

Company Profile



ITALMOBILIARE
INVESTMENT HOLDING

Mission and Identity

Identity

“An **Investment Holding** which holds and manages a diversified investment and equities portfolio with a strategic vision underpinned by a **financial and industrial history** going back **more than 150 years**”

Mission

“To play a **pro-active and continuous** role in the growth and enhancement of the portfolio aiming at developing, innovating and diversifying internationally its investments with **an effective governance and risk management model**”

Key Facts and Figures

Investment holding since 1946

Controlled by the Pesenti Family

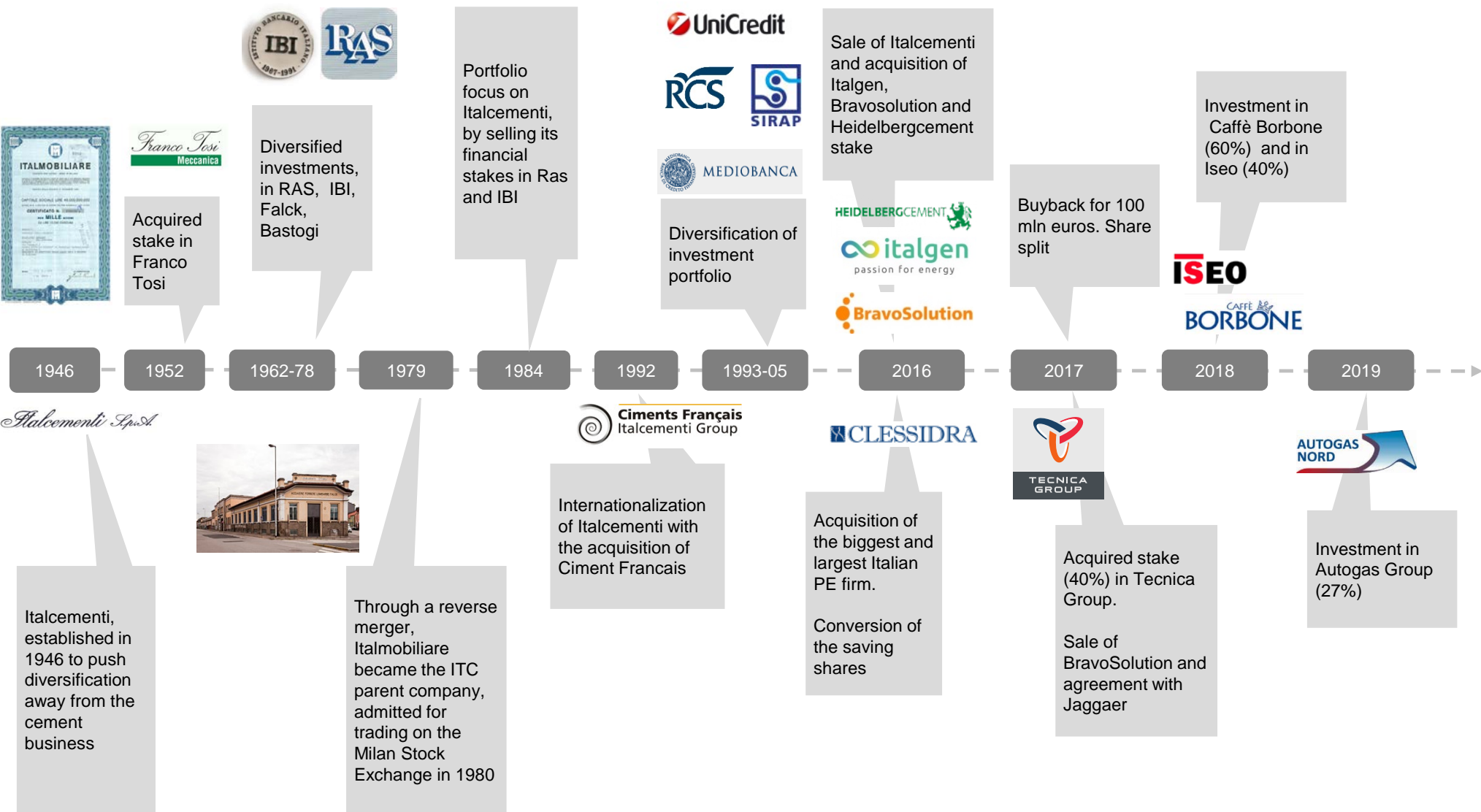
NAV in excess of 1,4 billion €

Listed on the Milan Stock Exchange

Headquarter in Milan

Focus on Equity Investments

History of Italmobiliare



Net Asset Value Composition

- Italmobiliare holds and manages a diversified investments and equity portfolio with a Net Asset Value in excess of 1.4 billion euro

Investments

NAV in excess of €1.4 billion

Investments

Portfolio companies

Private Equity

HEIDELBERGCEMENT

MEDIOBANCA

VONTOBEL

JAGGAER

Alpha Test

TECNICA GROUP

ISEO

AUTOGAS NORD

italgen
passion for energy

CLESSIDRA

CAFFÈ BORBONE

SIRAP

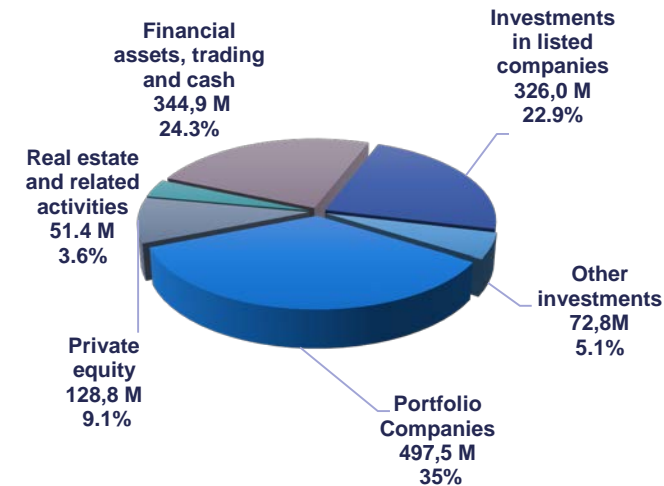
CLESSIDRA
Capital Partners 3

BDT CAPITAL PARTNERS

Aksia group

ISOMER
CAPITAL

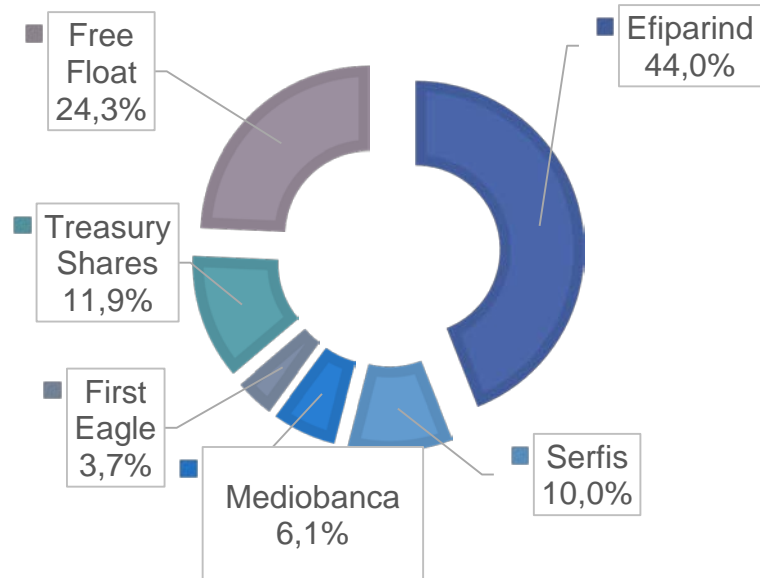
As at **December, 31 2018** NAV was 1,421,4 M€ not including the value of the treasury shares in portfolio.



Shareholding structure and Board of Directors

- ❑ Italmobiliare majority shareholder is Epifarind B.V., a company entirely owned by the Pesenti Family with 44% stake
- ❑ The shareholding structure of Italmobiliare has been simplified in 2016 with the savings shares mandatory conversion
- ❑ The Board of Directors is composed by 14 directors - the majority of them are independents - to be renewed following the approval of the 2019 Annual report

Shareholders



Board of Directors

L. Zanetti (Chair)	E. Fornero	
L. Strazzera (Deputy Chair)	S. Mazzoleni	
C. Pesenti (CEO)	L. Minoli	
V. Bertazzoni	C. Palmieri	Independent director according to Law
G. Bonomi	C. Rebecchini	
M. Cartia D'Asero	A. Salerno	Independent director according to Law and Code of Conduct
V. Casella	P. Sfameni	

Portfolio and value creation strategy

- ❑ The Group strategic vision is supported by a financial and industrial history going back more than 150 years, with investments in companies in a variety of sectors

Portfolio strategy	<ul style="list-style-type: none">❑ Limited number of «core» investments, on which strategic-financial control can be exercised❑ Diversified industrial sectors, and related services/innovation❑ Focus on selected sectors with a strong drive on the international exposure
Drivers of value creation	<ul style="list-style-type: none">❑ Value creation through growth of its portfolio companies, aiming at supporting the growth at an operating level (i.e. EBITDA)❑ Capital allocation focus on:<ul style="list-style-type: none">▪ «Core investments» in long-term majority stakes, with clear development objectives and/or value creation opportunities▪ Potential investment in non-controlling interests, alongside other investors and/or owners, primary focus on stable dividend generation profile or with significant potential growth▪ Limited recourse to leverage

Profilo Portfolio companies: Caffè Borbone (60%)



Profile

Caffè Borbone, headquartered in Caivano (Naples), is one of the top names on the national market of single-serve coffee and the leading provider of compatible capsules and pods

Over the last few years, Caffè Borbone has expanded at an annual rate of 40%, reporting turnover supported by its market position in the fastest-growing segment of capsules and pods which are distributed through specialist shops, the online channel and, more recently, the mass merchandising channel.

Compatible capsules and pods – an innovation that has changed consumer habits – are currently the most dynamic area in coffee sales, with a significant positive trend.

Production plant



Products



Key financials

Results	2018	2017
€ Million		
Revenues	135.2	93.6
EBITDA (adj)	33.7	20.3
Profit	16.5	13.7

Portfolio companies: Tecnica Group (40%)



Profile

Tecnica, the main Italian group in the sport sector, is the leading manufacturer of outdoor footwear and ski equipment, with a brand portfolio including some of the industry's historic names: Tecnica (ski boots and footwear), Nordica (skis and boots), Moon Boot (footwear), Lowa (trekking shoes), Blizzard (skis) and Rollerblade (inline skates). The Group operates on all the main international markets with revenues arising for more than 90% from international sales. On the global amount, 35% is from winter alpine sports and 65% is related to the outdoor and skating sectors. In the headquarter in Gaverne del Montello (north-east Italy) are located the R&D and Brand management dpt with 250 employees.

Production plants



Brands and sectors



Key financials

Results € Million	2018	2017
Revenues	398.5	368.5
EBITDA	37.7	31.4
Profit	11.1	6.0

Profile

Iseo Serrature S.p.A., headquartered in Pisogne (Northern Italy), designs, manufactures, and distributes locks, cylinders, padlocks, and related security and safety equipment such as emergency exits devices and door closers.

Since 2010, the Group develops digital solutions and innovative security systems for access control thanks to proprietary software and firmware, and opened a dedicated research center.

Iseo Group operates production and assembly plants in Italy (3), Romania, France, Germany and Spain; ~1.100 employees, of which ~50% in Italy.

Iseo is the second Italian player with a significant market share.

Moreover, Iseo operates internationally – also through acquired companies – in France, Germany, Spain and Middle East.

Product portfolio

Mechanical products



Cylinders



Locks



Verrou



Panic devices



Door closers



Padlocks

Electronic and digital solutions

LOCKEN
SMART ACCESS SOLUTIONS



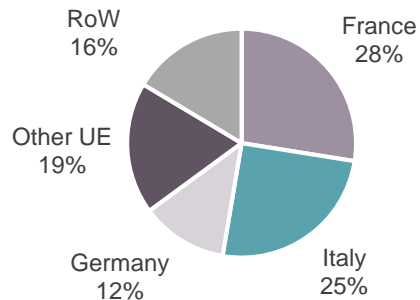
Home automation



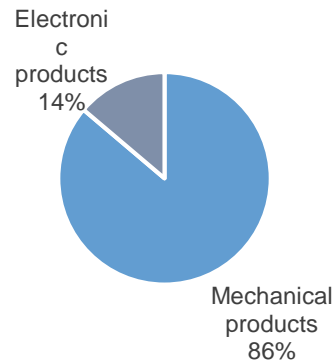
Building automation

Revenues breakdown

By geography



By product type



Key financials

Consolidated results

€ Million	2018	2017
Revenues	140,9	147.2
EBITDA	14.3	17.9
Profit	4.1	5.7

Portfolio companies: Sirap (100%)



Profile

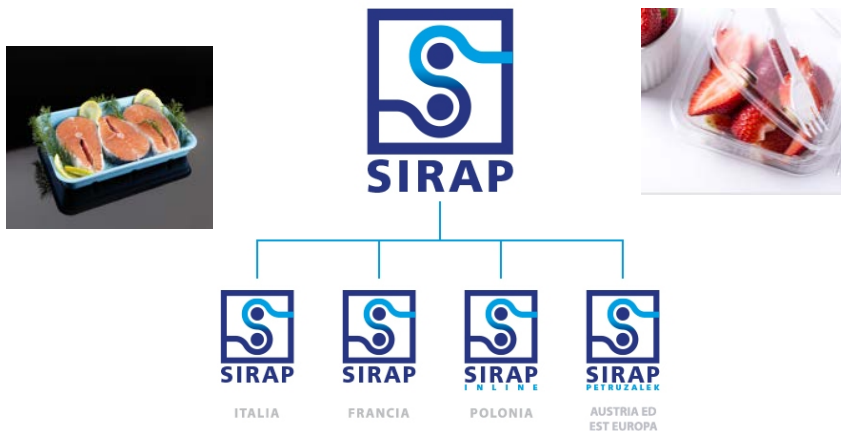
Sirap is one of the most qualified fresh food packaging producers in Europe, with 10 production plants and 32 distribution center in 15 European countries.

Sirap develops innovative solutions for all fresh food packaging needs: rigid containers in XPS (polystyrene foam), PET and PP (polypropylene) for all food applications. It provides a wide range of trading products for the fresh food industry and for retail applications (films, containers, machineries, accessories).

Geographical exposure



Subsidiaries



Key financials

Results € Million	2018	2017
Revenues	275.1	207.1
EBITDA	16.3	15.0
Profit	6.3	2.3

Profile

Italgren is a producer and distributor of electricity from renewable energy sources.

The company, born in 2011 but with a sound background of more than a hundred years in the renewable energy sector capitalizing the experience gained in one of the main industrial groups in Italy, manages 15 hydropower plants and over 300 kilometers transmission lines in northern **Italy** and has a significant stake in two wind farms in **Bulgaria** (18 MW).

In the last decade Italgren has been focused on international renewable energy projects in **Egypt, Morocco** and **Turkey**, consolidating its project development capabilities in hydro, wind and solar.

It is currently involved in a digitalization process for the remote control of its hydropower plants.

Italgren is strongly committed to **sustainability**. It operates in full compliance with the environment using the **best available technologies**. Thanks to high sustainable standards its projects obtained over the years the most relevant certifications: ISO 9001, 14001 and EMAS (Eco Management Audit Scheme).

Geographical exposure



Industrial KPI

❑ Energy sales	334 GWh/year
❑ Renewable Energy production of	289 GWh/year
❑ Availability rate	96%
❑ Equivalent households potentially supplied by Italgren	100,000
❑ Avoided CO2 emissions	~120,00 Tons/year

Key financials

Results € Million	2017	2016
Revenues	35.8	37.7
EBITDA	9.1	6.4
Profit	0.4	1.3

Portfolio companies: Autogas Nord S.p.A. (27%)



Profile

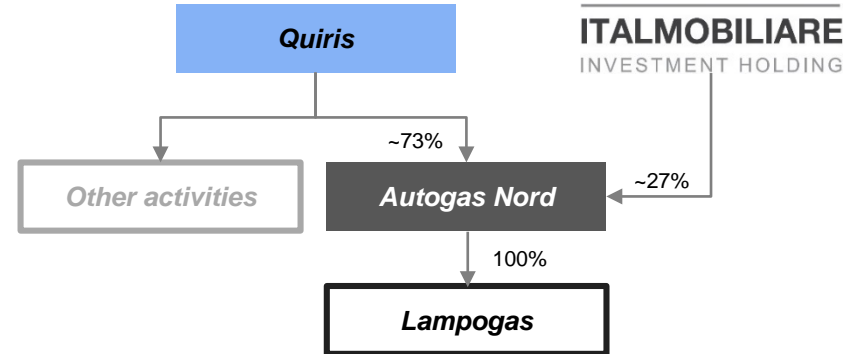
Autogas Nord Group (AGN) – based in Genoa – operates mainly in Italy in the distribution of LPG gas for domestic use (small tanks, meters, small networks), commercial and industrial uses.

In addition, the Group has gradually diversified its business, exploiting a loyal customer base for cross selling other products (electricity and natural gas) and services (consultancy for efficiency).

In line with its strategy of market consolidation, and with the support of Italmobiliare, AGN has acquired **Lampogas Group**, another leading Italian operator active in the sale of LPG, almost doubling its size.

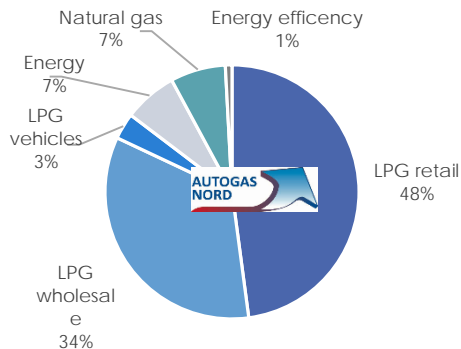
Transaction structure

AGN financed the acquisition of Lampogas partly through a €60 m capital increase subscribed by Italmobiliare and partly through bank financing.

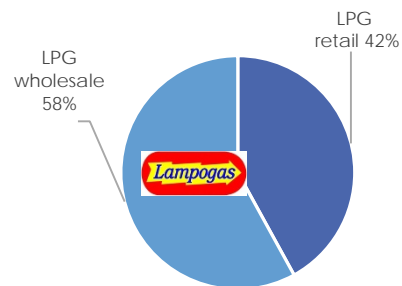


Revenues Breakdown

Autogas Nord



Lampogas



Key financials – pro-forma

(million euro)	2017	2016
Gruppo Autogas Nord	248.9	204.1
Gruppo Lampogas	223.5	176.2
Total revenues pro-forma	472.4	380.3
EBITDA adj. pro-forma	38.5	45.1

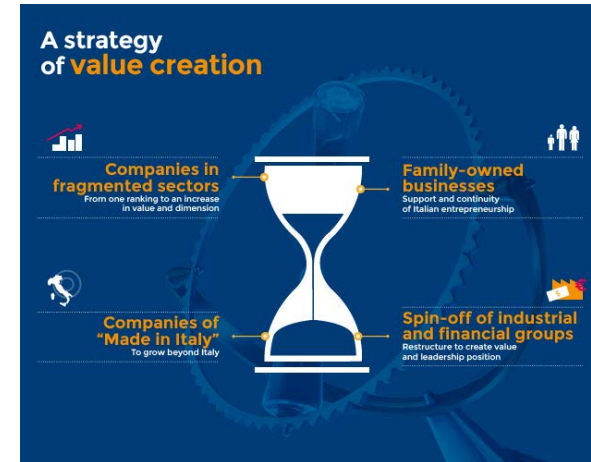
EBITDA pro-forma with JV pro quota, adjusted including provision for receivables, does not include synergies.

Profile

Clessidra is the leading manager of Private Equity funds exclusively dedicated to the Italian market through the funds Clessidra Capital Partners, Clessidra Capital Partners II and Clessidra Capital Partners 3, where Italmobiliare is the anchor investor.

Since inception in 2003, Clessidra completed 24 transactions with an **aggregate investment of €18 billion EV and €1.8 billion Equity (Equity average €30 million per transaction)** and 18 add-ons to the Portfolio Companies.

Investment Strategy



Funds under Management



Key indicators

Managed Funds	3
Asset Under Management	ca. 2.5 billion €
# of investments	24
# of Add-on	18

Private Equity Investments -1-

Clessidra CCP 3

BDT Fund II

Description

- ❑ Leading and largest private equity firm in Italy, exclusively dedicated to the upper middle market in Italy
- ❑ Recently acquired by Italmobiliare Holding

- ❑ Founded in the U.S. in 2009 by Byron Trott and currently manages €9bn investments and provides capital to well run closely-held private and public-traded companies across industries

Fund size

- ❑ €607m committed capital

- ❑ €6bn committed capital

Investment Focus

- ❑ Focus on companies export oriented operating in the upper middle market in Italy (EV €150m- €1bn)
- ❑ Investment size of € 50-120m
- ❑ Average holding period of 4-6 years
- ❑ Controlling stake investment / strategic minority as part of a control group
- ❑ Target Return of 2x+ money over with a 20-25% target IRR

- ❑ Focus on Family and Founder led businesses
- ❑ Provide advice and differentiated Long-Term Capital
- ❑ Investment size of \$200-800m
- ❑ Average holding period of 8-12 years
- ❑ Structured Minority Ownership stake
- ❑ Target Return of 3-5x money over 8-12 years (15% IRR target)

Other comments

- ❑ With the recent acquisition ITM has become the anchor investor of the fund

- ❑ Long term relationship

Committments (€m)

c.90

c.45

Private Equity Investments -2-

AKSIA Capital IV

Description

- ❑ Among the independent Italian PE players, and one of the most experienced, cohesive and longstanding team since 1997

Fund size

- ❑ €150m committed capital

Investment Focus

- ❑ Focus on companies in Northern and Central Italy
- ❑ Buy-in/ Buy-out and expansion capital
- ❑ Investment size of €10-25m
- ❑ Average holding period of 4-6 years
- ❑ Gross Target Return of 25%

Other comments

- ❑ Co-investment discretionary of up to €12m

Committments (€m)

15

Isomer Capital I

- ❑ Venture capital fund of funds based in Luxemburg and management company in London, vintage year 2015

- ❑ €80m committed capital (last closing) and >€100m expected final closing

- ❑ European early stage venture capital
- ❑ Focus on European digital technologies
- ❑ Entry at seed and series A stage, follow at attractive valuations
- ❑ Secondary purchases of both fund and company interests
- ❑ Investment size of €1-10m
- ❑ Gross Target Return of 3x+ money

- ❑ Co-investment opportunities

7.5

Management



Laura Zanetti
Chairperson

Graduate with honors in Economics and Management from Bocconi University, where she is currently Associate Professor with tenure of Corporate Finance as well as Academic Director of the Bachelor of Economics and Finance. Previously she was a member of the executive council of the Department of Finance and the Director of the Master of Science in Finance at Bocconi University, Research Fellow of CAREFIN, Center for Applied Research in Finance, visiting scholar at both MIT (Massachusetts Institute of Technology) and the LSE (London School of Economics and Political Science). She is Certified Chartered Accountant, member of the European Corporate Governance Institute, board member and statutory auditor of leading listed companies. Author of several books and articles on corporate governance and business valuation.



Carlo Pesenti
CEO

Degree in Mechanical Engineering from Milan Polytechnic, Master in Economics & Management from the Bocconi University. In addition to his posts in the Italmobiliare Group (including CEO of Italcementi from 2004 until 2016 when the Italcementi investment was sold), he has been a director of leading stock-listed companies. Currently he is Chairman of Clessidra Sgr and of the Pesenti Foundation, and also a director of Tecnica, of Caffè Borbone and of the Cesvi Foundation. Permanent member of the General Council of Confindustria, where he was Deputy Chairman of the General Council (2014-2016) and chaired the Reforms Commission. He is member of the Advisory Board of Assolombarda. He has been a member of the Steering Council and Board of Assonime since June 2015. From 2006-2008, Co-President of the Italo-Egyptian Business Council. He is also a member of the board of the Italy-India CEO Forum and Co-President of the Italy Thailand Business Forum.

Communication & External Relations Department

Report as March 7, 2019