

@ **ITALMOBILIARE**
INVESTMENT HOLDING

NEWSLETTER #1 | NOVEMBER 2019

Welcome to *@Italmobiliare*, our new initiative aimed at sharing information and strengthen the relationship with our investors and the financial community. *@Italmobiliare* will allow every stakeholder to keep in touch with the Company, a **highly dynamic investment holding**, providing access to investments in leading Italian businesses.

Since its foundation in 1946, Italmobiliare, which has been listed on the Milan Stock Exchange for the last 40 years, has built **in depth knowledge of the Italian economic and industrial landscape**. Its investments have ranged from heavy industry – such as Italcementi (cement) and Franco Tosi (electromechanical) - to publishing, from insurance to banking, where it played a leading role in the privatizations launched by the Italian Government (Mediobanca and Unicredit).

The track record of Italmobiliare has been developed through its experience in the **acquisition, management and growth of businesses, leading up to their disposal**. This proven expertise is the starting point through which the company has entered a more dynamic period of investment management.

Portfolio companies with
revenues in excess of
1.5 billion euro



Over the past 2 years, the Company has begun to build a more balanced portfolio, totaling a **Net Asset Value of approx. 1.6 billion euro**, which best represents the pro-active and long-term investment strategy of Italmobiliare. The equity stakes in our seven portfolio companies, with an overall value of approximately 600 million (roughly 40% of NAV), are a high-potential investment in **industry leading Italian businesses, representing a cumulative EBITDA in excess of 150 million and revenues of over 1.5 billion**. Through Italmobiliare, these companies have found financial support, industrial know-how and management expertise. The aim is to accelerate their growth, not only in Italy, but on international markets, where several of our businesses already have a significant presence.

Compared to the end of 2017, we have halved the exposure to listed companies and more than doubled our financial commitment to portfolio companies. We still have **over 500 million of liquidity**, which is ready to be deployed on new investments. One example has been this year's acquisition of a stake in Autogas Nord, a leading Italian company operating in the distribution of LPG, with diversified interests in the energy sector.

Our investment team is constantly engaged in examining new opportunities. Last year we analyzed over 130 dossiers while this year, as we are primarily dedicated to the development of recent investments, **our focus remains mainly on food, domotics/high-tech and non-cyclical sectors**.

When considering asset classes other than direct investing activities, private equity funds provide an opportunity to diversify the portfolio into areas not covered directly by our team with a lower level of risk. With this approach, in addition to the investment in the Clessidra funds (Clessidra SGR is a Group subsidiary), Italmobiliare has invested in BDT Capital funds (exposure to the US market) and Iconiq (global tech sector). The Venture Capital segment is another opportunity for investment, currently covered through Isomer and Connect funds. The Company will soon start to invest directly in the sector with its newly established subsidiary, **FT Ventures**.

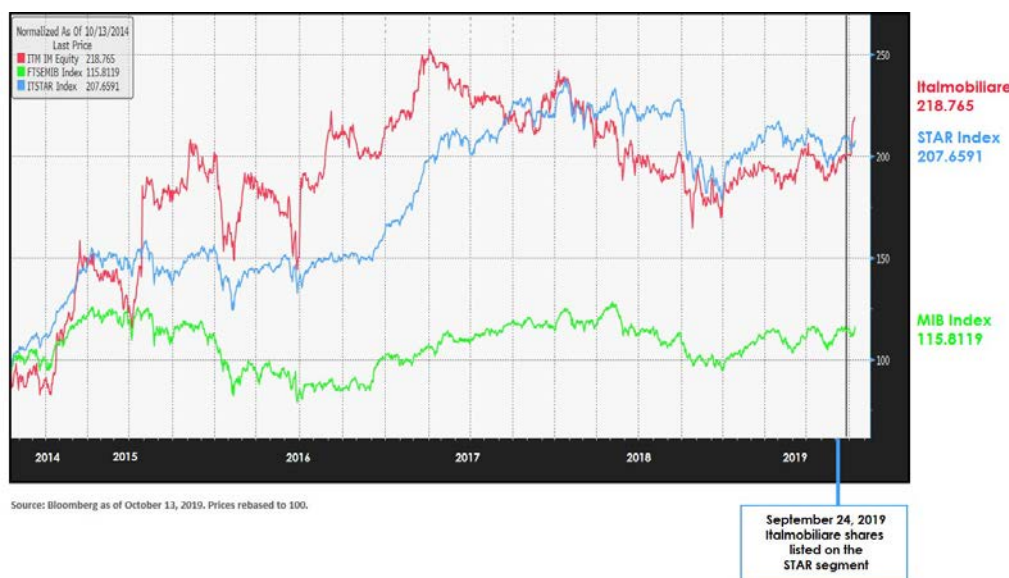
Portfolio valorization is an additional key driver for Italmobiliare's activities. Despite our portfolio having recently been renewed and still being in a phase of value creation, we just closed an agreement for the sale of the investment in Jaggaer: the 9.5% stake acquired at the end of 2017 for approximately 35 million euro was sold to Cinven for about 100 million dollars.

In the meantime, our portfolio companies have reported a positive performance in the first six months of the year, as can be seen in the half-year report at June 30, 2019, which can be downloaded from our website (<http://www.italmobiliare.it/en/investor/reports>).

On the Stock Exchange, Italmobiliare share price has posted a growth of approx. 25% since the beginning of the year, while the **total shareholders return has been more than 140%** in the last 5 years.

Since September, Italmobiliare has been included in the **Star segment of the Italian Stock Exchange**, reserved to companies that comply with strict requirements of investor communications, a free float of at least 35%, and a corporate governance in line with the best international standards.

Italmobiliare share price performance in the last 5 years



Based on half-year results, our latest investments, and considering the increase in trading volumes on the Stock Exchange, a number of analysts have recently released coverage reports on the Company. Kepler Cheuvreux included the stock among its “Top Picks” in Italy, while Equita confirmed its ‘Buy’ recommendation and once again upgraded the target price to 29.5 euro.

To give you a better appreciation of our investments, we have decided to include an in-depth presentation on one of our portfolio companies in each release of this newsletter. In this first issue, we will be focusing on Tecnica Group, which this year is celebrating two important achievements: the 80th anniversary of Nordica (leader in the skis and ski boots market) and the 50th anniversary of Moon Boot, an iconic ‘footprint’ in the world of sport and fashion, inspired by the historic moon landing of 1969.

Before getting into the details of our activities, this newsletter – as will those in the future – starts with an analysis of the global macroeconomic environment and a focus on the Italian situation. This section is curated by REF Ricerche, an independent research company founded in 2000, which provides support for companies, institutions, and government bodies throughout assessment and decision-making processes.

We hope you enjoy the reading!

Laura Zanetti
Chairperson

Carlo Pesenti
CEO

WHEN THE ENGINE BEGINS TO FALTER

THE WORLD IS SLOWING DOWN...

The economic brakes are on in the USA, where growth is in danger of falling to below 2%, as opposed to the 3% promised with the mega tax cut introduced by Trump almost two years ago. Although the Chinese economy is slowing, its growth is still more than adequate. In Japan, confidence is falling but services are holding up. In Europe, the international trade recession has hurt Germany badly, but the whole Eurozone is struggling.

The effect generated by the US-China trade war has spread everywhere, and the Americans, buoyed by the WTO ruling on illegal subsidies to Airbus, are preparing to hit Europe with retaliatory tariffs. The direct effects may well be limited, but the harmful mood of uncertainty is causing serious damage.

Italian exports are growing, despite the fall in worldwide imports

... BUT “MADE IN ITALY” IS STANDING FIRM

Italian exports are growing, despite the fall in worldwide imports. Consumer spending and investments are rising too. The inventory cycle will drive GDP.

The **Italian economy** is keeping afloat. And this in itself is good news. Considering the slowdown in the Eurozone and the usual growth **differential** of more than one annual percentage point, the EMU second-quarter situation of 0.2% should have seen a negative variation in Italy, whereas in fact Italy recorded an improvement of +0.1%, according to the latest quarterly figures.

On an annual basis, the gap remains: +1.2% against +0.1%. Nevertheless, this is likely to narrow, because, and here we come to the second piece of news, Italy is doing better than **Germany**, with a composite PMI of 50.6 in September, compared with Germany's 48.5. Unfortunately, it's a question of who is doing least badly.

CURATED BY

ref.
ricerche

FABRIZIO GALIMBERTI
LUCA PAOLAZZI

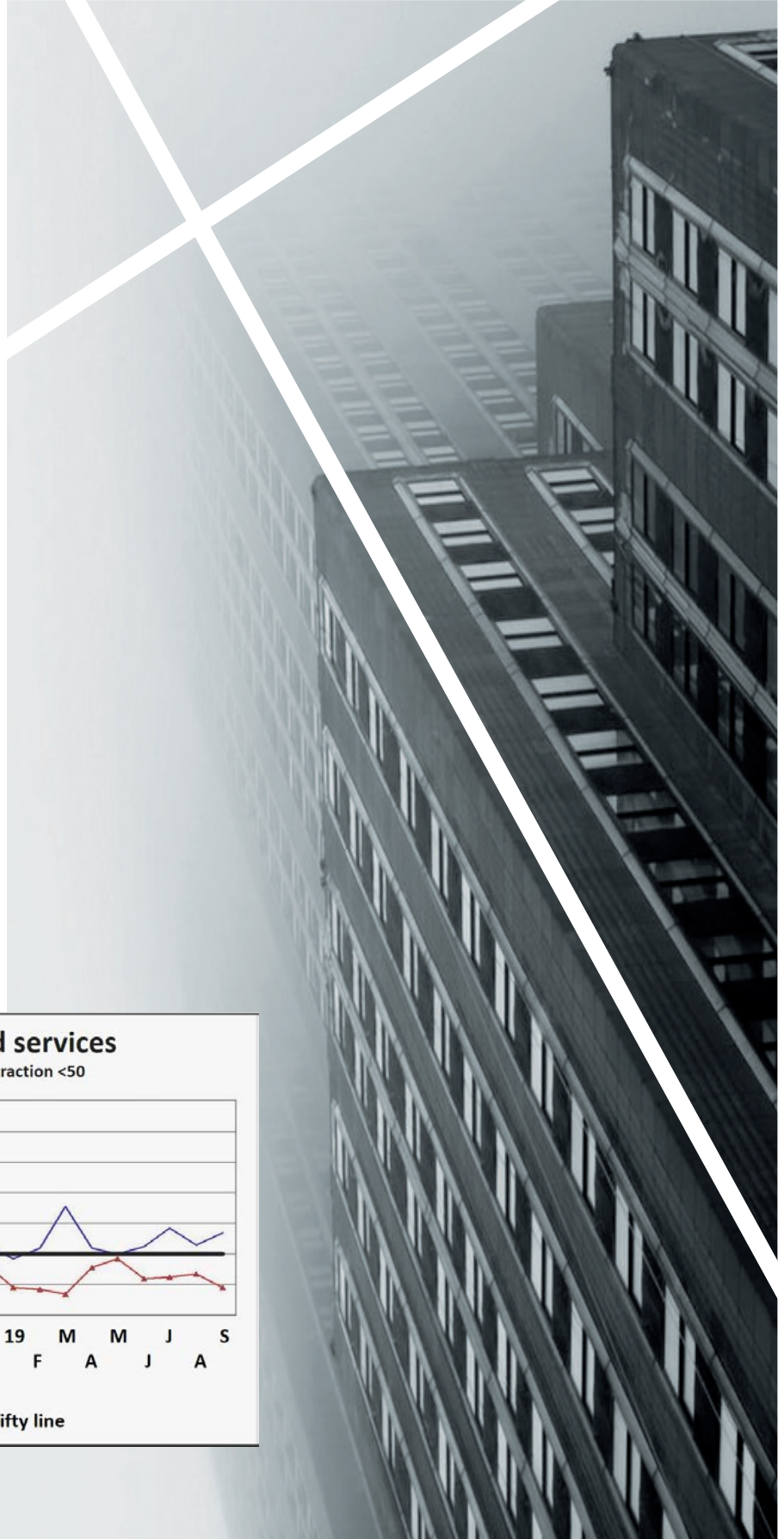


Interest rates continue to fall around the world, but inflation remains low

If Germany is in the doldrums, Italian business certainly has no reason to cheer, given that in most **value chains**, starting with automotives, Italian companies operate upstream of their German counterparts.

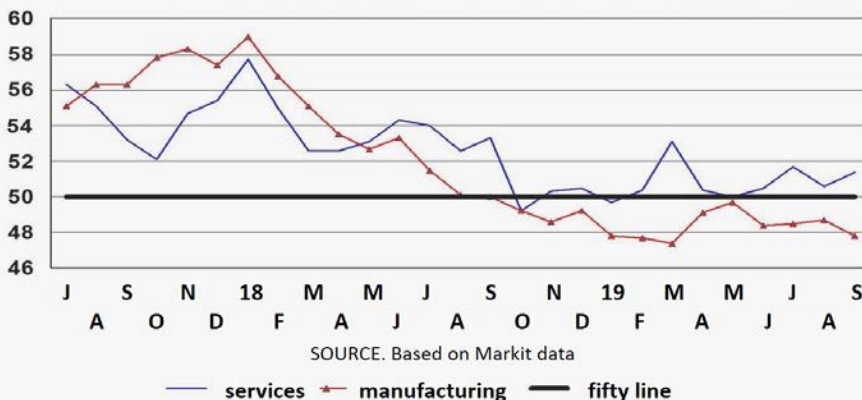
The third piece of news is that **Italian exports** have not been dragged down by the confirmed recession in world trade. In the second quarter, **global import volumes** fell for the third consecutive quarter, with an annual decrease of 0.5%, while Italian goods exports in the same period showed a 2.5% annual increase in volumes. A result that reflects our companies' ability to focus on the most dynamic markets.

Construction is accelerating, in a positive response to monetary policy stimuli: in the first six months of the year, residential and non-residential investments rose at an annual rate of 4.5%, compared with 2.6% in the year-earlier period. This healthy performance should be confirmed in the fall: in September **confidence** rose among construction companies and is now 12 points above the average for the last five years.

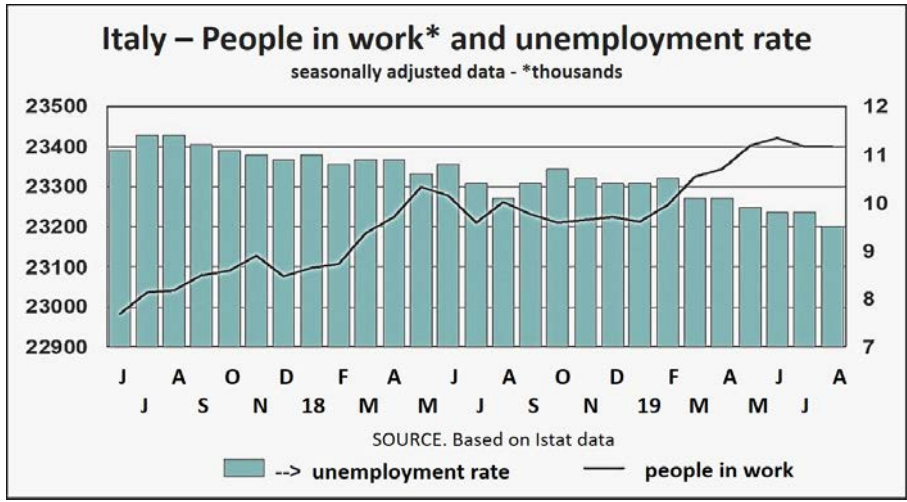


Italy – PMI manufacturing and services

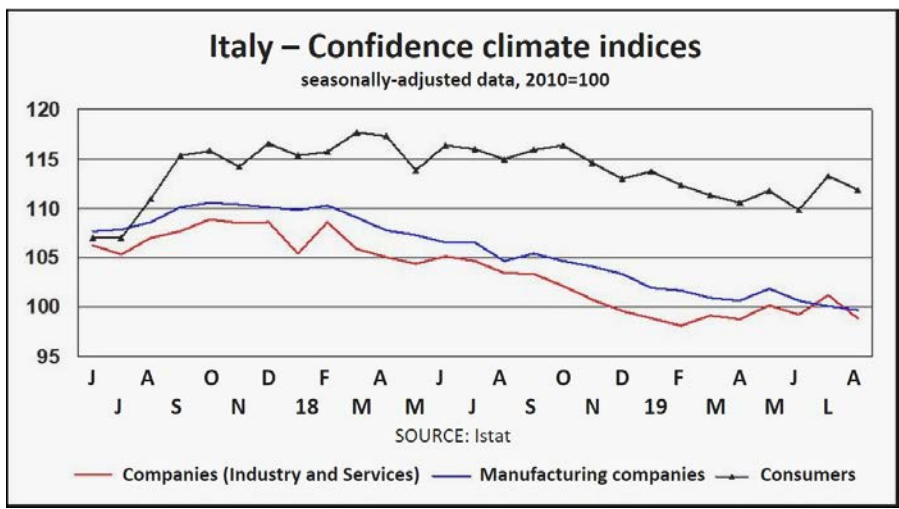
seasonally adjusted data – expansion >50, contraction <50




Consumer spending is benefiting from trends in household income, which has been raised by citizen's income and the increase in real total wages, despite the momentary standstill in **employment** in July-August, after the 0.5% rise in March-June. Nevertheless, we should wait for the findings of the quarterly analysis, which very often revises monthly figures.



Investments other than construction bounced back in the first half (+5.8%), after nosediving in the previous period (-4.8%) as a consequence of the end of incentives, which have now been partially renewed. Capital goods production, however, dropped in the summer (-1.2% in July compared with the spring figures) and confidence among **manufacturing companies** continued to slide. This all heralds a significant slowdown.





But where things are going really badly is in **inventories**. Destocking brought a reduction in growth of 1.2 points in the first half of 2019 compared with the second half of 2018. In short, businesses are emptying their warehouses in anticipation of tough times ahead. However, should things turn out to be less gloomy than expected, we could see a change in policy. An end to **destocking** alone would be sufficient to drive a significant rise in GDP, together with imports.

Add to this the lucky escape from a restrictive **economic maneuver** and the new monetary stimuli, and 2020 could be a better year than 2019, subject to developments in the world situation.

Consumer spending and investments are rising. Will the inventory cycle drive GDP?

Fabrizio Galimberti was born in Rome in 1941. After graduating from the Bocconi University in Milan, he studied at Columbia University in New York, and subsequently taught public economics in Rome and Ferrara. Later he worked at the OECD Economics Department. In Rome, he was an economic advisor to the Treasury, with Beniamino Andreatta and Giovanni Gorla. In later years, he was Fiat Chief Economist and most recently a leader writer with Il Sole 24 Ore.

Luca Paolazzi is an economist and partner at REF Ricerche. From October 2007 to February 2018 he headed the Confindustria Studies Center. From September 1986 to September 2007 he worked at Il Sole 24 Ore, latterly as a leader column editor. From March 1984 to August 1986 he was an economist at the Fiat Studies Office. He is the author of many publications on economics, and a winner of the Q8, Brizio and Lingotto awards for economic journalism.

READ MORE

LE LANCETTE DELL'ECONOMIA

<https://www.firstonline.info/litalia-resiste-alla-recessione/>

WHAT THE ESTIMATES DON'T SAY



Luca Paolazzi | [REF Ricerche](#)

Italy always appears way down in the rankings for investment appeal and competitiveness. The **World Bank** puts it in 51st place, mainly due to the difficulty of accessing bank credit, obtaining building permits and protecting minority shareholders. According to the **Institute for Management Development**, it comes in 44th. And these are just the two best-known and most frequently mentioned rankings.

Things improve a little in the move from theory to practice: in 2017, with 17 billion, Italy was 11th among the advanced nations for direct foreign investment. Nevertheless, even this last position clashes with other values and competences reflected by the Italian economy: the country is seventh in terms of manufacturing added value, ninth for manufacturing exports. Finally, **Italy is second only to Germany for export complexity** (where complexity covers number of exported products, number of countries to which goods are exported, and so on).

The ambassadors and, simultaneously, the creators of this **competitive capacity** are the multinationals controlled by **foreign investors** that operate in Italy. All the indicators confirm their importance: 1.3 million employees; revenues of 539 billion; 15.1% of the corporate sector's total added value; 14.4% of total corporate investments; 25.5% of R&D expenditure and 27% of exports (the figures refer to 2016, the latest data set available). These numbers say that Italy has attracted and attracts important investments from abroad, investments confirmed from year to year, given that the Italian subsidiaries have to convince their parents that permanent operations in Italy are worthwhile.

The presence of multinationals differs significantly from industry to industry. The peak is in pharmaceuticals (with 58.9% of sector revenues), followed by refining (52.2%), chemicals (38.3%), plastic and rubber (27.0%), means of transport

other than automobiles (26.0%), machinery (24.0%), ICT and optical instruments (23.2%), paper and paper-based products (20.3%) and non-metallic mineral products (18.7%; data for 2016).

What are the **pull factors**? In the manufacturing sector, they include a high propensity for innovation, leadership in many market niches, export complexity as mentioned above, growing and fruitful research collaboration with universities, high production flexibility, bespoke solutions and a wide product range. The very significant and profitable operations of foreign multinationals are the best testimonial that **investing in Italy can be a good deal**.

So which criteria should be followed by someone wanting to invest in the country today? The first and most important criterion takes its cue from an increasingly noticeable phenomenon in all economies: the **large gap in corporate performance**, irrespective of the parameter used to measure performance: productivity, growth rate, innovation, return on equity, return on invested capital.

An example of the gap can be seen in ROE. If the 8,828 manufacturing companies with at least 50 employees are ranked in order of average capital profitability for 2016-18, the first 442 (i.e., the TOP 5%) have a ROE of 51%, which falls to -9% for the last 1,767 (who make up the lowest quintile).



At every latitude, the corporate sector has always been a mixed bag. Yet this heterogeneity has deepened over the last twenty years, and during and since the crisis. The factors driving the widening performance gap are **globalization** and **new technology**, two closely linked phenomena.

Globalization in terms both of greater competition and the emergence of new markets. New technology experienced not so much at the engineering level as for its impact in terms of a re-organization, almost a reinvention, of the way companies do business, to take better advantage of opportunities and use their human capital. And also the exploration of new products.

The crisis raised the bar of the **market challenge** even higher by sharply stepping up the pace of change. It proved fatal for players who had failed to prepare in time across their organizations, but was met as a further stimulus for growth by those who had developed and implemented strategies to prosper in the global digital economy. **So investment in Italy is a good deal**. And the best companies in terms of current profitability and future development prospects need to be selected with care.

TECNICA GROUP: A SYSTEM ON THE MOVE



Tecnica (skiboots and footwear), **Nordica** (skis and skiboots), **Moon Boot** (footwear), **Lowa** (trekking shoes), **Blizzard** (skis) and **Rollerblade** (inline skates). A system: **Tecnica Group**.

With revenue of more than **400 million euro** for 2019, operations on all the main international markets and more than 90% of production sold abroad, 8 subsidiaries, 4 production sites and approximately 3500 employees, Tecnica Group is the largest sports group in Italy and **a global leader in outdoor footwear and ski equipment**.

Its industrial plan targets growth to 500 million euro and includes the double operation carried out in July. Lowa, the Tecnica Group's German subsidiary, purchased 100% of Riko Sport, a Treviso-based company specialized in the production of high-level footwear, from the Castellani family. This operation strengthens the Group's core business, accounting for around 55% of its turnover.



MOON BOOT
the Original

BLIZZARD

LOWA
simply more...

TECNICA

NORDICA

Rollerblade

Moreover, Tecnica acquired from the Castellani family an additional 15% interest in Lowa to raise its stake to 75%; the remaining 25% continues to be held by Werner Riethmann, the company CEO and long-time manager of the Bavarian company. The transaction involved an overall investment for approximately 80 million euro and is a milestone in the Tecnica Group's growth strategy, strengthening its production structure and improving Ebitda by more than 12 million euro, with a net debt/gross operating profit ratio of 3.5x.

Riko Sport reported revenue of approximately 110 million euro and Ebitda of more than 10% for 2018. With 1,900 employees and a daily production output of around 12,000 pairs of shoes, the company based in Altivole (Treviso), with manufacturing facilities in Slovakia, has been Lowa's principal supplier of light trekking boots, and outdoor, casual and children's footwear for a number of years.

In 2018 **Lowa Sportschuhe** reported revenue of 192 million euro, accounting for half of Tecnica Group aggregate revenue, and sold nearly 3 million pairs of shoes. Established 90 years ago and part of the Tecnica portfolio for the last 25 years, the Munich company continues its growth and expansion on many international markets and is the leading player in mountaineering and outdoor footwear in Germany, Austria and Switzerland.

This important acquisition is the precondition for a new phase of growth that began in 2017 when Italmobiliare acquired 40% of Tecnica Group for an overall investment of approximately 60 million euro, whose NAV-based value has risen by 50% in the intervening 18 months.

The investment has turned out to be a strategic move for the development plans of the group, which, after the re-organization of the last few years, has decisively resumed the growth path founded on four lines of action: a **strengthening of each brand**, with particular attention to the end consumer; increased investment in **innovation** for highly differentiated products; investment in the **new distribution channels**; implementation of **efficiency in production and logistics**.



Consolidated results
(€ Million)

2018

2017

Revenue

398.5

368.5

EBITDA

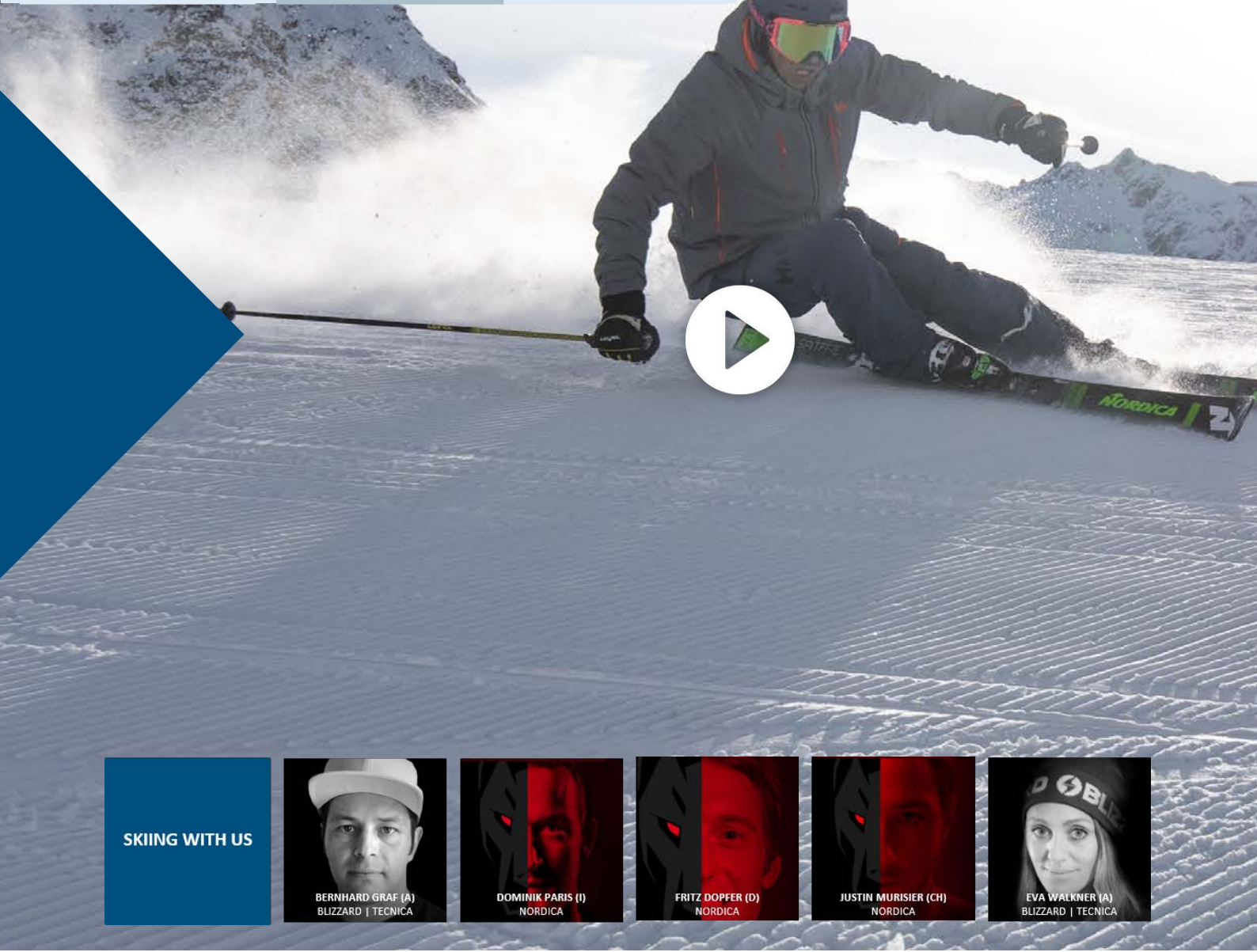
37.7

31.4

Profit

11.1

6.0



SKIING WITH US



TALKING POINT

Alberto Zanatta
Chairman Tecnica Group

Antonio Dus
CEO Tecnica Group



Winter sports and also outdoor footwear: this is a way to **offset the seasonality of the business**, but above all it's a way of satisfying or, even better, anticipating the Group's customers' requirements.

Moon Boot is 50 years old and has expanded its horizons to include the metropolitan environment and now, even the beach.

Generally speaking, **the entire outdoor sector has been growing steadily** over the last few seasons. The latest figures from the European Outdoor Group put the retail market at 12.3 billion euro in 2017, dominated by Germany, France and the UK, which alone represent 50% of the sector. Footwear is the fastest growing segment, up 13.4% from the previous year.

In footwear, the goal is always **a lighter, more comfortable shoe**. To achieve this, research doesn't look at a single element, it works on many different elements at the same time.

VALUE OF PRODUCTION
MORE THAN 400 MLN.

UP 8% FROM 2017.

2019 TARGETS ACHIEVED
ONE YEAR EARLY.



DOWNHILL ALL THE WAY



Established in the Italian town of Montebelluna (Treviso) in 1939, Nordica is a **benchmark ski equipment brand**, used by such great champions as Pirmin Zurbriggen, Gustav Thöni, Dominik Paris, and the name behind countless victories on the Ski World Cup slopes.

The acquisition of Nordica in 2002 transformed the Tecnica Group into a leader on the world skiboot market.

In February, at Ispo Munich, the top international sportswear and mountain equipment trade fair, Nordica presented a number of new products, including the **Nordica Speedmachine J3 Plus Goodwill** customizable junior skiboot, which won the **Ispo Gold Winner Award**.

In 2018, Nordica reported a **10%** revenue growth.



A STORY THAT BEGAN ON THE MOON

MOON BOOT

On July 20, 1969, when Neil Armstrong left the first human footprint on the moon, his boot provided **Tecnica founder Giancarlo Zanatta** with the inspiration for the design of the Moon Boot.

A completely new product and a high-risk operation rewarded with enormous success, which, as Zanatta writes in his autobiography, was the result of a happy combination of “timing, phosphorus and luck”.

Today, the iconic après-ski boot, recognized as a work of art by the Court of Milan, is displayed in the **MoMa permanent collection in New York** as a **symbol of the 21st century** and is a synonym for après-ski footwear all over the world.

Moon Boot, whose revenues grew 47% in 2018 to 20 million euro, has developed from a symbol into a fashion and lifestyle brand in its own right, diversifying into summer footwear and urban winter footwear.

ITALMOBILIARE STARS ON THE STOCK EXCHANGE

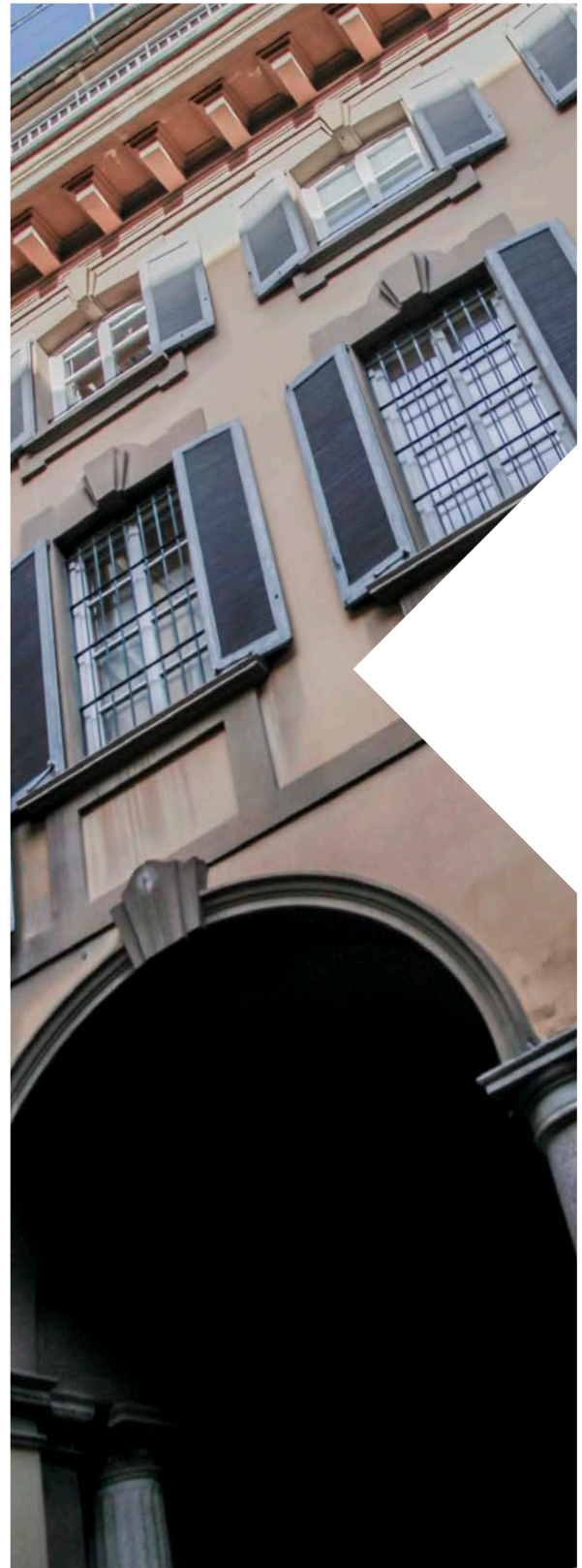
Since September 24, Italmobiliare shares have been included in **Borsa Italiana's STAR market segment**, reserved for securities that satisfy high requisites.

Created in 2001, the STAR segment comprises **mid-cap companies**, that voluntarily comply with strict requirements of excellence in terms of liquidity, governance and transparency in relations with institutional investors and shareholders.

Specifically, companies on the STAR market are required to have a **corporate governance system** aligned with international standards, independent directors on their board of directors, an internal control committee and a remuneration system providing incentives for executive directors.

During the year, the visibility of the STAR companies with respect to institutional investors receives constant support from Borsa Italiana through the **STAR Conferences**, a program of meetings for the companies with the international institutional investor community in Milan and London.

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SPOTLIGHT ON PRIVATE EQUITY

Part of Italmobiliare's investment operations are conducted through the development of a **portfolio of private equity funds**. This takes the form of commitment in the funds or selected co-investments, while new opportunities are sought in high-growth geographical areas or specific sectors in which the holding is not directly active.

CLESSIDRA

Clessidra SGR, an Italmobiliare subsidiary, is the main manager of private equity funds dedicated exclusively to the Italian market through the **Clessidra Capital Partners II** fund and the **Clessidra Capital Partners 3** fund. They were recently joined by the **CRF fund**, which, with the contribution of UTP credits by 10 Italian financial institutions and the availability of new finance, will support about fifteen Italian companies whose businesses are being restructured and relaunched.

As well as being the anchor investor in the **CCP3** fund, Italmobiliare covers US midcaps with the BDT Fund II (2016) and the BDT Fund III (2019), and the venture capital fund sector with Isomer Capital I (2015), ICONIQ Strategic Partners IV (2018) and Connect Ventures III (2019).

In the first half of 2019, the aggregate value of the private equity funds rose by 2.8 million euro, largely as a result of recalls (9.5 million euro) and the increase in fair value (6.6 million euro), offset in part by repayments (-13.5 million euro).

LIGHTING INTELLIGENCE

The latest transactions include the acquisition by **Clessidra Capital Partners 3** of 80% of the **L&S Group**, which specializes in designer lighting. This is the fifth investment made by the fund, which has already invested approximately 70% of its initial assets of more than 600 million.

Established in Maron di Brugnera (Pordenone) in 1977, L&S manufactures and distributes **lighting solutions** and incorporated LED systems for residential, industrial and retail applications. Active in more than 70 countries around the world, it has four production facilities in Italy, Germany, China and the USA employing more than 400 workers, and reported **revenue totaling approximately 80 million euro** in 2018, with sales outside Italy accounting for more than 75% of the total.

CAFFÈ BORBONE COFFEE'S ON STAGE - COFFEE'S ON ICE

ITMH STAKE
60%

"Coffee is a balm for the heart and the spirit". Caffè Borbone, an ambassador for Italian history and lifestyle, turns to the words of Giuseppe Verdi to talk about its partnership with one of the most iconic symbols of the *Bel Paese* around the world.

With the 2018/2019 season, **Caffè Borbone is a Partner and Official Supplier of the Teatro alla Scala opera house in Milan**. A remarkable collaboration that enhances the values of excellence, quality and tradition admired in Italy and abroad, which have made Caffè Borbone one of the leading specialist producers of compatible capsules and pods.

Caffè Borbone supports Italian social, cultural and artistic values, sharing them with its customers, together with its environmental sustainability policies.

Caffè Borbone is headquartered in Caivano (Naples) and ranks as the third-largest player in single-dose capsules and pods in Italy after Lavazza and Nespresso, with a nationwide sales network.

In the first six months of 2019, Caffè Borbone reported year-over-year revenue growth of approximately 28%, with solid improvements in all sales channels, notably large scale distribution (+78% year-over-year). Revenue amounted to 85.9 million euro, while gross operating profit was 25.1 million euro (29.2% return on revenue). The increase arose from a reduction in the price of coffee from the year-earlier period, and from lower advertising and commercial expenses as a proportion of revenue.

The magical emotions of Caffè Borbone were transported from the dancers at La Scala to **the great figure-skating champions** as they performed to the strains of famous opera arias in the enchanting setting of **Rome's Foro Italico**.

"A unique brand for a unique show. Caffè Borbone's decision to join the Opera on Ice world premiere is a reflection of our corporate mission, our constant pursuit of uniqueness, with Borbone once again on the side of excellence," said **Massimo Renda, founder and chairman of Caffè Borbone**.

CAFFÈ
BORBONE

Caffè Borbone's commercial backstage featuring Italian actor Gerry Scotti



50 YEARS OF ISEO SECURITY

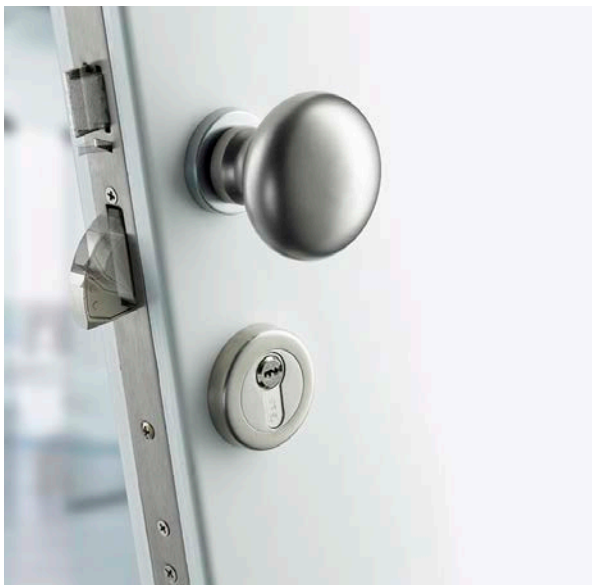
Iseo, leader in the sector of digital and mechatronic technologies for security and access control, in its **50th Anniversary year**, hosted the traditional **ISEO for You** meeting at its head office in Pisogne, on Lake Iseo.

The meeting, which Iseo organized for **Security Experts** from all over Italy, is an important opportunity for discussion.

At this year's event, a visit was organized to the factory where all Iseo products are made, to illustrate the manufacturing process and highlight the care dedicated to each phase in the process on a daily basis.

Iseo also unveiled its latest developments and implementations for **Argo**, its smartphone app for opening and managing access points, directly and remotely. In addition it presented **Serie 5**, the new electric lock that recently made its market debut.

The ISEO for You guests traveled to Brescia Castle to immerse themselves in the magic atmosphere of **Cidneon**, the **International Festival of Lights**, of which Iseo is the main partner.



ITMH STAKE
40%

AN INVESTMENT PORTFOLIO FOCUSED ON INDUSTRY

Portfolio Companies



Sirap

www.sirapgroup.com

STAKE | 100%

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



Italgen

www.italgen.it

STAKE | 100%

Italgen is a producer and distributor of electricity from renewable energy sources. The company manages 17 hydro power plants and over 300 kilometers transmission lines in Italy and has a significant stake in two wind farms in Bulgaria.



Caffè Borbone

www.caffeborbone.it

STAKE | 60%

Caffè Borbone, is one of the top names on the national market and a leading provider of compatible capsules and pods. Over the last few years, the company has expanded at an annual rate of 40%.



Tecnica Group

www.tecnicagroup.com

STAKE | 40%

Tecnica Group is the main Italian group in the sport sector and a leading manufacturer of outdoor footwear and ski equipment, with a brand portfolio including some of the industry's historic names: **Tecnica, Nordica, Moon Boot, Lowa, Blizzard** and **Rollerblade**.



Iseo

www.iseo.com

STAKE | 40%

Iseo develops digital solutions and electronic/mechatronic security systems for access control, based on proprietary software and firmware.



Autogas Nord

www.gruppoautogas.com

STAKE | 27%

Autogas Nord, following the acquisition of the Lampogas Group in January 2019, is today the second largest Italian operator in the LPG market in terms of volumes sold. It is also active in the electricity and natural gas sector.



Clessidra SGR

www.clessidrasgr.it

STAKE | 100%

Clessidra SGR is the leading manager of Private Equity funds exclusively dedicated to the Italian market.

Participations



HeidelbergCement

www.heidelbergcement.com

|
Listed on the
Frankfurt Stock Exchange



Mediobanca

www.mediobanca.com

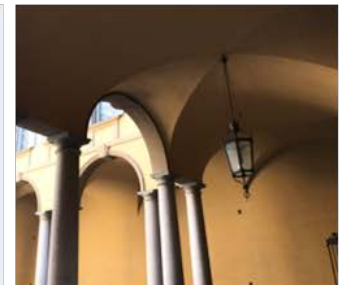
|
Listed on the
Milan Stock Exchange

Vontobel

Vontobel

www.vontobel.com

|
Listed on the
Zurich Stock Exchange



Private Equity



Clessidra CCP 3 CRF



BDT Fund II e III



Isomer Capital I



Iconiq Strategic Partners IV



Connect Ventures III

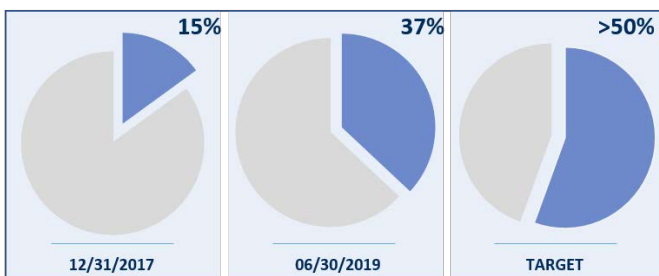
NAV OF ABOUT 1.6 BN EURO⁽¹⁾



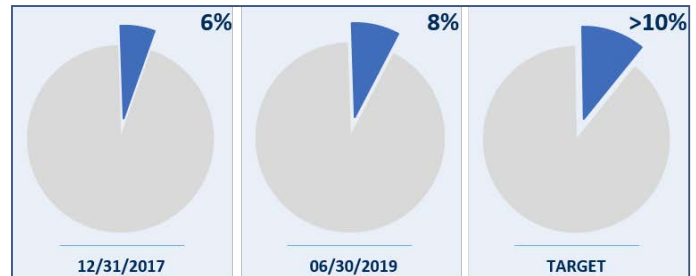
	(€ m)
Listed participations	278
Portfolio companies	586
Private Equity	130
Financial investments, trading & liquidity	424
Other investments	120
Real estate	48
NAV as of 30.06.2019	1,588
NAV per Share	37.9€

NAV WORK IN PROGRESS

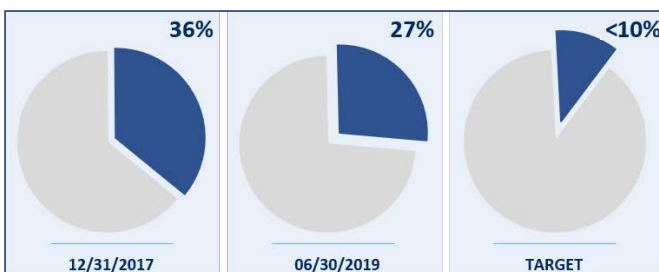
Portfolio companies
% on total



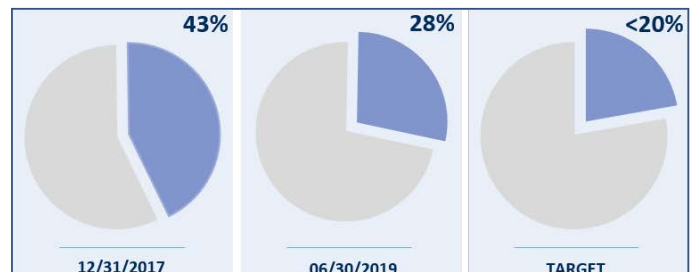
Private equity
% on total



Financial investments, trading & liquidity
% on total



Listed participations and other assets
% on total



SUSTAINABILITY PROJECT

OUR PLEDGE

"Italmobiliare adopts and promotes Group-wide sustainability policies to ensure that the demands of the relevant communities are taken into account in its decisions and actions, while promoting the adoption within the Group of instruments that foster a transparent dialogue with the stakeholders."

Italmobiliare Code of Ethics

SUSTAINABILITY KEY WORDS FOR ITALMOBILIARE



THE SUSTAINABILITY REPORT

Italmobiliare publishes an annual Sustainability Report (non-financial consolidation statement) disclosing significant information relating to corporate operations, the impact and risks produced in its operating environment, sustainability strategies and stakeholder expectations.

THE SUSTAINABILITY TEAM

Italmobiliare has formed a specific Team to coordinate sustainability issues relating to corporate operations and the Group's relations with all its stakeholders. The Team involves the CEO Office and the Administration & Control, Internal Audit and Communication Departments.

FOCUS ON TRAINING

Italmobiliare has organized a program of meetings and workshops for its investees to examine sustainability and governance issues. The events are opportunities to compare experiences and optimize implementation.

SUSTAINABILITY: A KEY TO GROWTH

Last September a training event was held at the ALTIS Business & Society Graduate School of the Sacro Cuore Catholic University in Milan, with Stella Gubelli and Andrea Sartori, who discussed sustainable development as a growth opportunity with the middle management of the investees.



ASAP, AS SUSTAINABLE AS POSSIBLE

ASAP is an English expression suggesting a state of urgency. This obviously applies to sustainability issues. Sustainable and soon is no longer a choice, but a necessity. "Sustainability in growth" is almost a tautology: if it is not sustainable, it is not real growth (economic, social, environmental).



A COMMITMENT STARTING AT THE TOP

In the early fall, the top management of Italmobiliare's investees attended the 2019 Holding Dinner on the issues of Sustainability and Governance as competitive levers. The speakers were Stella Gubelli, a lecturer at the Catholic University and ALTIS head of consultancy, and Marta Testi, managing director of ELITE Italy.

THE ITALMOBILIARE PLAN...



... IS BUILT ON 5 PILLARS

