

ITALMOBILIARE BECOMES A PARTNER OF THE ISEO GROUP WITH A 40% SHARE

Further investment diversification with the expansion of the portfolio into the hi-tech mechanical sector through an Italian brand of excellence in the access control and security devices sector.

Milan, July 24, 2018 – After the operations with Tecnica and Caffè Borbone, Italmobiliare continues to diversify its investments in Italian companies of excellence. As the result of an agreement with the Facchinetti and Faustini families, Italmobiliare is to acquire a 40% equity interest in Iseo, one of Europe's leading manufacturers of digital and mechatronic solutions for the access control and security devices. Closing is expected to take place by the fall, subject to approval by the Antitrust authorities.

Active in a sector with significant growth rates, in 2017 Iseo reported increased revenue totaling approximately 145 million euro, with international sales accounting for around three quarters of turnover and EBITDA margin of more than 12%. Iseo is headquartered in the province of Brescia and, in addition to its three facilities in Italy (where it is the second-largest player on the market), has production sites in Romania, France, Germany and Spain.

Italmobiliare CEO Carlo Pesenti commented: *“This operation confirms our commitment as partners ready to provide successful entrepreneurs looking to grow their businesses with support over the medium-long term, in terms not only of financial backing but also of industrial and governance expertise to help them take on the challenges of the international marketplace.”*

“Italmobiliare’s entry is an opportunity and a stimulus for us to continue effectively with a forward-looking industrial project,” said Iseo Chairman and CEO Evaristo Facchinetti.

“Our shared entrepreneurial values and the complementarity of our respective skills will facilitate achievement of the targets ISEO has set itself.”

The aim of the operation is help the Iseo group consolidate its position in the sector of mechanical products and simultaneously provide further impetus for the development of its fast-growing electronic business.

“The partnership with Italmobiliare,” added Iseo Chief Operating Officer Pierre Bourgmayer, *“will enable the group to further develop its offer and market position and thereby flank mechanical security with the flexibility, modularity and intelligence of electronic and digital solutions. Our R&D division is working on innovative advances for building automation based on the logic of the Internet of Things.”*

Italmobiliare was assisted by Roland Berger as business consultants. The financial and the legal due diligences were handled by New Deal Advisors and DLA Piper respectively. Iseo was assisted by Fabrizio Felter (Studium 19.12).

Italmobiliare is an Investment Holding that holds and manages a diversified portfolio of investments and equity interests, with a strategic vision backed by a financial and industrial history of more than one hundred and fifty years. Listed on the Italian stock exchange, the company has a Net Asset Value of approximately 1.5 billion euro.

The **Iseo Group** was established in 1969 to manufacture locks, cylinders and padlocks, and subsequently grew through the acquisition of companies in complementary sectors offering additional quality and specialization. Today it is a significant player on the international markets where it represents an alternative to the large financial conglomerates in the sector.

Disclaimer

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

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