

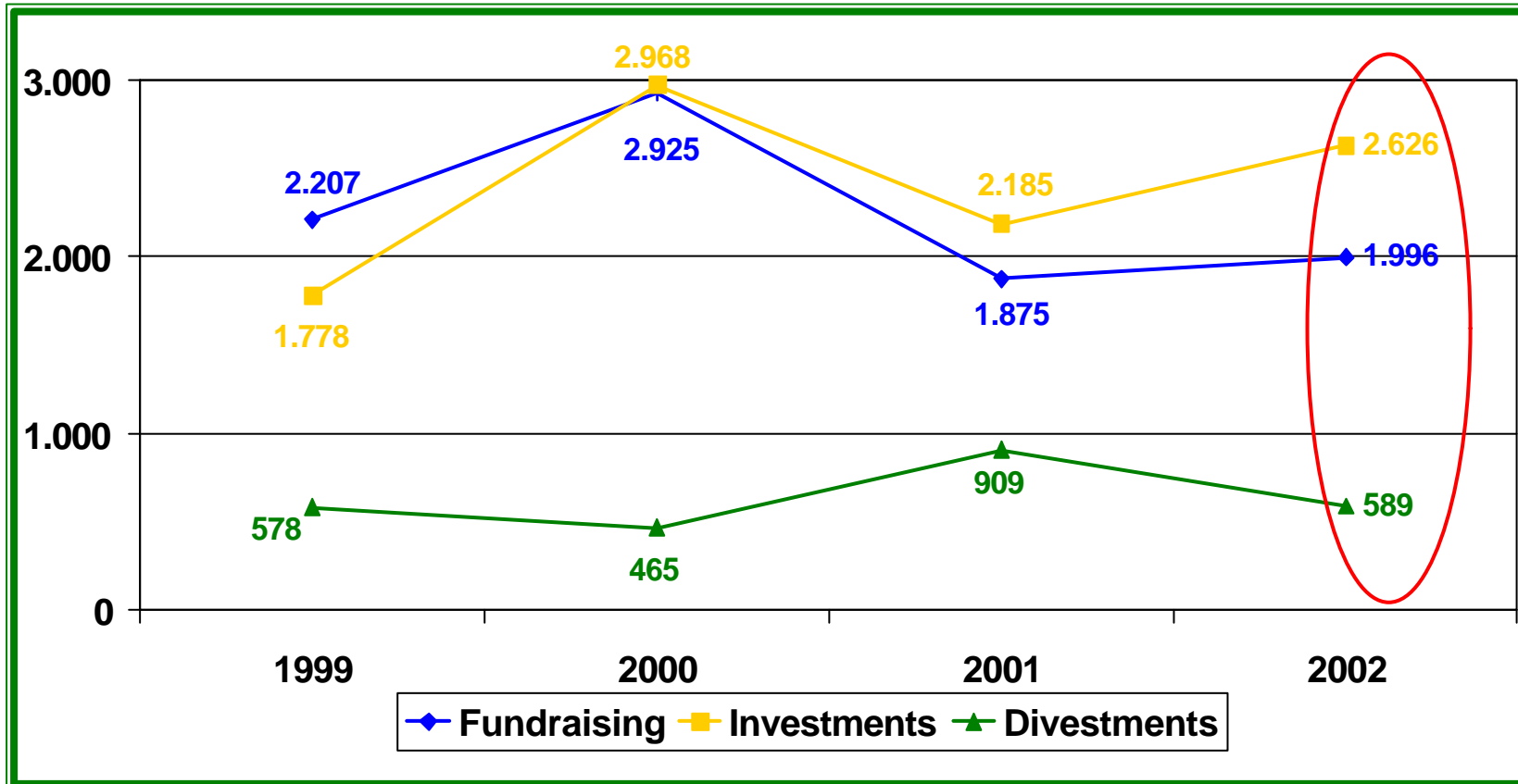
Italian Private Equity and Venture Capital Association

2002:

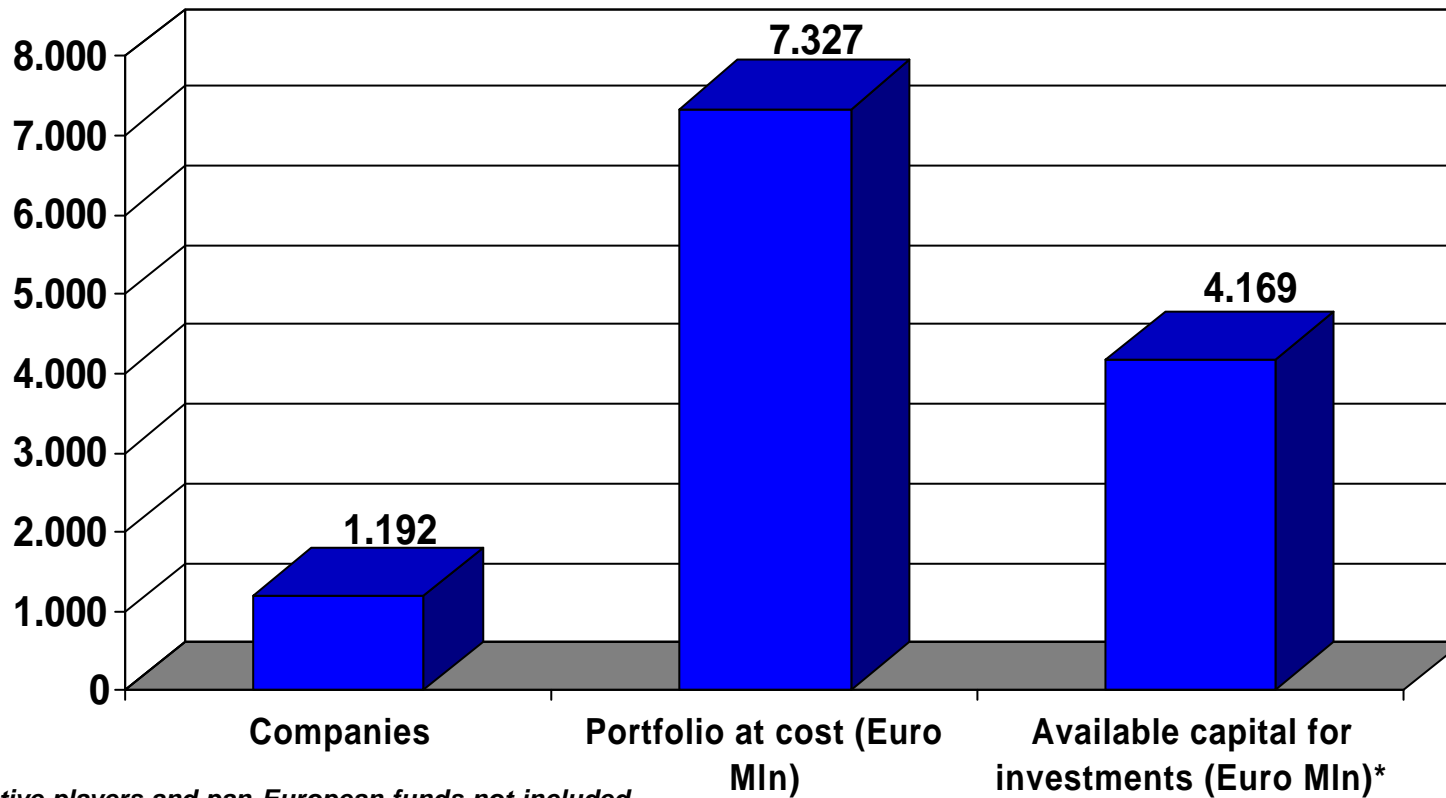
Private Equity and Venture Capital in Italy

Milan, 14th April 2003

Comparison: Fundraising, Investments and Divestments

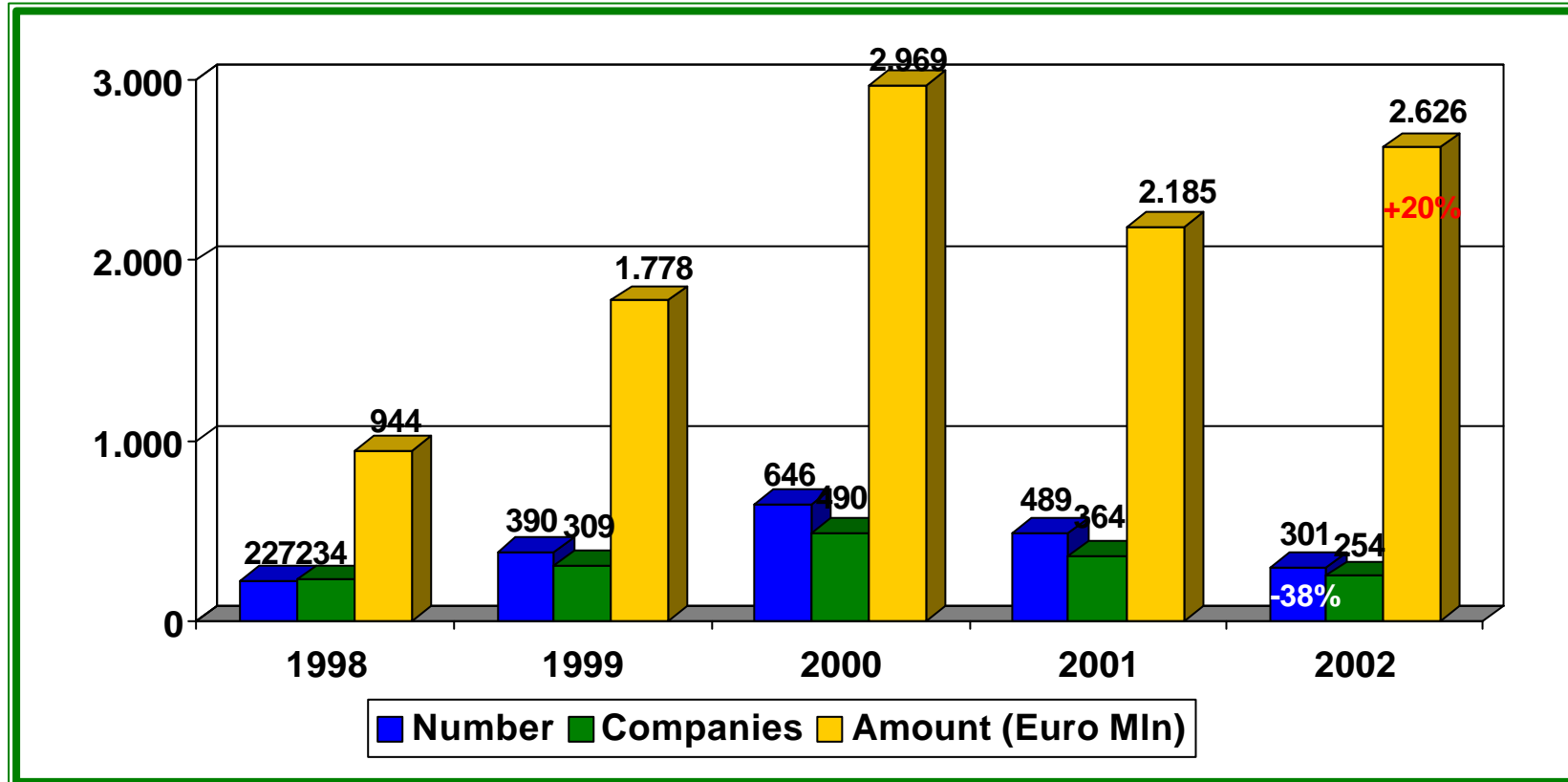


Portfolio and available capital for investments at 31st December 2002

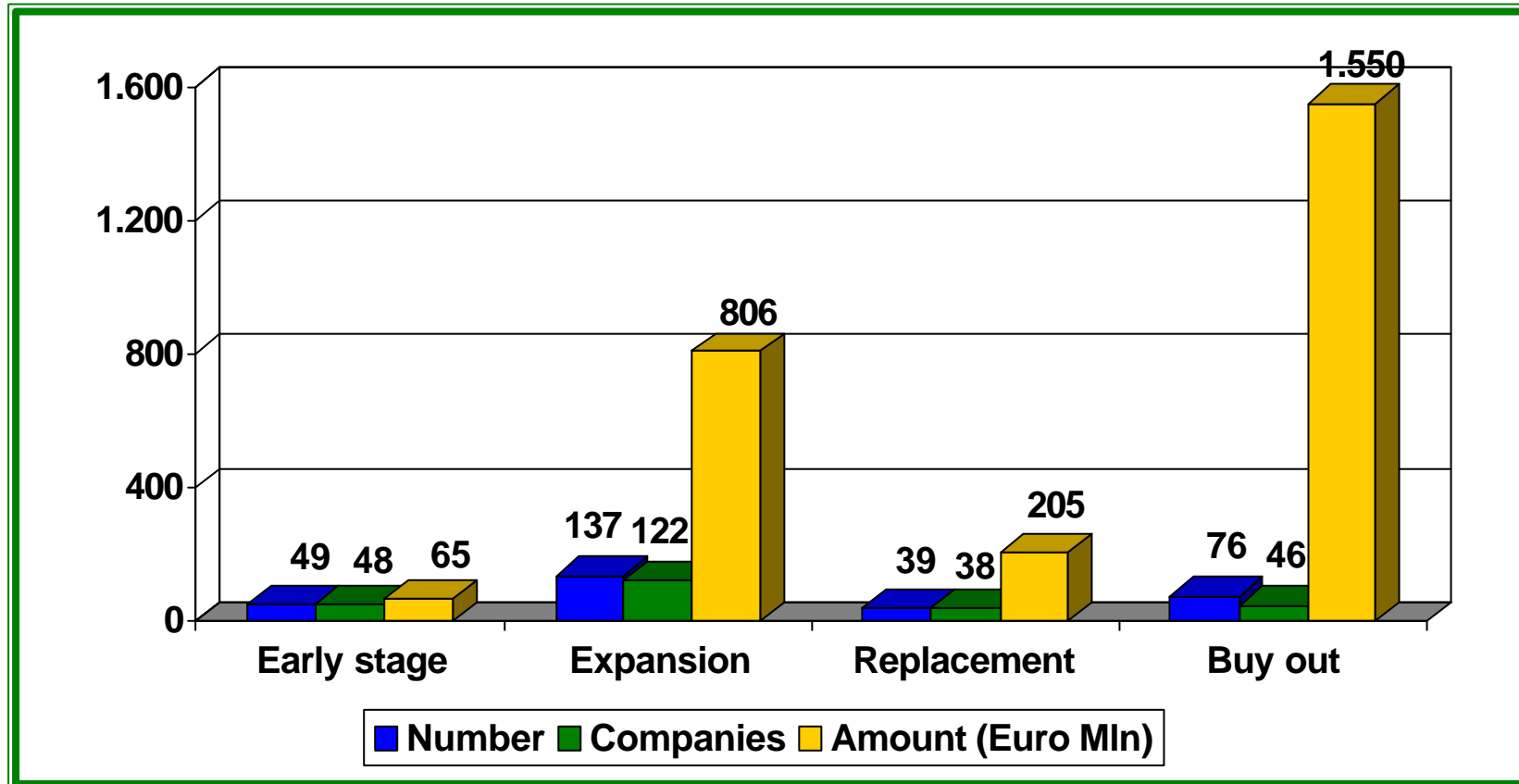


* Captive players and pan-European funds not included.

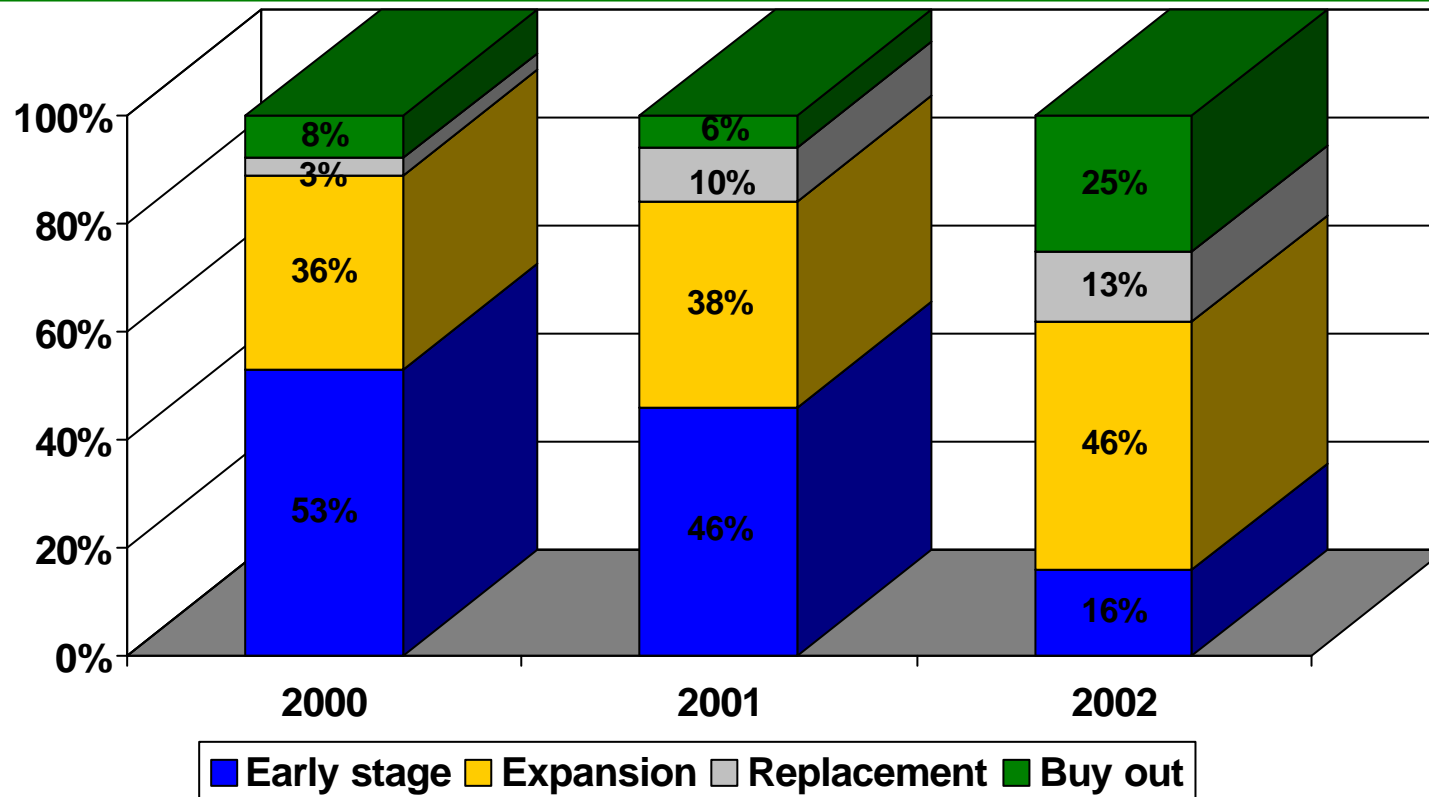
Investment activity by number, companies and amount



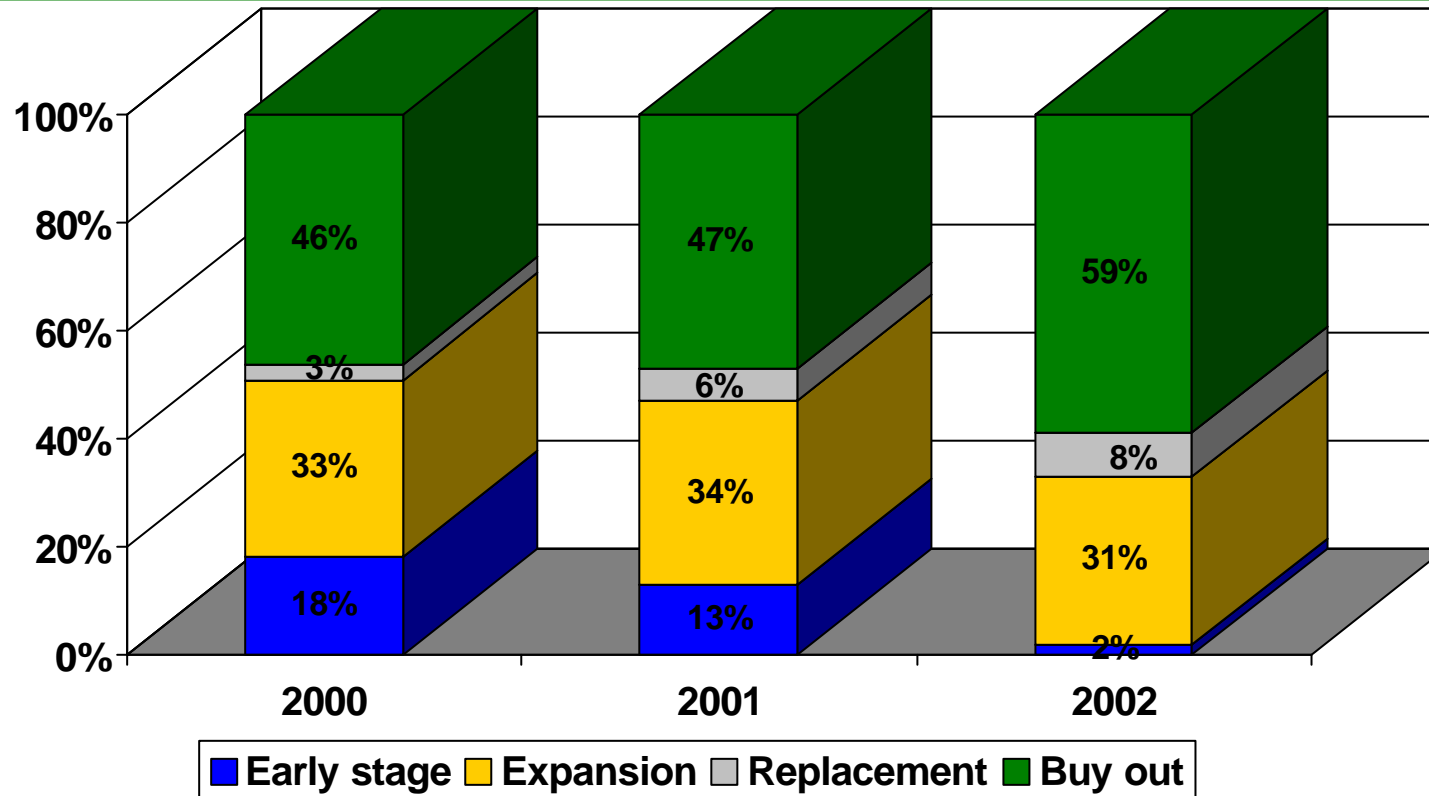
2002: Stage distribution of investments



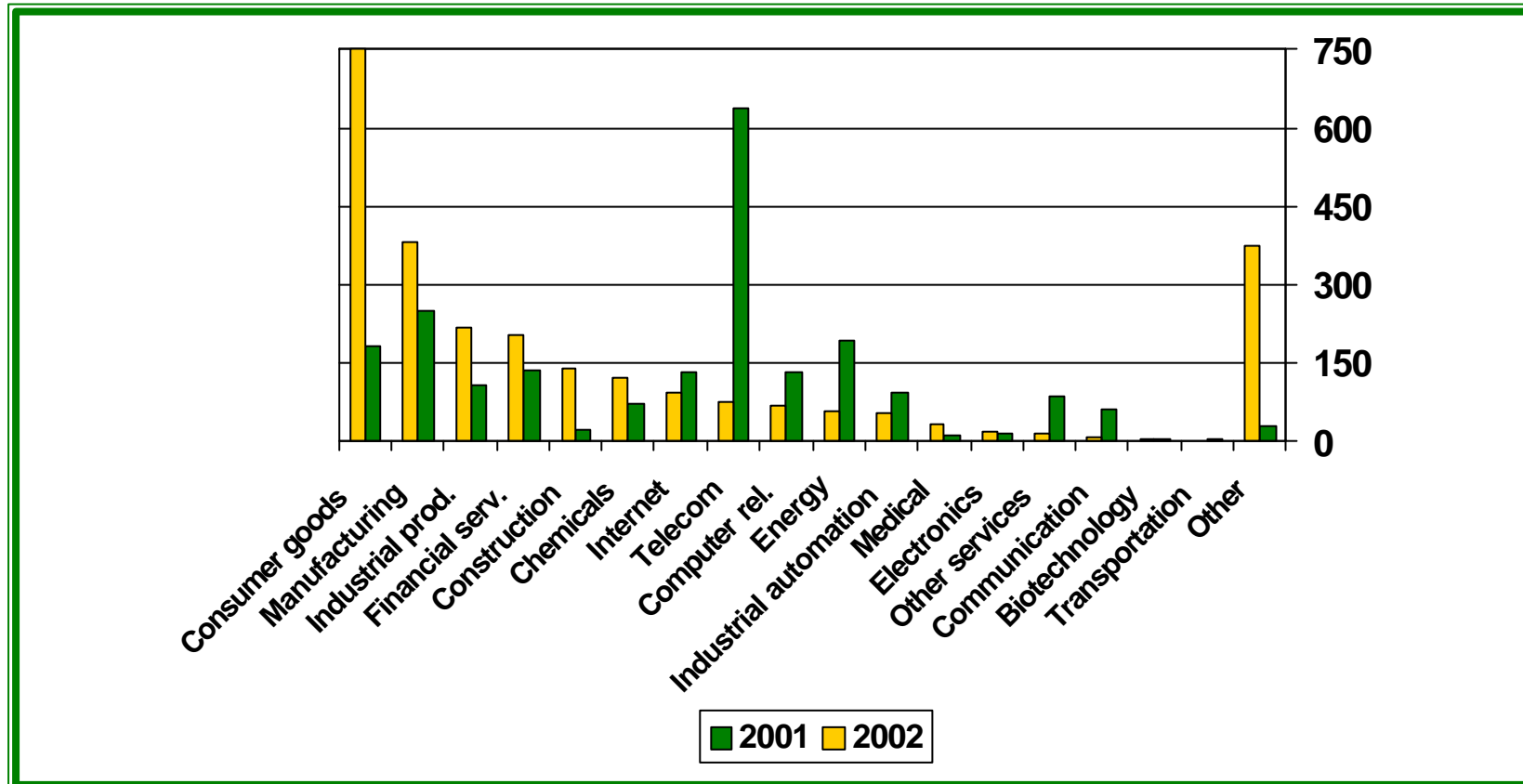
Stage distribution of investments by % of number



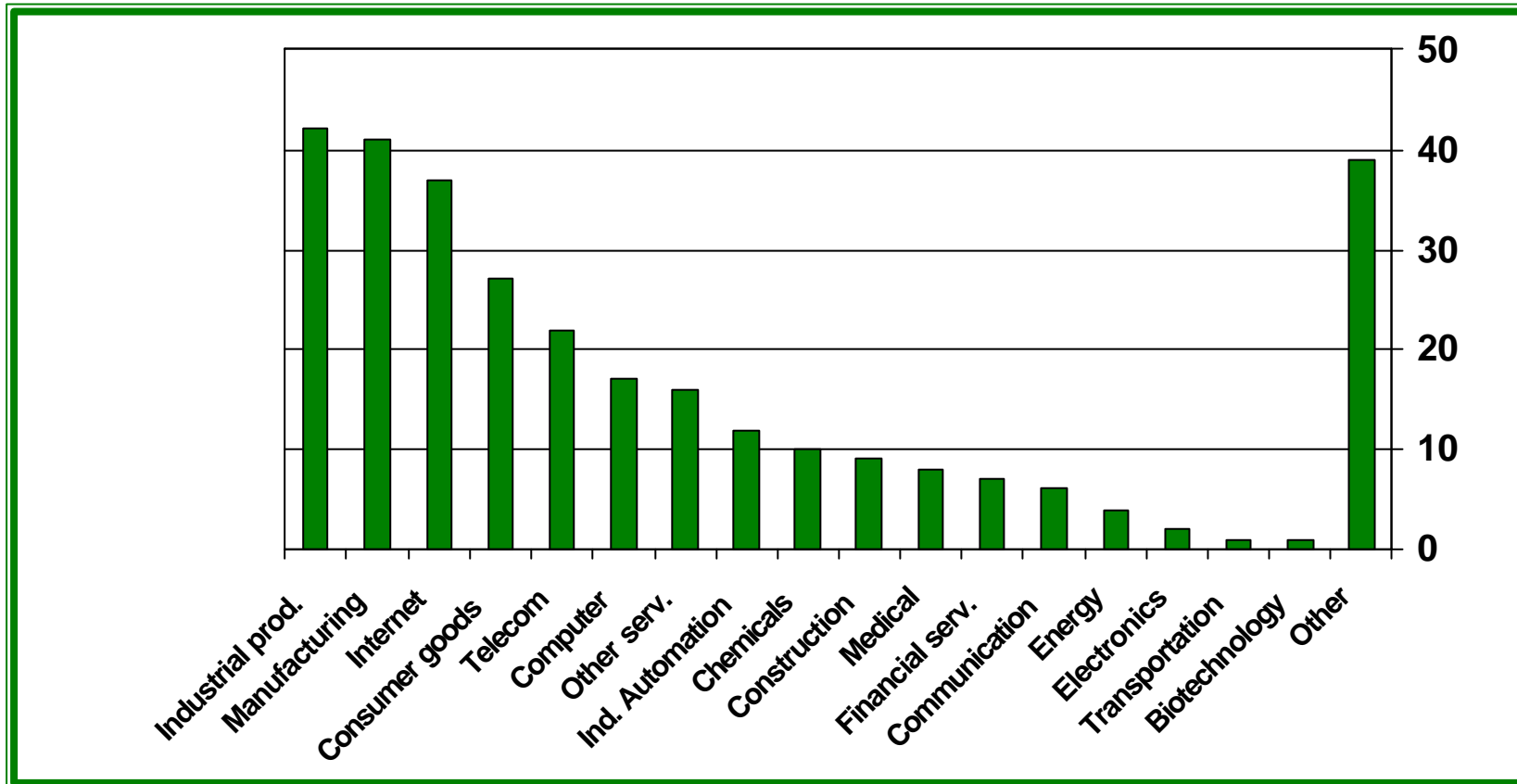
Stage distribution of investments by % of amount



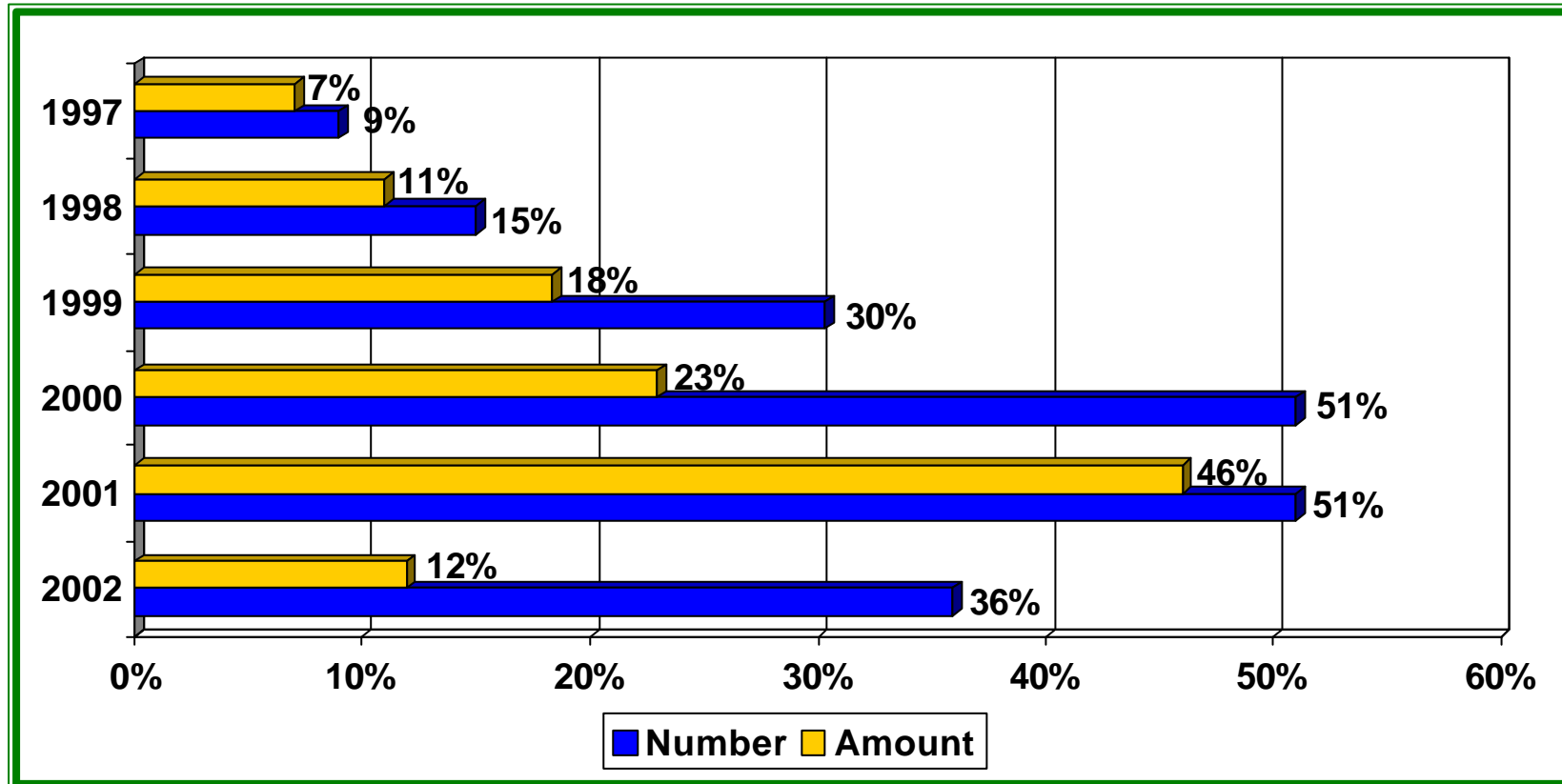
Sectoral distribution of investments by amount (Euro Mln)



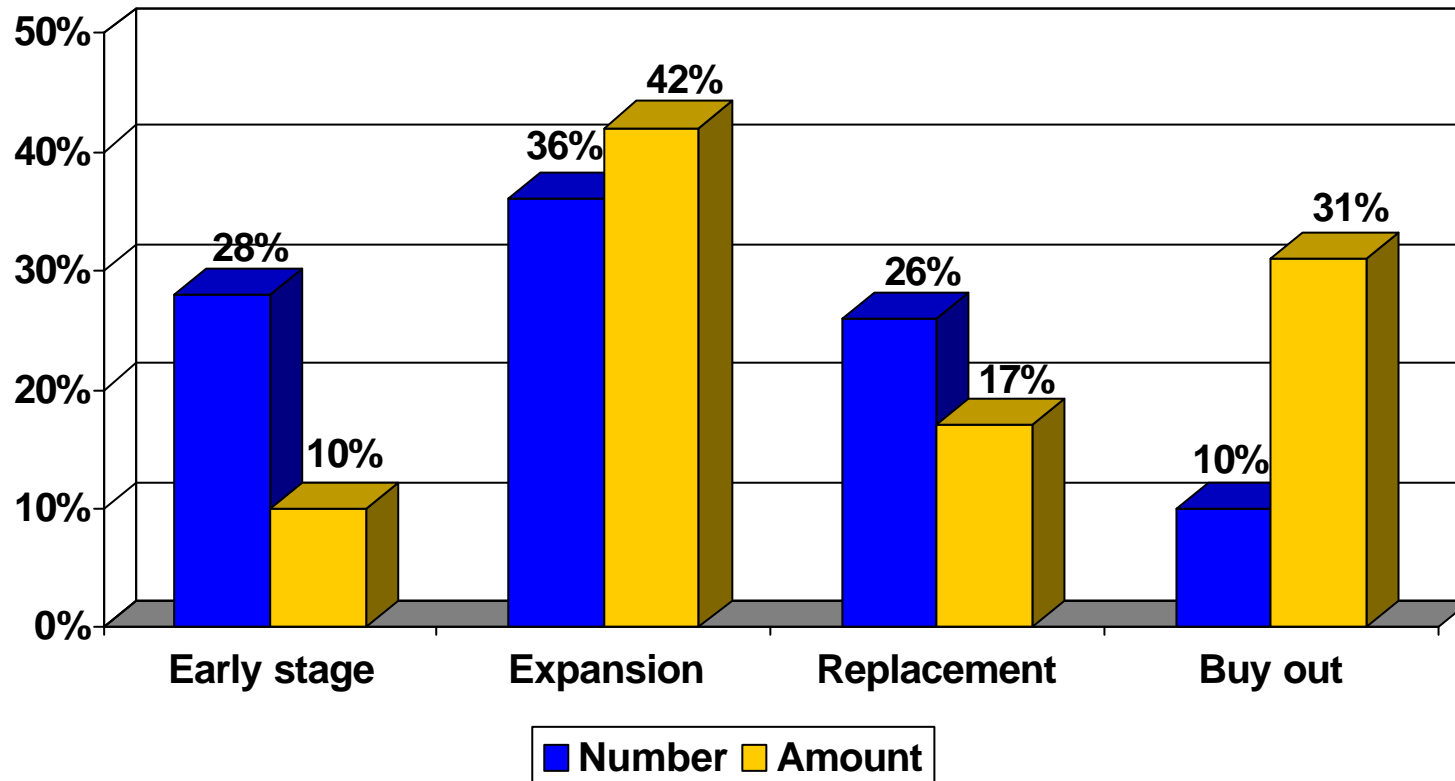
2002: Sectoral distribution of investments by number



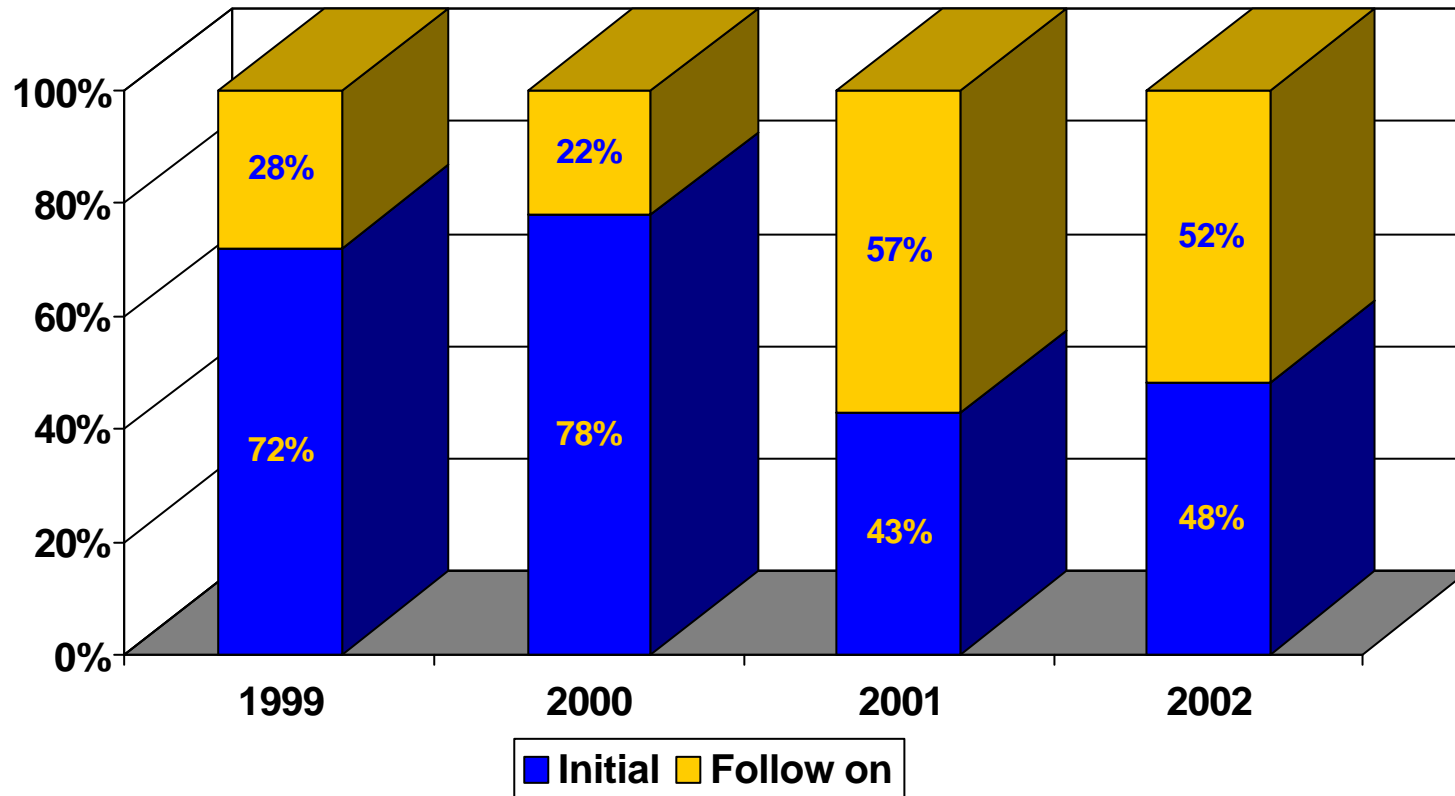
% of investments in *high tech* companies by number and amount



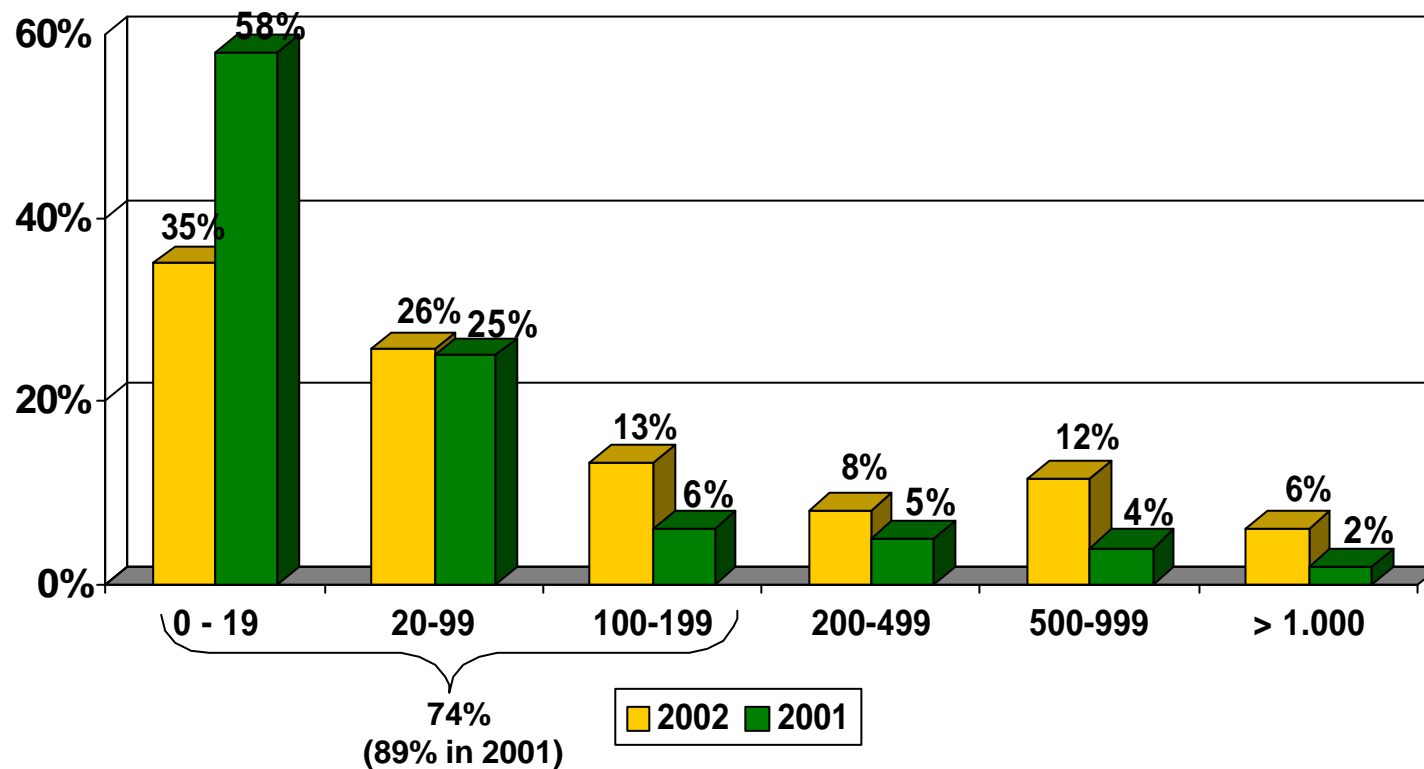
2002: Stage distribution by % of investments in *high tech* companies



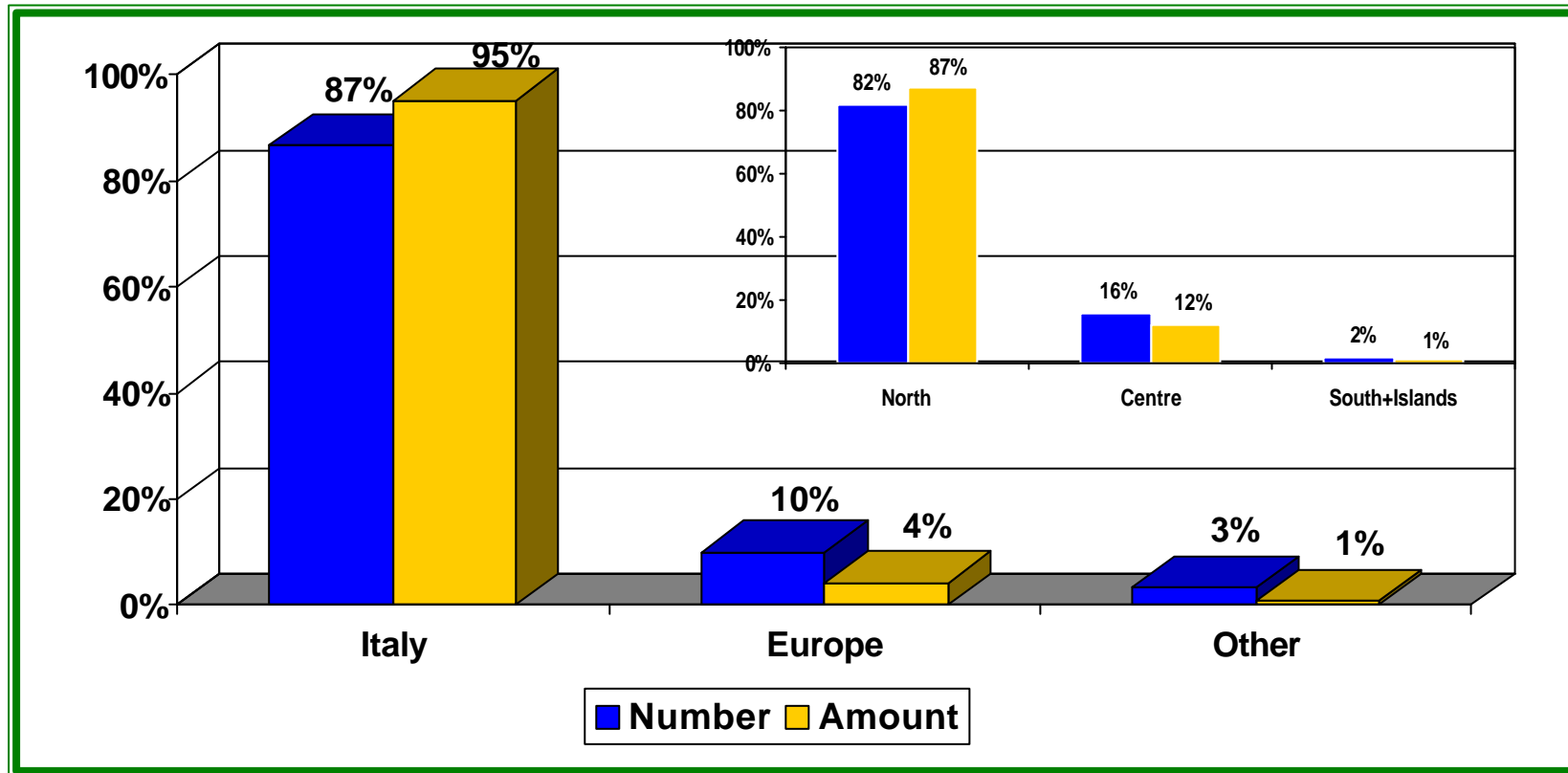
% of Initial vs. Follow on investments by number



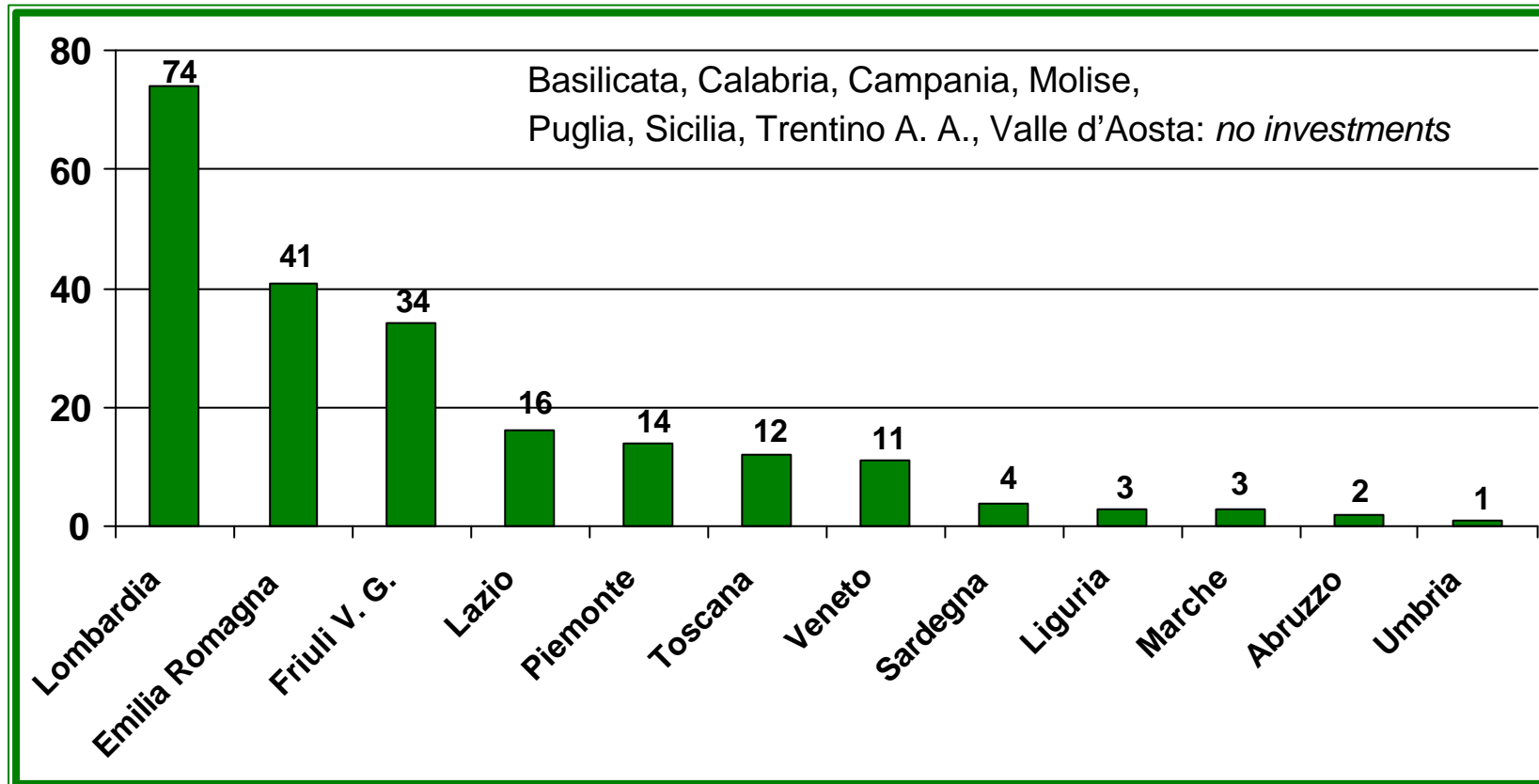
% distribution of investments (number) by target companies employees (%)



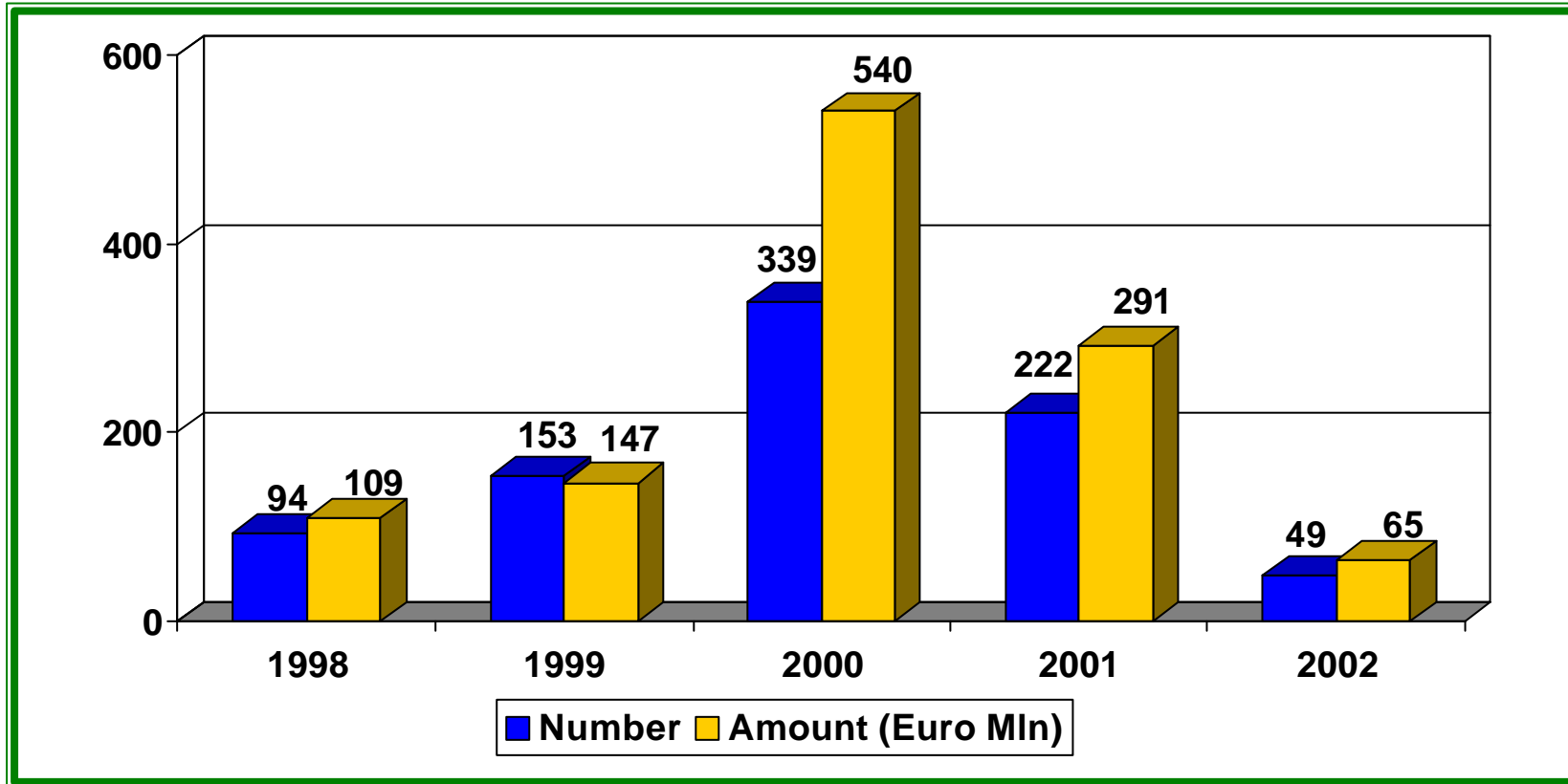
2002: Geographical distribution by % of number and amount invested



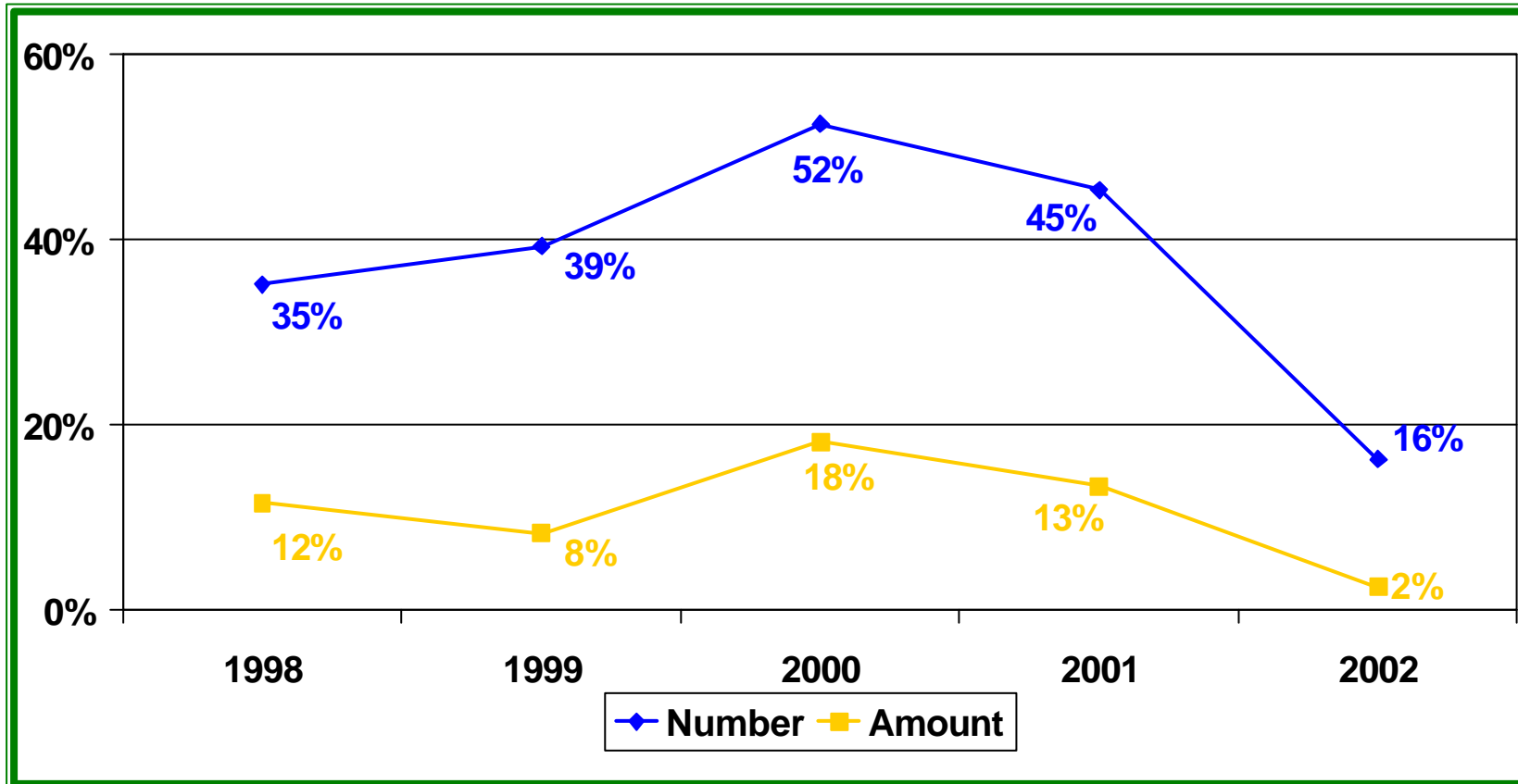
2002 - Italy: Regional distribution by number of target companies



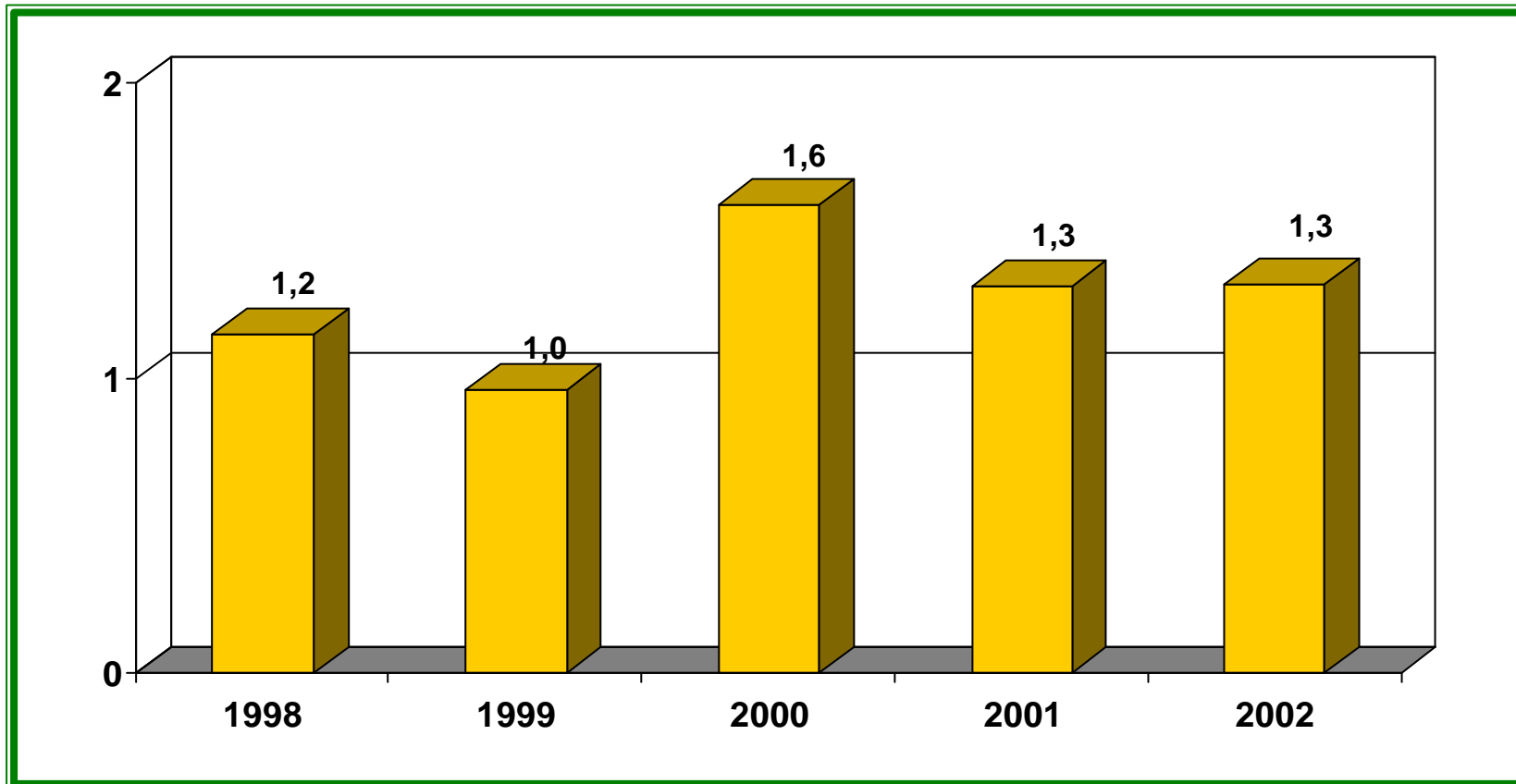
Focus early stage: Historical trend



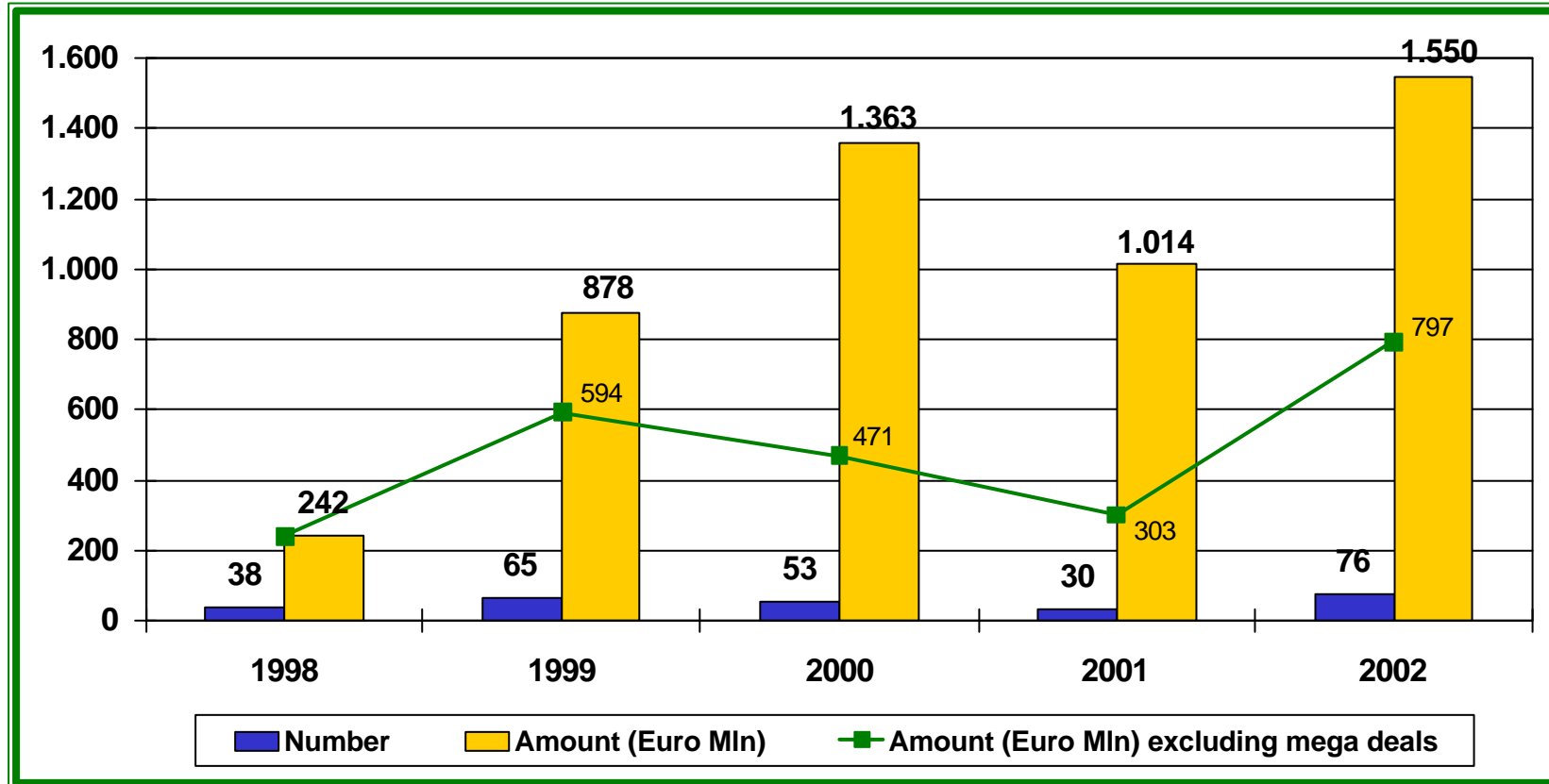
Focus early stage: % weight on total investments



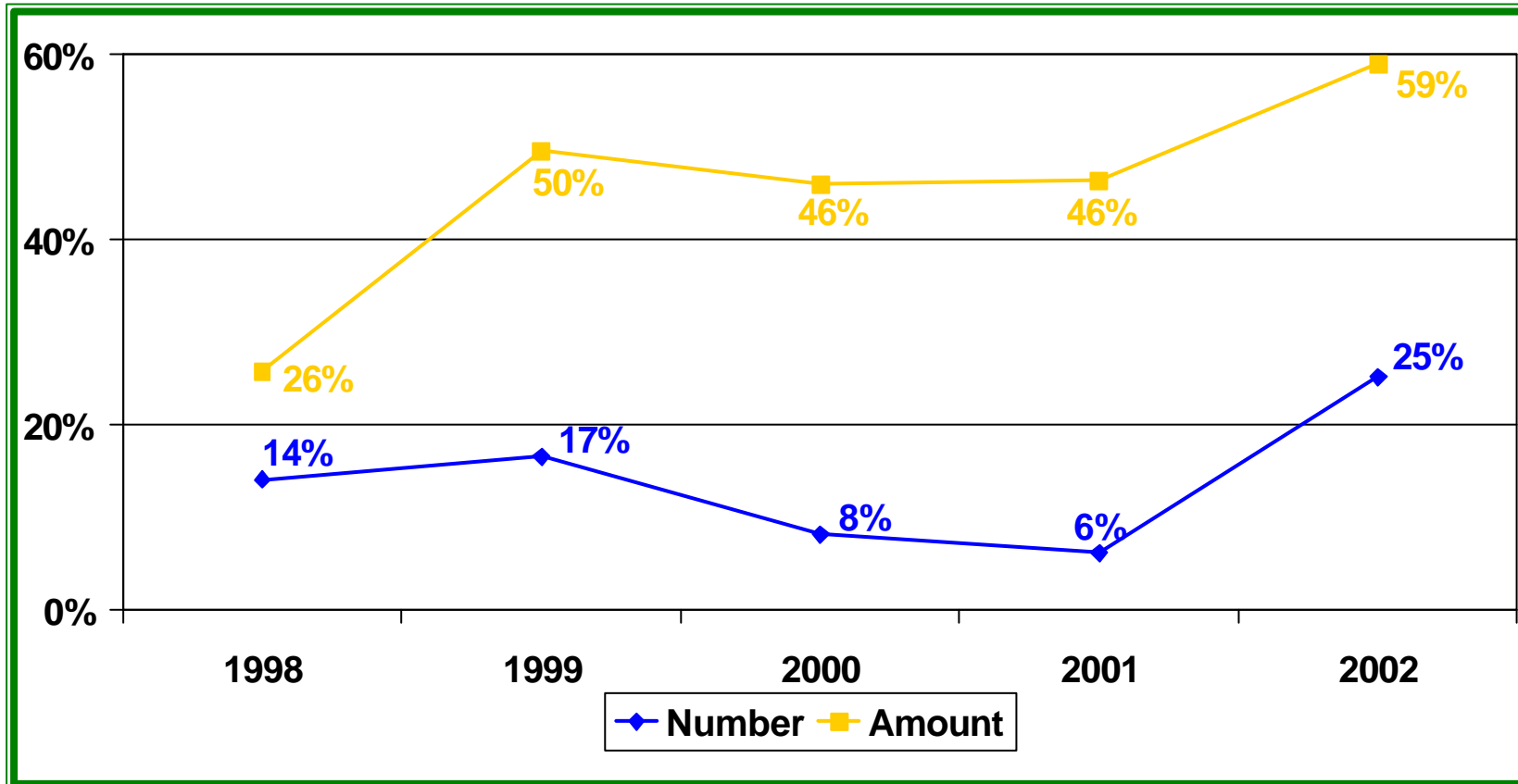
Focus early stage: Average invested amount (Euro MIn)



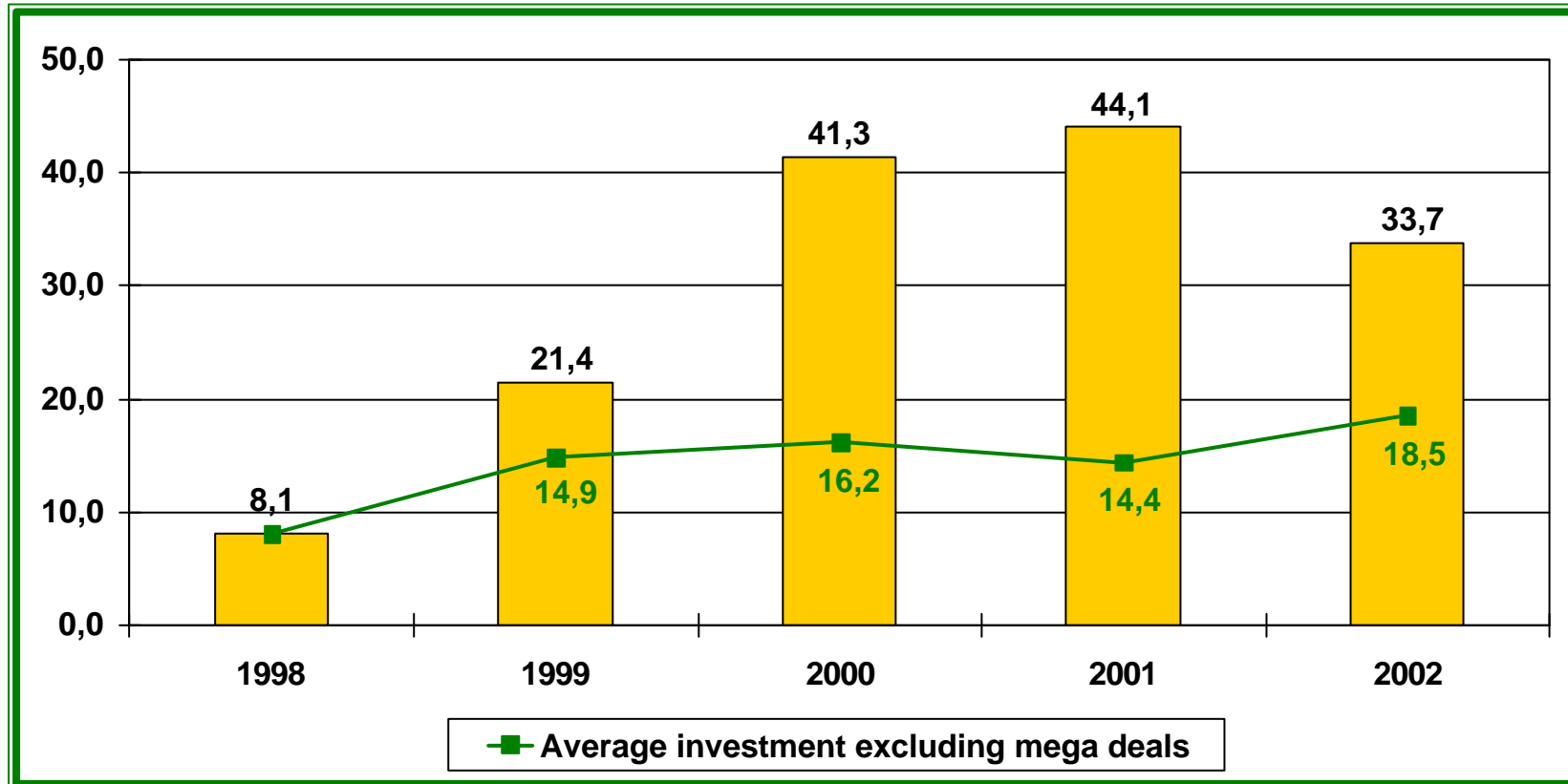
Focus buy out: Historical trend



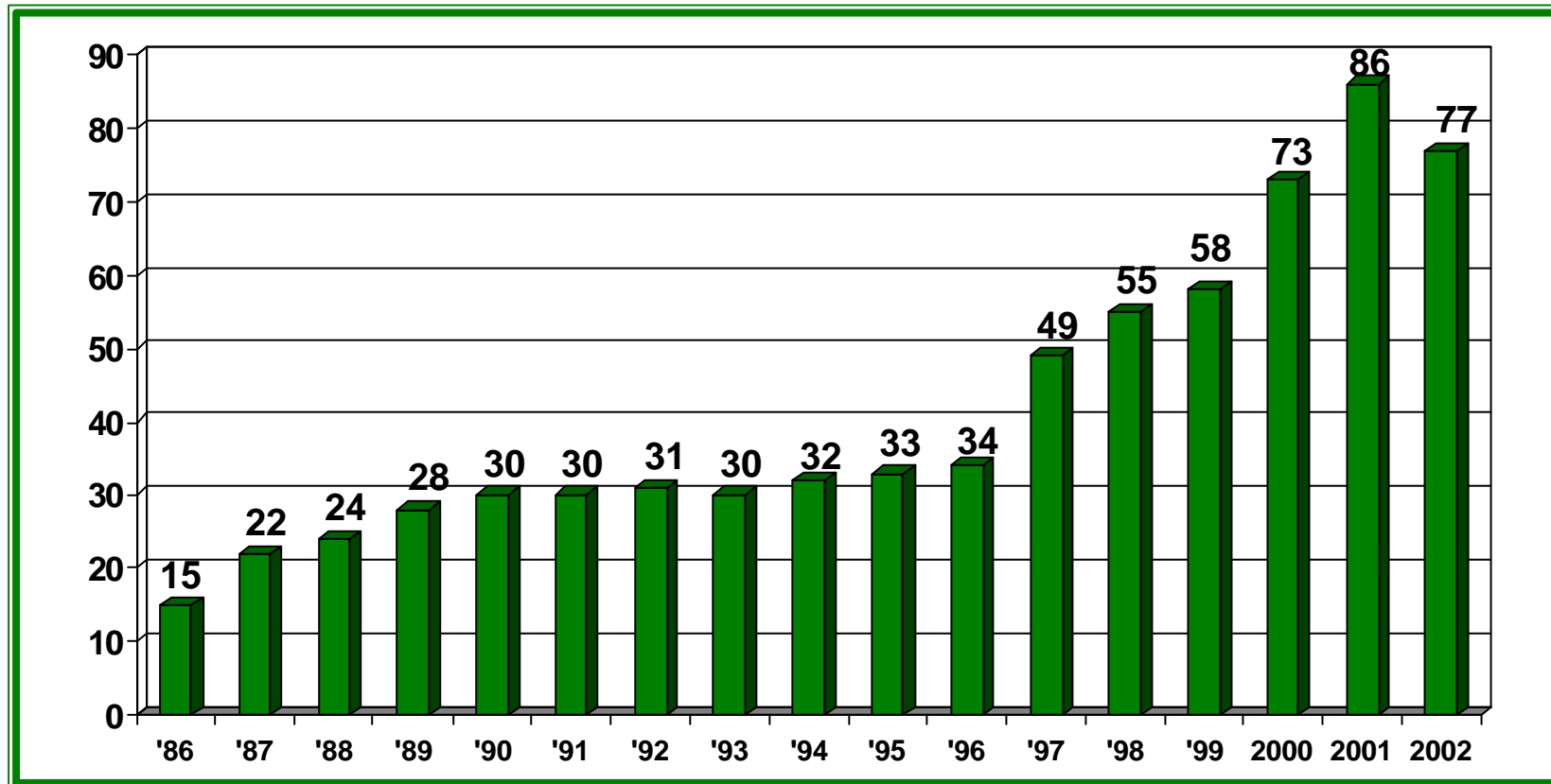
Focus buy out: % weight on total investments



Focus buy out: Average invested amount (Euro Mln)

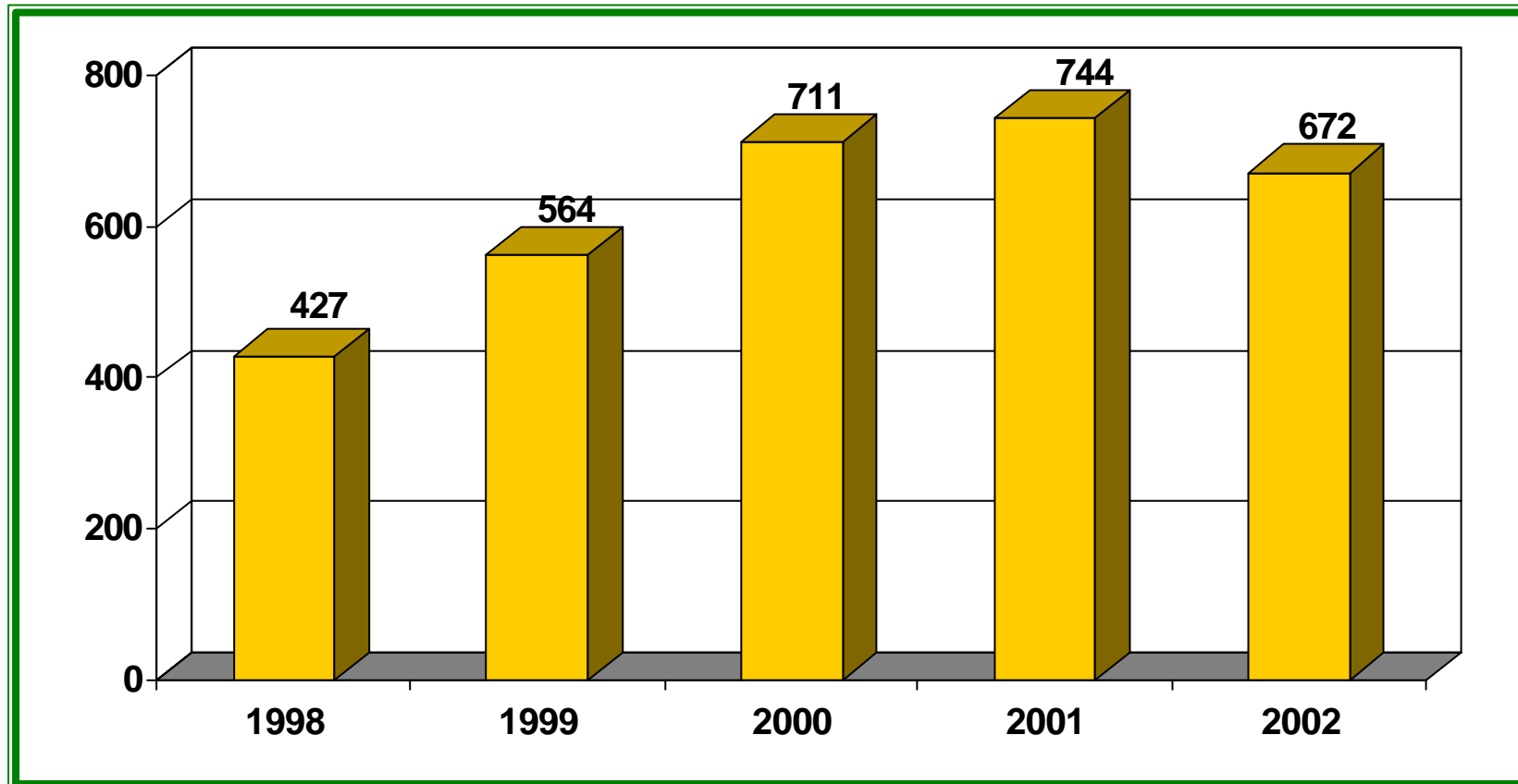


A.I.F.I. members (at 31st December)



A.I.F.I.

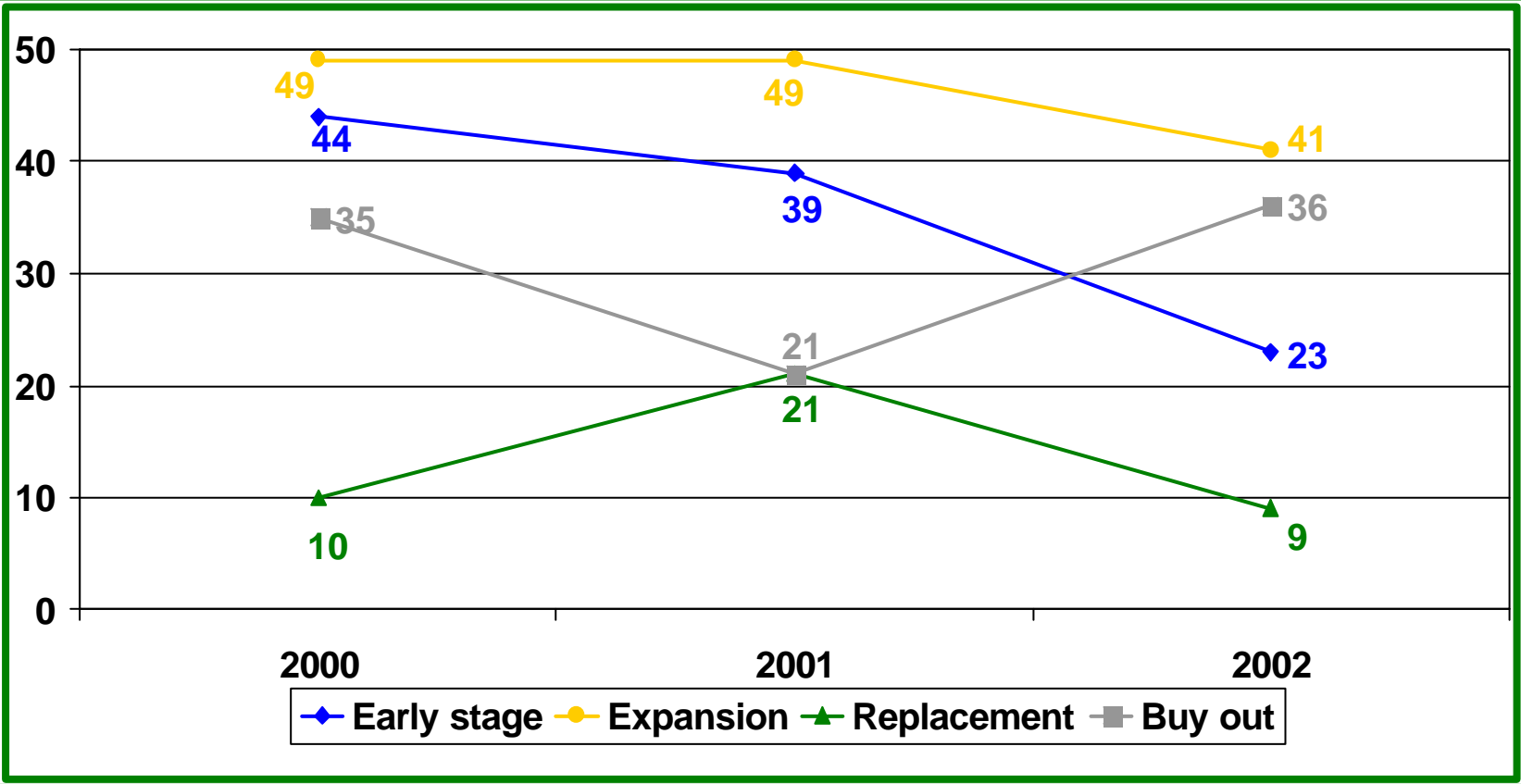
Human resources employed in the industry at 31st December



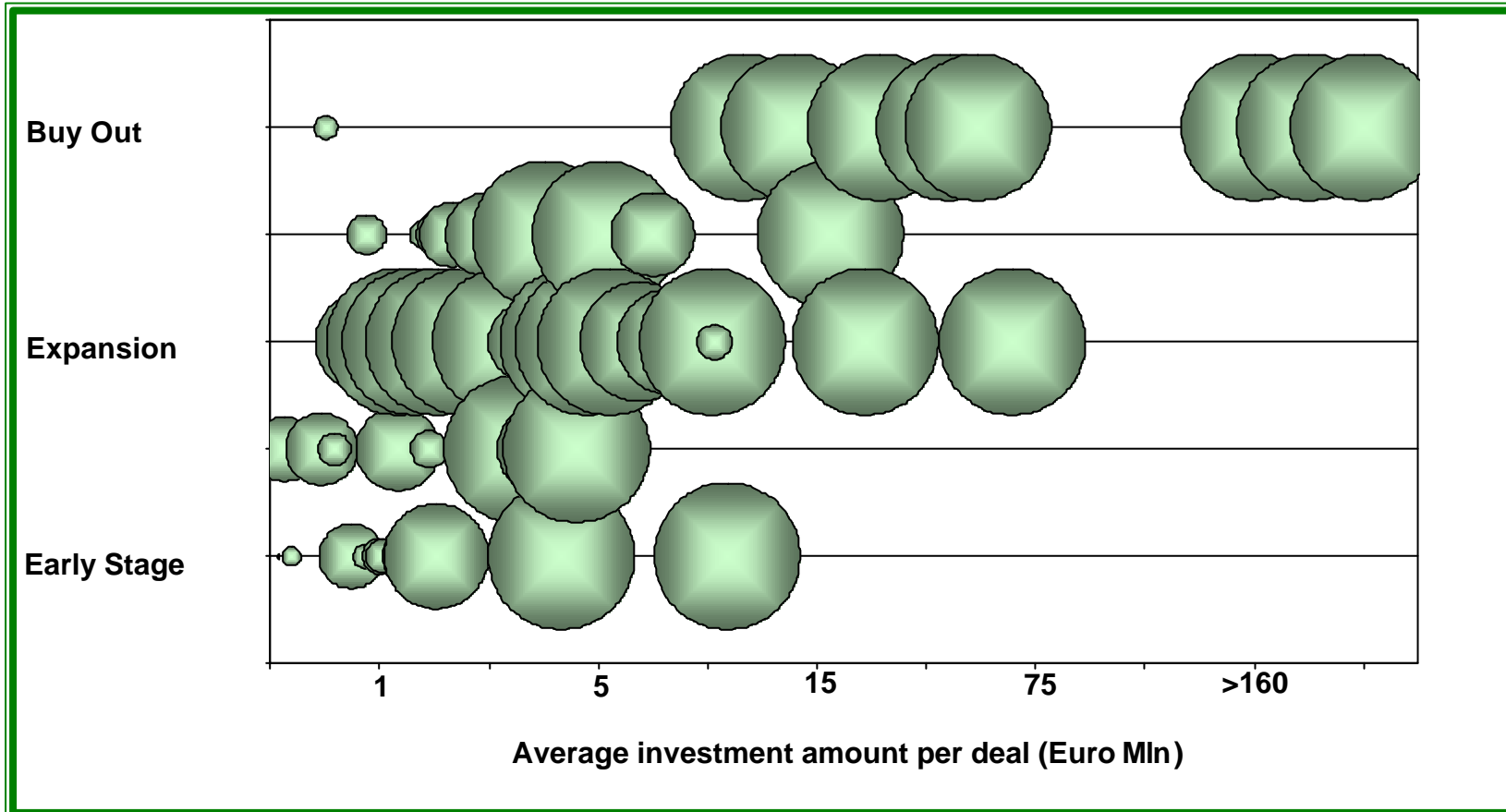
A.I.F.I.

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Active players in each segment

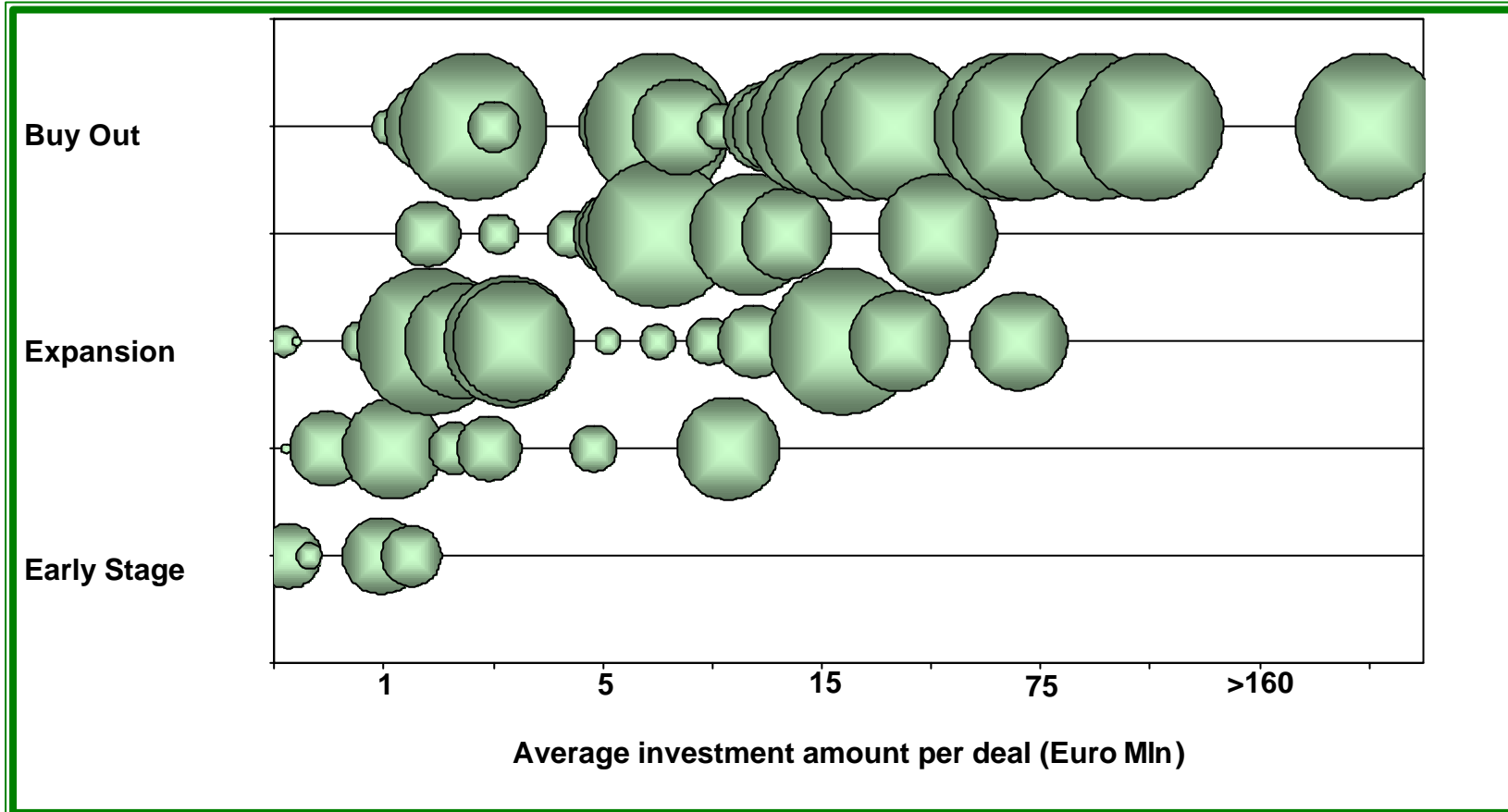


2000: Market players positioning



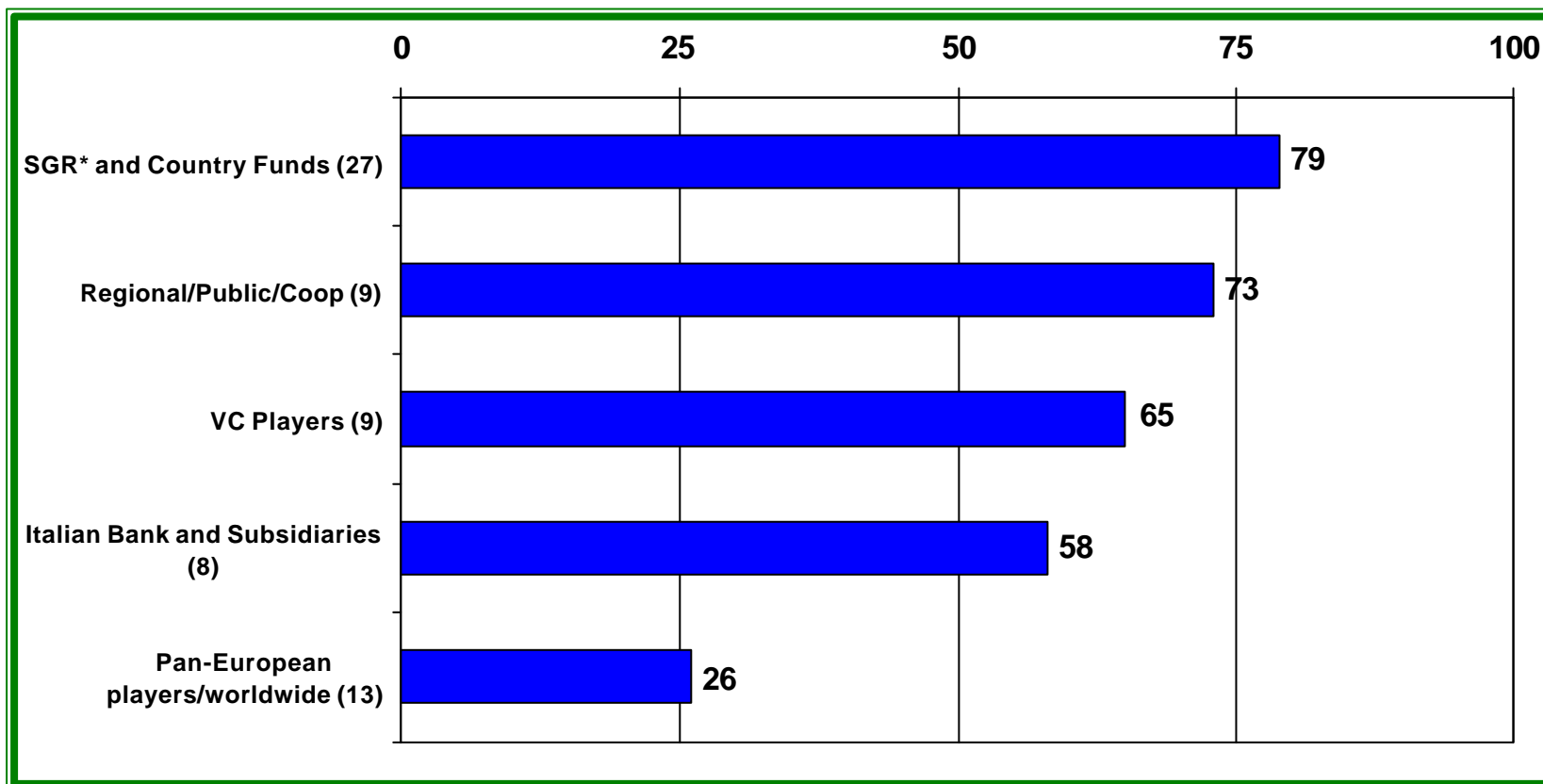
*Spheres dimension is directly correlated with amount under management/available

2002: Market players positioning



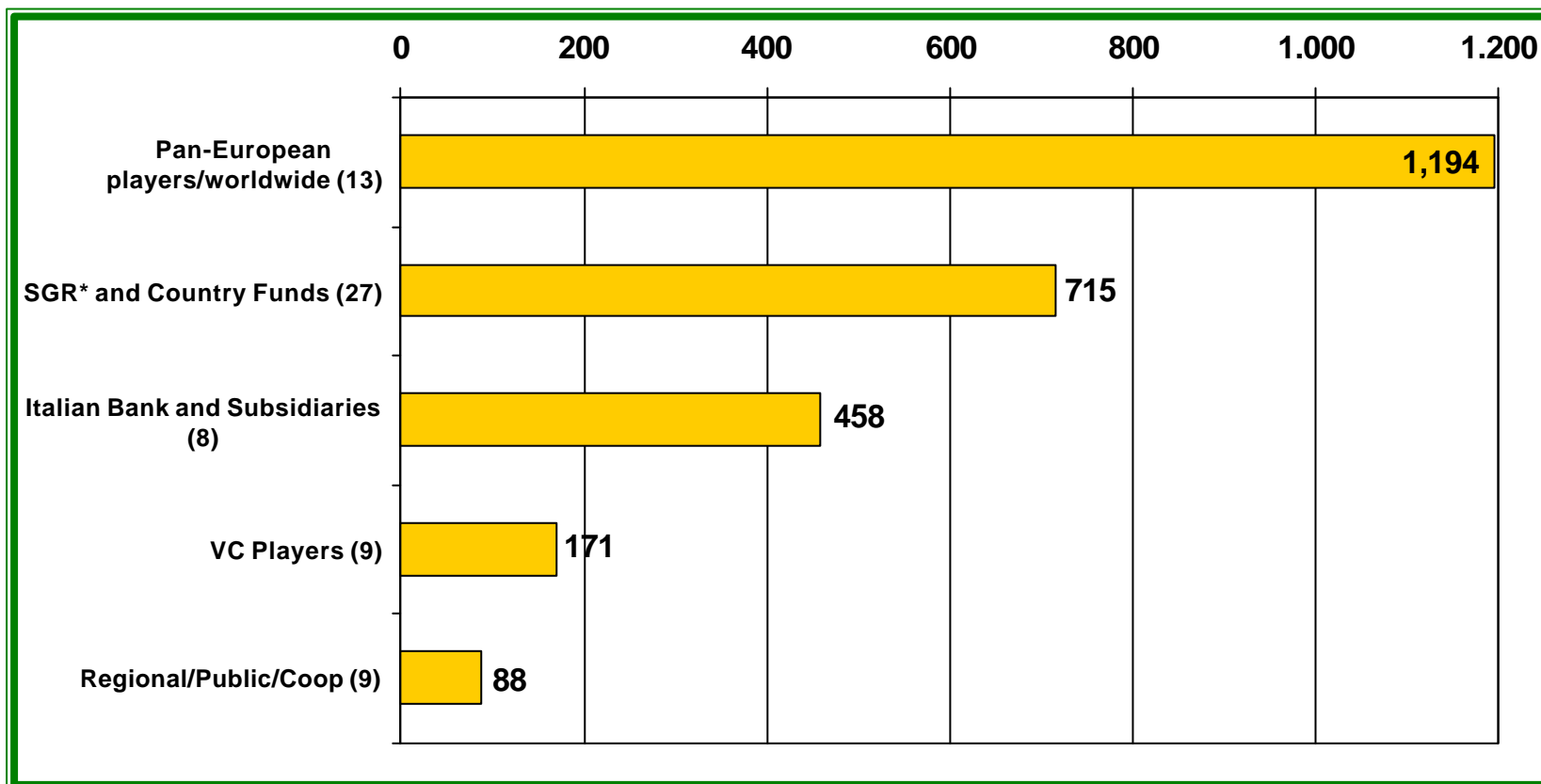
*Spheres dimension is directly correlated with amount under management/available

2002: Number of investments by type of investors



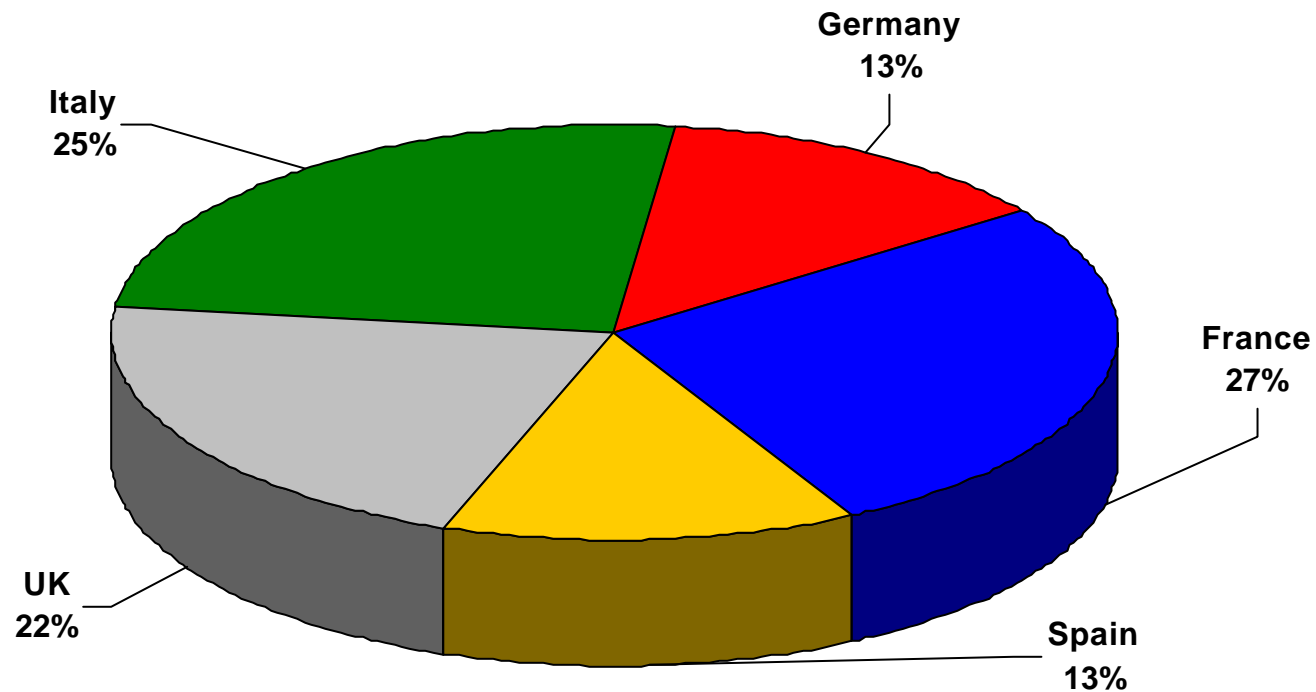
* Management companies regulated by the Italian law

2002: Amount invested by type of investors (Euro Mln)



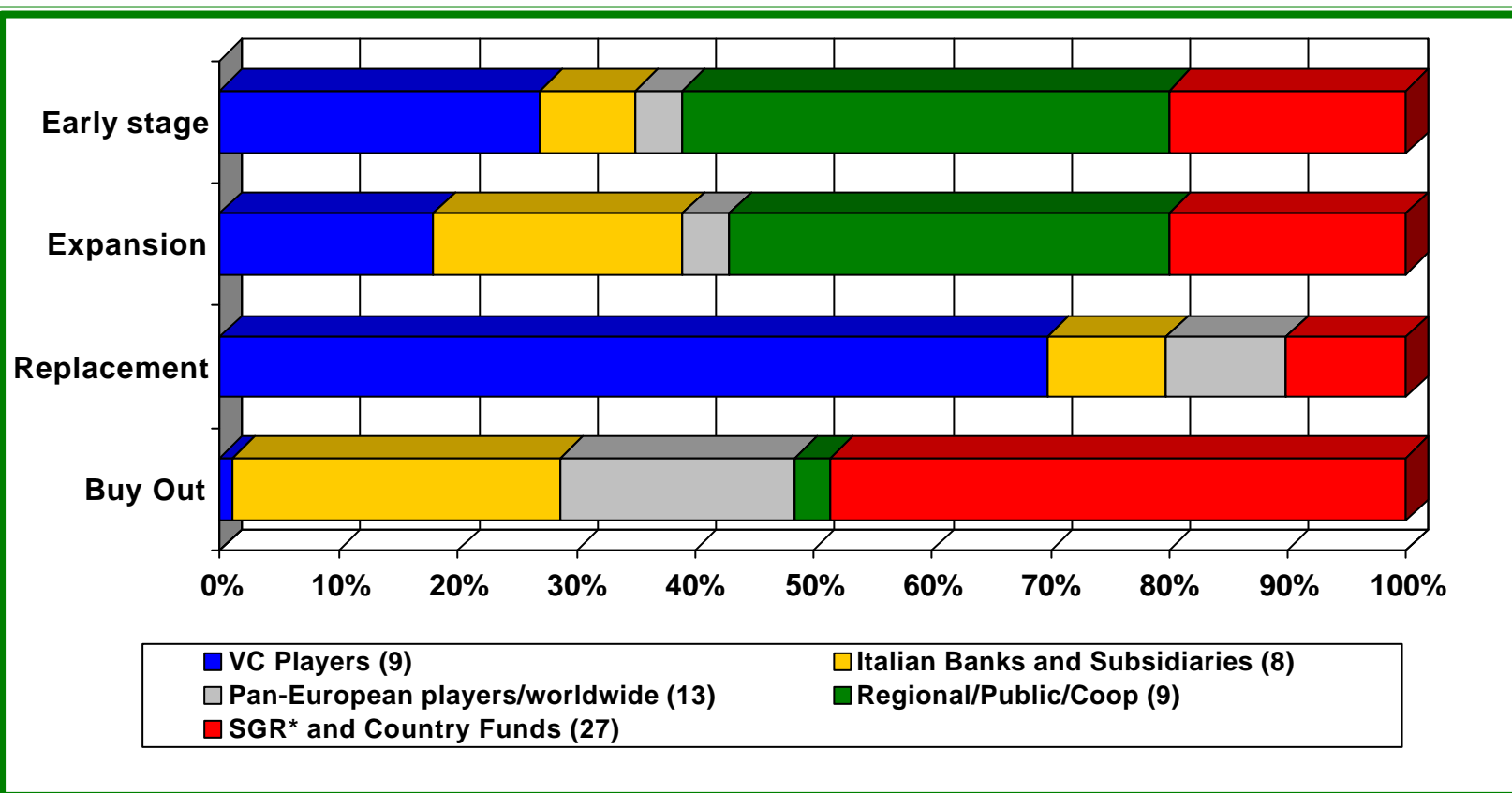
* Management companies regulated by the Italian law

2002: Geographical distribution of amount invested by pan-European* funds



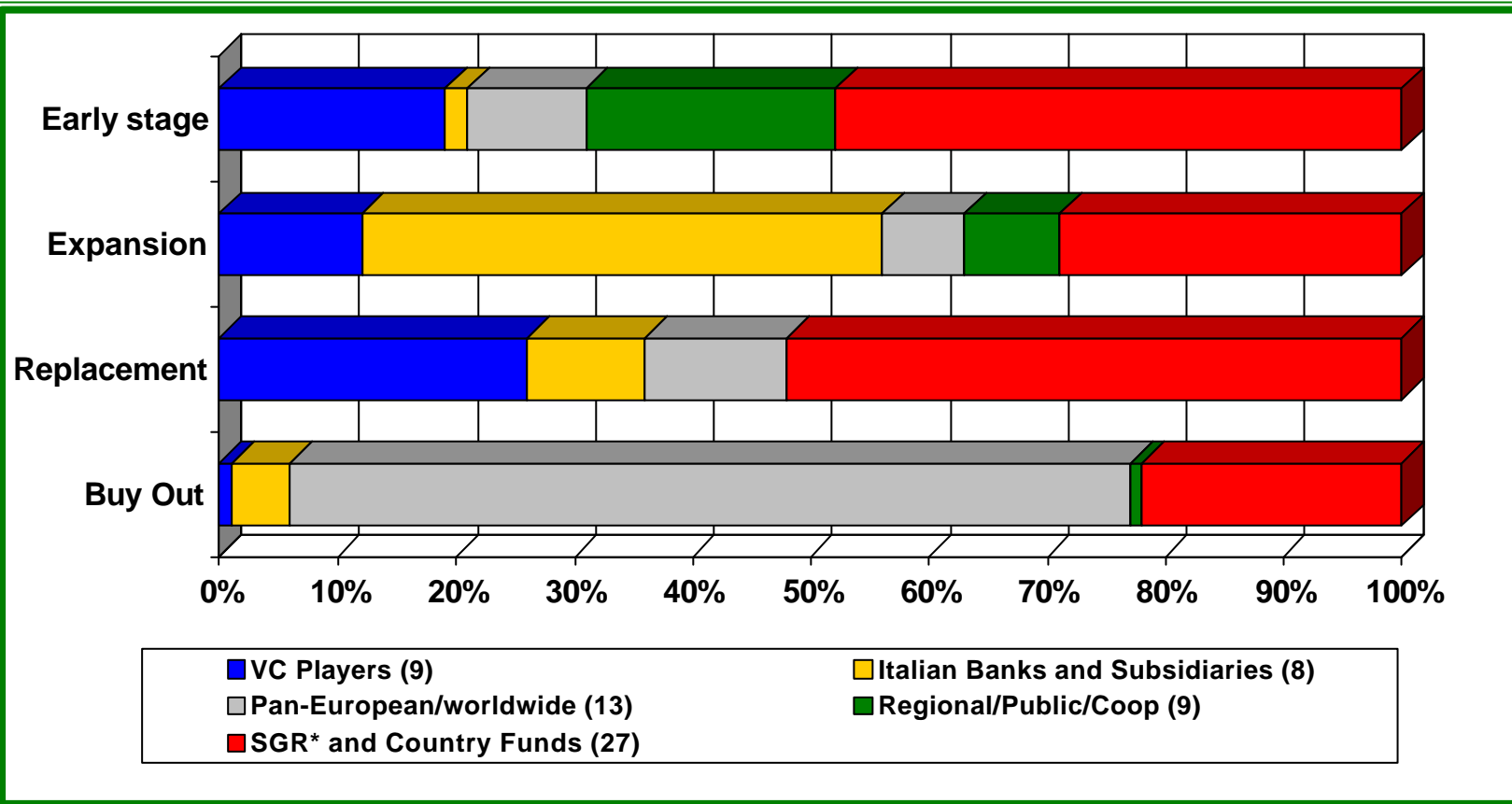
**Advent Int., Apax Partners, Argos Soditic, Bc Partners, Bridgepoint Capital, Carlyle Group, CVC, Doughty Hanson, HSBC Private Equity, Permira, Vestar Capital Partners, 3i.*

2002: Stage distribution of investments (number) by type of investors



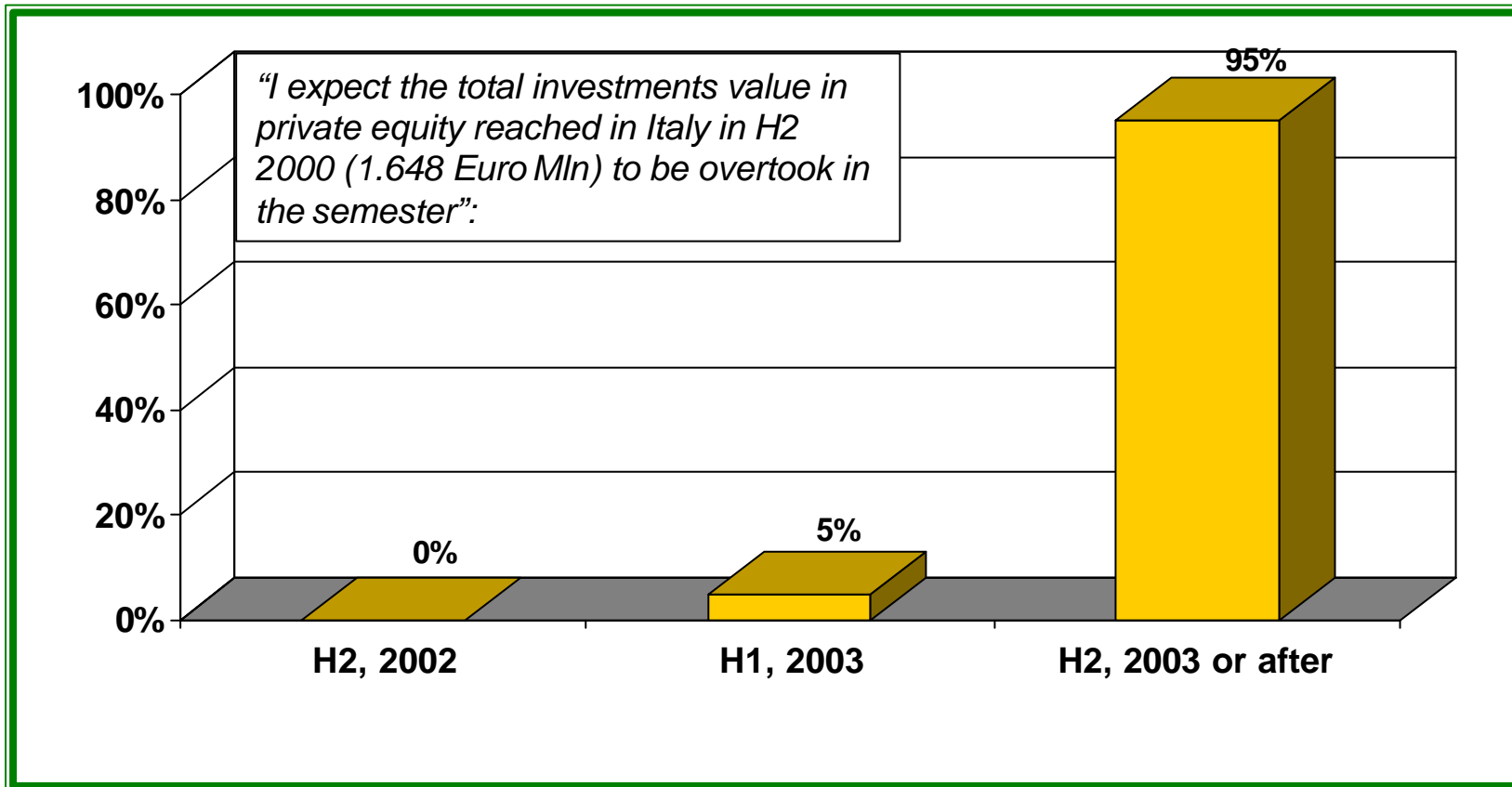
* Management companies regulated by the Italian law

2002: Stage distribution of investments (amount) by type of investors



* Management companies regulated by the Italian law

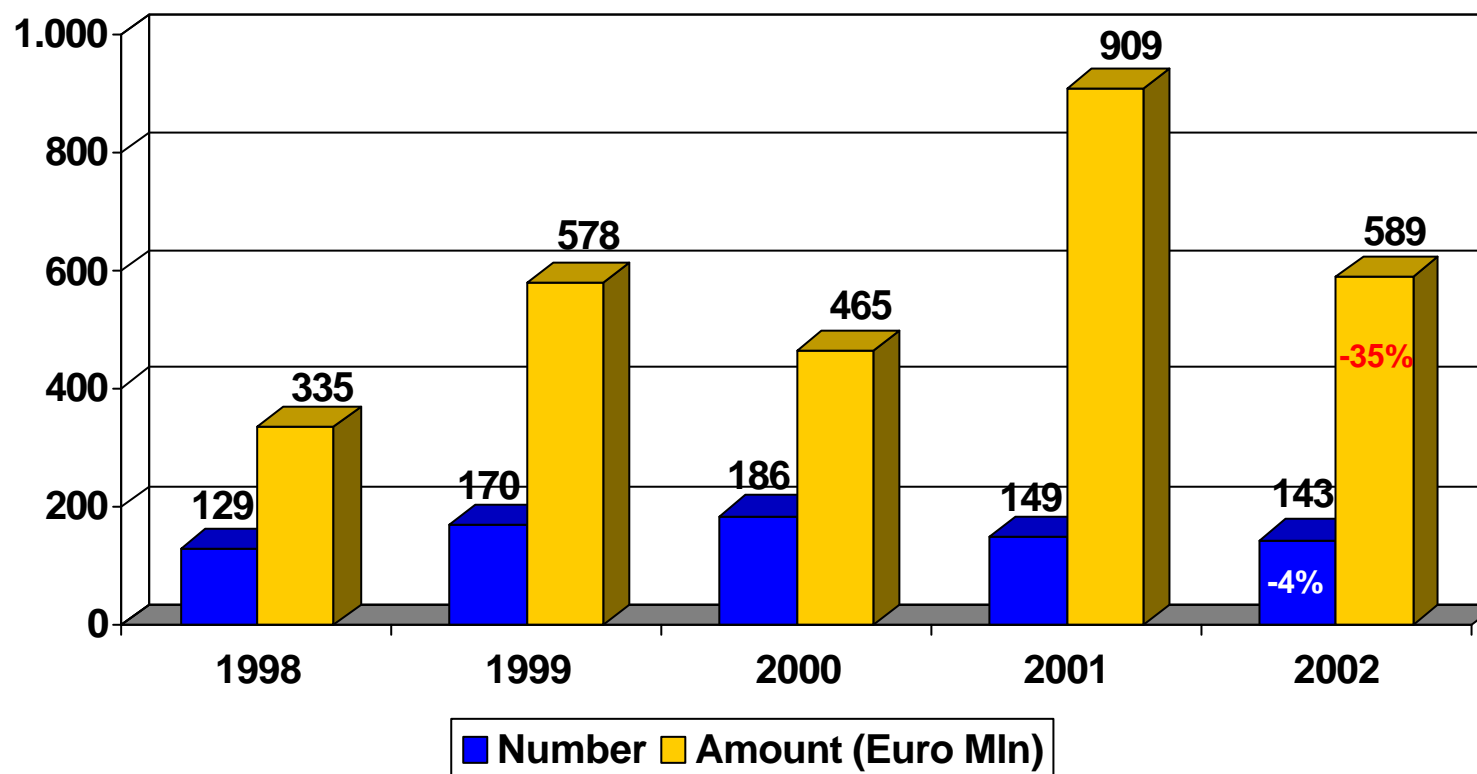
Investors expectations



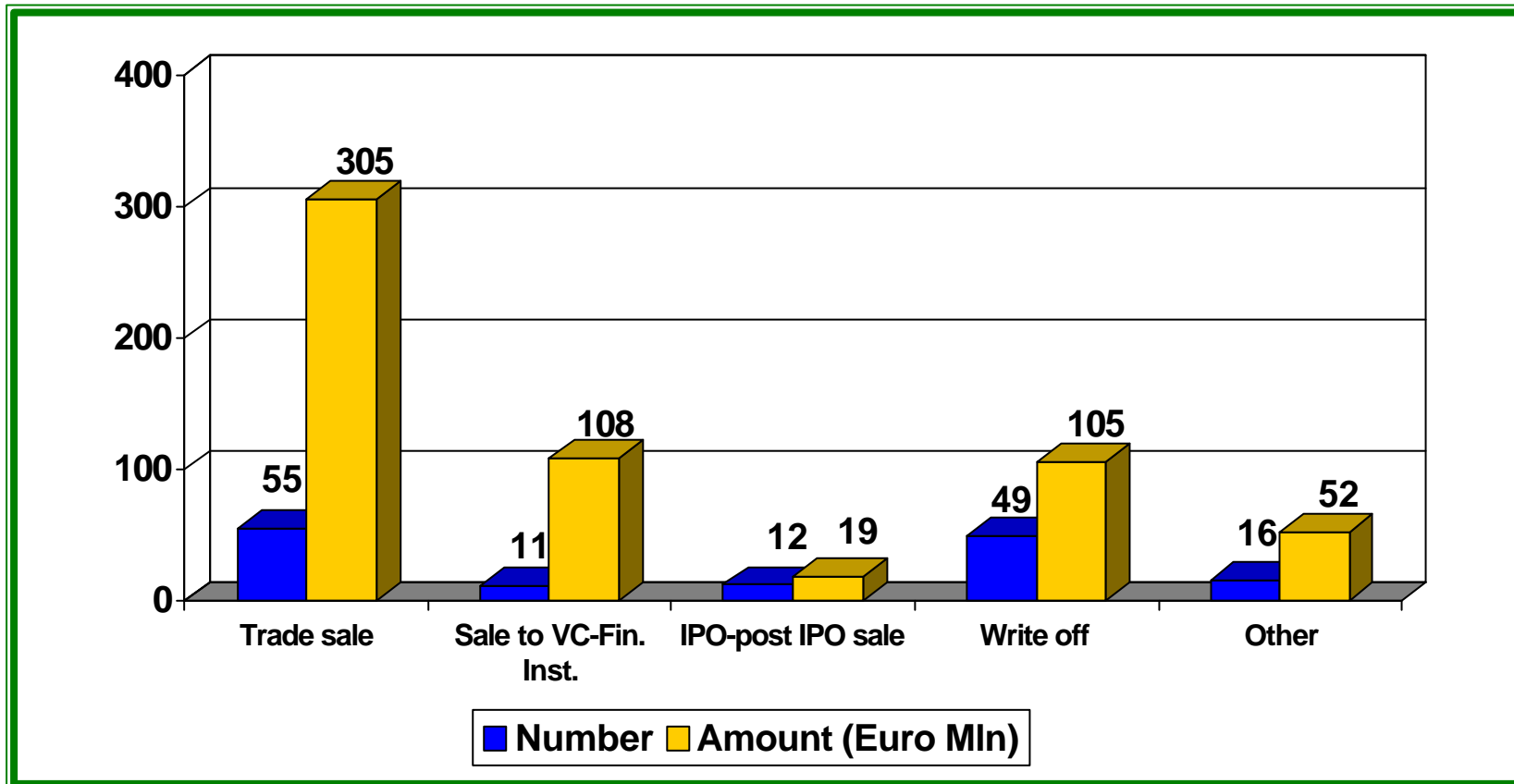
Source: Deloitte & Touche Corporate Finance, “Italy Private Equity Confidence Survey”

A.I.F.I.

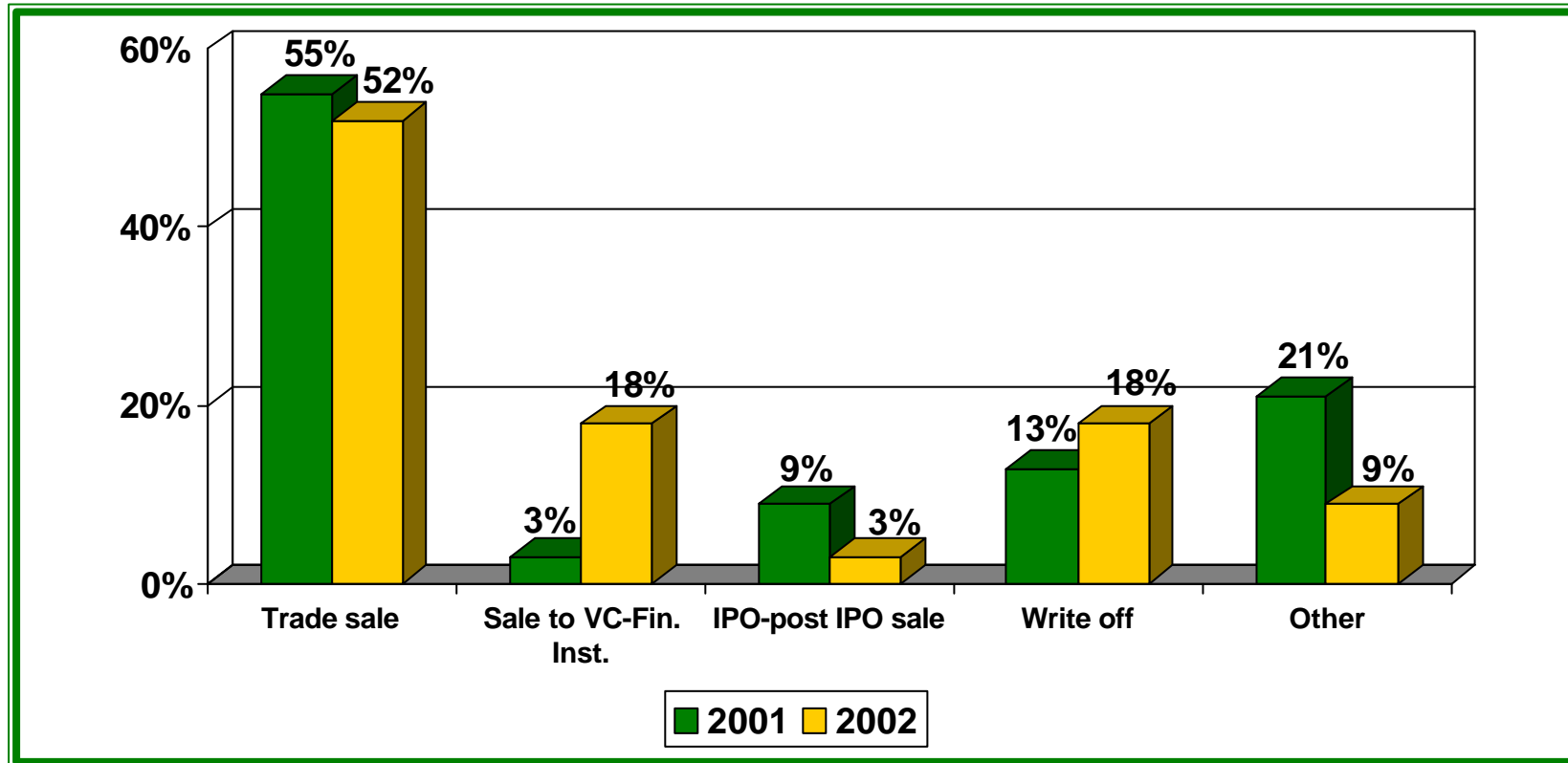
Divestment activity by number and amount (at cost)



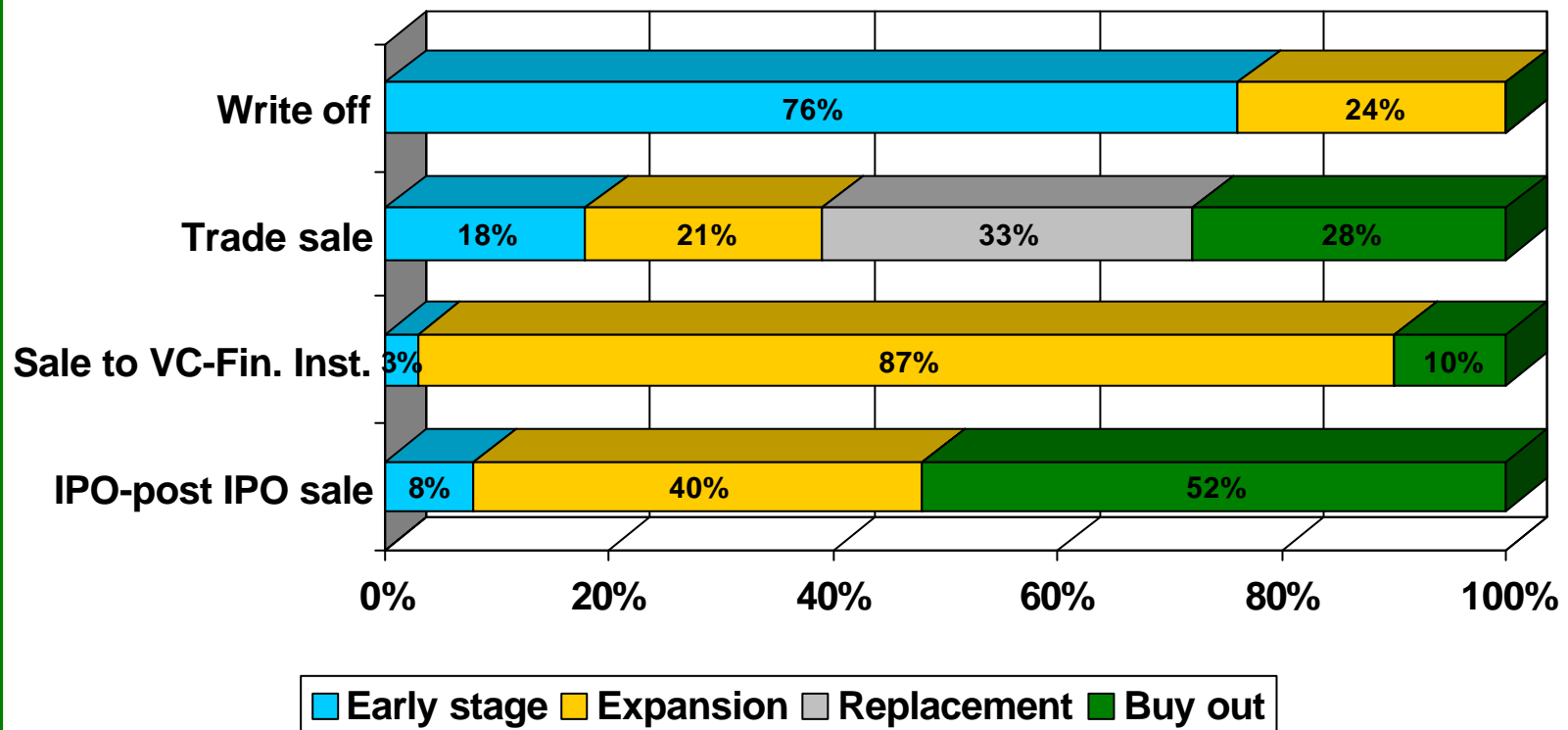
2002: Distribution of divestments by number and amount



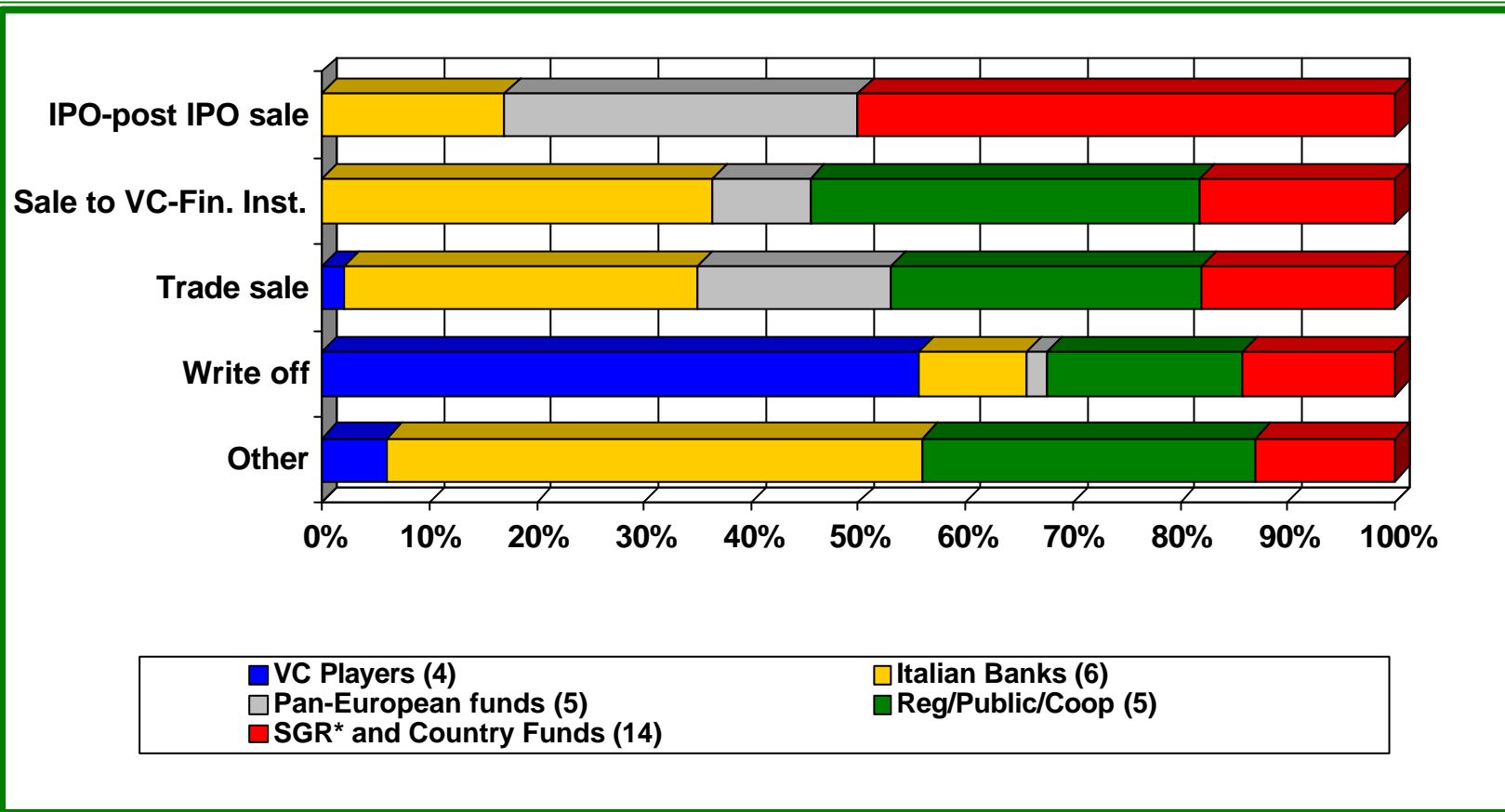
2001 – 2002: % distribution of divestments by number



2002: Divestments distribution of initial investments

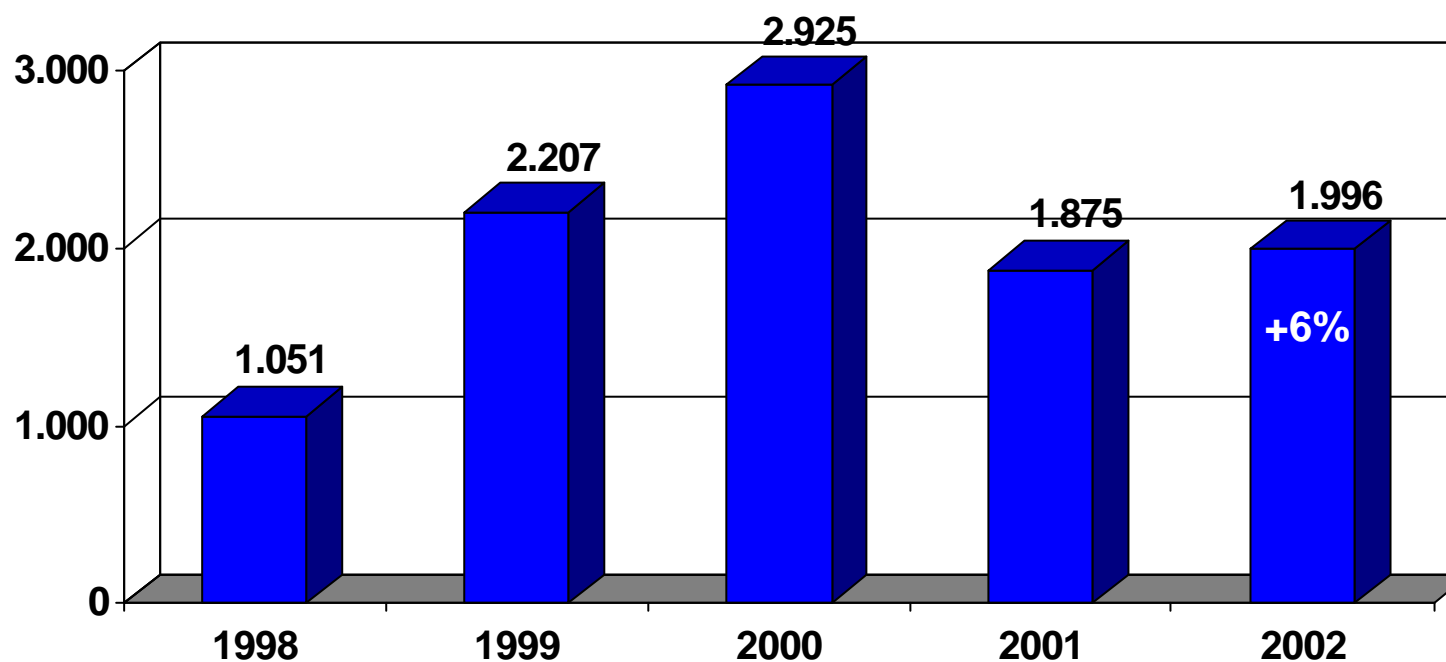


2002: Stage distribution of divestments (number) by type of investors




* Management companies regulated by the Italian law

Annual fund raising activity (Euro Mln)*

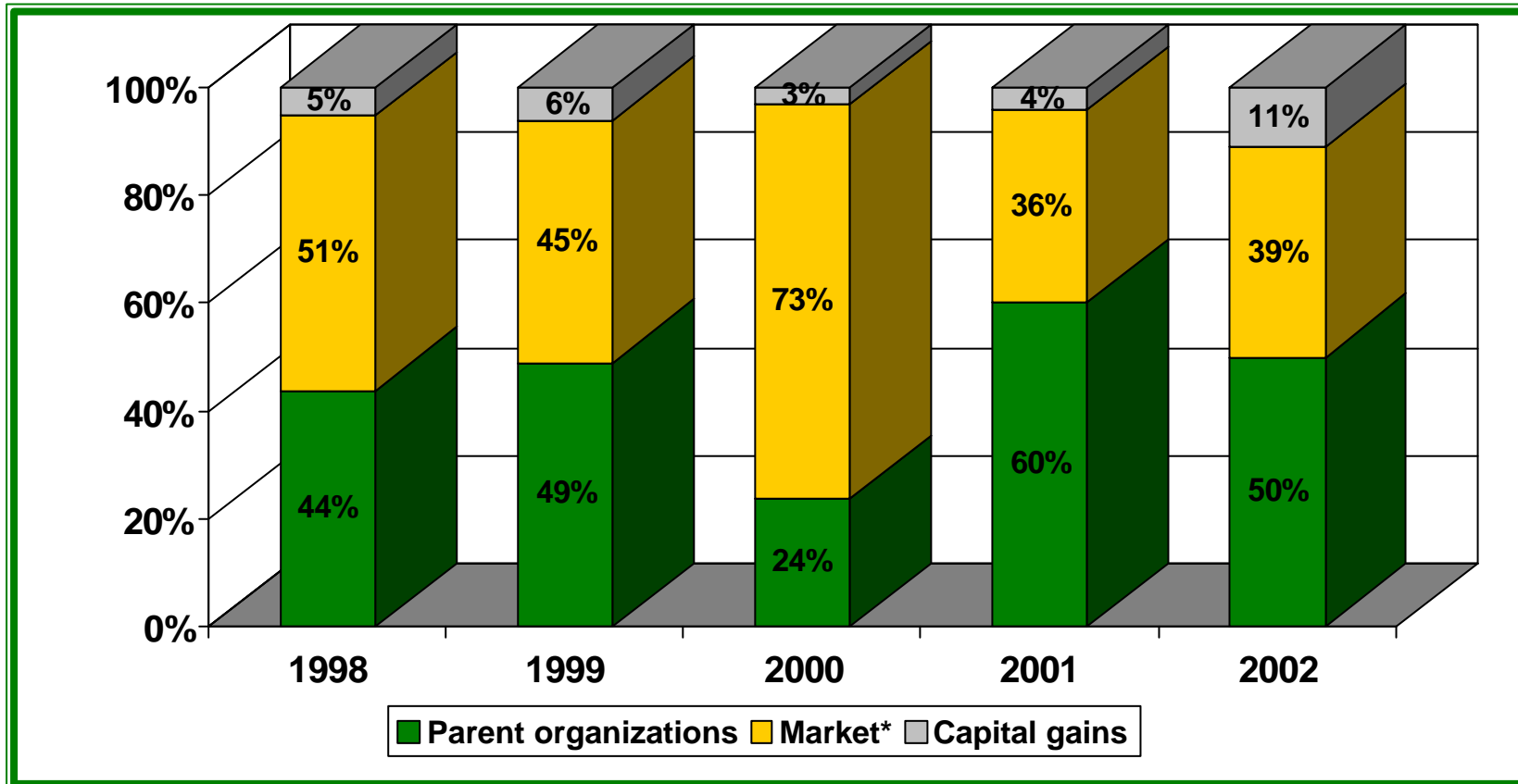


* Pan-European funds not included

A.I.F.I.

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Sources of total new funds

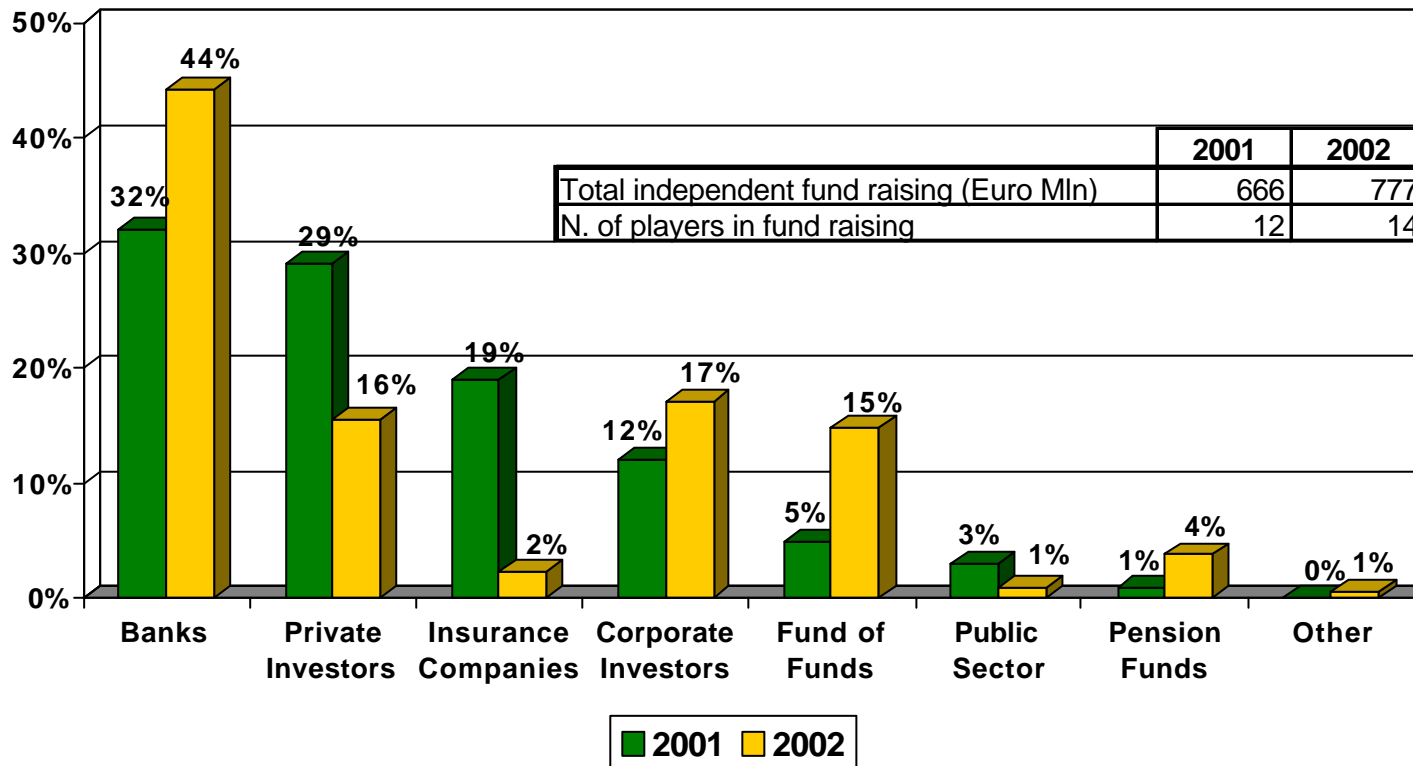


* New funds raised by local players

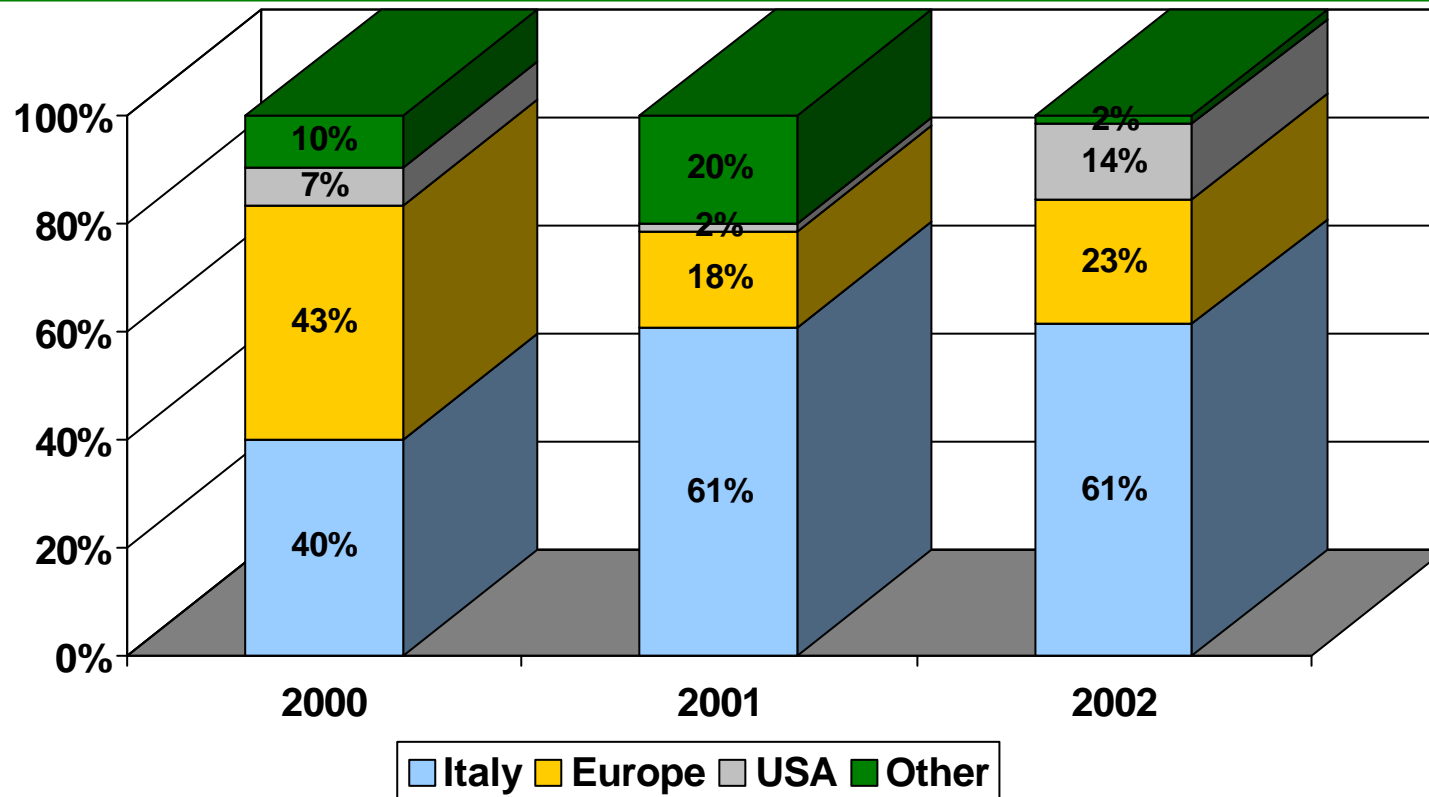
A.I.F.I.

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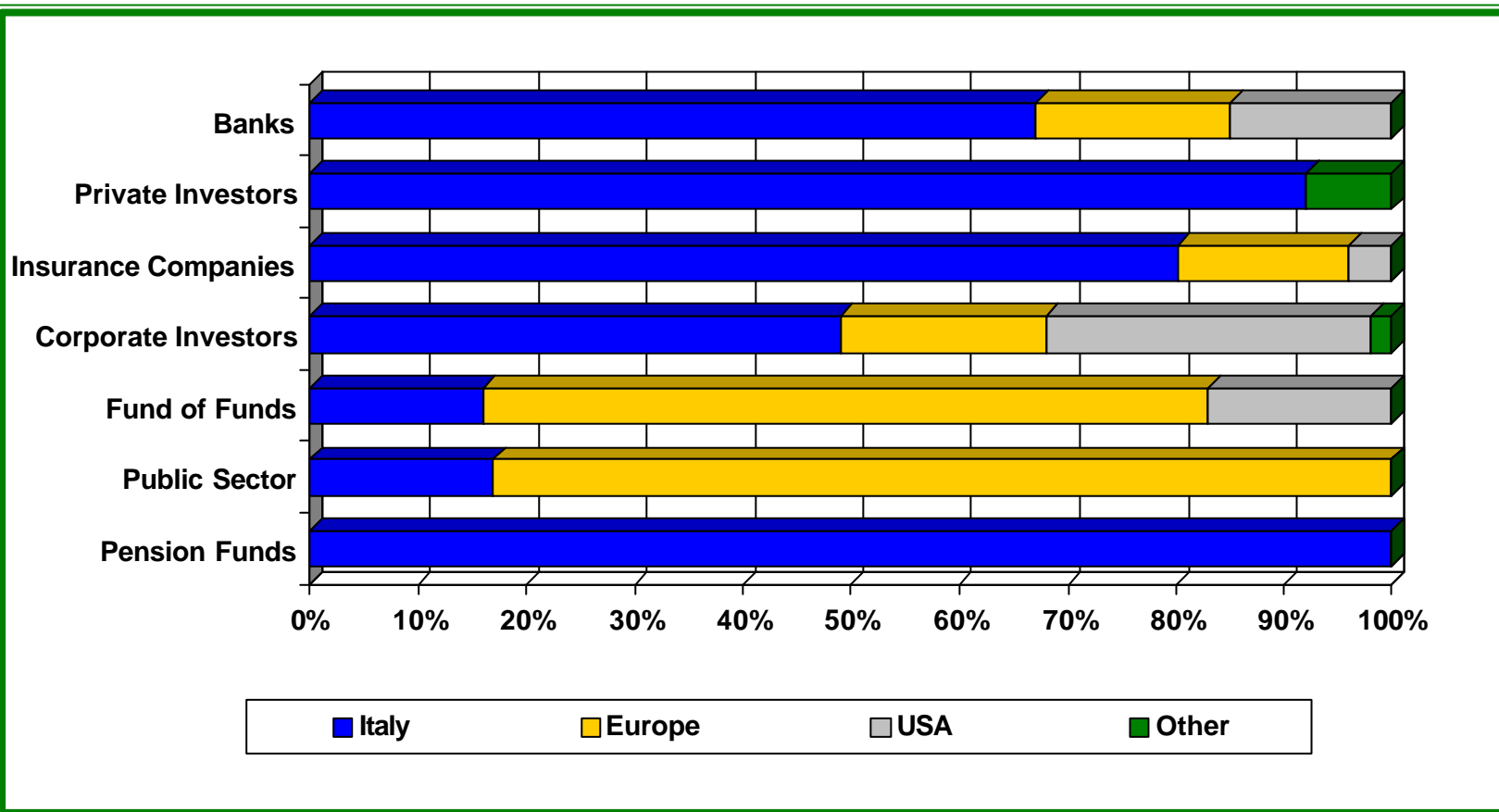
2001 – 2002: Sources of new funds raised on the market by %



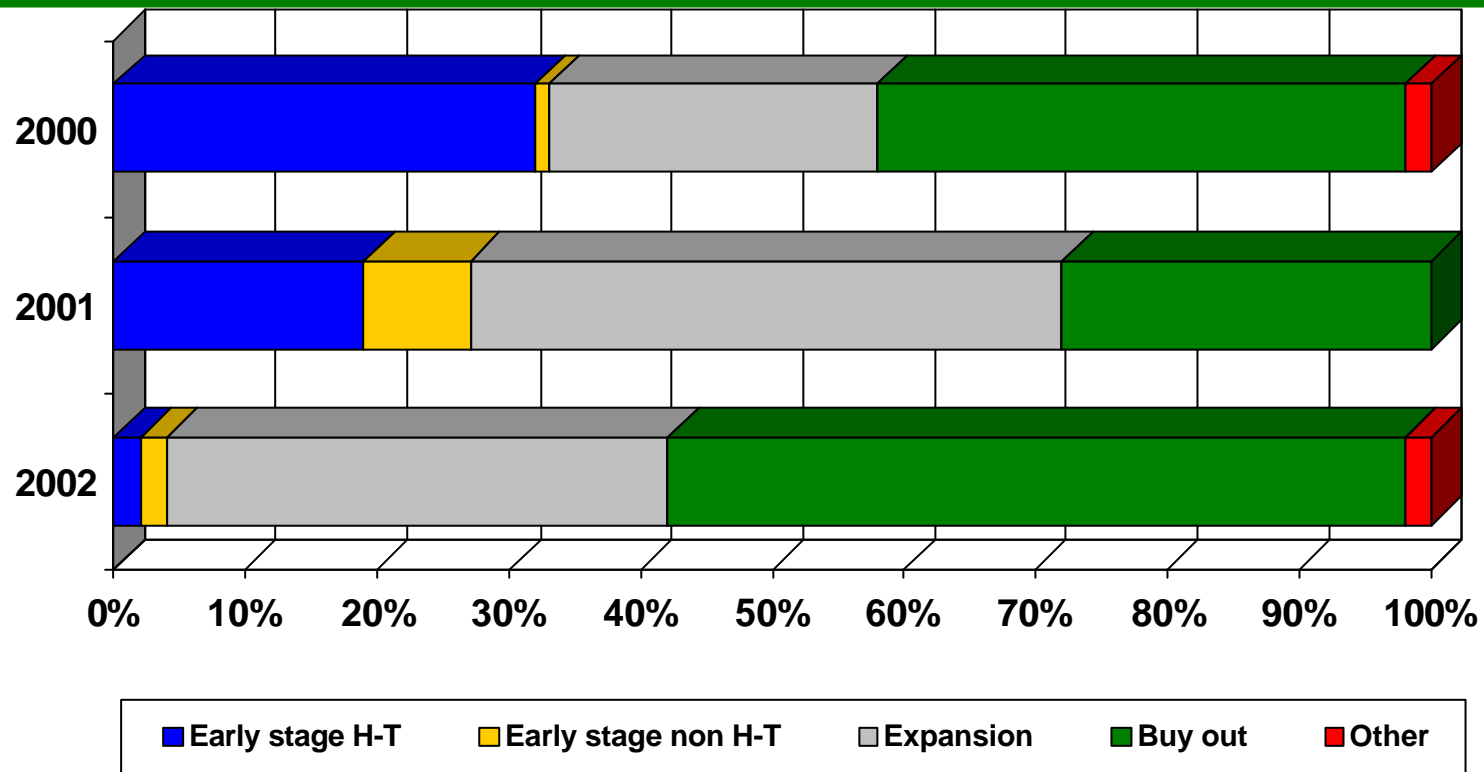
Geographical breakdown of funds raised on the market



2002: Geographical and by source distribution of new funds



Fund raising target



Industry performance: the analysis methodology

Gross IRR on Realised Investments (EVCA 1st Level)

- ✓ It is the average annual return (IRR);
- ✓ it is calculated using invested (cash in) and divested (cash out) amounts without considering tax, fee and carried interest (Gross);
- ✓ it considers only investments at least divested for 30% of the cost of equity investment and for at least 80% of the participation value, in case of write off (Realised Investments).

The sample does not consider public players.

Industry performance:
Average annual Gross IRR by year

	2002	2001	2000	1999	1998
Number of divestments	62	69	78	58	51
Gross IRR	34,9%	34,2%	47,1%	36,2%	30,1%

A.I.F.I.

ABCD

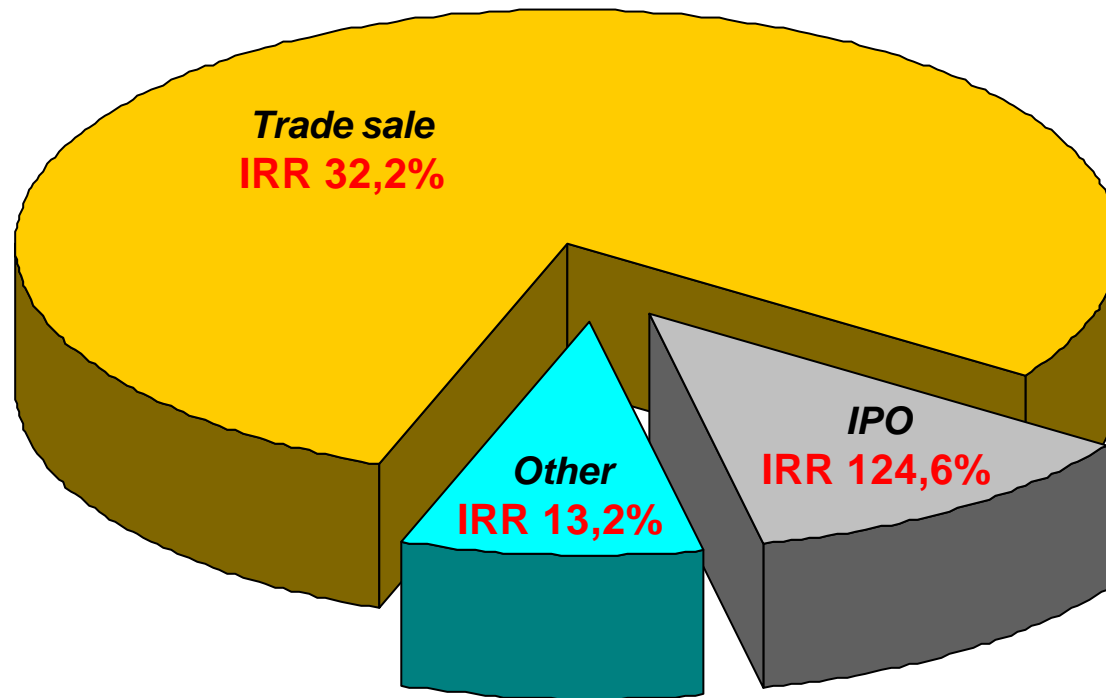
Industry performance:
Gross IRR distribution

	2002		2001	
	Number	%	Number	%
Write off	12	19,4%	17	24,6%
0%-10%	16	25,8%	20	29,0%
10%-30%	17	27,4%	11	15,9%
30%-50%	6	9,7%	7	10,1%
50%-100%	4	6,5%	6	8,7%
100%-500%	5	8,1%	4	5,8%
>500%	2	3,2%	4	5,8%
Total	62	100,0%	69	100,0%

A.I.F.I.

ABCD

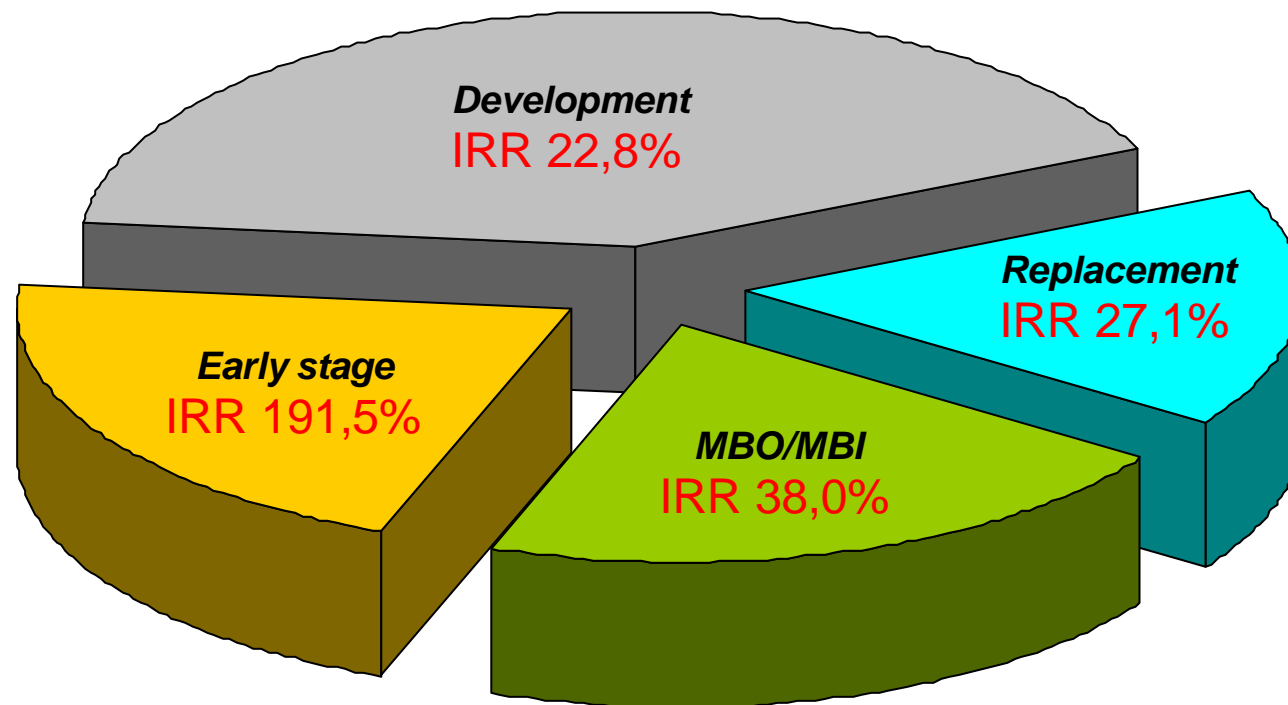
The performance:
2002 Gross IRR by way out



A.I.F.I.

ABCD

The performance:
2002 Gross IRR by investment stage



A.I.F.I.

ABCD

The industry performance since 1986

	1986 - 2002
N. of companies that realized at least one divestment	37
N. of divestments	450
Average investment dimension (Euro Mln)	3,5
Total Cash out (Euro Mln)	1.596
Total Cash in (Euro Mln)	3.642
Gross IRR	31,5%

A.I.F.I.

ABCD