement of changes in shareholders' equity and the explanatory notes, together with the Directors' Report. The financial statements were prepared in units of Euro, without decimal amounts.

The quarterly consolidated financial report at September 30, 2018, pursuant to Article 82 of the Issuers' Regulation was prepared in condensed format, as permitted, and therefore do not contain all the disclosures required for annual financial statements.

The accounting policies and methods utilised for the preparation of this quarterly consolidated financial report at September 30, 2018 have changed from those utilised for the preparation of the consolidated financial statements for the year ended December 31, 2017, mainly due to application from January 1, 2018 of IFRS 9, as outlined in detail in the paragraph “new accounting standards”.

The consolidated income statement and comprehensive income statement for the period to September 30, 2017 and the consolidated balance sheet at December 31, 2017 were utilised for comparative purposes. The individual statement of financial position notes presented for comparative purposes the reclassified figures at January 1, 2018, as presented below, following the adoption of IFRS 9.

The quarterly consolidated financial report at September 30, 2018 was not audited.

## **New accounting standards**

### **New accounting standards, amendments and interpretations applicable for periods beginning January 1, 2018**

- IFRS 15 (*Revenue from Contracts with Customers*): the standard replaces IAS 18, IAS 11, IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31. Revenues are recognised when the customer acquires control of assets and services and, consequently, when having the capacity to direct usage and obtain benefits. When a company agrees to provide goods or services at a price which varies according to the occurrence of other future events, an estimate of the variable part is included in the price only where such is considered highly probable. In the case of transactions concerning the simultaneous sale of a number of assets and/or services, the sales price should be allocated on the basis of the price which the company would apply to customers where such assets and services included in the contract were sold individually. The company on occasion incurs costs, such as sales commissions, to obtain or ensure execution of a contract. These costs, where certain conditions are met, are capitalised and recognised to the income statement over the duration of the contract. The standard specifies, in addition, that the sales prices should be adjusted where containing a significant financial component.
- IFRS 9, commented upon in detail below.
- Others: amendments to IFRS 4, amendments to IFRS 2, annual amendments to IFRS 2014-2016 (the amendments concern: IFRS 12, IFRS 1, IAS 28), amendments to IAS 40 and amendments to the IFRIC 22 interpretation.

The application of the amendments to the existing accounting standards reported above do not have a significant impact on the Group consolidated financial statements, with the exception of those concerning IFRS 9 as illustrated below.

### **Adoption of the new accounting standard IFRS 9**

As illustrated previously, the TIP Group was required to adopt IFRS 9 for the preparation of the financial statements for periods which commence from January 1, 2018 and thereafter. This resulted in a change in the accounting policies and criteria used from those applied for the preparation of the financial statements at December 31, 2017, with the consequent reclassifications and adjustments of the amounts in the financial statements.

In accordance with the transitory provisions of IFRS 9, the company has adopted the option not to adjust the 2017 figures presented for comparative purposes and therefore the adjustments in values calculated on the opening amounts at January 1, 2018 only impact upon the net equity.

The effects from the transition to IFRS 9 on the statement of financial position and net equity both in terms of value and classification are illustrated below.

## Consolidated statement of financial position Tamburi Investment Partners Group

(in Euro)	December 31, 2017	January 1, 2018 IFRS 9	Changes	Note
<b>Non-current assets</b>				
Property, plant and equipment	124,017	124,017	0	
Goodwill	9,806,574	9,806,574	0	
Other intangible assets	2,307	2,307	0	
AFS financial assets	443,478,469	0	(443,478,469)	2.1
Investments measured at FVOCI	0	443,478,469	443,478,469	2.1
Associated companies measured under the equity method	297,133,792	297,133,792	0	2.2
Financial receivables	25,981,883	0	(25,981,883)	2.3
Financial receivables measured at amortised cost	0	6,460,702	6,460,702	2.3
Financial assets measured at FVTPL	0	20,117,473	20,117,473	2.3
Derivative instruments	0	0	0	
Tax receivables	398,082	398,082	0	
Deferred tax assets	0	0	0	
<b>Total non-current assets</b>	<b>776,925,124</b>	<b>777,521,415</b>	<b>596,292</b>	
<b>Current assets</b>				
Trade receivables	713,657	713,657	0	2.4
Current financial receivables	10,828,027	0	(10,828,027)	2.3
Current financial receivables measured at amortised cost	0	10,714,602	10,714,602	2.3
Current financial assets	630,687	0	(630,687)	2.3
Derivative instruments	0	171,240	171,240	2.3
AFS financial assets	37,764,710	0	(37,764,710)	2.5
Current financial assets measured at FVOCI	0	37,764,710	37,764,710	2.5
Cash and cash equivalents	3,283,840	3,283,840	0	
Tax receivables	339,956	339,956	0	
Other current assets	264,919	264,919	0	
<b>Total current assets</b>	<b>53,825,796</b>	<b>53,252,924</b>	<b>(572,872)</b>	
<b>Total assets</b>	<b>830,750,920</b>	<b>830,774,340</b>	<b>23,420</b>	

(in Euro)	December 31, 2017	January 1, 2018 IFRS 9	Changes	Note
<b>Equity</b>				
Share capital	83,231,972	83,231,972	0	
Reserves	374,654,100	374,654,100	0	2.6
Retained earnings	98,456,635	98,474,435	17,800	2.6
Result of the parent	71,765,289	71,765,289	0	
<b>Total equity attributable to the shareholders of the parent</b>	<b>628,107,996</b>	<b>628,125,796</b>	17,800	
<b>Equity attributable to minority interests</b>	<b>19,383,598</b>	<b>19,383,598</b>	0	
<b>Total Equity</b>	<b>647,491,594</b>	<b>647,509,394</b>	<b>17,800</b>	
<b>Non-current liabilities</b>				
Post-employment benefits	307,384	307,384	0	
Financial payables	129,129,224	129,129,224	0	2.7
Deferred tax liabilities	251,142	251,142	0	
<b>Total non-current liabilities</b>	<b>129,687,750</b>	<b>129,687,750</b>	<b>0</b>	
<b>Current liabilities</b>				
Trade payables	410,991	410,991	0	
Current financial liabilities	39,012,505	39,012,505	0	2.7

(in Euro)	December 31, 2017	January 1, 2018 IFRS 9	Changes	Note
Tax payables	331,362	336,982	5,620	
Other liabilities	13,816,718	13,816,718	0	
<b>Total current liabilities</b>	<b>53,571,576</b>	<b>53,577,196</b>	<b>5,620</b>	
<b>Total liabilities</b>	<b>183,259,326</b>	<b>183,264,946</b>	<b>5,620</b>	
<b>Total equity and liabilities</b>	<b>830,750,920</b>	<b>830,774,340</b>	<b>23,420</b>	

The total impact on the equity of the TIP Group at January 1, 2018 is summarised in the table below.

Euro		
<b>Equity at December 31, 2017 IAS 39</b>	<b>647,491,594</b>	<b>Note</b>
Adjustments to financial assets measured at FVTPL	23,420	2.3
Tax effect of the adjustments	(5,620)	
<b>Equity at January 1, 2018 IFRS 9</b>	<b>647,509,394</b>	

### 2.1. Reclassification from AFS financial assets to investments measured at FVOCI

For the investments in equity, comprising generally investments with shareholdings below 20% which are not held for trading, classified at December 31, 2017 as AFS financial assets, the company adopted the option within IFRS 9 of accounting for the changes in the fair value through Other Comprehensive Income (FVOCI), therefore with counter-entry in an equity reserve (alternative of accounting for changes in fair value through profit or loss). The FVOCI accounting of the investments in equity does not permit the recognition through profit or loss of the gains/losses realised on sale and the relative reversal from the FVOCI reserve in equity. Any impairments will also not be recorded through profit or loss. Adopting the FVOCI option only the dividends received from the investments will be recognised through profit or loss.

Following this reclassification, the value of the investments at December 31, 2017 did not change as according to IAS 39 the AFS financial assets were already measured at fair value. However, a reclassification was necessary from the equity reserve relating to the accumulated fair value changes, equal to Euro 119,049,027 net of the relative tax effect, from “financial assets held for sale revaluation reserve” to the FVOCI reserve (note 2.6).

The most significant effect of the adoption of IFRS 9 relating to this category of financial assets is, as already described, on the income statement following the non-recognition through profit or loss of the gains/losses realised on sale.

The adoption of IFRS 9 from January 1, 2018 resulted in the non-inclusion in financial income in the nine months 2018 income statement of Euro 96,707,970 relating to the non-reversal of the gains/losses in the accumulated reserve until their realisation. The fair value changes matured in the period were recorded under “Increases/decreases in investments measured at FVOCI” of other comprehensive income without reversal through profit or loss, with counter-entry to the FVOCI reserves; at the time of sale, the cumulative gain was reversed from the FVOCI reserve directly to other equity reserves.

In addition, the IFRS 9 income statement does not include an adjustment to the value of investments of Euro 7,312,229 which, as an impairment, would have been recognised to the income statement as per IAS 39. This adjustment was however classified to other fair value changes recognised to the FVOCI reserve.



## **2.2. Associated companies measured under the equity method**

The adoption of IFRS 9 did not result in direct effects on the accounting of the investments in associated companies measured under the equity method as per IAS 28. However, the application of IFRS 9 had effects on the preparation of the financial statements of associated companies utilised for the preparation of the quarterly consolidated financial report at September 30, 2018. In particular investee companies of the associated companies are reclassified from AFS financial assets to investments measured at FVOCI as illustrated in the previous paragraph.

Similar to that described in note 2.1, this reclassification did not generate any impact on the value of the associated investments at December 31, 2017 but a different classification of the accumulated fair value changes, equal to Euro 89,259,157 net of the relative tax effect, which were reclassified from the “AFS financial assets revaluation reserve” to the FVOCI reserve.

The gains/losses realised on the investments held by associated companies are no longer recognised in the income statement and therefore recognised by TIP as its share of the result in the investees measured under the equity method, but at the time of sale the cumulative gain is reversed from the FVOCI reserve directly to other equity reserves. The adoption of IFRS 9 from January 1, 2018 did not have any effects on the first nine months of 2018 as no investments held by associated companies were sold. In the comprehensive income statement, the “Increases/decreases in investments measured under the equity method” relating to the changes in the fair value of their investees are reclassified under as other comprehensive income without reversal through profit and loss.

## **2.3. Classification and recognition of financial receivables and financial assets in accordance with the categories of IFRS 9**

In order to determine the recognition criterion applicable to financial assets other than investments in equity IFRS 9 requires an analysis through several steps.

Firstly, the expected contractual cash flows generated from the financial asset were subjected to a test (SPPI Test) which must prove that at the measurement date there are no other cash flows than the repayment of principal and interest potentially within the contract.

Subsequently the business model which the company adopts in relation to the financial assets was established on which the accounting criteria adopted depends.

The presence of any embedded derivatives within the principal financial asset was also verified.

Based on these analyses the company has identified the following financial asset categories as per IFRS 9.

### Financial receivables measured at amortised cost

These concern financial assets acquired by the company with the intention of maintaining them until maturity in order to receive the relative interest, and any sales are incidental events. The accounting criterion required by IFRS 9 for these financial assets is the amortised cost criterion, which does not differ from that currently applied. The current portion of these receivables is

represented by interest or principal which will be received within one year.

#### Financial assets measured at FVTPL

This concerns financial assets, generally convertible loans, which generate cash flows which provide for the allocation of shares and/or include implied derivatives relating to the conversion clauses. Differing from IAS 39 applicable to the financial statements for the year ended December 31, 2017, IFRS 9 does not separate the embedded derivatives from the host instrument but provides for the allocation of these financial assets to the category FVTPL, i.e. financial assets measured at fair value through profit and loss.

Therefore, while previously as per IAS 39 in the case of accounting separation the non-derivative component of these instruments were recognised under the amortised cost method and the derivative component was separated and measured at fair value, these instruments were completely measured at fair value through profit or loss, including the changes in fair value related to market conditions of the other components of the instruments, for example interest rates.

The adjustments in value of the financial assets measured at FVTPL at January 1, 2018 amounts to Euro 23,420 before the tax effect.

The adoption of IFRS 9 from January 1, 2018 resulted in lower other financial income of Euro 93,231 in comparison to application of IAS 39.

#### Derivative instruments

The derivative instruments not embedded in other financial instruments are measured at fair value through profit or loss. This accounting treatment does not change from that already applied at December 31, 2017.

#### **2.4. Trade receivables**

The specific nature of the receivables generated from the activities of TIP and the historical analysis of losses on receivables in recent years supports the conclusion that the adoption of IFRS 9 does not result in adjustments on the opening balances or significant subsequent impacts generated from impairment risks.

This consideration is also valid with reference to financial receivables held.

#### **2.5. Reclassification from current AFS financial assets to current financial assets measured at FVOCI**

As illustrated in Note 2.3 the company carried out an SPPI test and established the business model for the various financial asset categories. The current financial assets valued at FVOCI are non-derivative financial assets comprising investments in bond securities which constitute temporary liquidity investments realised in accordance with the business model which provides for the receipt of the relative cash flows and the sale of the bonds on an opportunistic basis. The cash flows from these financial instruments comprise solely principal and interest.

The FVOCI measurement therefore involves the recognition in an equity reserve of the fair value changes in the securities until the date of sale recognising in the income statement interest income

and any impairments. Differing from the accounting of investments in equity at the time of sale the gains/losses are recognised through profit or loss with reversal of the fair value changes through profit or loss previously recognised in the equity reserve.

As these assets already at December 31, 2017 were measured at fair value with changes recorded under equity, the reclassification required by IFRS 9 did not result in adjustments but only the corresponding reclassification of the accumulated fair value changes, amounting to Euro 521,097 net of the tax effect, from the “financial assets held for sale revaluation reserve” to the “FVOCI reserve with reversal through profit or loss”.

The financial income in the first nine months of 2018 income statement did not change following the adoption of IFRS 9 for this category of financial assets.

## 2.6. Effect on net equity

As illustrated in the previous notes the introduction of IFRS 9 resulted in a reclassification between reserves as indicated below. The FVOCI reserve without reversal through profit or loss is reclassified to retained earnings when the accumulated fair value changes are realised, generally on divestment. Once reclassified under retained earnings the reserve becomes distributable.

in Euro	Revaluation reserve AFS Financial assets	FVOCI reserve without reversal to profit and loss	FVOCI reserve with reversal to profit and loss	Retained earnings	Net Equity shareholders of parent
<b>At December 31, 2017 consolidated</b>	<b>208,829,278</b>	<b>0</b>		<b>98,456,635</b>	<b>628,107,996</b>
Change in fair value of financial assets available-for-sale	(119,049,027)	119,049,027			0
Other comprehensive income items of associates measured under the equity method	(89,259,157)	89,259,157			0
Change in fair value of current financial assets	(521,097)		521,097		0
Adjustment in the value of financial assets measured at FVTPL				17,800	17,800
<b>At January 1, 2018 consolidated</b>	<b>0</b>	<b>208,308,184</b>	<b>521,097</b>	<b>98,474,435</b>	<b>628,125,796</b>

## 2.7. Financial liabilities

The analysis undertaken on the financial liabilities held concluded that the adoption of IFRS 9 has no effect on the accounting of the financial liabilities already recorded at amortised cost utilising the effective interest rate method.

## Consolidation principles and basis of consolidation

### Consolidation scope

The consolidation scope includes the parent TIP - Tamburi Investment Partners S.p.A. and the companies over which it exercises direct or indirect control. An investor controls an entity in which an investment has been made when exposed to variable income streams or when possessing rights to such income streams based on the relationship with the entity, and at the same time has the capacity to affect such income streams through the exercise of its power. Subsidiaries are consolidated from the date control is effectively transferred to the Group, and cease to be consolidated from the date control is transferred outside the Group.

At September 30, 2018, the consolidation scope included the companies Clubdue S.r.l., StarTIP S.r.l. and TXR S.r.l.

The details of the subsidiaries were as follows:

<b>Company</b>	<b>Registered Office</b>	<b>Share capital</b>	<b>Number of shares</b>	<b>Number of shares held</b>	<b>% held</b>
Clubdue S.r.l.	<b>Milan</b>	10,000	10,000	10,000	100%
StarTIP S.r.l.	<b>Milan</b>	50,000	50,000	50,000	100%
TXR S.r.l.	<b>Milan</b>	100,000	100,000	51,000	51.0%

#### Consolidation procedures

The consolidation of the subsidiaries is made on the basis of the respective financial statements of the subsidiaries, adjusted where necessary to ensure uniform accounting policies with the Parent Company.

All inter-company balances and transactions, including any unrealised gains deriving from transactions between Group companies are fully eliminated. Unrealised losses are eliminated except when they represent a permanent impairment in value.

#### **(3) Presentation**

The choices adopted by the Group relating to the presentation of the consolidated financial statements are illustrated below:

- IAS requires alternatively classification based on the nature or destination of the items. The Group decided to present the accounts by nature of expenses;
- statement of financial position: in accordance with IAS 1, the assets and liabilities should be classified as current or non-current or, alternatively, according to the liquidity order. The Group chose the classification criteria of current and non-current;
- statement of changes in consolidated shareholders' equity, prepared in accordance with IAS 1.

#### **(4) Segment disclosure**

The company undertakes investment banking and merchant banking activities. Top management activity in the above-mentioned areas, both at marketing contact level and institutional initiatives and direct involvement in the various deals, is highly integrated. In addition, execution activity is also organised with the objective to render the "on-call" commitment of advisory or equity professional staff more flexible.

In relation to this choice it is almost impossible to provide a clear representation of the separate financial economic impact of the different areas of activity, as the breakdown of the personnel costs of top management and other employees on the basis of a series of estimates related to parameters which could be subsequently superseded by the actual operational activities would result in an extremely high distortion of the level of profitability of the segments of activity.

In this quarterly consolidated financial report at September 30, 2018, only the "revenues from sales and services" components are provided, related only to the advisory activities, excluding therefore "other revenues".

Euro	Nine months period ended September 30, 2018	Nine months period ended September 30, 2017
Revenues from sales and services	3,840,674	5,430,759
<b>Total</b>	<b>3,840,674</b>	<b>5,430,759</b>

Revenues are highly dependent on the timing of success fee maturation, whose distribution varies throughout the year.

#### (5) Purchases, service and other costs

The account comprises:

Euro	Nine months period ended September 30, 2018	Nine months period ended September 30, 2017
1. Services	1,695,010	1,084,654
2. Rent, leasing and similar costs	267,756	268,306
3. Other charges	333,420	204,030
<b>Total</b>	<b>2,296,186</b>	<b>1,556,990</b>

Service costs mainly relate to professional and legal consultancy, general expenses and commercial expenses. Other charges principally include non-deductible VAT.

The increase in the account is essentially due to the non-recurring costs incurred by the subsidiary TXR in relation to the listing of the investee Roche Bobois and the banking commissions on the sale of listed shares, classified in the previous year as a reduction in gains realised.

#### (6) Personnel expense

These costs include “Salaries and wages” and “Director’s fees” both in terms of the fixed and variable components matured in the period.

A pro-forma calculation was applied to the variable remuneration of the executive directors, as approved by the Board of Directors, on the proposal of the Remuneration Committee, according to the accounting standards in place until December 31, 2017.

#### (7) Financial income/(charges)

The account comprises:

Euro	Nine months period ended September 30, 2018	Nine months period ended September 30, 2017
1. Investment income	10,285,931	37,842,953
2. Other income	6,285,802	2,826,830
<b>Total financial income</b>	<b>16,571,733</b>	<b>40,669,783</b>
3. Interest and other financial charges	<b>(5,588,073)</b>	(4,805,695)
<b>Total financial charges</b>	<b>(5,588,073)</b>	<b>(4,805,695)</b>
<b>Net financial income</b>	<b>10,983,660</b>	<b>35,864,088</b>

**(7).1. Investment income**

<b>Euro</b>	<b>Nine months period ended September 30, 2018</b>	<b>Nine months period ended September 30, 2017</b>
Gain on disposal of investments	0	32,497,493
Dividends	10,285,931	5,239,454
Other	0	106,006
<b>Total</b>	<b>10,285,931</b>	<b>37,842,953</b>

First nine months 2018 investment income concerns dividends received from the following investees (Euro):

Roche Bobois S.A.	5,757,381
Hugo Boss AG	2,591,700
Moncler S.p.A.	699,997
Amplifon S.p.A.	664,184
Other	572,669
<b>Total</b>	<b>10,285,931</b>

The first nine months 2017 figures are not comparable as in the previous year investment income included the gains realised on the disposal of the investments which according to IFRS 9 are no longer recognised to profit and loss. For an analysis of comparable results at like-for-like accounting standards, reference should be made to the Directors' Report.

**(7).2. Other income**

These principally include interest matured on financial receivables and on securities, in addition to fair value changes to financial assets measured at FVTPL consisting of derivatives and convertible bond loans.

**(7).3. Interest and other financial charges**

<b>Euro</b>	<b>Nine months period ended September 30, 2018</b>	<b>Nine months period ended September 30, 2017</b>
Interest on bonds	3,775,820	3,775,821
Other	1,812,253	1,029,874
<b>Total</b>	<b>5,588,073</b>	<b>4,805,695</b>

“Interest on bonds” refers to the 2014-2020 TIP Bond of Euro 100 million calculated in accordance with the amortised cost method applying the effective interest rate.

The “Other” account includes bank interest on loans and other financial charges.

**(8) Share of profit / (loss) of associated companies measured under the equity method**

The account concerns for Euro 10,627,117 the share of the result of the investee IPG Holding S.p.A.

For further details, reference should be made to note 10 “Investments in associated companies measured under the equity method” and attachment 2.

**(9) Investments measured at FVOCI**

The account refers to minority investments in listed and non-listed companies.

Euro	September 30, 2018	January 1, 2018 IFRS 9
Investments in listed companies	374,861,381	362,556,393
Investments in non-listed companies	35,461,256	80,922,076
<b>Total</b>	<b>410,322,637</b>	<b>443,478,469</b>

The changes in the investments measured at FVOCI are shown in Attachment 1.

The investment in Digital Magics S.p.A., of which the TIP Group holds 22.75% through StarTIP, was not classified as an associated company, although in the presence of a holding above 20% and some indicators which would be associated with significant influence, as Digital Magics is unable to provide periodic financial information such as to permit the TIP Group recognition in accordance with the equity method.

The unavailability of such information represents a limitation in the exercise of significant influence and consequently it was considered appropriate to qualify the investment as valued at FVOCI.

**(10) Associated companies measured under the equity method**

At the end of the first nine months of 2018, as part of the listing completed in July 2018, Roche Bobois S.A., previously Furn Invest S.a.s., held 38.34% through TXR, made available the IFRS accounting data necessary to apply the equity method of accounting. This has removed the objective limitation upon the exercise of significant influence which required fair value measurement of the investment. This transfer from fair value measurement to the equity method resulted in the booking of the fair value increases cumulated until the date of transfer similarly to as would have occurred on divestment of the holding. Therefore, having ascertained significant influence, the cumulative fair value increase of approximately Euro 46 million, recognised to the FV reserve, was reversed to other equity reserves as per IFRS 9; the investment previously classified to "Investments valued at FVOIC" was reversed and the investment in associated companies of a value of Euro 75,715,541, corresponding to the fair value on reclassification, was recognised in replacement. Subsequently, the book value of the investment was reduced to Euro 68,802,900 following the sales made on IPO. These sales were executed at a price equal to the book value per share, without therefore any capital gain or loss.

The other investments in associated companies concern:

- for Euro 93,316,318 the company Asset Italia S.p.A., investment holding which gives shareholders the opportunity to choose for each proposal their individual investments. The equity and results relating to Asset Italia 1 S.r.l., vehicle company for the investment in Alpitour, refer for 99% to the tracking shares issued in favour of the shareholders which subscribed to the initiative and for 1% to Asset Italia, or rather to all the ordinary shares. The increase for purchases concerns the subscription to the share capital increase of Asset Italia for an additional investment in Alpitour through Asset Italia 1, undertaken in July. Following this investment, TIP's share of the shares tracking the investment in Alpitour at September 30, 2018 was equal to 35.81%. Similarly, the equity and results relating to Asset Italia 2 S.r.l., vehicle company for the investment in Ampliter, refer for 99% to the tracking shares issued in 2018 in favour of the shareholders which subscribed to the initiative and for 1% to Asset Italia, or rather to all the

ordinary shares. TIP's share of the shares tracking the investment in Ampliter is equal to 20%. The investment in Alpitour is measured in Asset Italia using the equity method while the investment in Ampliter is measured at fair value;

- for Euro 66,575,296 the investment in Gruppo IPG Holding S.p.A. (company which holds the majority shareholding in Interpump Group S.p.A., to be considered a subsidiary);
- for Euro 63,110,634 the company Clubitaly S.p.A., with a 19.74% stake in Eataly S.r.l. TIP holds 30.20% in the share capital of the company. The investment of Clubitaly in Eataly is measured at fair value in that the absence of the necessary financial information for the application of the equity method determines the current limited exercise of significant influence;
- for Euro 50,944,815 the company Clubtre S.p.A., which holds Prysmian S.p.A. shares. TIP holds 24.62% of Clubtre S.p.A. (43.28% net of treasury shares). The investment of Clubtre in Prysmian S.p.A. was measured at fair value (market value at September 30, 2018) and the share of the result of Clubtre was recognised under the equity method;
- for Euro 31,484,685, the investment TIP – Pre IPO S.p.A. The investments in Chiorino, iGuzzini S.p.A. and Fimag S.p.A. are measured at fair value. In relation to Chiorino the absence of the necessary financial information for the application of the equity method determines the current limited exercise of significant influence. The investment in Betaclub S.r.l. is consolidated, while the investment in Beta Utensili S.p.A. is measured using the equity method.
- for Euro 17,387,347 the associated company BE S.p.A.;
- for Euro 706,639 the investments in the companies Palazzari & Turries Limited, with registered office in Hong Kong and in Gatti & Co GmbH, with registered office in Frankfurt.

For the changes in the investments in associated companies, reference should be made to attachment 2.

#### (11) Financial receivables measured at amortised cost

Euro	September 30, 2018	January 1, 2018 IFRS 9
Financial receivables measured at amortised cost	6,761,612	6,460,702
<b>Total</b>	<b>6,761,612</b>	<b>6,460,702</b>

Financial receivables calculated at amortised cost principally concern the loans issued to Tefindue S.p.A., which holds indirectly a shareholding in Octo Telematics S.p.A., international leader in the development and management of telecommunication systems and services for the automotive sector, mainly for the insurance market.

#### (12) Financial assets measured at FVTPL

Euro	September 30, 2018	January 1, 2018 IFRS 9
Financial assets measured at FVTPL	21,223,016	20,117,473
<b>Total</b>	<b>21,223,016</b>	<b>20,117,473</b>

Financial assets measured at FVTPL concern:

- for Euro 17,064,047 the Furla S.p.A. convertible loan;
- for Euro 3,029,243 the Tefindue S.p.A. convertible loan;
- for Euro 1,129,726 the Buzzoole convertible loan from the subsidiary StarTIP S.r.l.



**(13) Current financial receivables measured at amortised cost**

<b>Euro</b>	<b>September 30, 2018</b>	<b>January 1, 2018 IFRS 9</b>
Current financial receivables measured at amortised cost	11,119,463	10,714,602
<b>Total</b>	<b>11,119,463</b>	<b>10,714,602</b>

These include Euro 10,691,146 relating to the vendor loan, at an annual interest rate of 9%, granted to Dedalus Holding S.p.A. in relation to the sale of the investment in Noemalife S.p.A. and with December 2018 maturity.

**(14) Current financial assets measured at FVOCI**

These concern non-derivative financial assets comprising investments in bonds for the temporary utilisation of liquidity.

**(15) Cash and cash equivalents**

The account represents the balance of banks deposits determined by the nominal value of the current accounts with credit institutions.

<b>Euro</b>	<b>September 30, 2018</b>	<b>January 1, 2018 IFRS 9</b>
Bank deposits	1,168,283	3,279,543
Cash in hand and similar	7,642	4,297
<b>Total</b>	<b>1,175,925</b>	<b>3,283,840</b>

The composition of the net financial position at September 30, 2018 compared with the end of the previous year is illustrated in the table below.

<b>Euro</b>	<b>September 30, 2018</b>	<b>January 1, 2018 IFRS 9</b>
A Cash and cash equivalents	1,175,925	3,283,840
B Current financial assets measured at FVOCI and derivative instruments	81,939,727	37,935,950
C Current financial receivables	11,119,463	10,714,602
<b>D Liquidity (A+B+C)</b>	<b>94,235,115</b>	<b>51,934,392</b>
E Financial payables	(129,399,416)	(129,129,224)
F Current financial liabilities	(56,996,157)	(39,012,505)
<b>G Net financial position (D+E+F)</b>	<b>(92,160,458)</b>	<b>(116,207,337)</b>

Financial payables mainly refer to the TIP 2014-2020 bond and bank loans.

Current financial liabilities refer to bank payables and interest related to the bond loan matured and still not paid.

**(16) Share capital**

The share capital of TIP S.p.A. is composed of:

<b>Shares</b>	<b>number</b>
Ordinary shares	164,441,667
<b>Total</b>	<b>164,441,667</b>

On June 30, 2018, the third exercise period of the TIP S.p.A. 2015 - 2020 Warrants concluded, with the exercise of 4,380,183 warrants and a relative share capital increase of Euro 2,277,695.16 with the issue of 4,380,183 new ordinary TIP S.p.A. shares at a price of Euro 4.55 each, for a total value of Euro 19,929,832.65.

The share capital of TIP S.p.A. amounts therefore to Euro 85,509,666.84, represented by 164,441,667 ordinary shares.

At September 30, 2018, treasury shares in portfolio totalled 4,764,416, equal to 2.897%. The shares in circulation at September 30, 2018 therefore numbered 159,677,251.

No. treasury shares at January 1, 2018	No. of shares acquired in 2018	No. of shares sold in 2018	No. treasury shares at September 30, 2018
2,717,689	2,061,727	15,000	4,764,416

## (17) Reserves

### *Share premium reserve*

The account amounts to Euro 175,716,503 and increased Euro 17,652,137 following the exercise of the warrants.

### *Legal reserve*

This amounts to Euro 16,646,394, increasing Euro 1,275,247 following the Shareholders' Meeting motion of April 20, 2018 with regard to the allocation of the 2017 net profit.

### *Fair value OCI reserve without reversal to profit or loss*

The positive reserve amounts to Euro 206,216,224. This concerns the fair value changes to investments in equity, net of the relative deferred tax effect. The gains realised on partial divestments of holdings which in application of IFRS 9 were not reversed to profit or loss were reclassified from the reserve to retained earnings.

For a breakdown of the fair value changes of investments in equity, reference should be made to attachment 1 and to note 9, in addition to attachment 2 and note 10.

For the changes in the year and breakdown of other equity items, reference should be made to the specific statement.

### *OCI reserve with reversal to profit or loss*

The positive reserve amounts to Euro 783,633. These principally concern the fair value changes of securities acquired as temporary uses of liquidity. The relative fair value was reversed to the income statement on the sale of the underlying security.

### *Treasury shares acquisition reserve*

The negative reserve amounts to Euro 24,201,258. This is a non-distributable reserve.

### *Other reserves*

They are negative for Euro 2,412,237 and for Euro 5,357,688 comprise the stock option plan

reserve created following the allocation of options to employees and directors offset by the negative changes in the investments reserve measured under the equity method.

#### *Merger surplus*

The merger surplus amounts to Euro 5,060,152 and derives from the incorporation of Secontip S.p.A. into TIP S.p.A. on January 1, 2011.

#### *Retained earnings*

Retained earnings amount to Euro 231,264,083 and increased on December 31, 2017 following the allocation of the 2017 net profit and the reclassification from the fair value OCI reserve without reversal to profit or loss of the gains realised on partial divestments of holdings not recognised to profit or loss.

#### *IFRS business combination reserve*

The reserve was negative and amounts to Euro 483,655, unchanged compared to December 31, 2017.

### **(18) Net Profit for the period**

#### *Basic earnings per share*

The basic earnings per share in the first nine months of 2018 – net profit divided by the number of shares in circulation in the period taking into account treasury shares held – was Euro 0.03.

#### *Diluted earnings per share*

The diluted earnings per share in the first nine months of 2018 was Euro 0.03. This represents the net profit for the period divided by the number of ordinary shares in circulation at September 30, 2018, calculated taking into account the treasury shares held and considering any dilution effects generated from the shares servicing the stock option plan relating to the remaining warrants in circulation.

### **(19) Financial payables**

Financial payables of Euro 129,399,416 refer to:

- a) for Euro 99,471,157 the issue of the 2014-2020 TIP Bond approved by the Board of Directors on March 4, 2014, placed in April 2014, nominal value of Euro 100,000,000. The loan, with an initial rights date of April 14, 2014 and expiry date of April 14, 2020 was issued at par value and offers an annual coupon at the nominal gross fixed rate of 4.75%. The loan was recognised at amortised cost applying the effective interest rate which takes into account the transaction costs incurred for the issue of the loan of Euro 2,065,689; the loan provides for compliance with financial covenants on an annual basis;
- b) for Euro 29,928,259 the portion of medium/long-term loans for a nominal value of Euro 40,000,000 with the following maturities;
  - 12.5% on December 31, 2017 (repaid);
  - 12.5% on December 31, 2018;
  - 12.5% on June 30, 2019;
  - 62.5% on December 31, 2019.

The bond provides for compliance with annual financial covenants.

In accordance with the application of international accounting standards required by Consob recommendation No. DEM 9017965 of February 26, 2009 and the Bank of Italy/Consob/Isvap No. 4 of March 4, 2010, we report that this account does not include any exposure related to covenants not complied with.

## (20) Current financial liabilities

These amount to Euro 56,996,157 and principally comprise bank payables of the parent company of Euro 54,845,960 and interest on bonds for Euro 2,150,197.

## (21) Other liabilities

The account mainly refers to emoluments for directors and employees.

## (22) Related party transactions

The table reports the related party transactions during the year outlined according to the amounts, type and counterparties.

Party	Type	Payment / balance at September 30, 2018	Payment / balance at September 30, 2017
Asset Italia S.p.A.	Revenues	750,268	751,533
Asset Italia S.p.A.	Trade receivables	250,101	250,010
Asset Italia 1 S.r.l.	Revenues	820,000	1,200,000
Betaclub S.r.l.	Revenues	18,843	18,750
Betaclub S.r.l.	Trade receivables	18,750	18,750
BE S.p.A.	Revenues	45,000	45,000
BE S.p.A.	Trade receivables	15,000	30,000
ClubTre S.p.A.	Revenues	37,500	37,500
ClubTre S.p.A.	Trade receivables	37,500	37,500
Clubitaly S.p.A.	Revenues	22,500	22,500
Clubitaly S.p.A.	Trade receivables	22,500	22,500
Clubitaly S.p.A.	Financial receivables	428,317	323,374
Gruppo IPG Holding S.p.A.	Revenues	22,500	22,500
Gruppo IPG Holding S.p.A.	Trade receivables	22,500	22,500
TIP-pre IPO S.p.A.	Revenues	375,629	376,087
TIP-pre IPO S.p.A.	Trade receivables	125,008	250,556
Services provided to companies related to the Board of Directors	Revenues	740	971,470

Party	Type	Payment / balance at September 30, 2018	Payment / balance at September 30, 2017
Services provided to companies related to the Board of Directors	Trade receivables	740	9,570
Services received by companies related to the Board of Directors	Costs (services received)	7,779,210	5,053,090
Services received by companies related to the Board of Directors	Trade payables	7,366,710	4,586,090

The services provided for all the above listed parties were undertaken at contractual terms and conditions in line with the market.

For the Board of Directors  
The Chairman  
Giovanni Tamburi

Milan, November 13, 2018

## ATTACHMENTS

**Declaration of the Executive Officer for Financial Reporting as per Article 81-ter of Consob Regulation No. 11971 of May 14, 1999 and subsequent amendments and supplements.**

1. The undersigned Alessandra Gritti, as Chief Executive Officer, and Claudio Berretti, as Executive Officer for financial reporting of Tamburi Investment Partners S.p.A., affirm, and also in consideration of Article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

- the conformity in relation to the characteristics of the company and
- the effective application during the period of the consolidated financial statements

of the administrative and accounting procedures for the compilation of the interim consolidated financial statements for the period ended September 30, 2018.

No significant aspect emerged concerning the above.

2. We also declare that:

- a) the quarterly consolidated financial report at September 30, 2018 corresponds to the underlying accounting documents and records;
- b) the quarterly consolidated financial report at September 30, 2018 was prepared in accordance with International Financial Reporting Standards (IFRS) and the relative interpretations published by the International Accounting Standards Board (IASB) and adopted by the European Commission with Regulation No. 1725/2003 and subsequent modifications, in accordance with Regulation No. 1606/2002 of the European Parliament and provides a true and correct representation of the results, balance sheet and financial position of Tamburi Investment Partners S.p.A..
- c) the Directors' Report includes a reliable analysis of the significant events in the year and their impact on the consolidated financial statements, together with a description of the principal risks and uncertainties. The Directors' Report also contains a reliable analysis of the significant transactions with related parties.

The Chief Executive Officer

The Executive Officer

Milan, November 13, 2018

## Attachment 1 - Changes in investments measured at FVOCI

in Euro	No. of shares	historic cost	fair value adjustments	Balance at 1.1.2018			increases		decreases			book value 30.9.2018
				increases (decreases)	write-downs P&L	book value fair value	acquisition or subscription	reclass.	fair value increase	decreases	fair value decreases	
<b>Non-listed companies</b>												
Azimut Benetti S.p.A.	737,725	38,990,000	0			38,990,000					(7,312,229)	31,677,771
Roche Bobois S.A.	0	29,689,345	9,943,310			39,632,655			36,082,885	(29,689,345)	(46,026,195)	0
Other equity instr. & other minor		1,441,041		858,380		2,299,421	62,500		1,421,564			3,783,485
<b>Total non-listed companies</b>		<b>70,120,386</b>	<b>9,943,310</b>	<b>858,380</b>	<b>0</b>	<b>80,922,076</b>	<b>62,500</b>	<b>0</b>	<b>37,504,449</b>	<b>(29,689,345)</b>	<b>(7,312,229)</b>	<b>35,461,256</b>
<b>Listed companies</b>												
Alkemy S.p.A.	425,000		284,672	4,993,828		5,278,500					(391,000)	4,887,500
Amplifon Sp.A.	6,038,036	34,884,370	55,444,896	(12,800,884)		77,528,382			38,039,627			115,568,009
Digital Magics S.p.A.	1,684,719	4,925,191	3,370,385	4,996,857		13,292,433					(1,836,344)	11,456,089
Ferrari N.V. USD	304,738	14,673,848	11,965,635			26,639,483			9,402,051			36,041,534
Fiat Chrysler Automobiles N.V.	0	16,625,205	3,995,042	(9,497,387)		11,122,860			3,239,242	(7,127,818)	(7,234,284)	0
Fiat Chrysler Automobiles N.V. USD	1,576,000	17,656,453	13,238,521			30,894,974			2,751,715	(4,258,487)	(5,549,432)	23,838,770
Hugo Boss AG	1,050,000	77,681,983	(13,741,712)	5,439,049		69,379,320	4,816,652				(4,559,972)	69,636,000
Moncler S.p.A.	2,150,000	92,368,016	46,873,007	(21,923,951)		117,317,072			37,121,128	(36,775,141)	(37,898,059)	79,765,000
Prysmian S.p.A.	1,075,000					0	24,942,140				(3,377,640)	21,564,500
Servizi Italia Sp.A.	548,432	2,938,289	1,977,770	0	(1,241,564)	3,674,495			0		(1,458,830)	2,215,665
Other listed companies		15,375,538	852,491	406,006	(9,205,161)	7,428,874	5,064,131	0	0	0	(2,604,691)	9,888,314
<b>Total listed companies</b>		<b>277,128,893</b>	<b>124,260,707</b>	<b>(28,386,482)</b>	<b>(10,446,725)</b>	<b>362,556,393</b>	<b>34,822,923</b>	<b>0</b>	<b>90,553,763</b>	<b>(48,161,446)</b>	<b>(14,228,477)</b>	<b>374,861,381</b>
<b>Total investments</b>		<b>347,249,279</b>	<b>134,204,017</b>	<b>(27,528,102)</b>	<b>(10,446,725)</b>	<b>443,478,469</b>	<b>34,885,423</b>	<b>0</b>	<b>128,058,212</b>	<b>(77,850,791)</b>	<b>(21,540,706)</b>	<b>410,322,637</b>



## Attachment 2 - Changes in investments measured under the equity method

in Euro	No. of shares	historic cost	write backs	revaluations (write-downs)	share of results as per equity method	shareholder loan capital advance	increase (decrease) other reserves	decreases or restitution	increase (decrease) fair value reserve	Book value
										at 31.12.2017
Asset Italia S.p.A.	20.000.000 (1)	49,900,000			355,949		298,494		353,332	<b>50,907,775</b>
Be Think, Solve, Execute S.p.A.	31,582,225	16,596,460			1,742,159		110,973	(871,681)	(371,156)	<b>17,206,755</b>
ClubItaly S.r.l.	31,197	37,436,400		(181,956)	(226,982)				26,197,191	<b>63,224,653</b>
Clubtre S.p.A.	29,544	17,500			27,433,234	41,948,846		(47,871,387)	53,684,704	<b>75,212,897</b>
Gruppo IPG Holding S.r.l.	67,348	40,589,688	5,010,117	(7,597,729)	35,362,517		(10,555,332)	(2,472,406)	(1,016,945)	<b>59,319,910</b>
Roche Bobois S.A.	3,440,145	0								<b>0</b>
Tip-Pre Ipo S.p.A.	942,854	21,571,436			6,395,181				2,511,327	<b>30,477,944</b>
Other Associated companies		500,000		46,218	237,640					<b>783,858</b>
<b>Total</b>		<b>166,611,484</b>	<b>5,010,117</b>	<b>(7,733,467)</b>	<b>71,299,698</b>	<b>41,948,846</b>	<b>(10,145,865)</b>	<b>(51,215,474)</b>	<b>81,358,453</b>	<b>297,133,792</b>

(1) Tracking shares not included

in Euro	Book value		share of results as per equity method	increase (decrease) FVOCI reserve without reversal to P/L	increase (decrease) FVOCI reserve with reversal to P/L	increase (decrease) other reserves	decreases		Book value
	at 31.12.2017	Purchases					(decrementi) o restituzioni	(svalutazioni) rivalutazioni	
Asset Italia S.p.A.	<b>50,907,775</b>	36,297,441	(1,864,004)	7,750,305	224,801				<b>93,316,318</b>
Be Think, Solve, Execute S.p.A.	<b>17,206,755</b>		1,064,538		(69,559)	(182,744)	(631,643)		<b>17,387,347</b>
ClubItaly S.r.l.	<b>63,224,653</b>		(114,019)						<b>63,110,634</b>
Clubtre S.p.A.	<b>75,212,897</b>		1,217,804	(24,393,973)	(9,125)		(1,082,788)		<b>50,944,815</b>
Gruppo IPG Holding S.r.l.	<b>59,319,910</b>		10,627,117		114,030	(2,035,856)	(1,449,905)		<b>66,575,296</b>
Roche Bobois S.A.	<b>0</b>	75,715,541					(6,912,641)		<b>68,802,900</b>
Tip-Pre Ipo S.p.A.	<b>30,477,944</b>		867,199		74,227	65,315			<b>31,484,685</b>
Other Associated companies	<b>783,858</b>		(77,219)						<b>706,639</b>
<b>Total</b>	<b>297,133,792</b>	<b>112,012,982</b>	<b>11,721,416</b>	<b>(16,643,668)</b>	<b>334,374</b>	<b>(2,153,285)</b>	<b>(10,076,977)</b>	<b>0</b>	<b>392,328,632</b>