

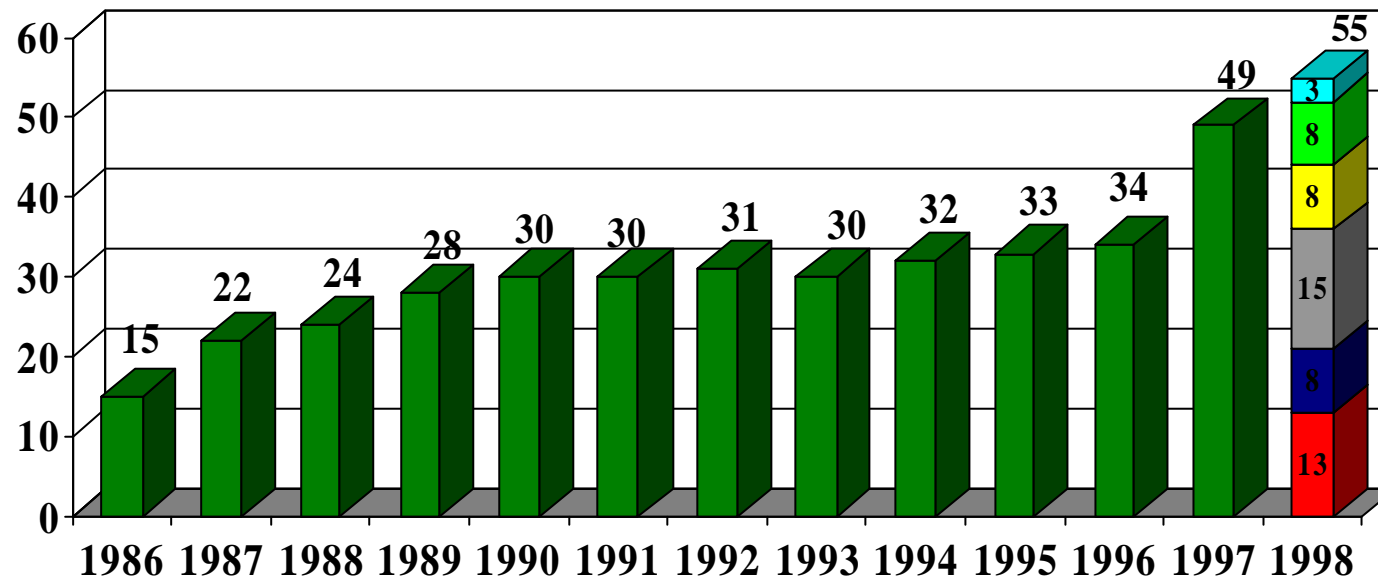
**A.I.F.I.**

**Italian Venture Capital and Private Equity Association**

**1998**

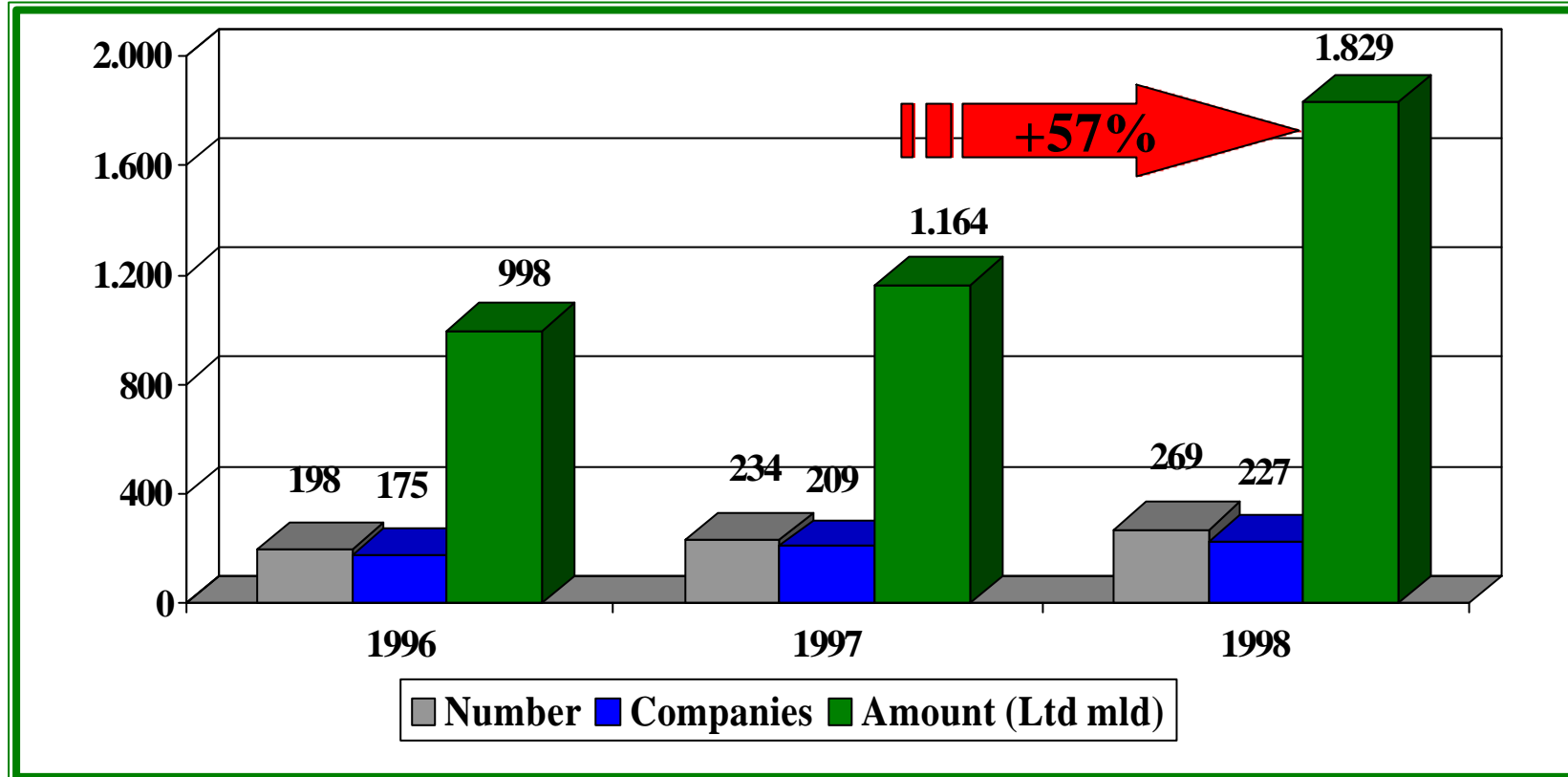
**Venture Capital and Private  
Equity in Italy**

## A.I.F.I. Members

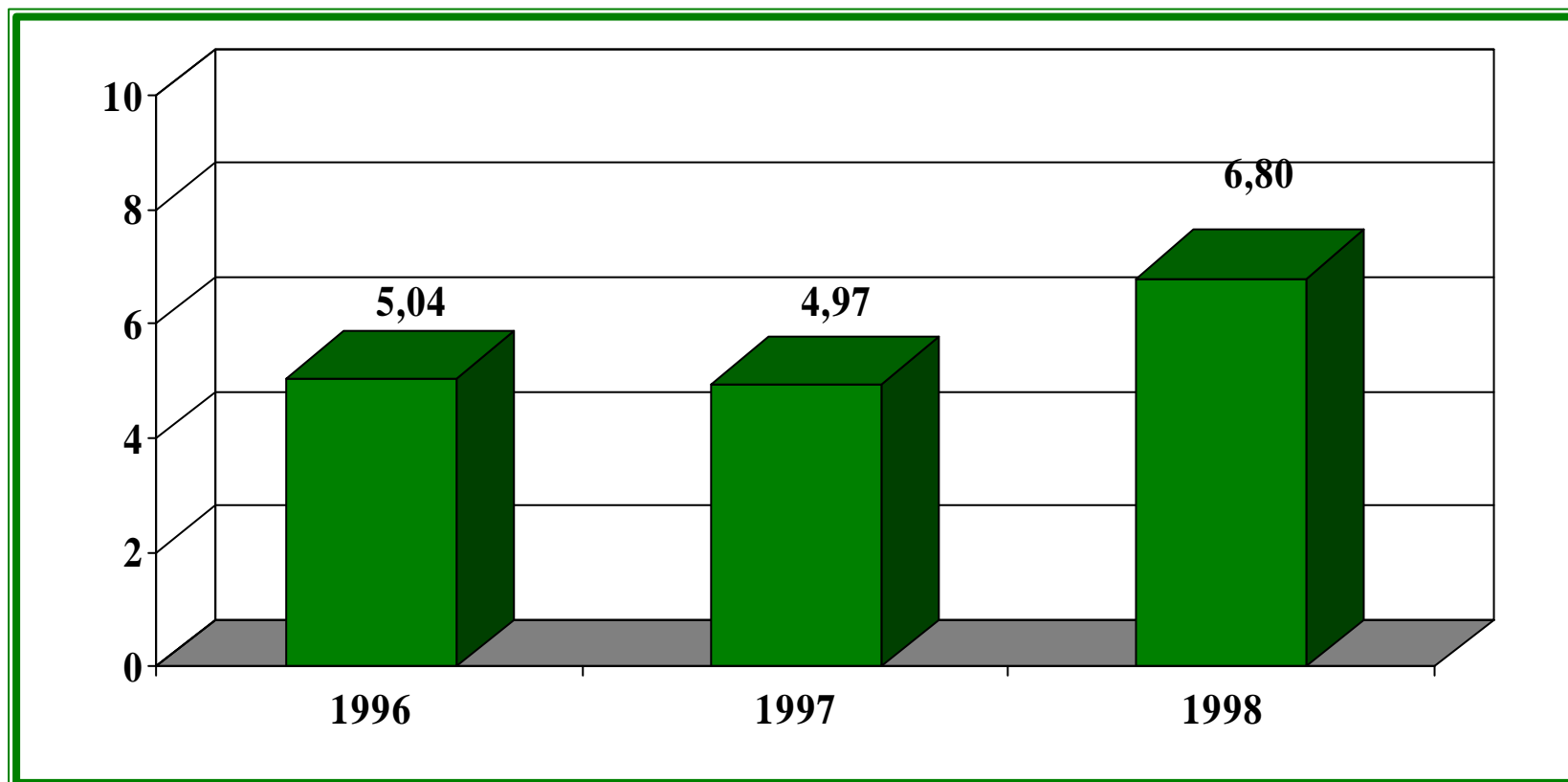


**A.I.F.I.**

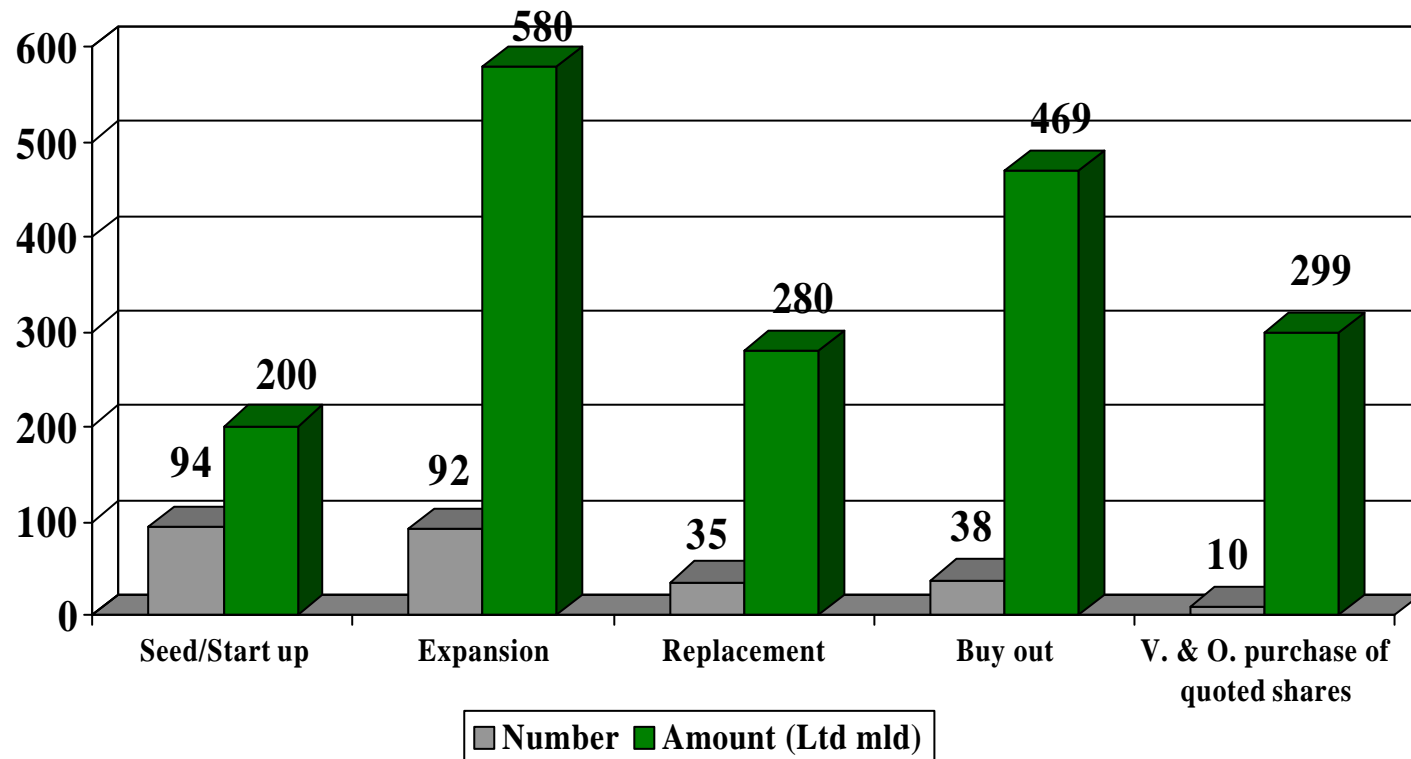
## Investment activity by number, companies and amount



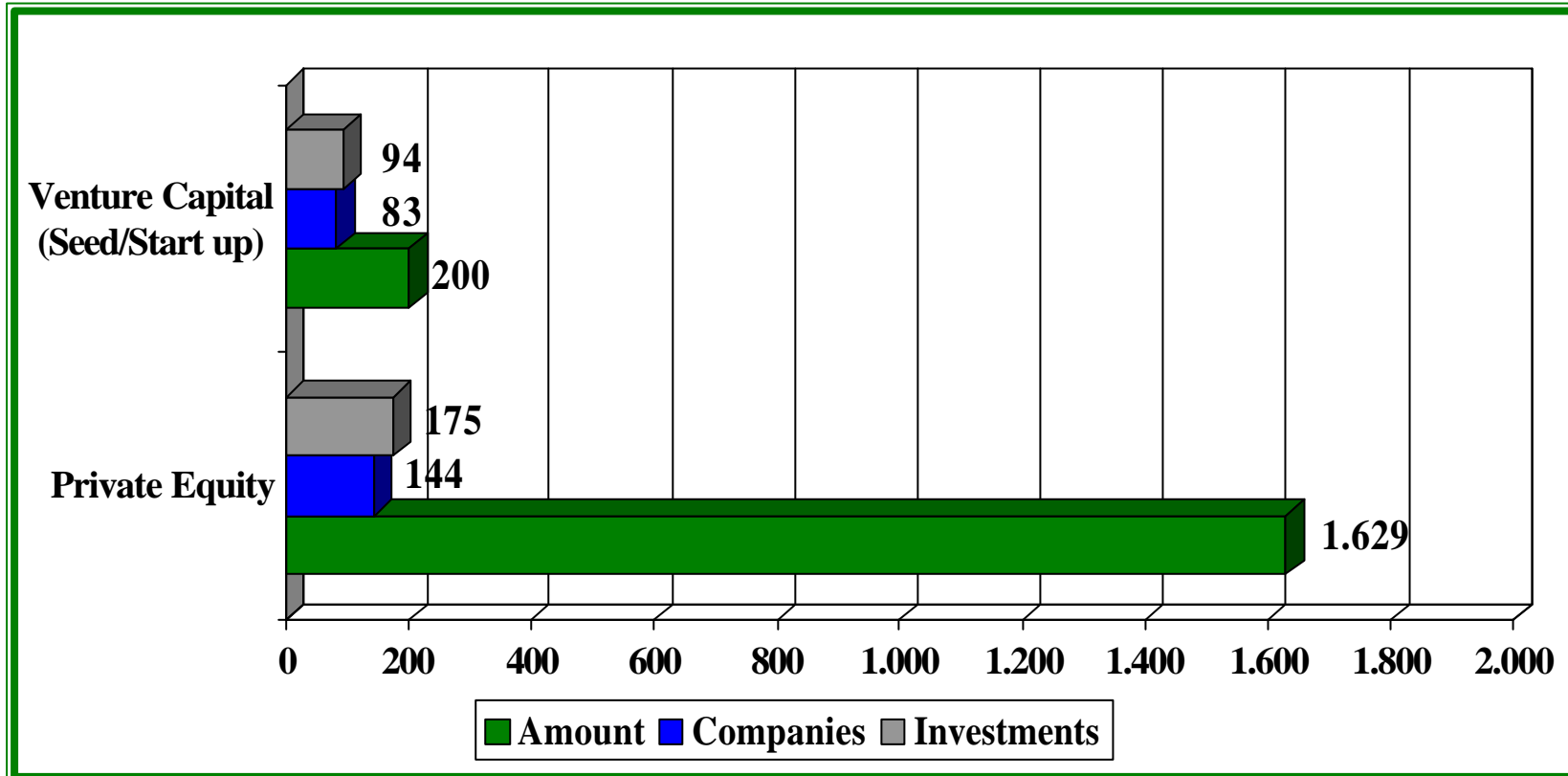
## Average amount invested (Lit mld)



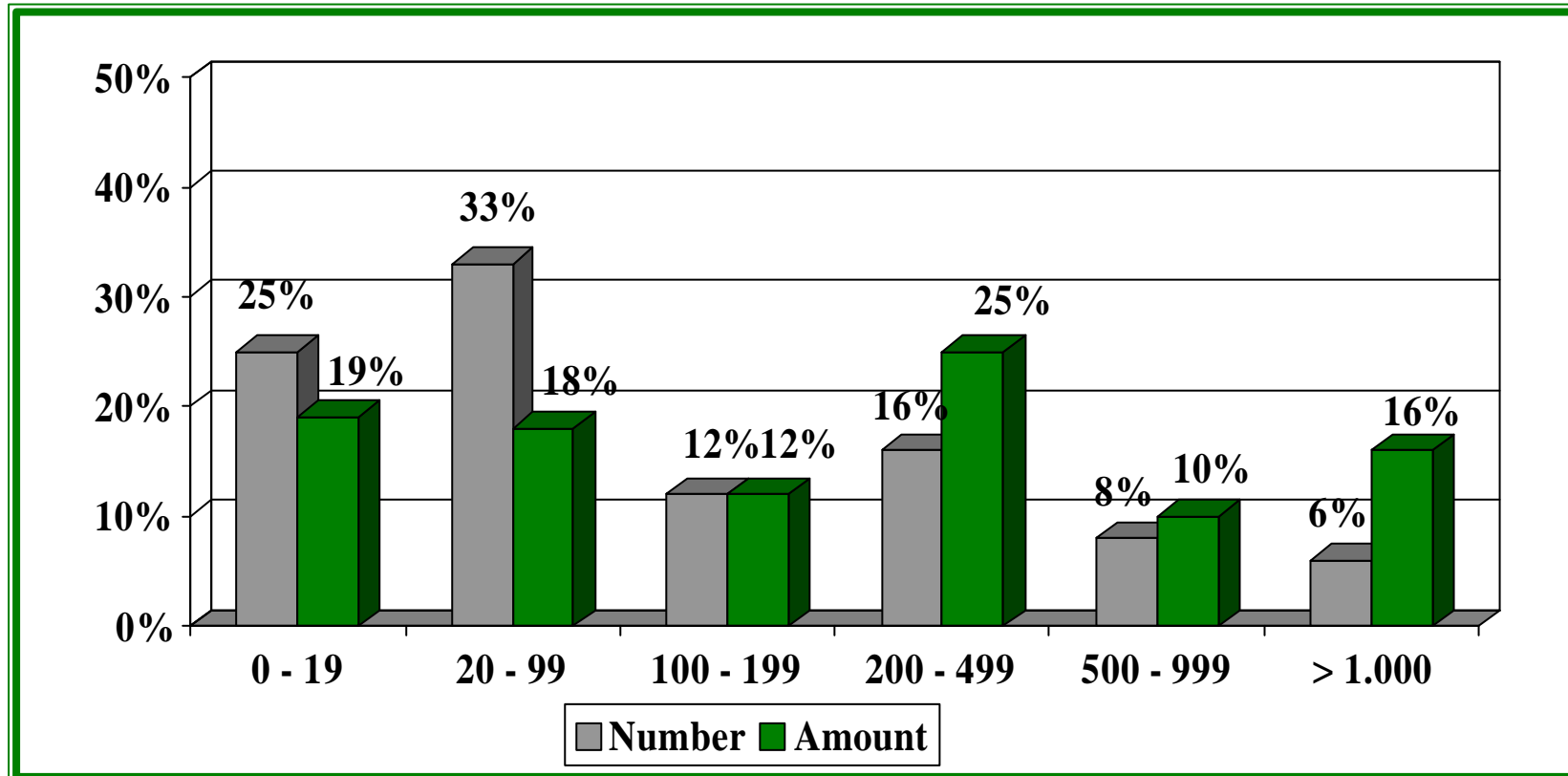
## 1998 - Stage distribution of investments



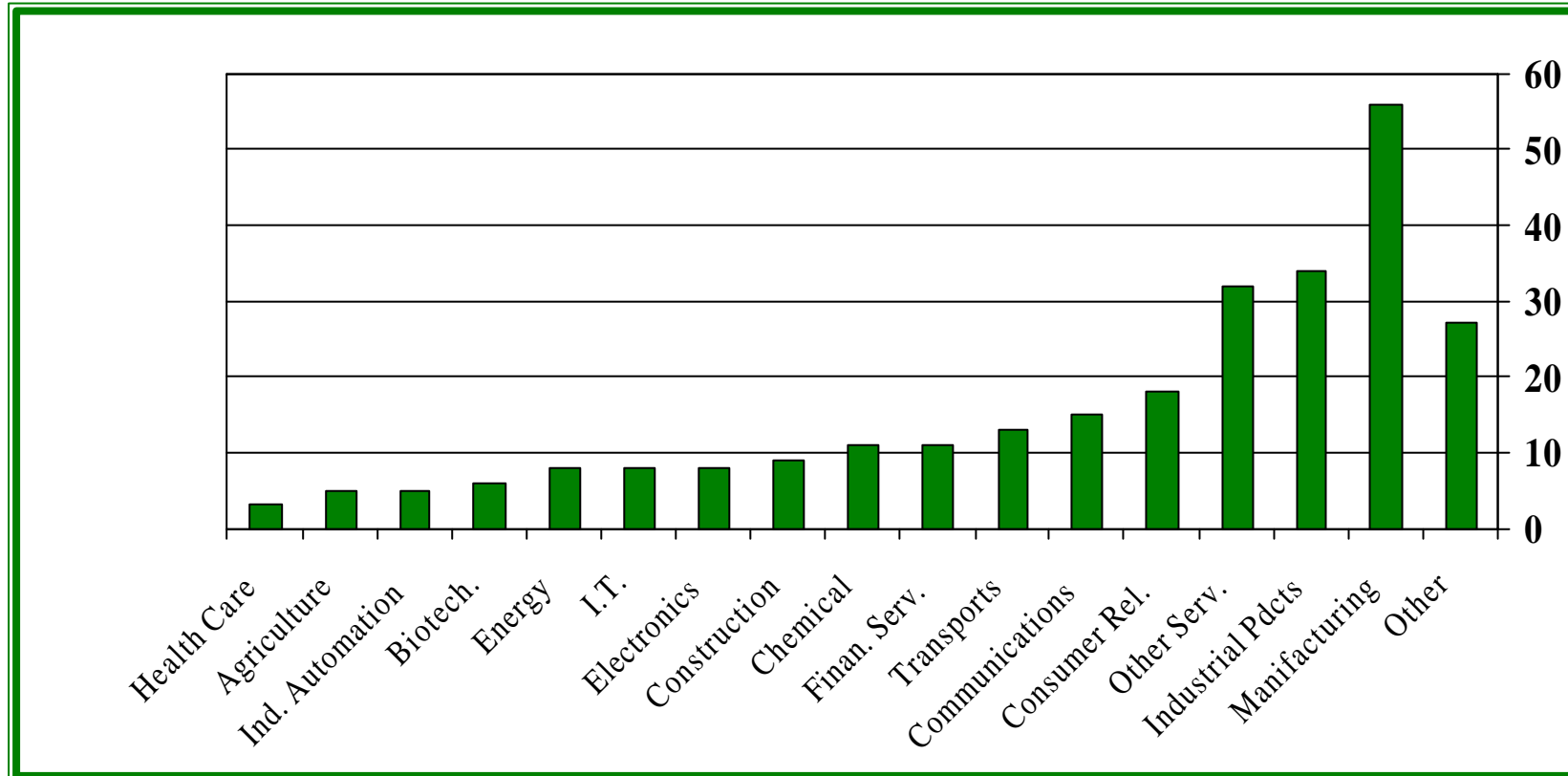
## 1998 - Venture Capital vs Private Equity



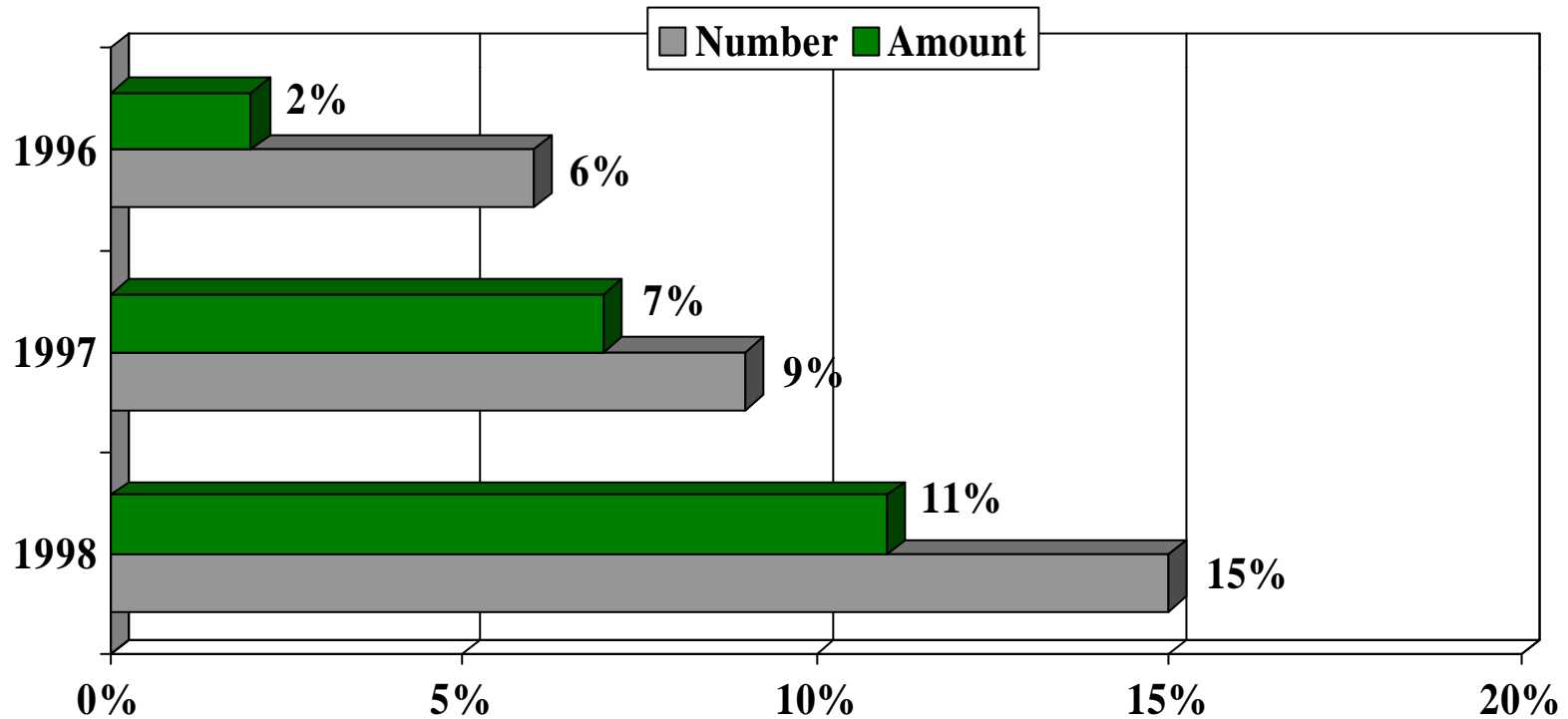
## 1998 - % of amount invested by number of employees



## 1998 - Sector distribution of investment by number

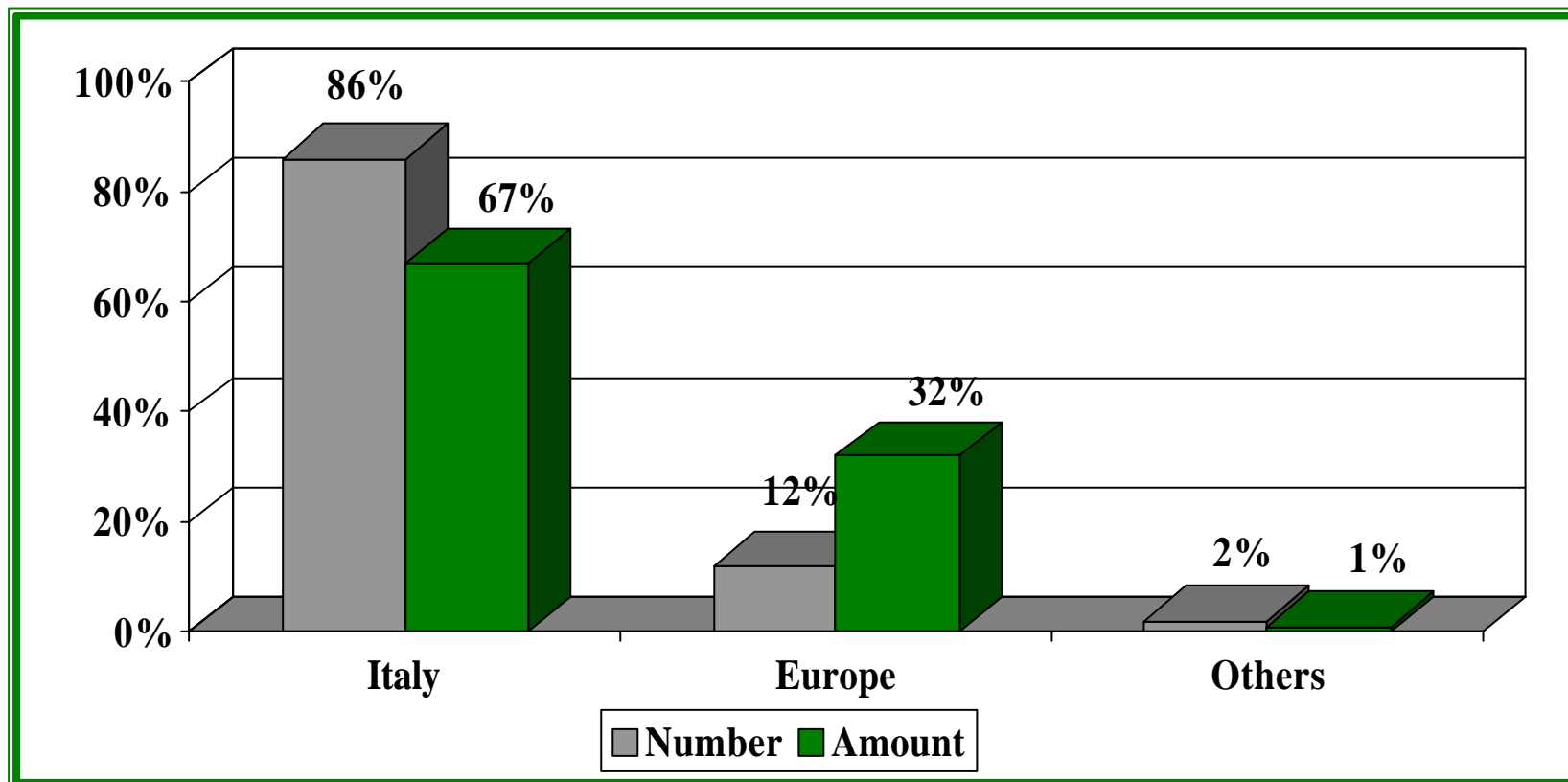


## % of amount and number of investments in the high tech sectors\*

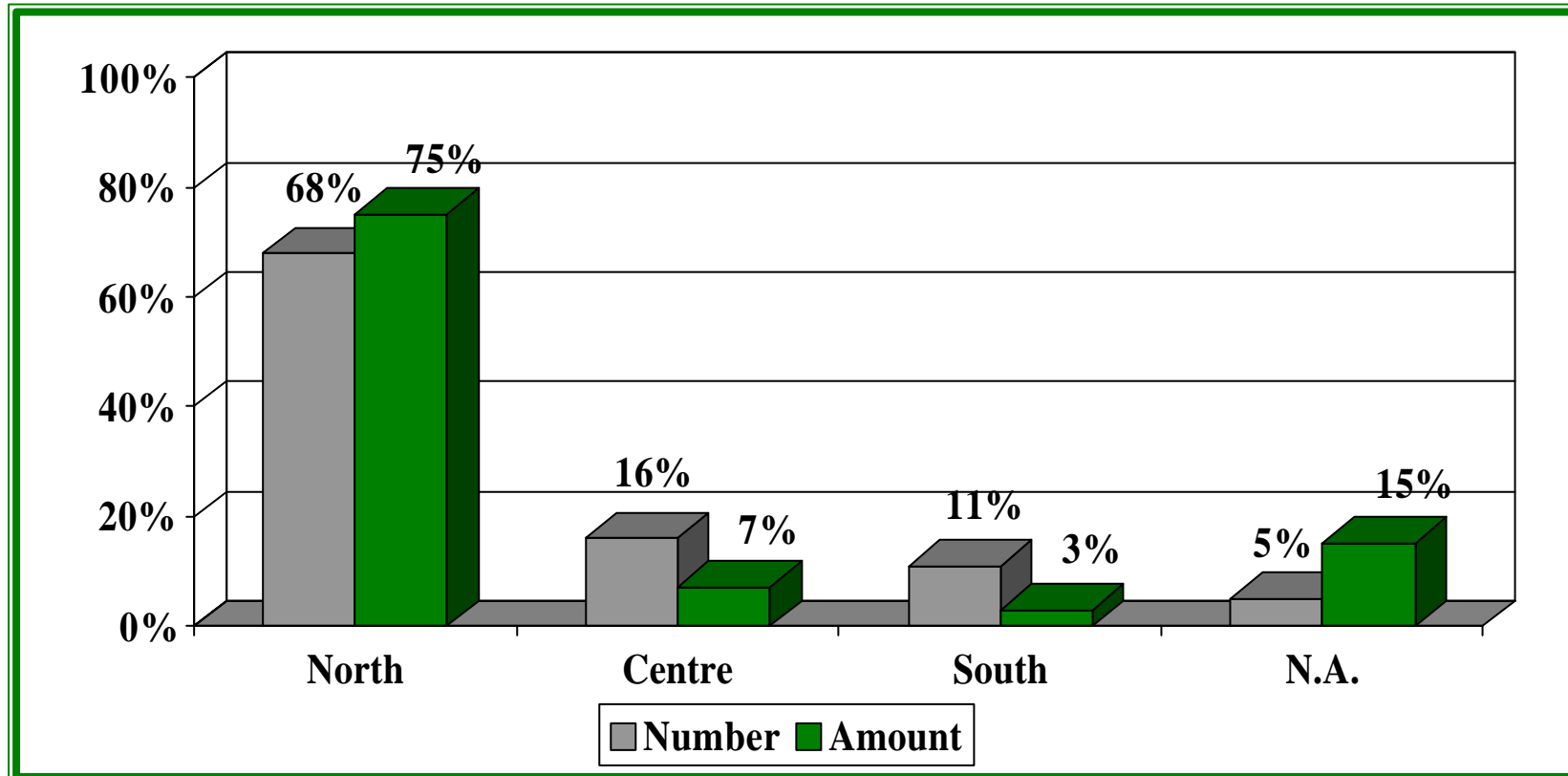


\*High tech sectors: computer related, communications, other electronics related, media/health related.

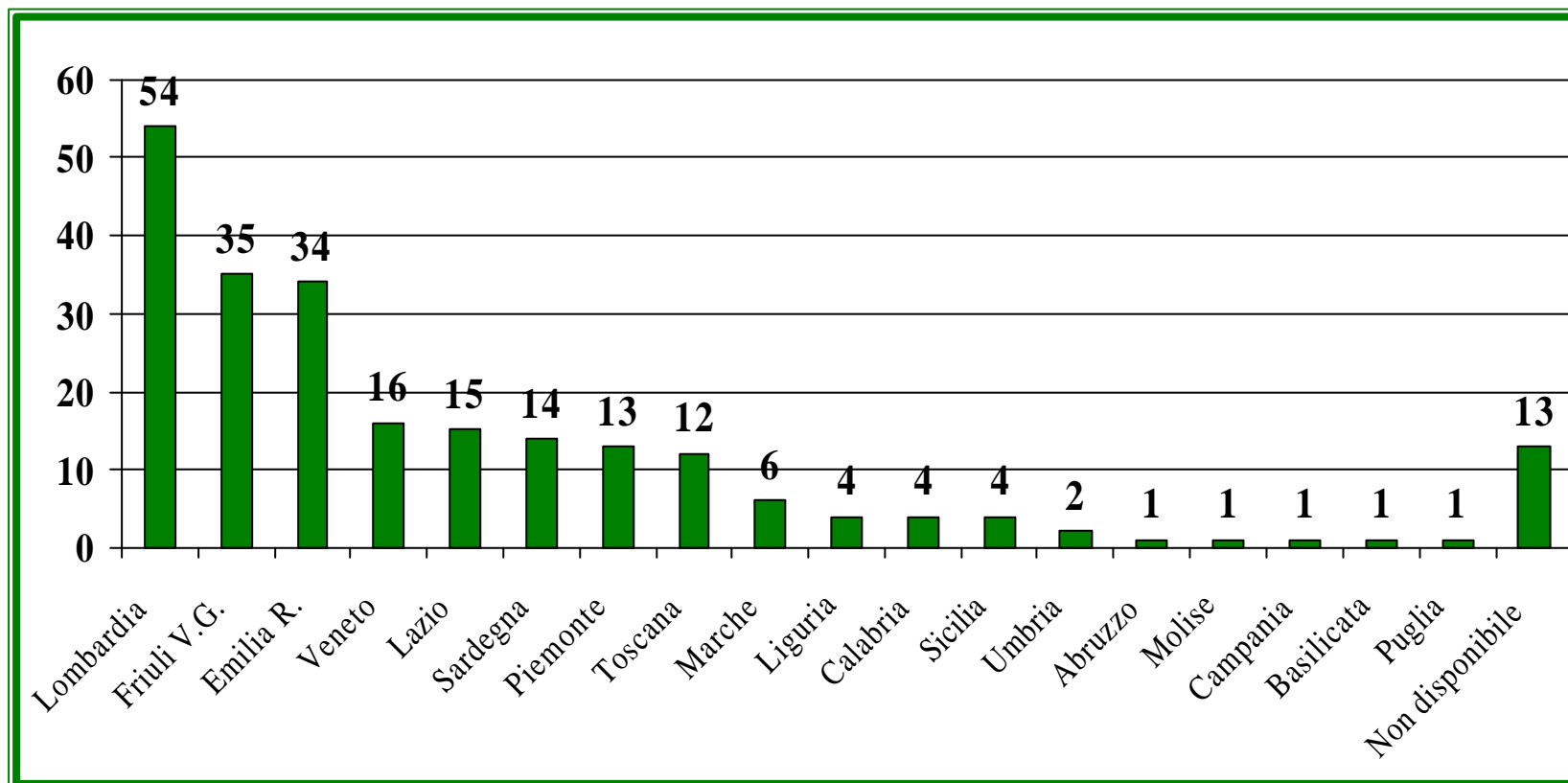
## 1998 - Geographical distribution by % of number and amount invested



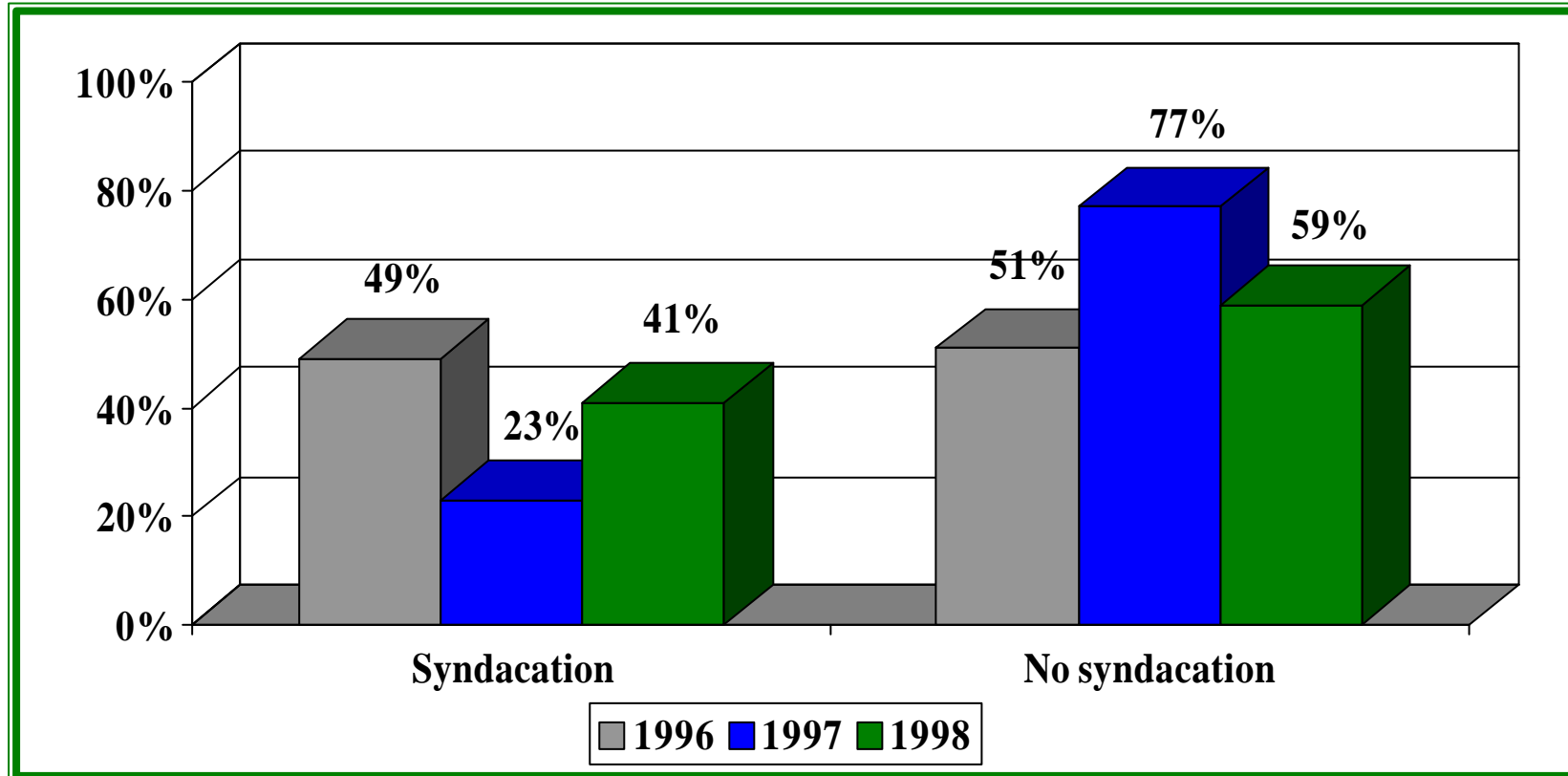
## 1998 - Italy: geographical distribution by % of amount and number of investments



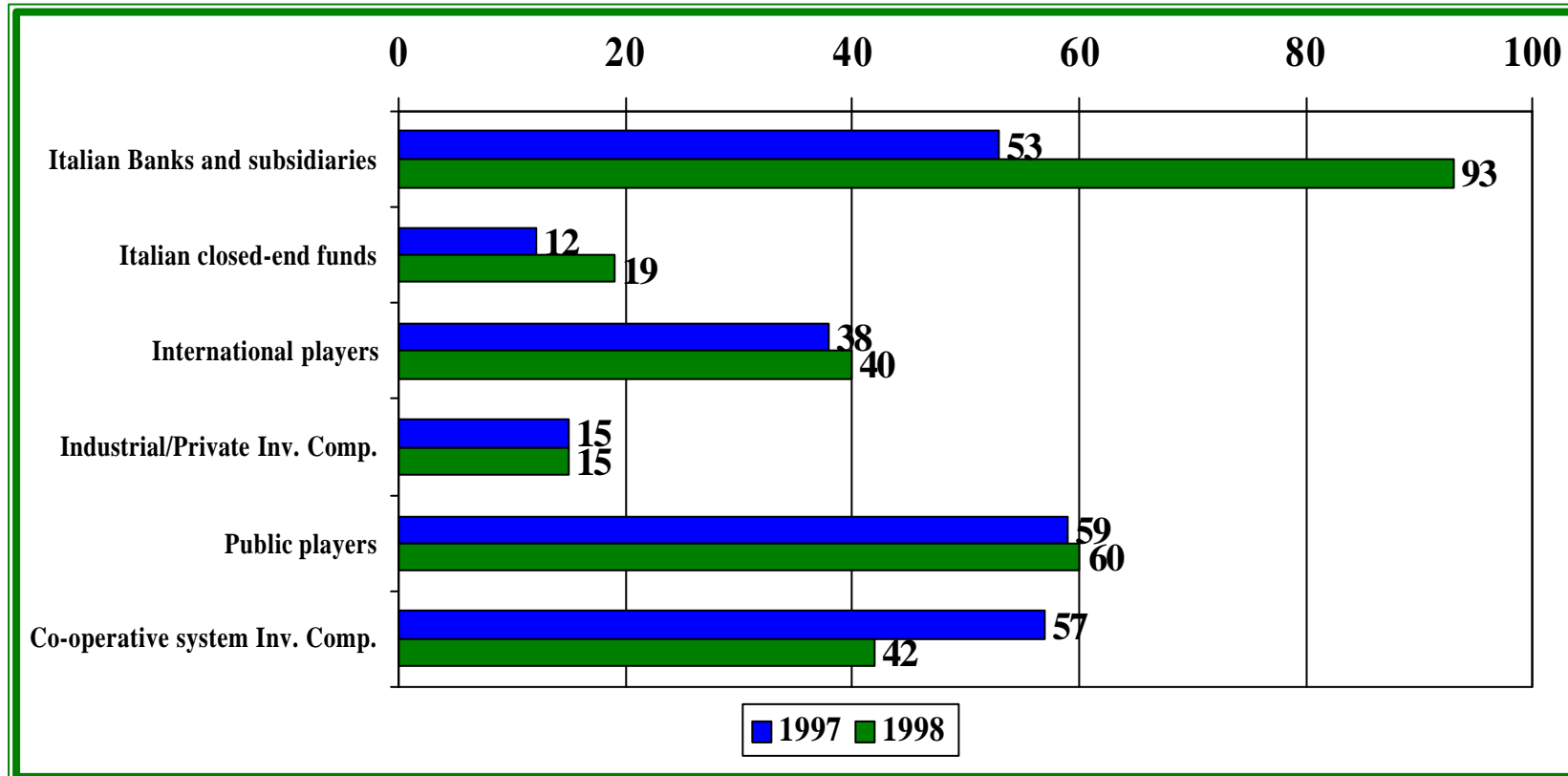
## 1998 - Italy: regional distribution by number of investments



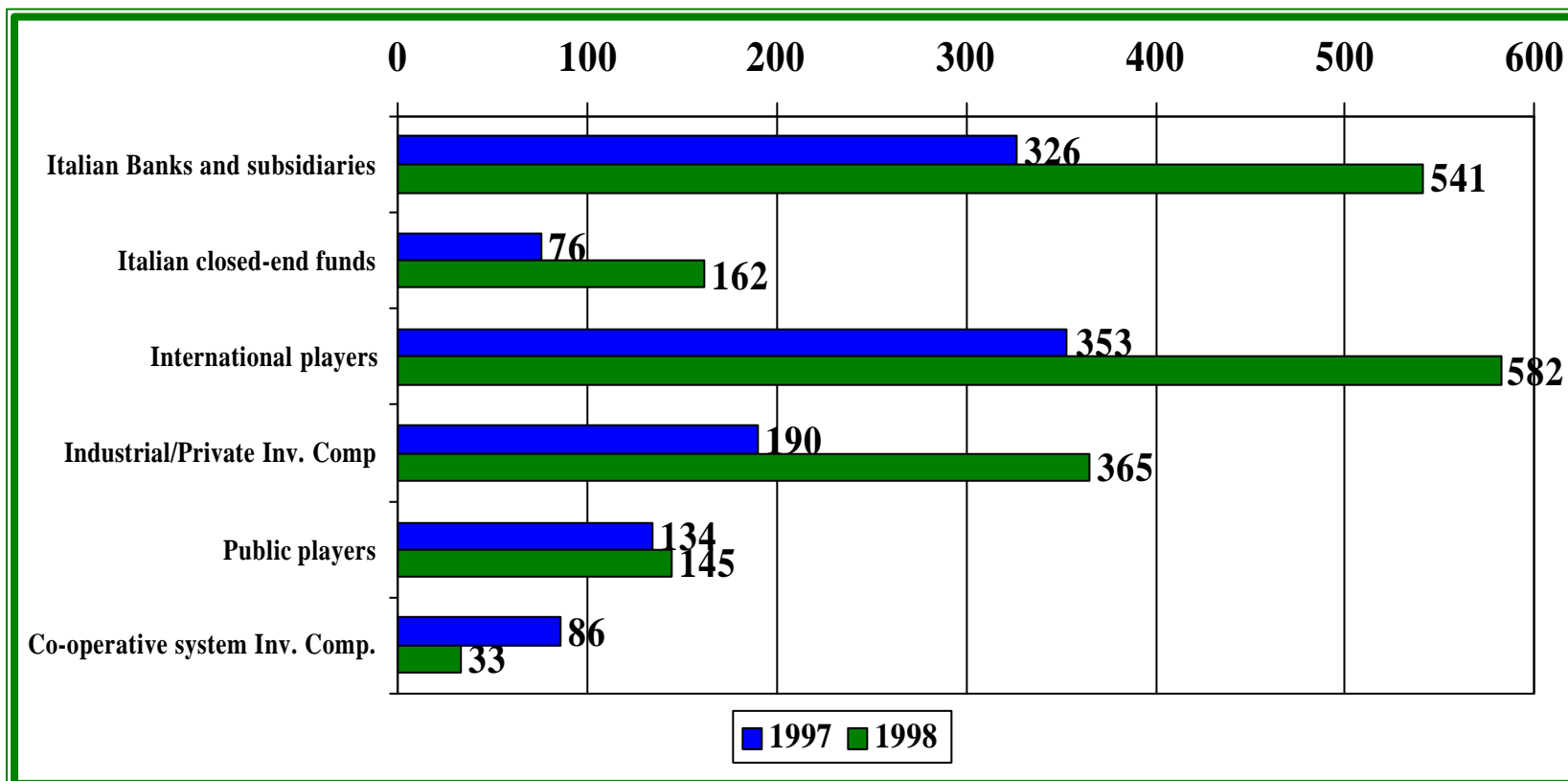
## 1998 - Syndication by % of number of investments



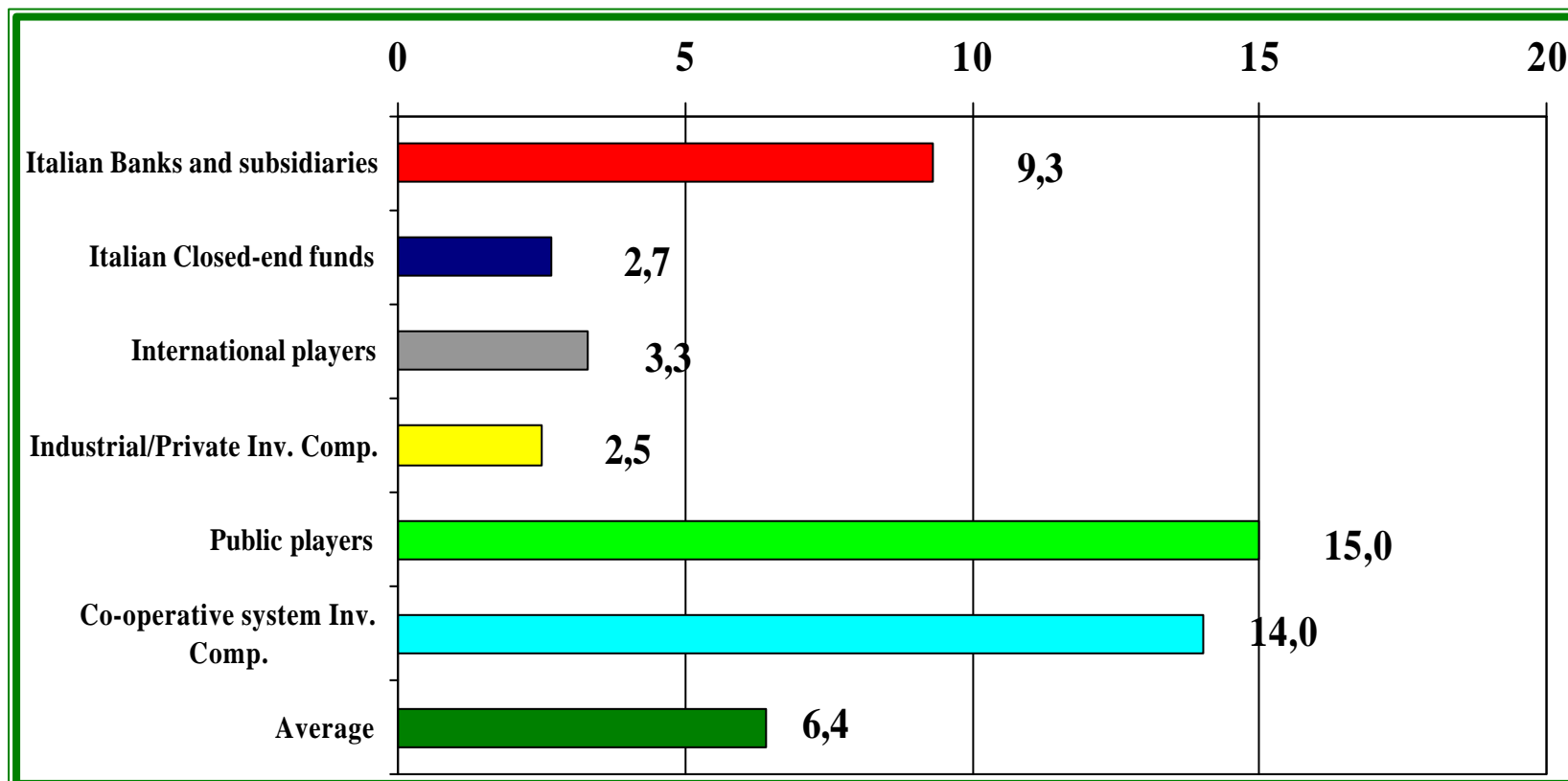
## 1998 - Number of investments by type of investors



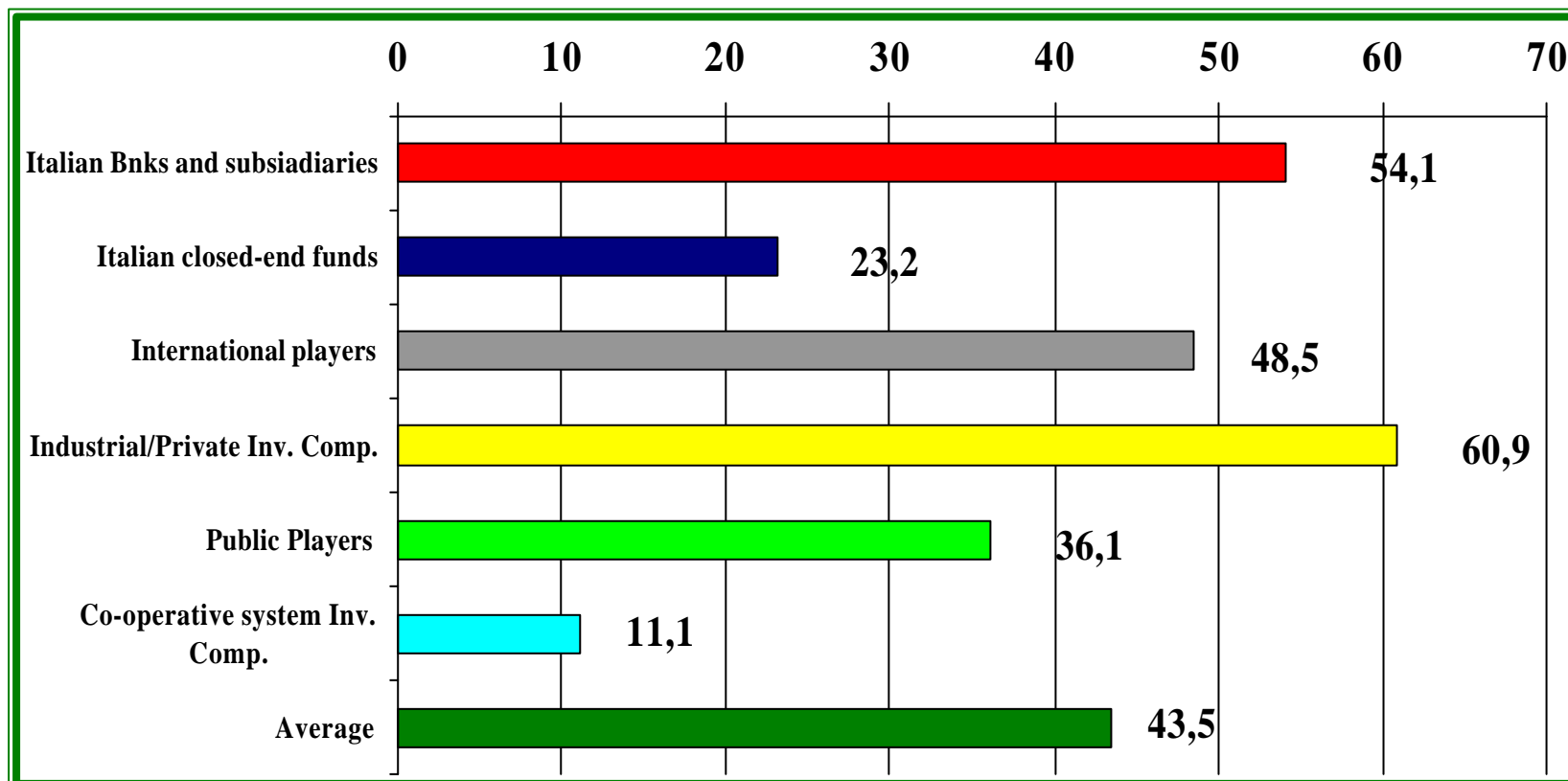
## 1998 - Amount invested by type of investors (Lit mld)



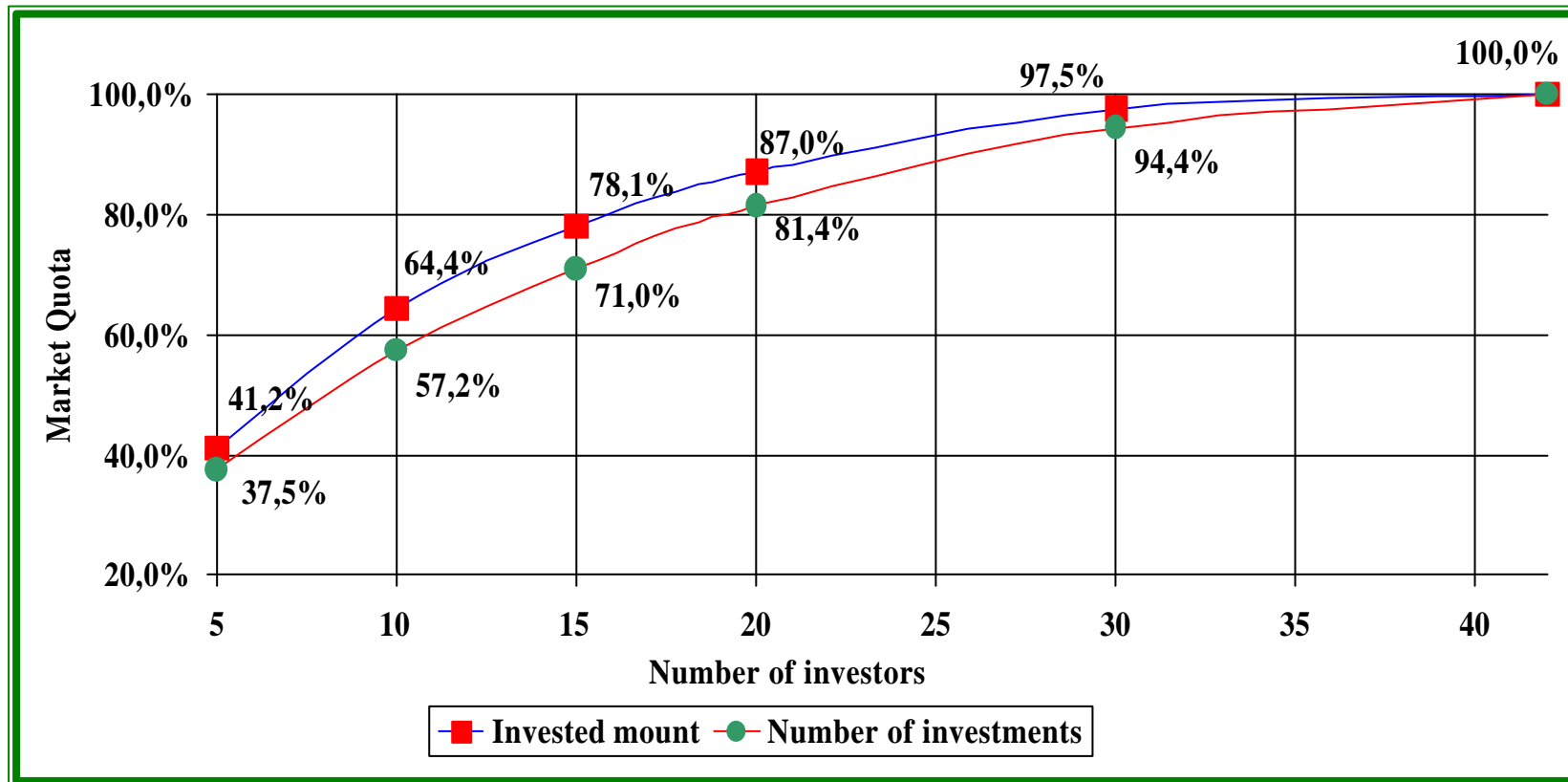
## 1998 - Average number of investments by type of investors



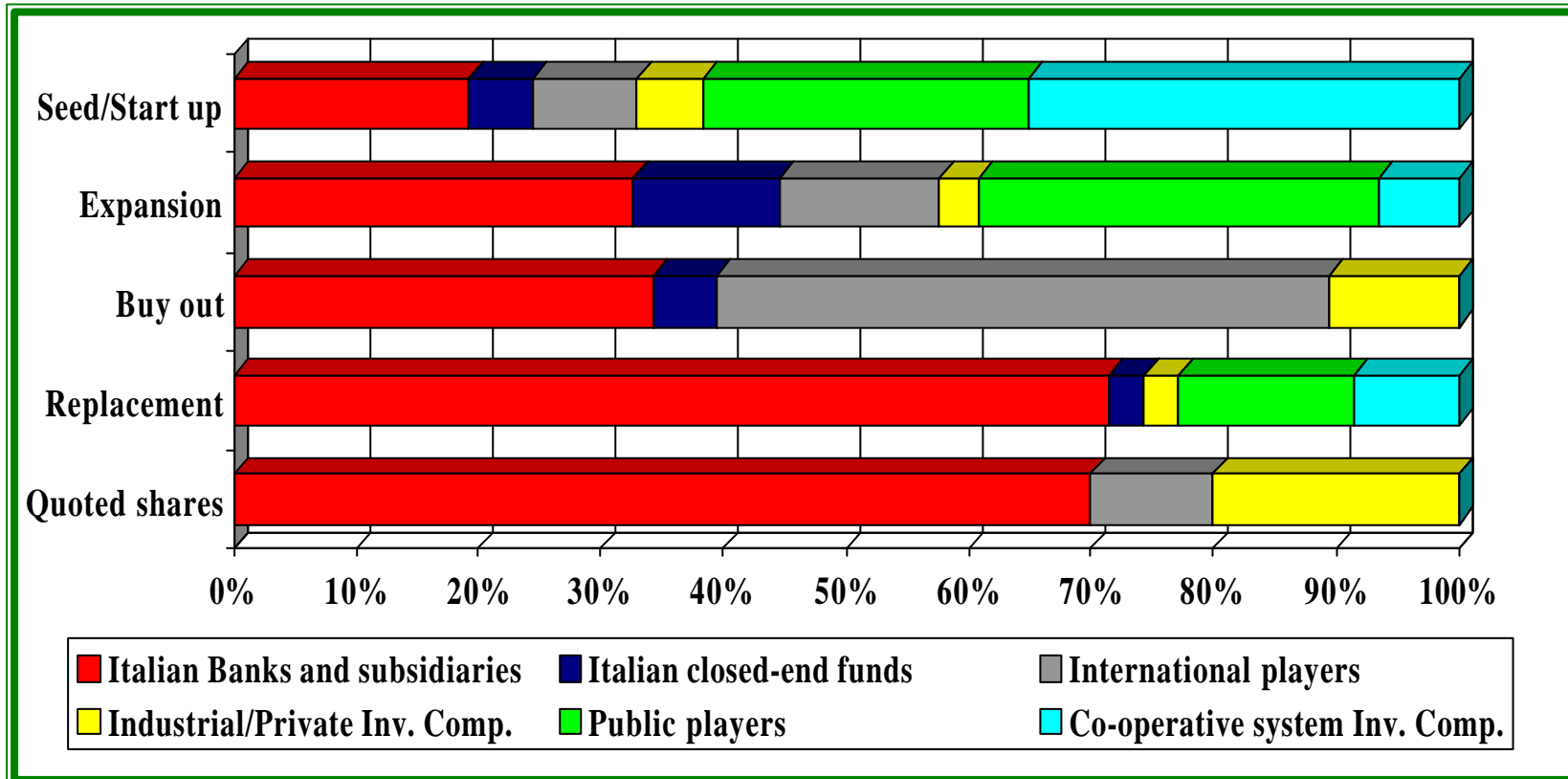
## 1998 - Amount invested by type of investors (Lit mld)



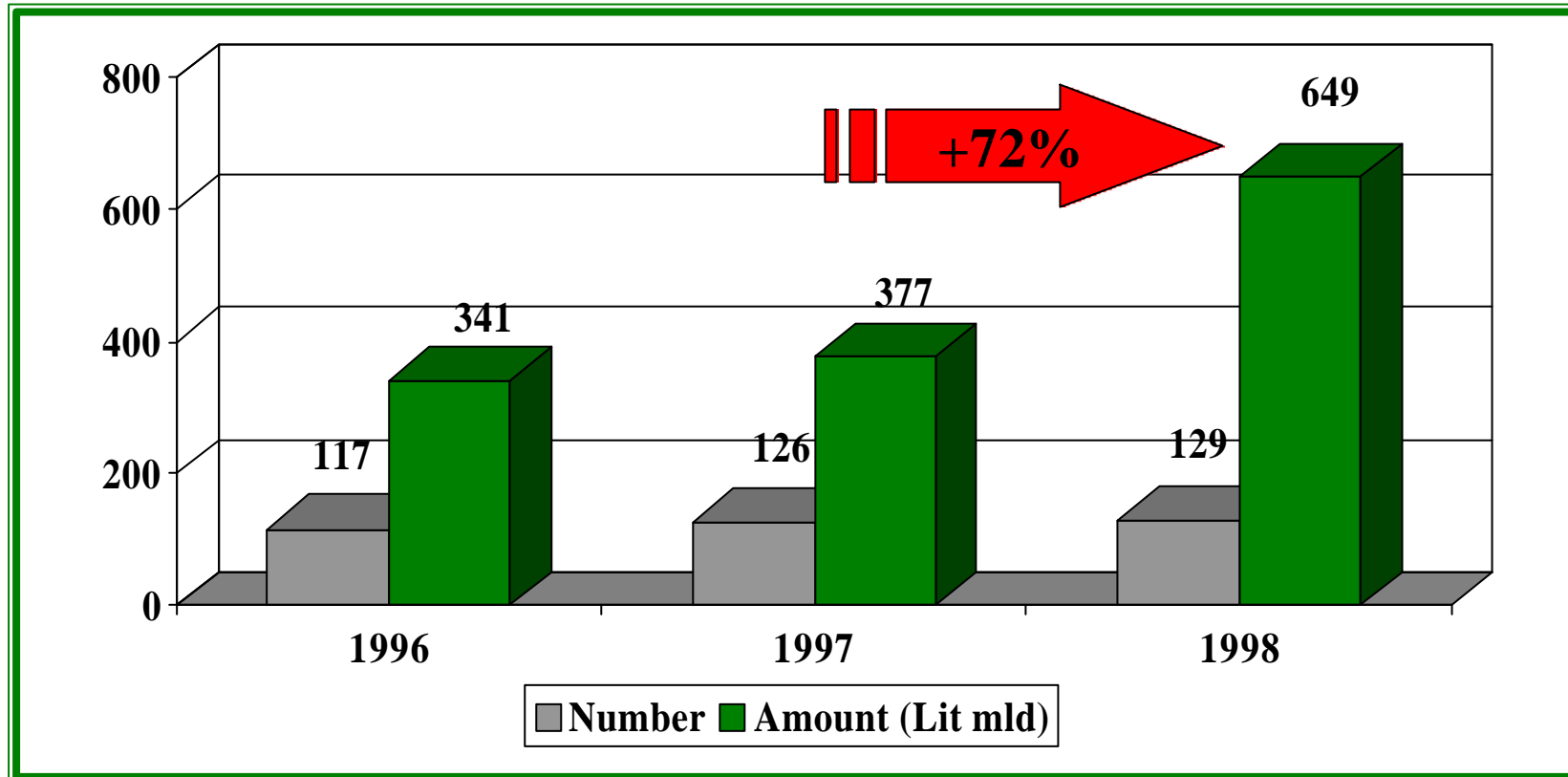
## 1998 - Italian Private Equity Industry Concentration



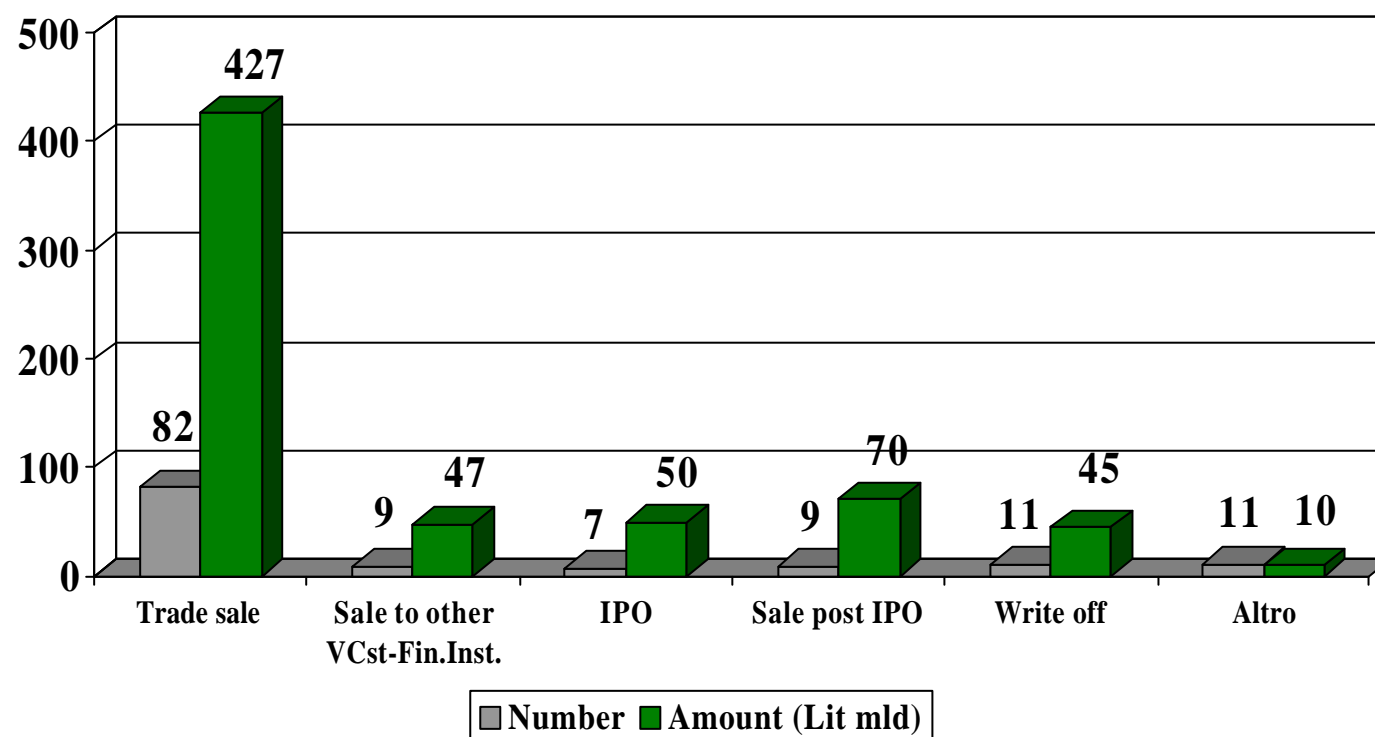
## 1998 - Stage distribution of investments by type of investors



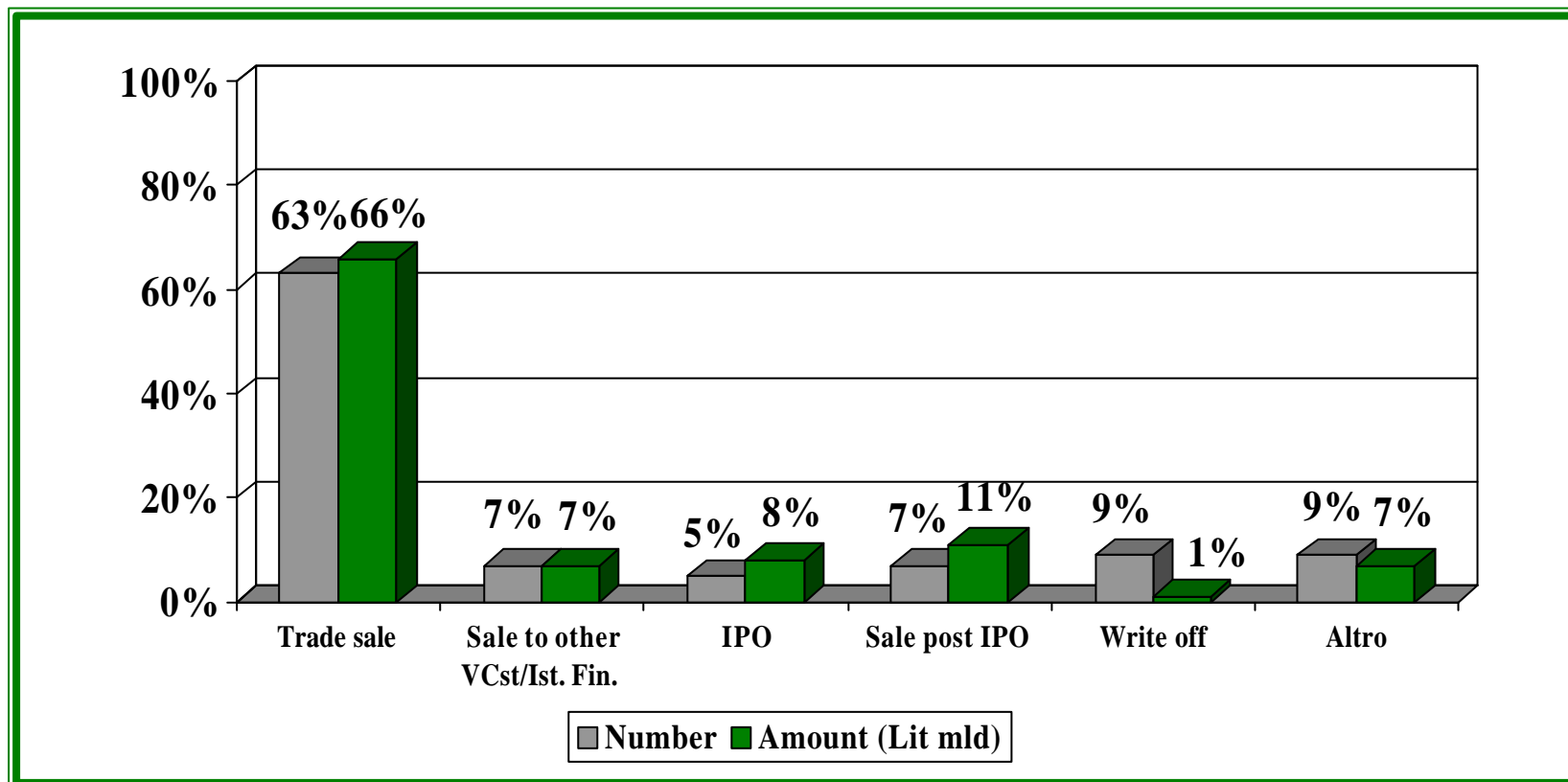
## Divestment activity by number and amount (at cost)



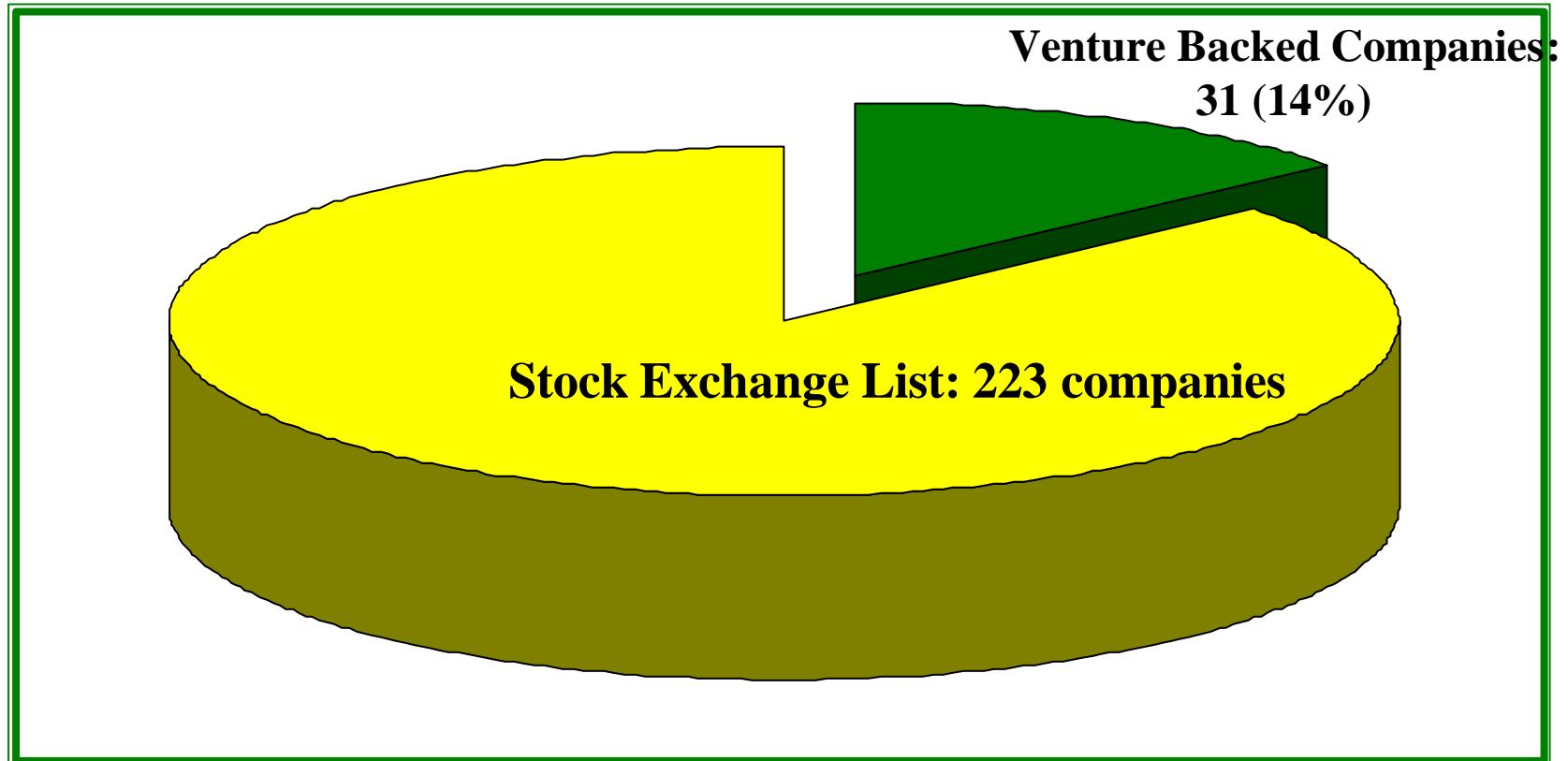
## 1998 - Distribution of divestments by number and amount



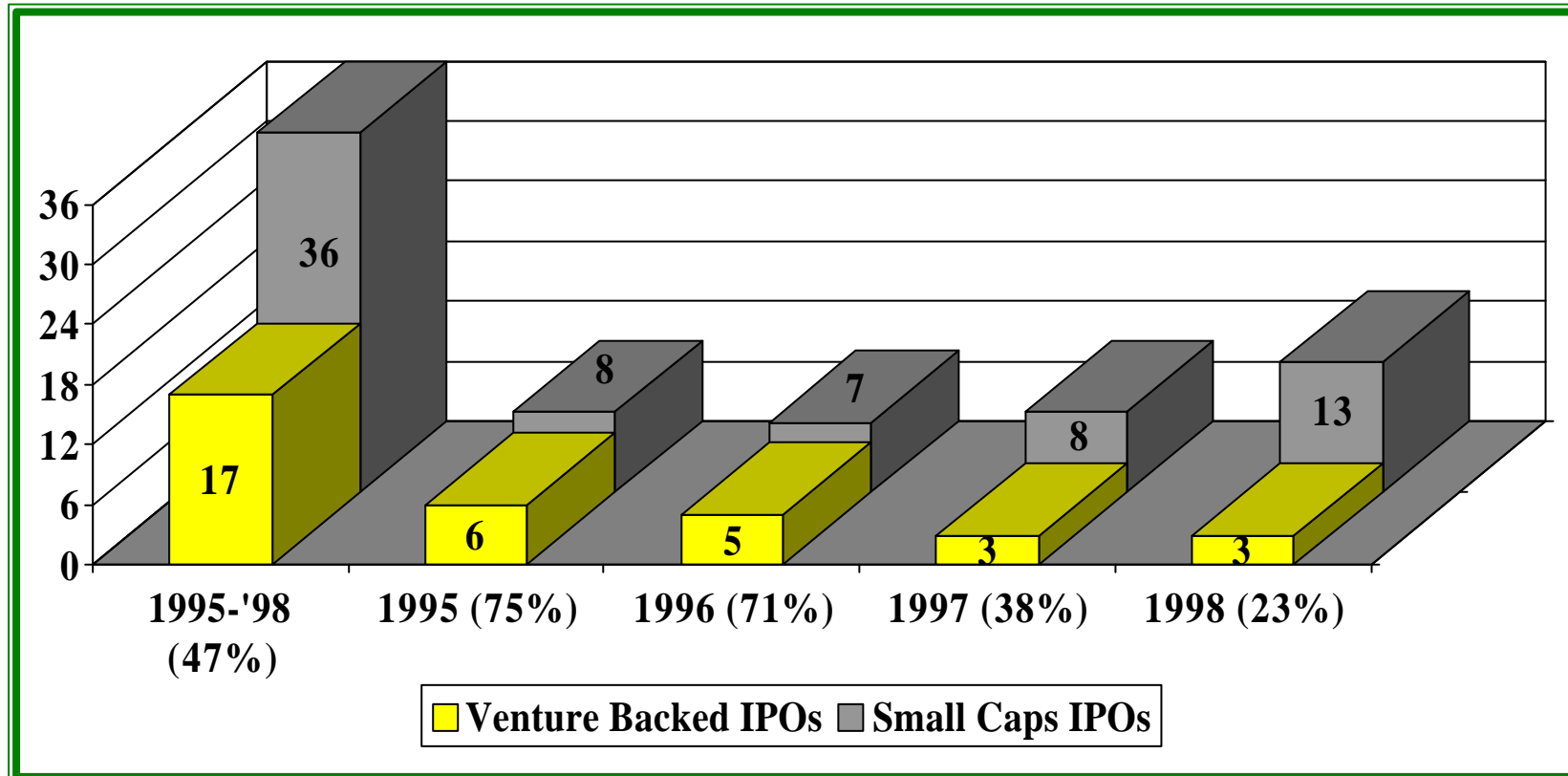
## 1998 - Distribution of divestments by type of investors



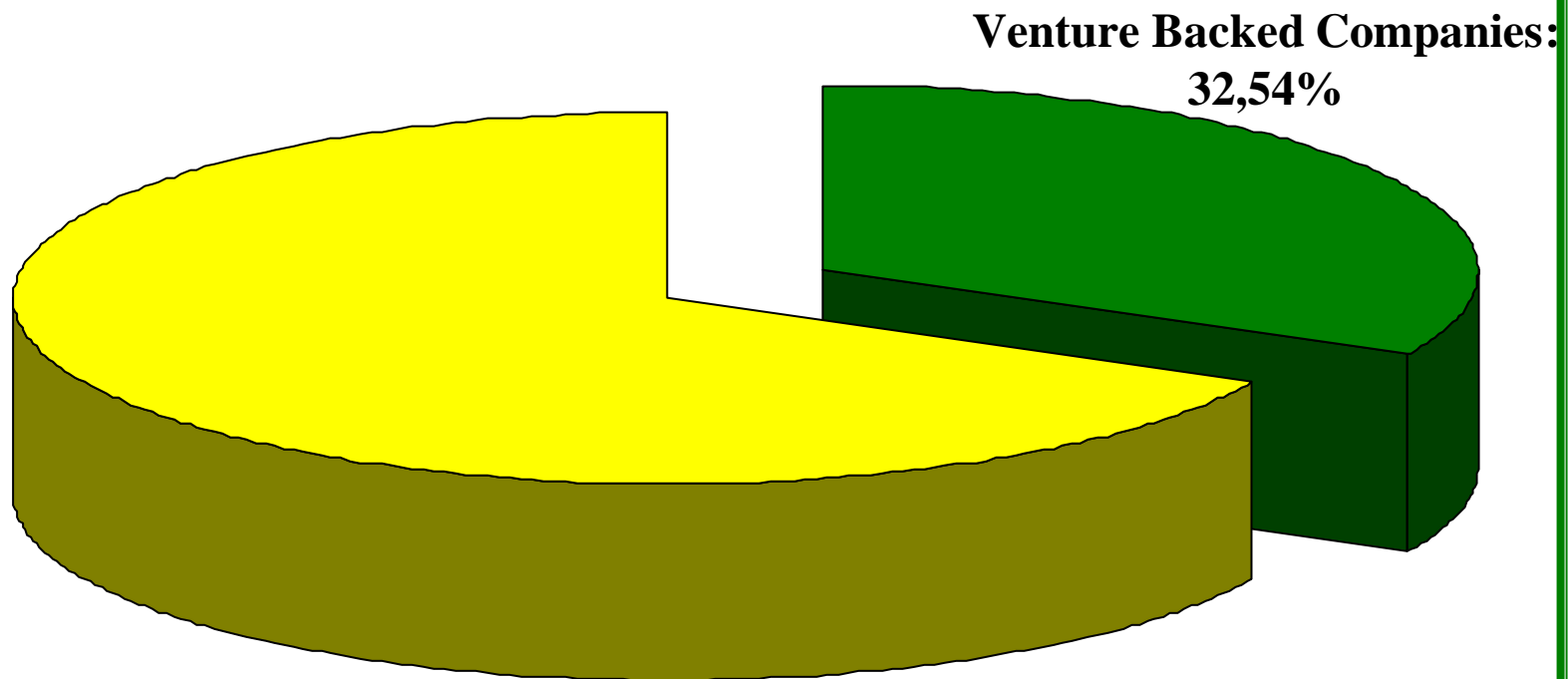
## Venture Backed Companies vs Stock Exchange List\*



## 1995-1998 Venture Backed IPOs vs Small Caps IPOs

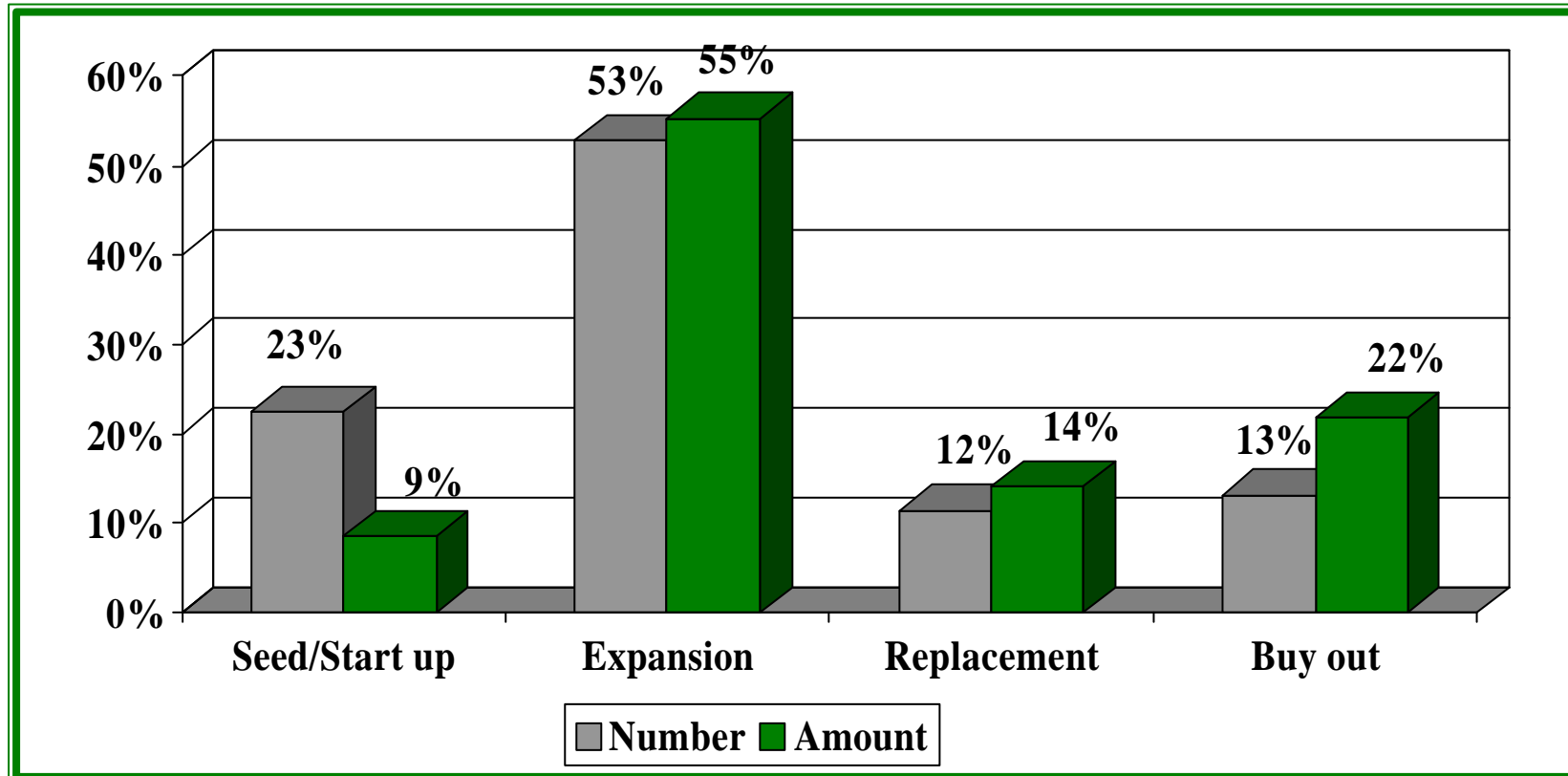


## Capitalization Venture Backed companies '95-'98 vs capitalization BISCI\* companies

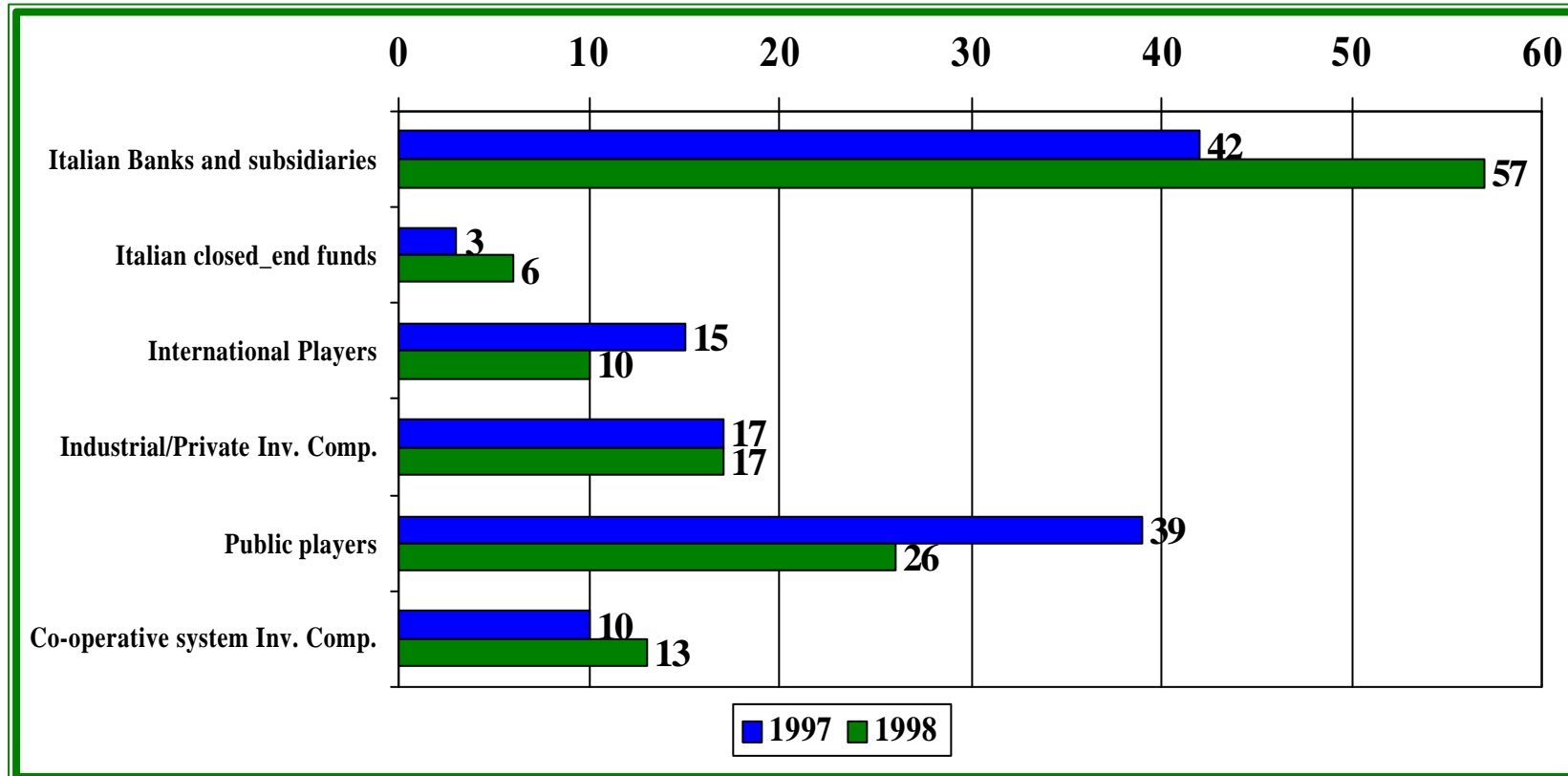


\* Bloomberg Italian Small Caps Index, data at 31/3/'99

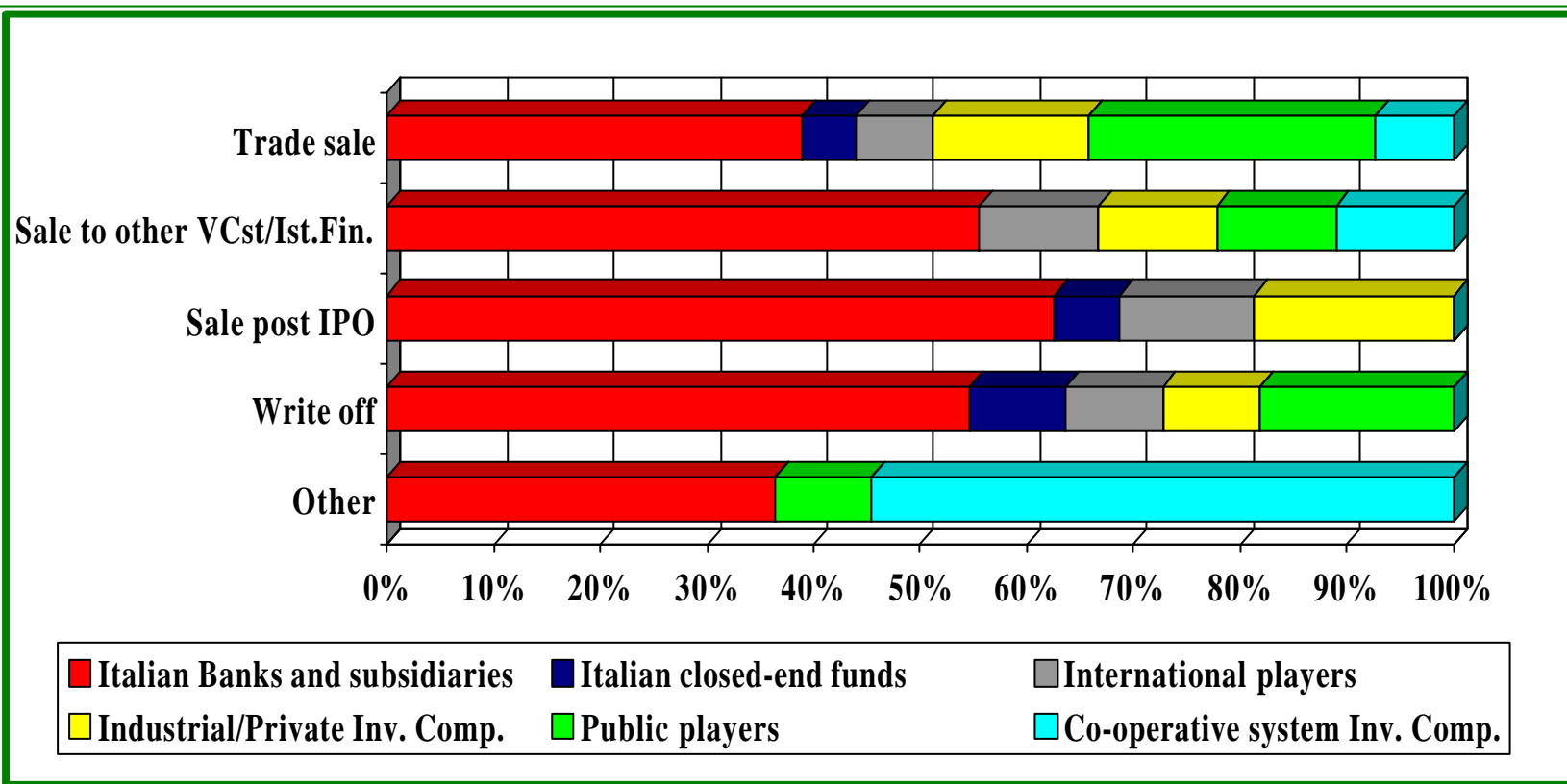
## 1998 - Distribution of divestments by % of amount and number



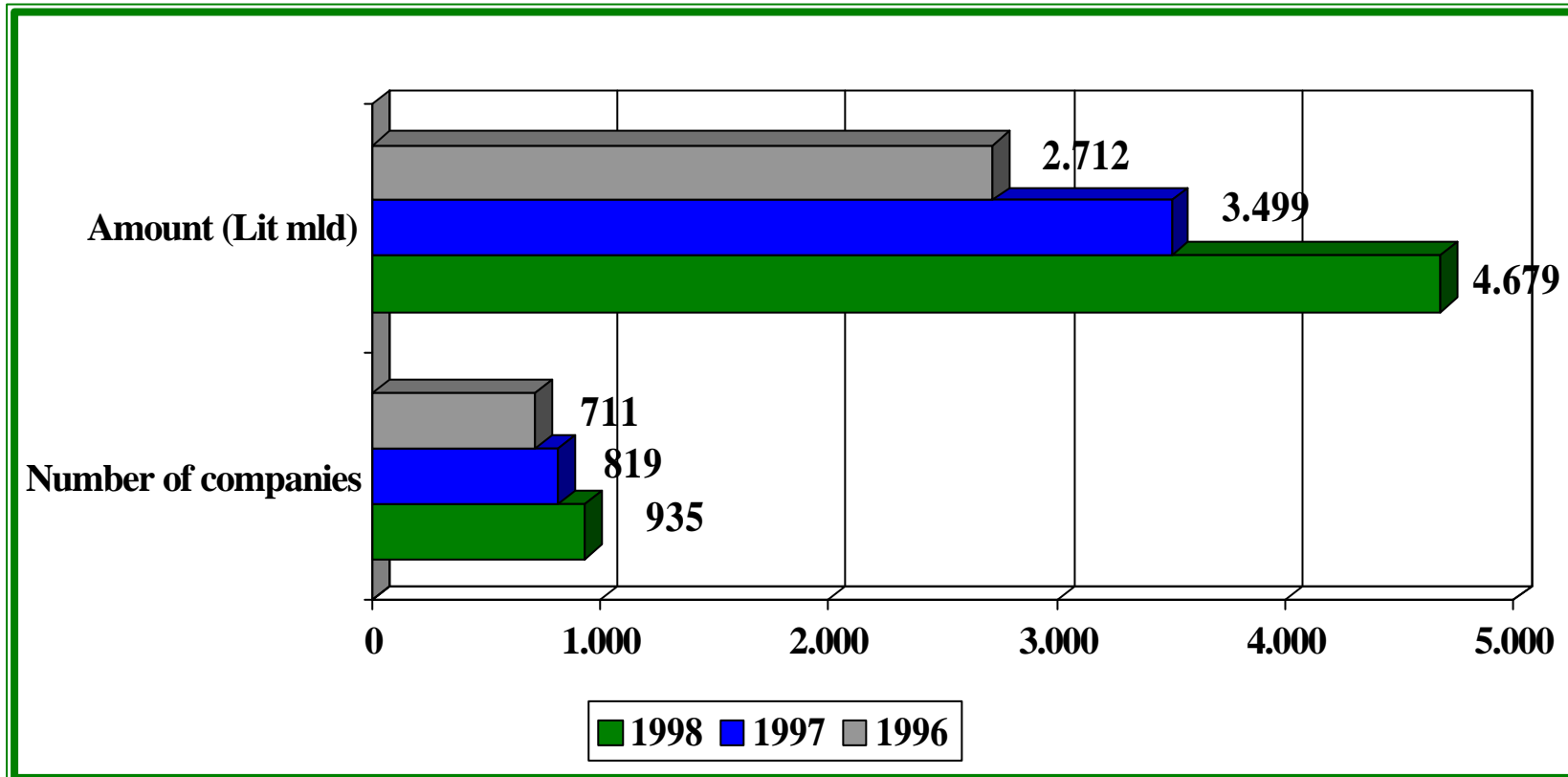
## 1998 - Number of divestments by type of investors



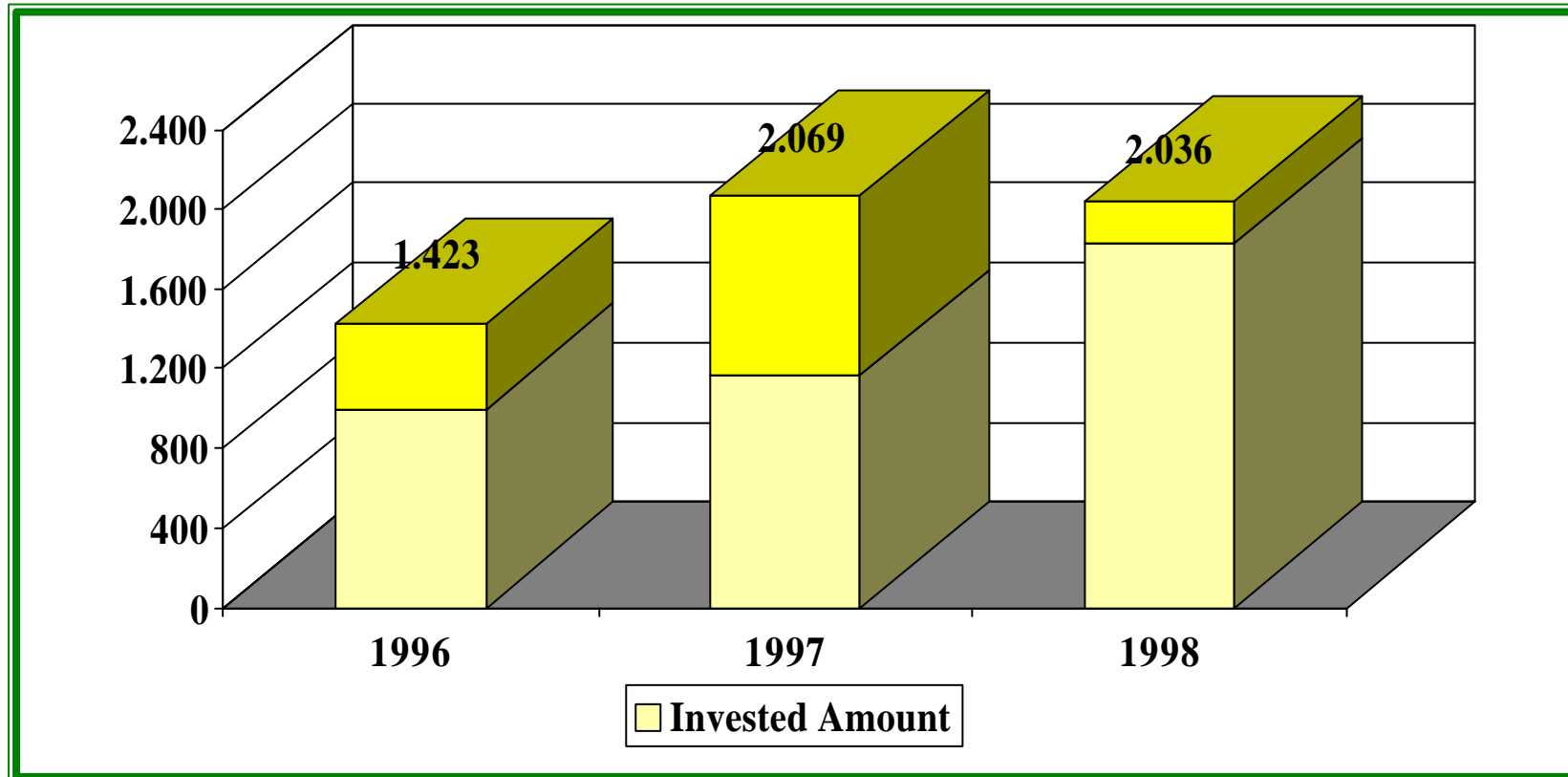
## 1998 - Stage distribution of divestments by type of investors



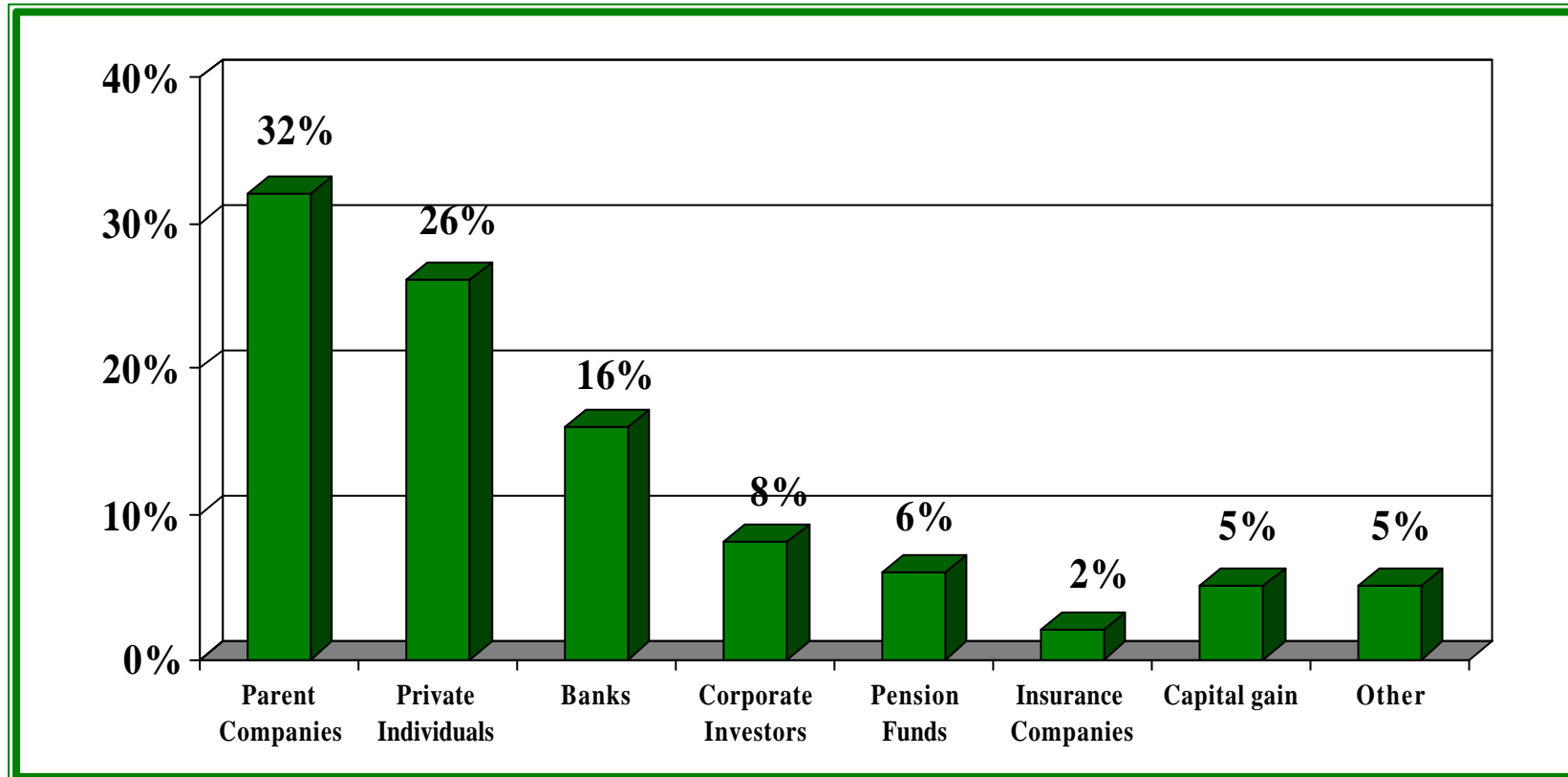
## Portfolio by number and amount (at cost)



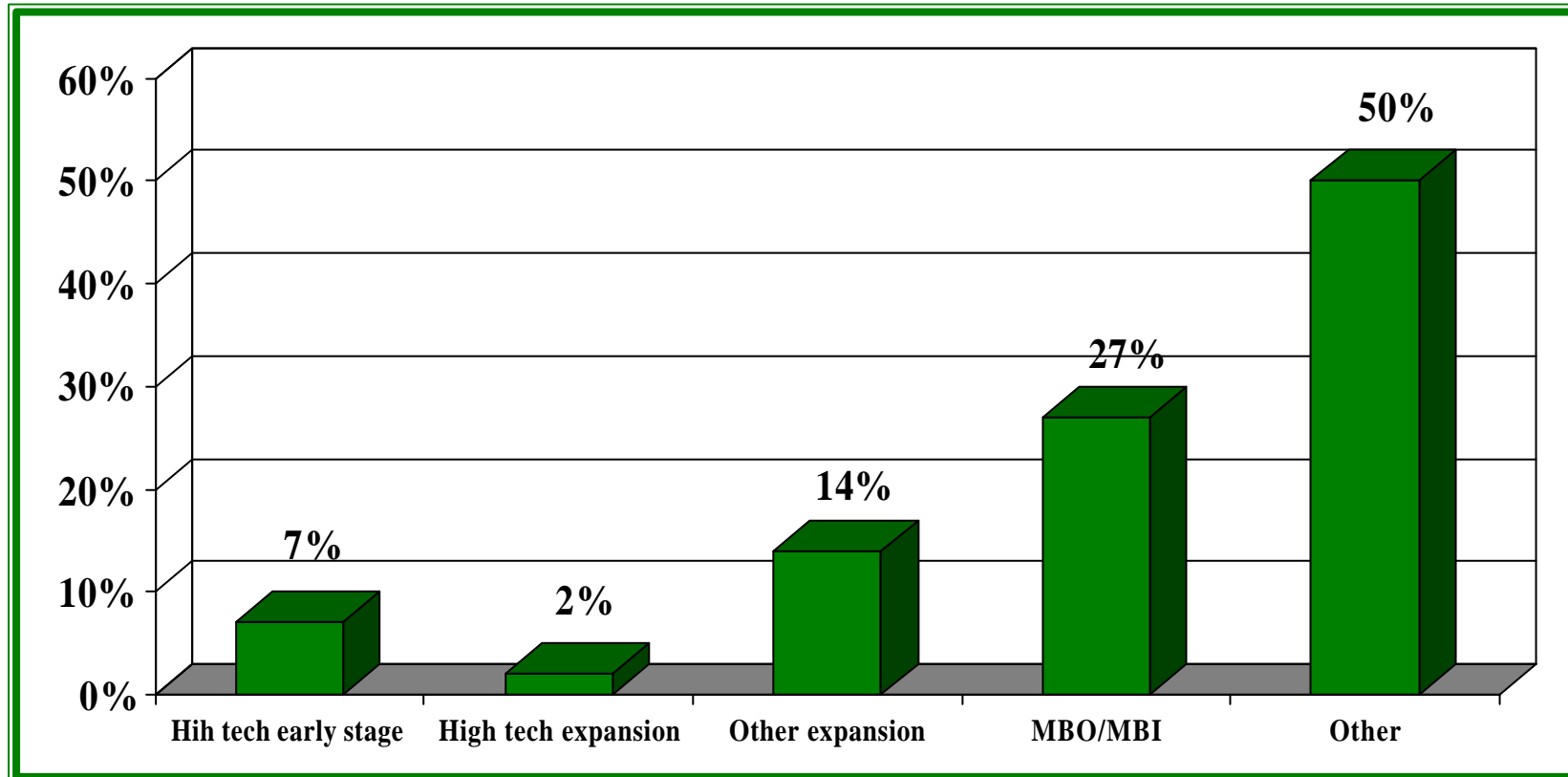
## New funds raised (Lit mld)



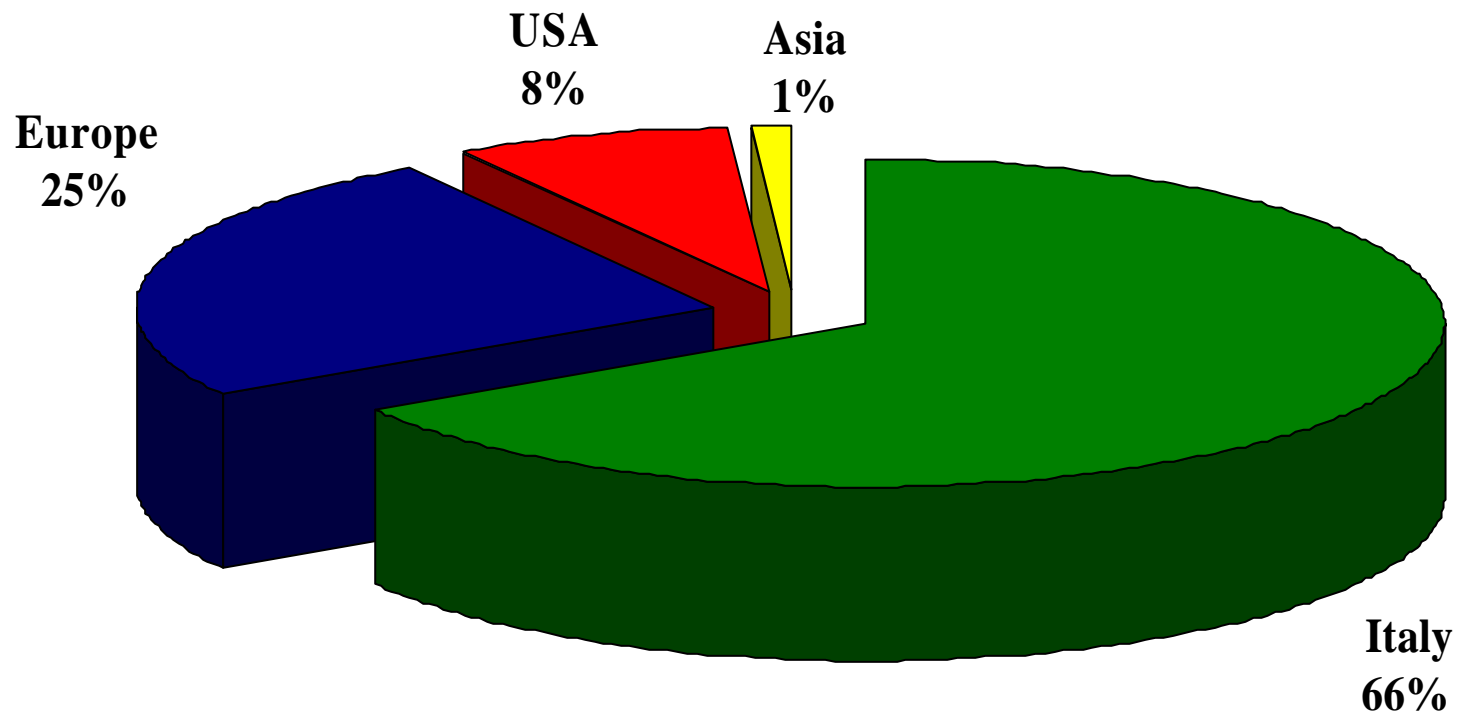
## 1998 - Sources of new funds by %



## 1998 - Fund raising targets



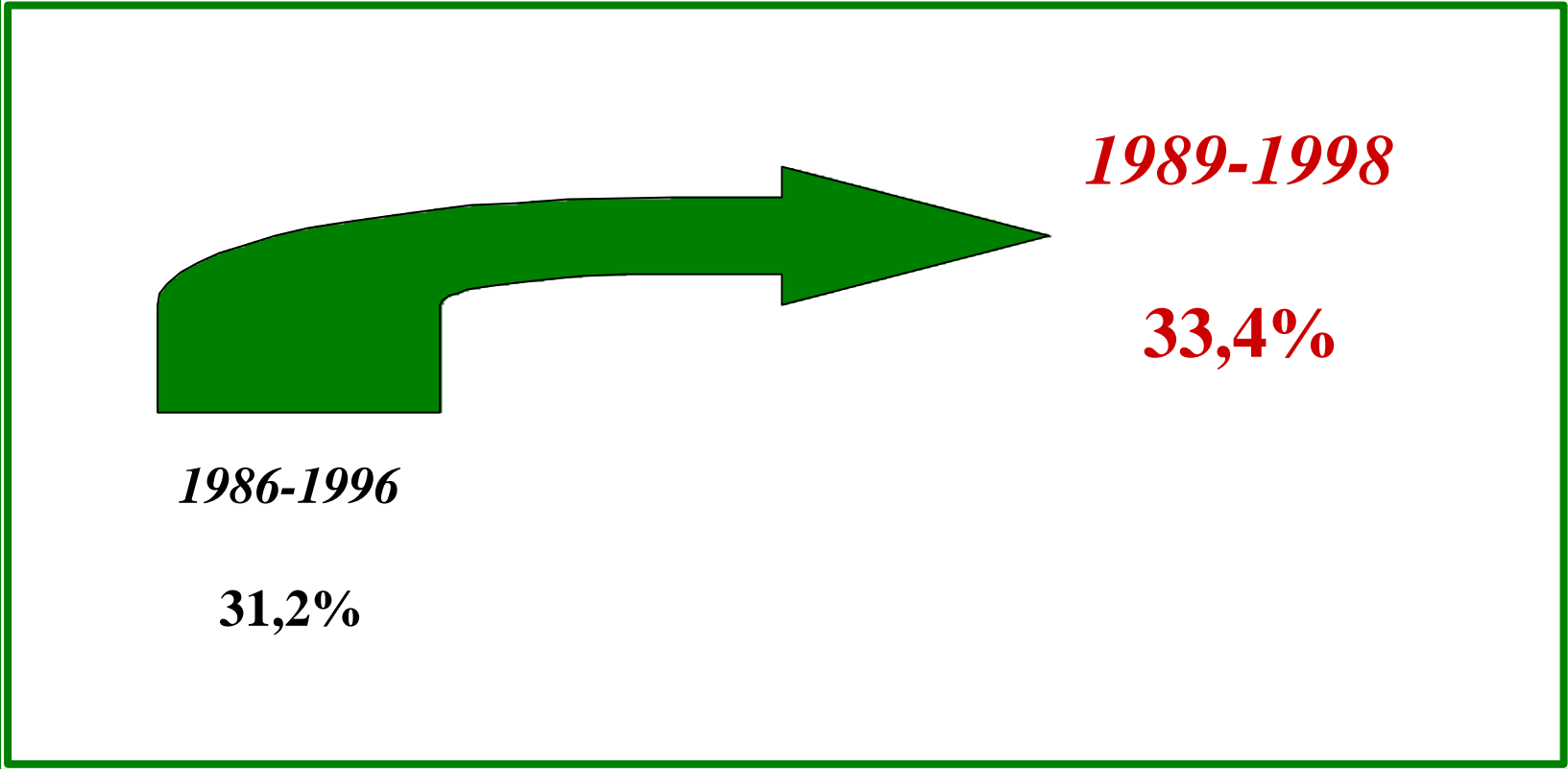
## 1998 - Geographical breakdown of total funds raised



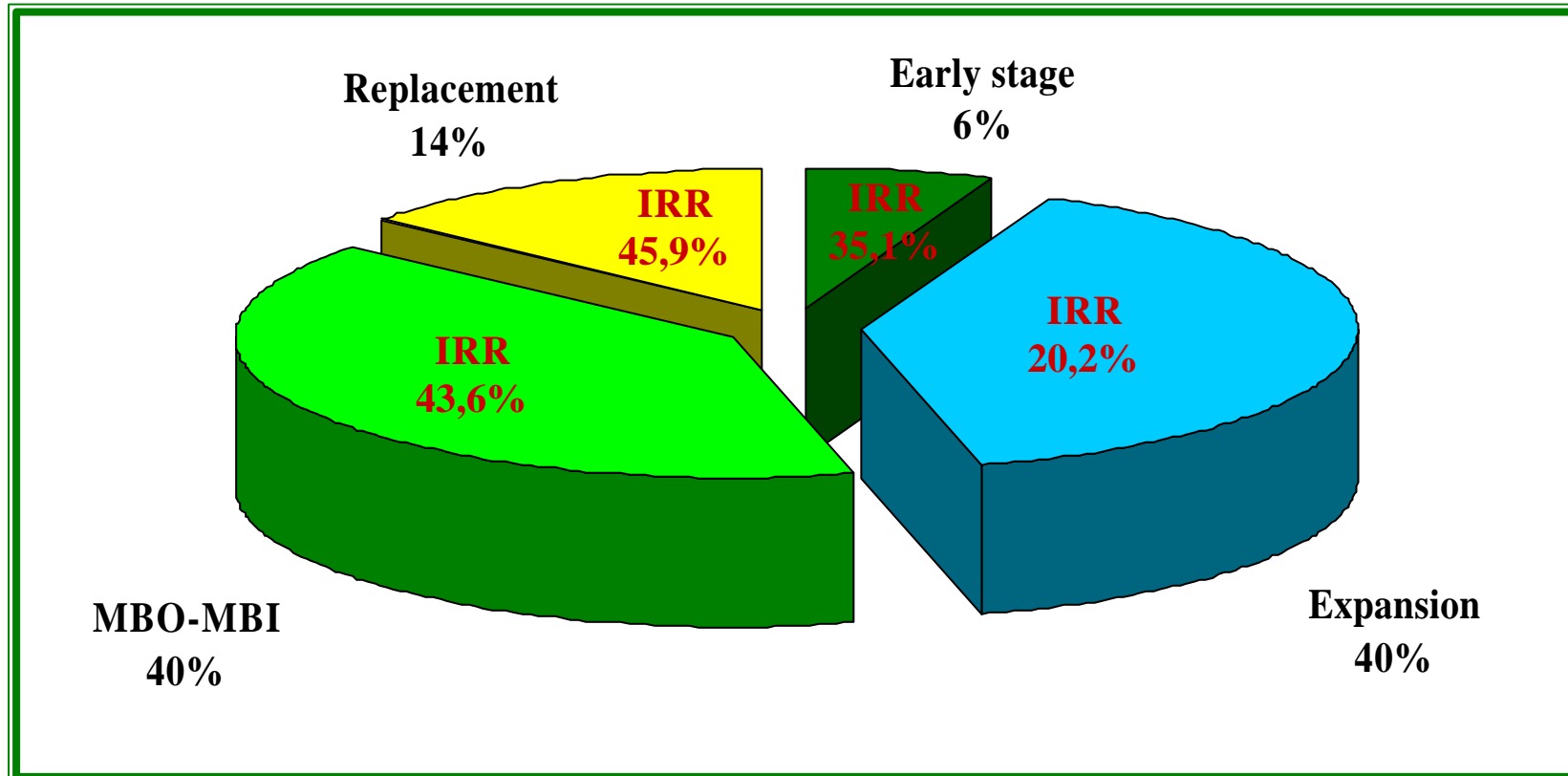
## The industry performance: the sample

|   | <i>1989-1998</i> | <i>1986-1996</i> |
|---|------------------|------------------|
| <b>N° of operators in the sample</b>                | <b>25</b>        | <b>14</b>        |
| <b>N° of operators actively investing in period</b> | <b>16</b>        | <b>12</b>        |
| <b>Total number of considered investments</b>       | <b>172</b>       | <b>100</b>       |
| <b>Total cash out(Lit mld)</b>                      | <b>893</b>       | <b>485</b>       |
| <b>Average Investment size</b>                      | <b>5,2</b>       | <b>4,8</b>       |
| <b>Total cash in(Lit mld)</b>                       | <b>2.208</b>     | <b>1.205</b>     |

**Sector Performance :**  
**Pooled IRR**



## Sector performance: Pooled IRR by stage distribution



## The Industry Performance: Pooled IRR distribution

|                               | <b>Number of<br/>investments</b> | <b>%</b>           |
|-------------------------------|----------------------------------|--------------------|
| <b>Write off/IRR negative</b> | <b>21</b>                        | <b>12%</b>         |
| <b>0% - 10%</b>               | <b>19</b>                        | <b>11%</b>         |
| <b>10% - 30%</b>              | <b>53</b>                        | <b>30%</b>         |
| <b>30% - 100%</b>             | <b>59</b>                        | <b>35%</b>         |
| <b>&gt; 100%</b>              | <b>20</b>                        | <b>12%</b>         |
| <b><i>Total</i></b>           | <b><i>172</i></b>                | <b><i>100%</i></b> |