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The Italian Private Equity Market: 2013 Data and Performances

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Zurich, 3 April 2014

2013 data

Fundraising

Total: 4,047 mln Euro
(+199% on 2012 data)
Market: 623 mln Euro
(-34% on 2012 data)
11 players

Investment activity

3,430 mln Euro
(+6% on 2012 data)
368 investments
(+5% on 2012 data)

Divestment activity

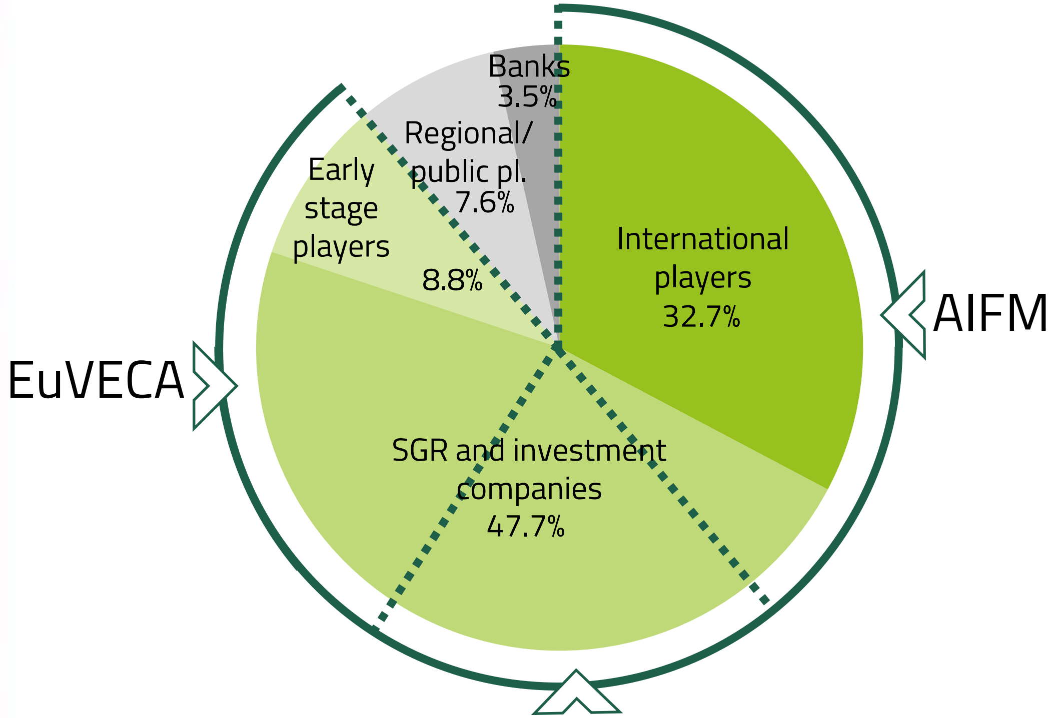
1,933 mln Euro
(+23% on 2012 data)
141 exits
(+32% on 2012 data)

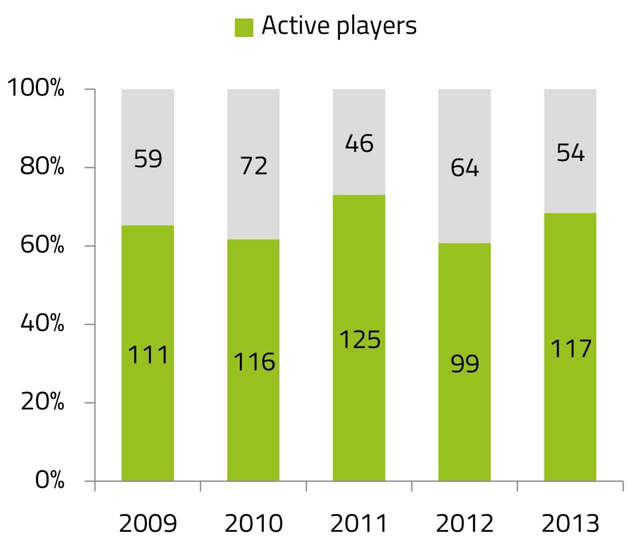
Performance

Gross IRR 18.2%
(6.2% in 2012)
10YR net IRR 6.6%
(4.6% in 2012)

Different type of players in the Italian market

171 monitored players





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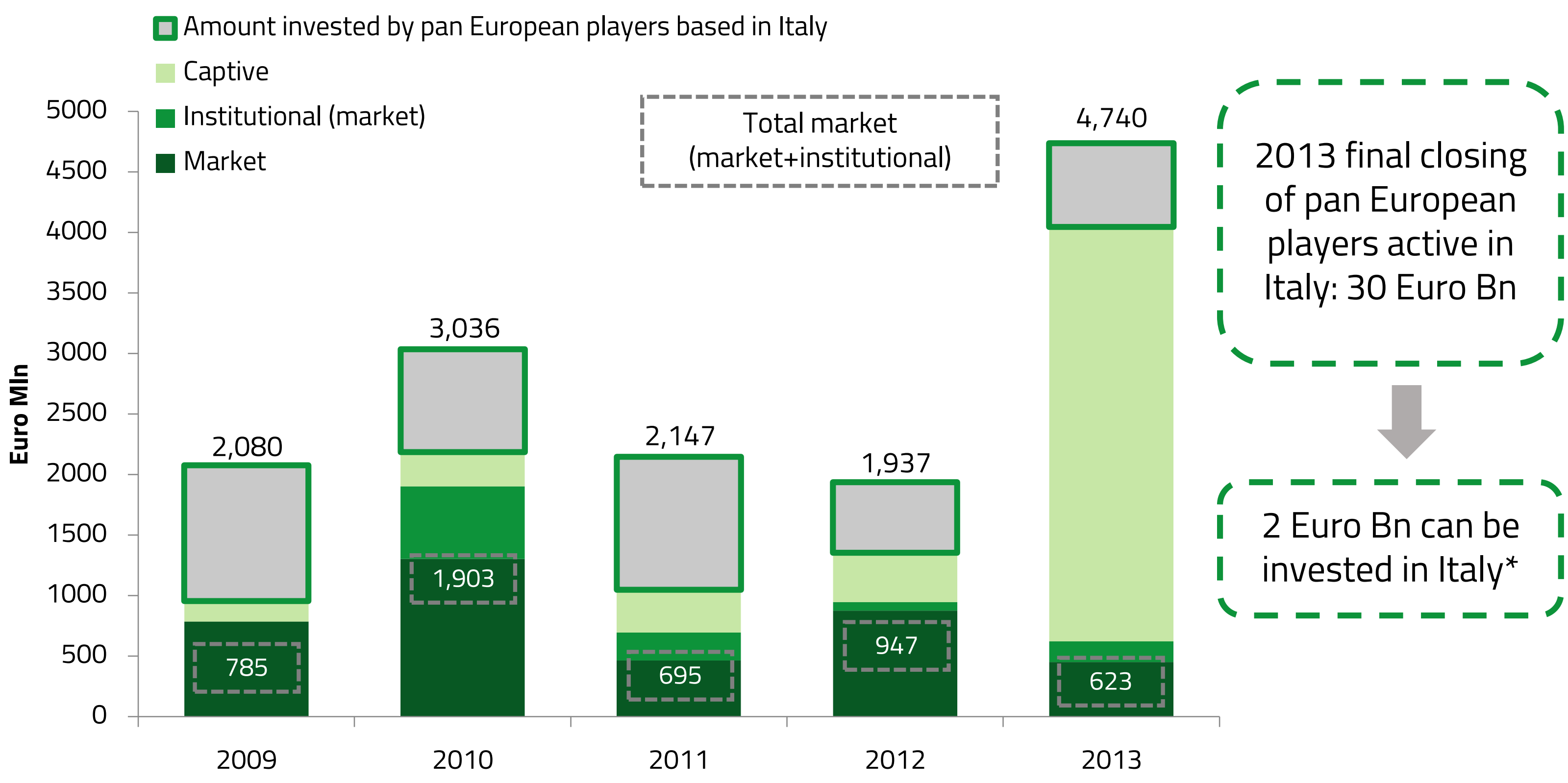
Fundraising activity remains difficult



FUNDRAISING

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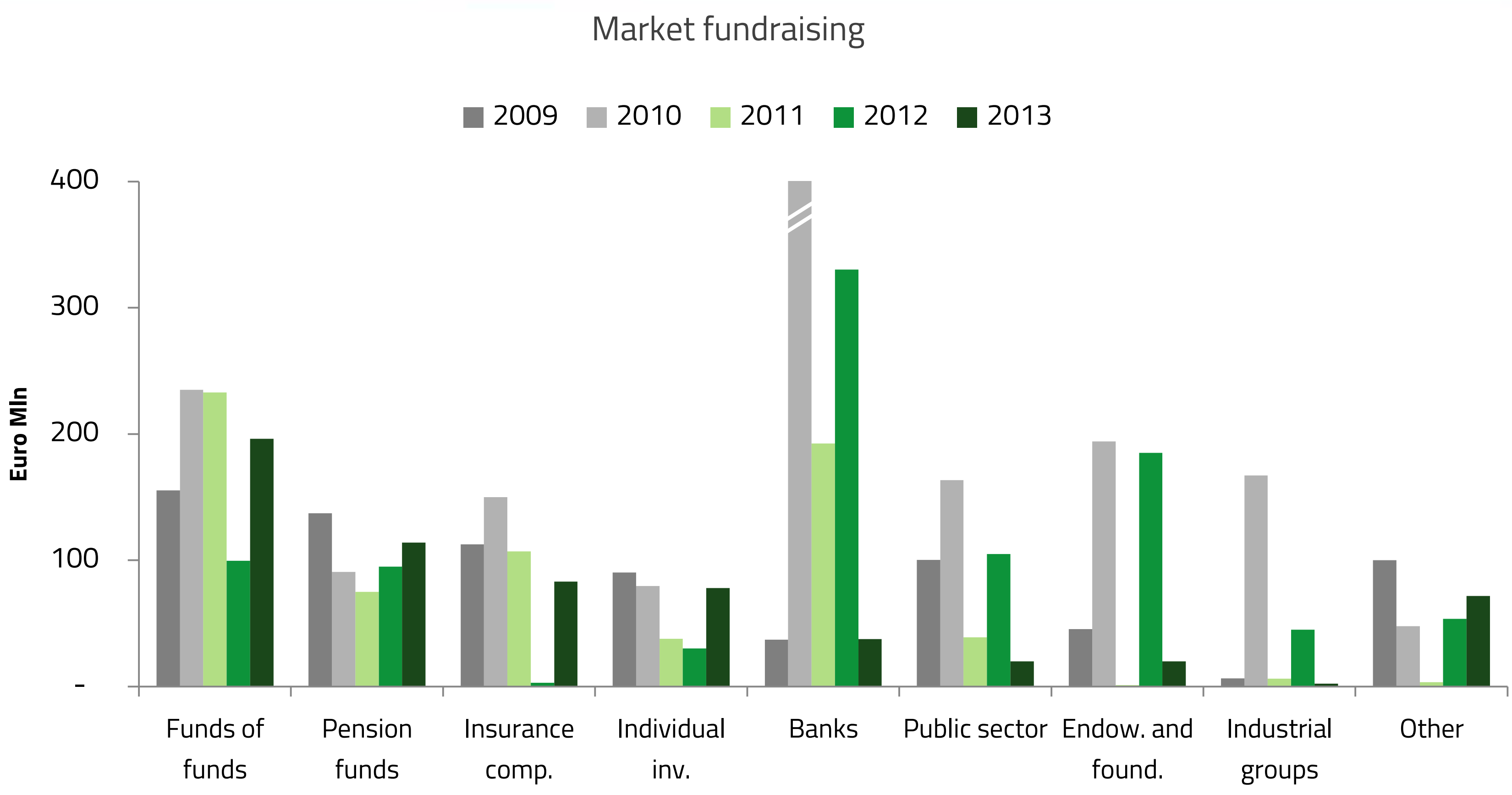
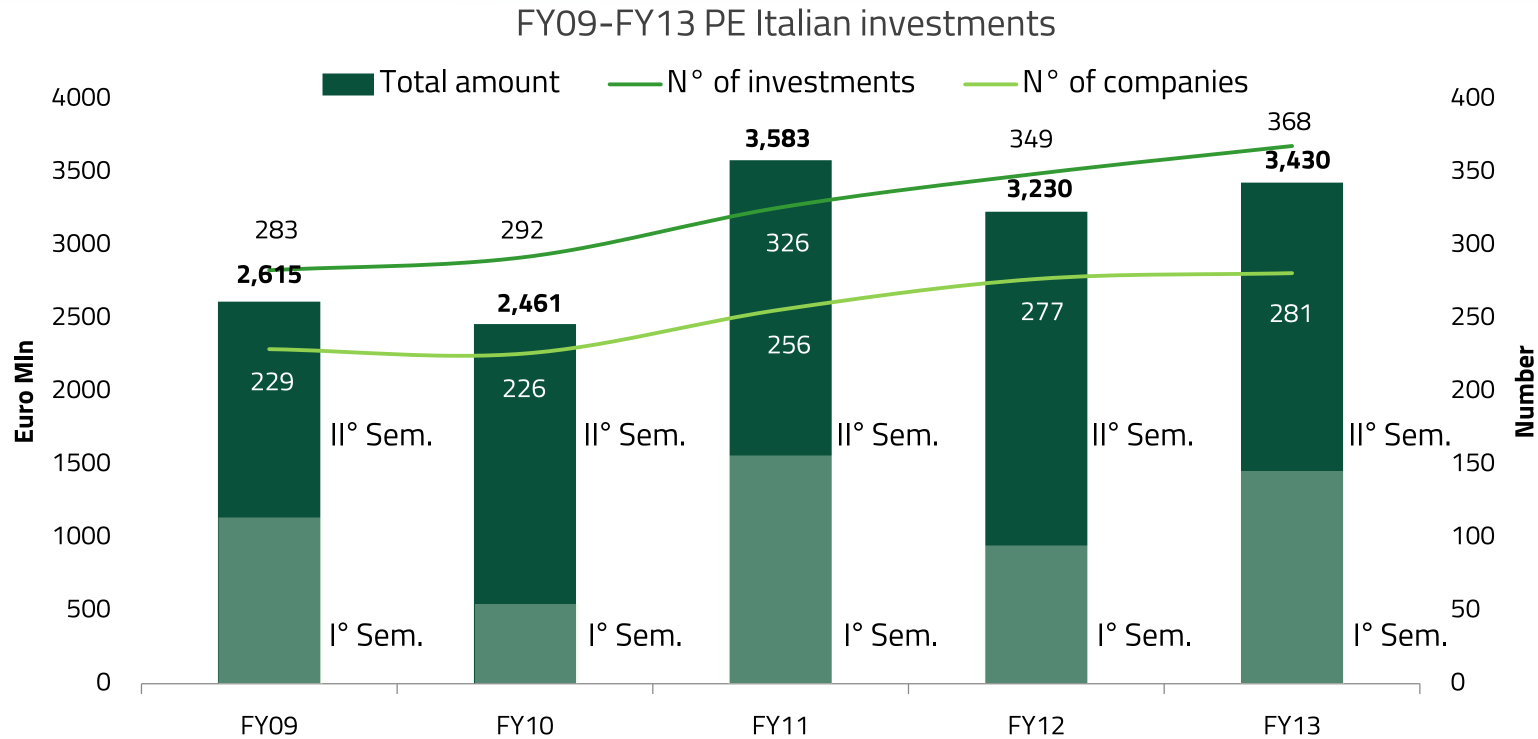
* Estimate based on the actual composition of portfolios of the pan European players that reached a final closing in 2013
Source: Preqin, Unquote, players' institutional websites

Funds of funds the first source of capital in 2013

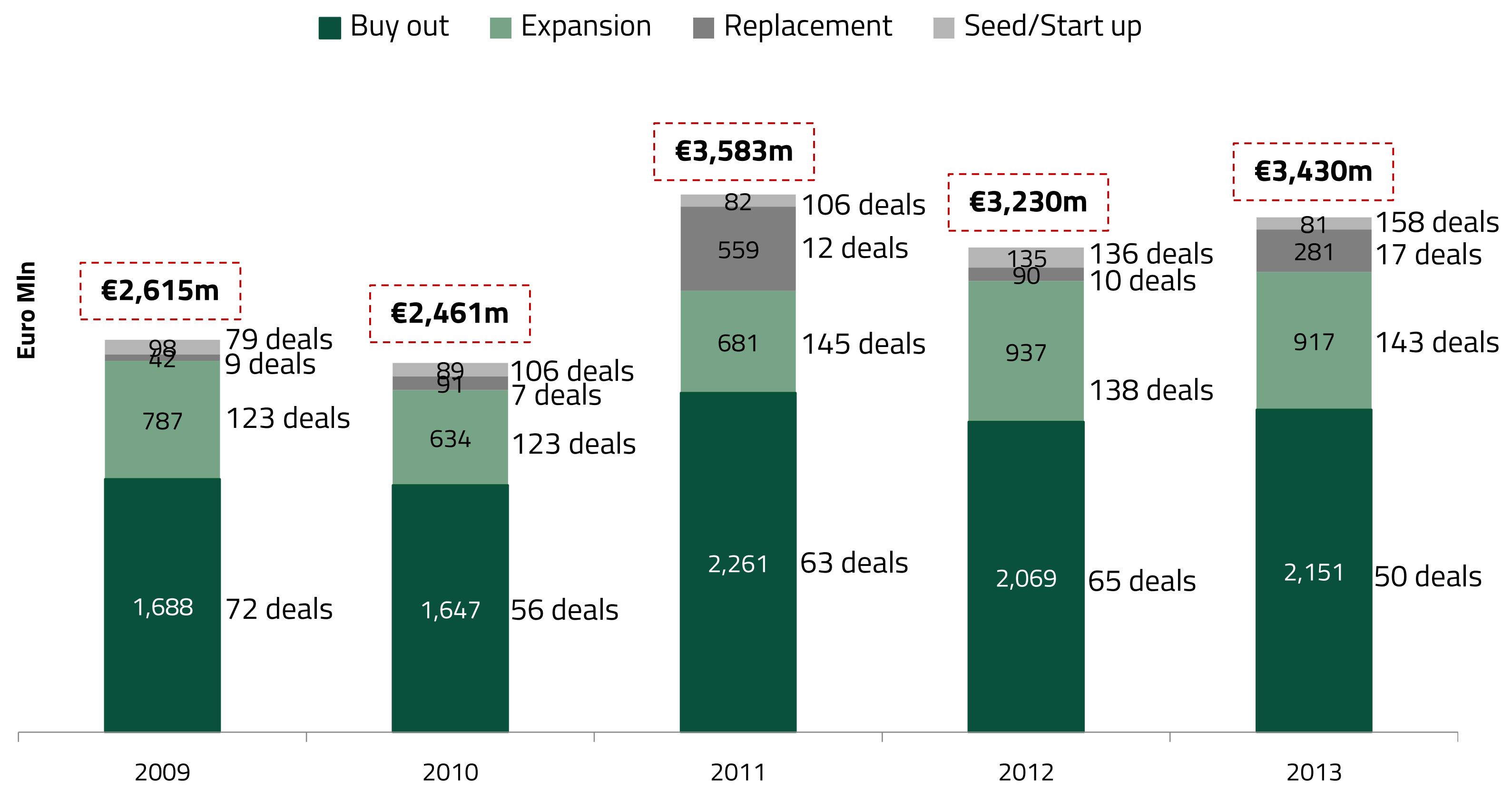


Amount invested in Italy raised at 7% CAGR in last 5 years

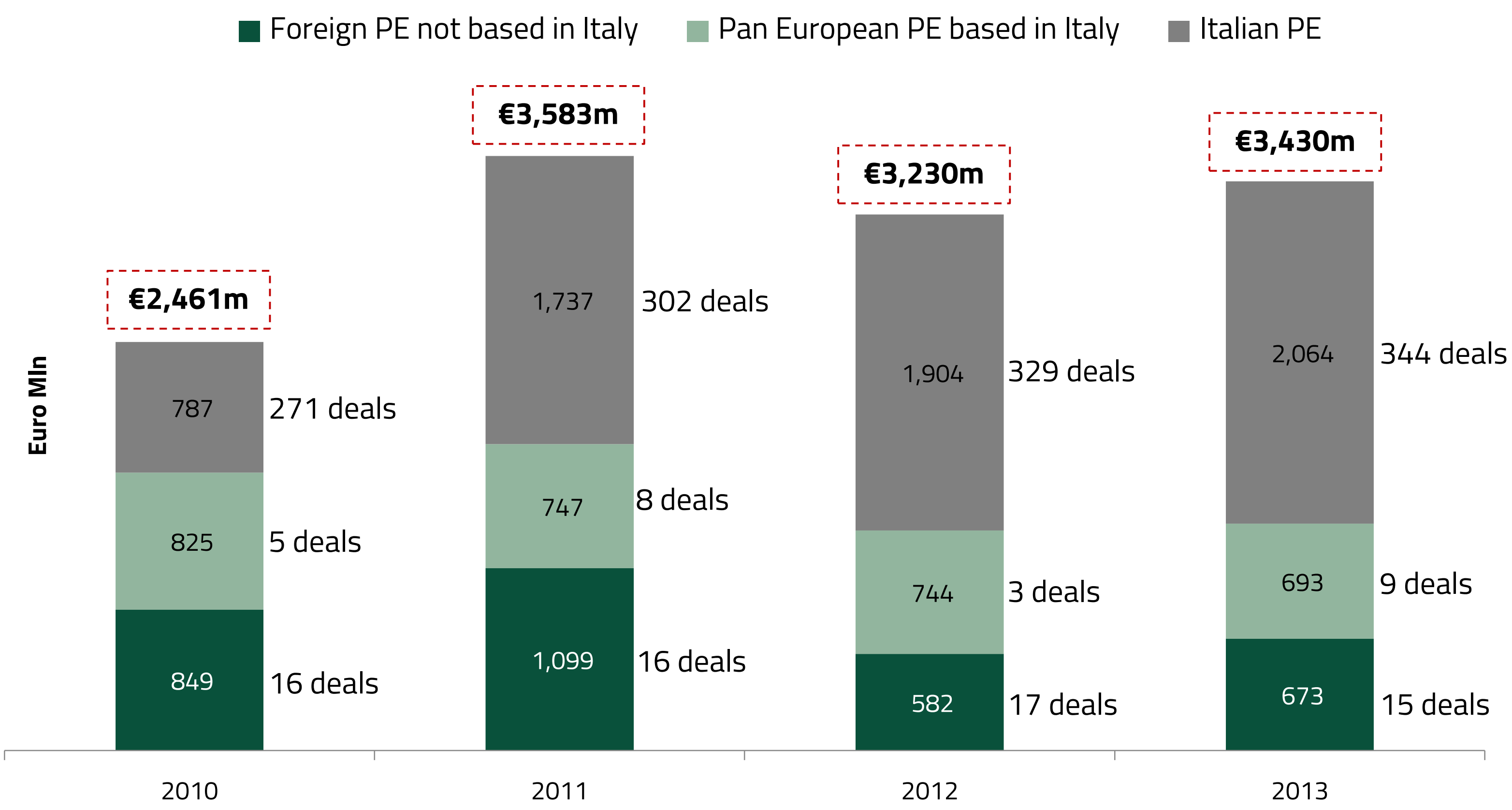


Avg ticket	€9m	€8m	€11m	€9m	€9m

Buy outs accounted for 63% of total 2013 investments

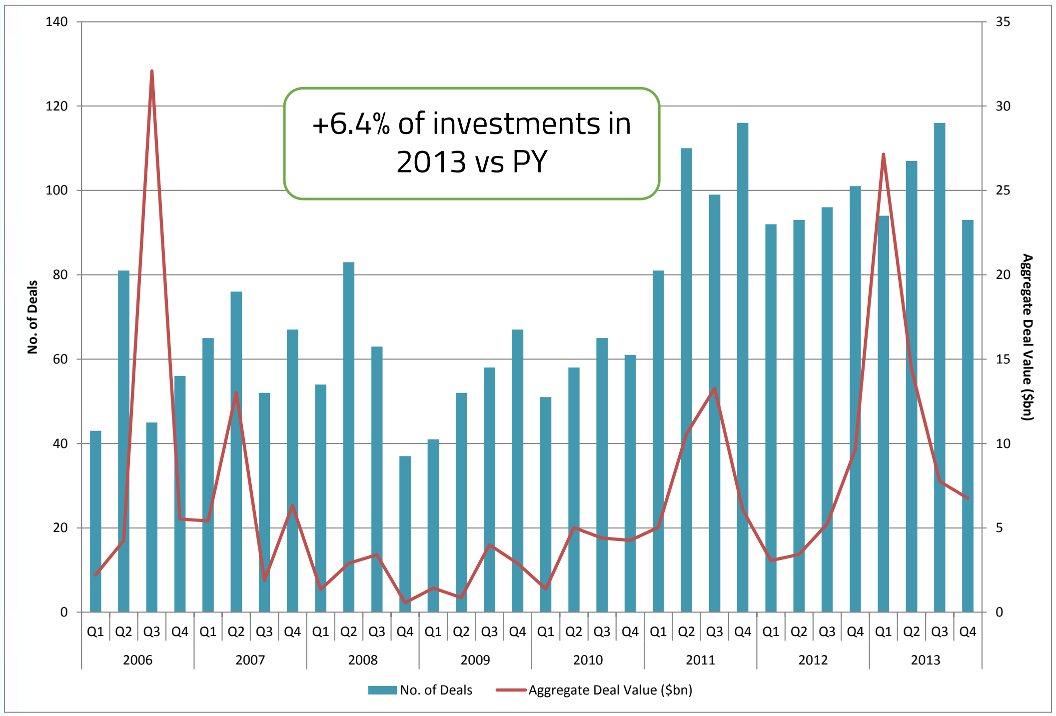


The majority of 2013 investments were made by local PE



2013 global results show signals of recovery in investments

International market – Investments trend



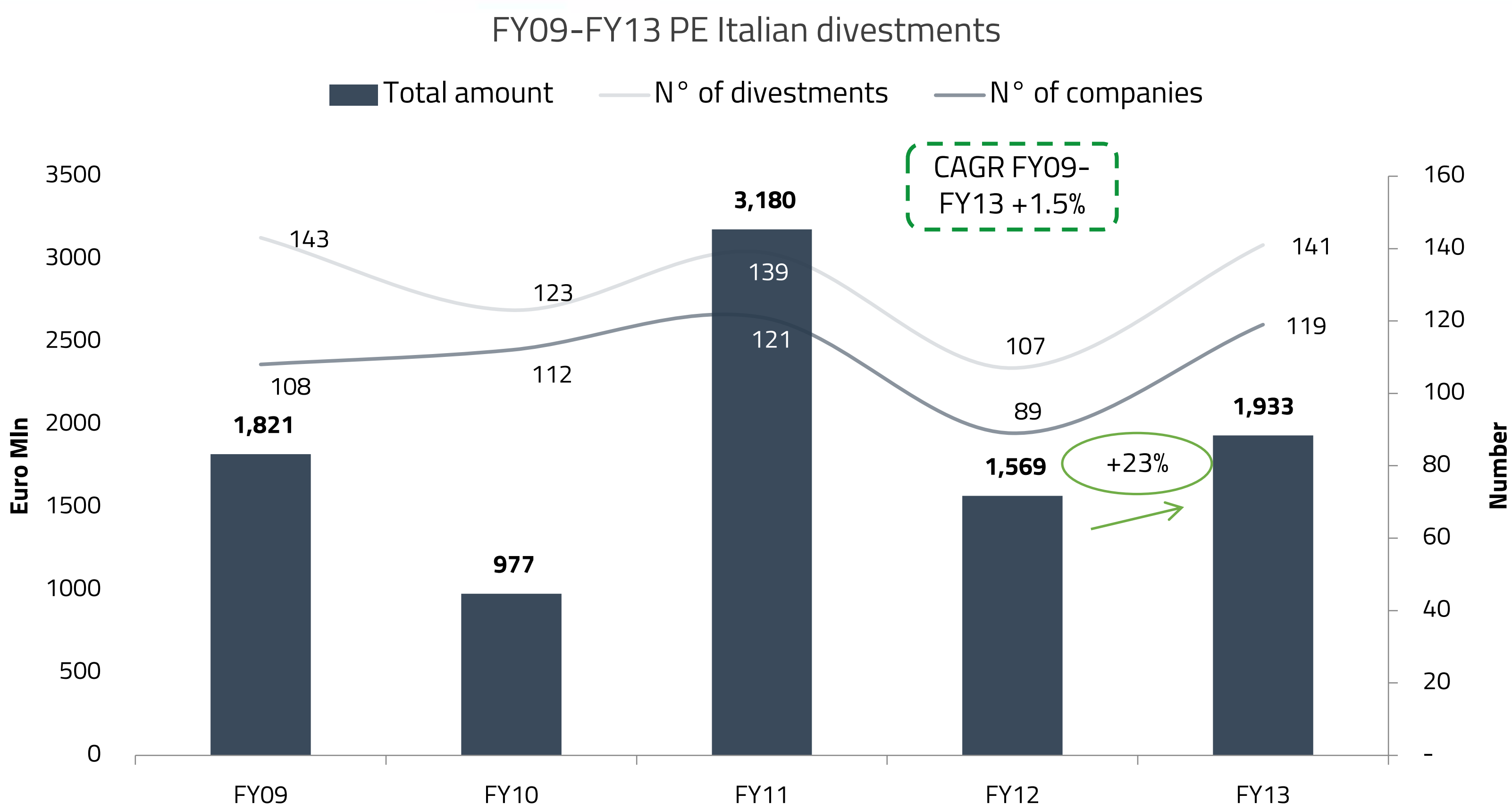
2013 investments trend in Spain and Germany

462 transactions for 1,701 Euro Mln (-33% vs PY)

86 transactions for 4,678 Euro Mln (-29% vs PY)

Source: Preqin, ASCRI, BVK

FY09-FY13 Italian divestments CAGR is slightly positive



DIVESTMENT ACTIVITY

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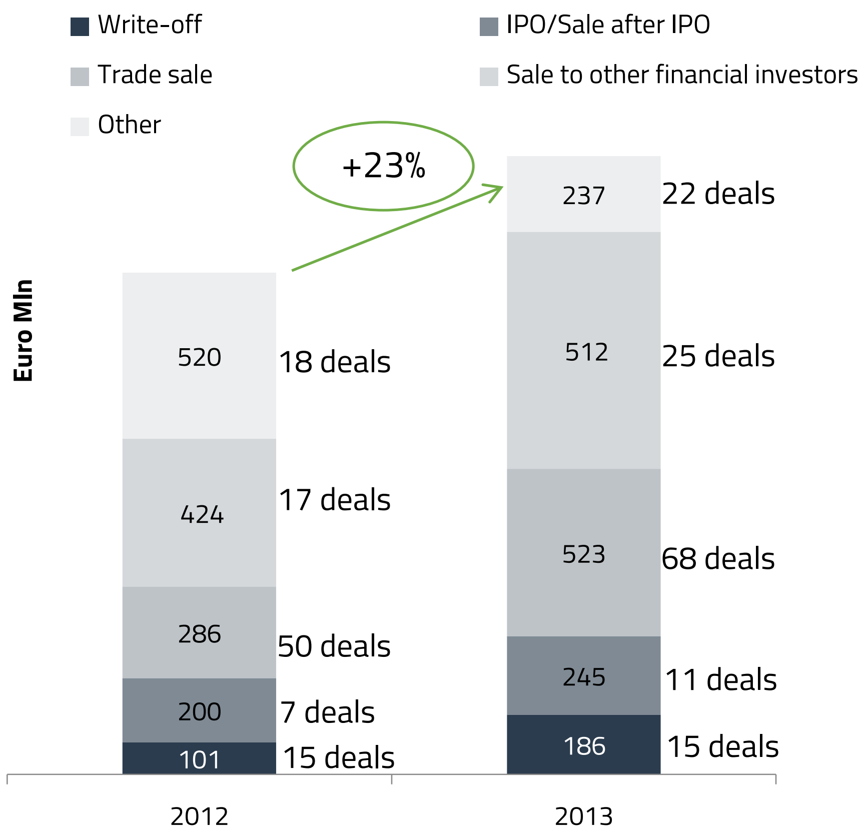
The European markets show a positive trend for divestments



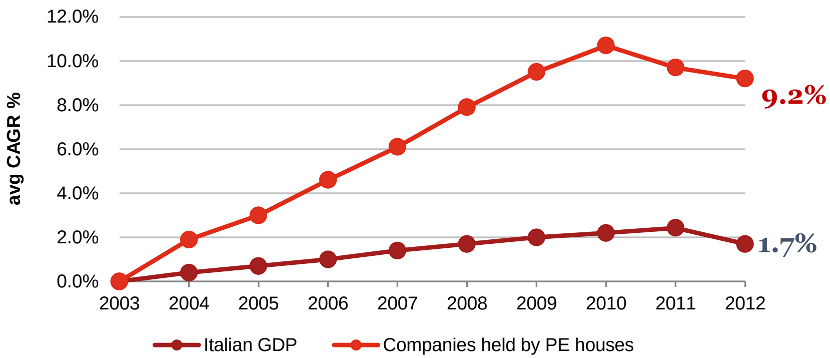
2013 divestments trend in Spain and Germany

268 transactions for 1,451 Euro Mln (+52% vs PY)

879 transactions for 5,734 Euro Mln (+144% vs PY)

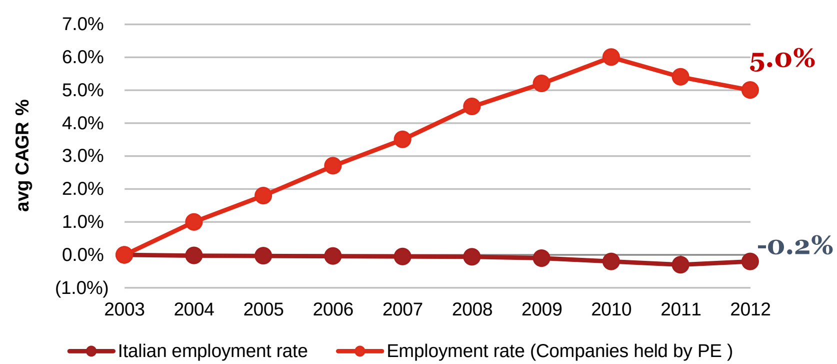
PE/VC continue to have a positive impact on the Italian economy

Italian GDP vs companies held by PE



The Revenue growth of PE backed companies was significantly higher than the Italian Gross Domestic Product (GDP) growth.

Italian employment rate vs companies held by PE



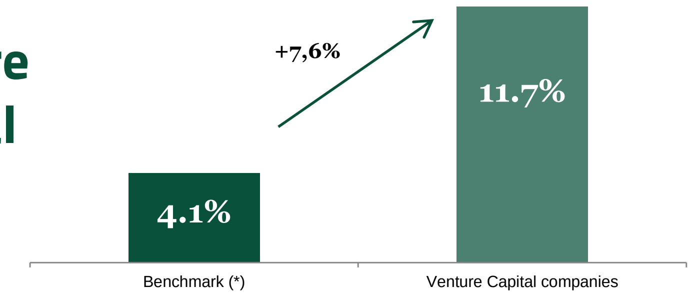
Over the period 2003-2012 the Employment growth rate in PE backed companies was higher compared to the Italian employment growth rate.

PE/VC backed companies outperformed similar sized companies

Venture Capital

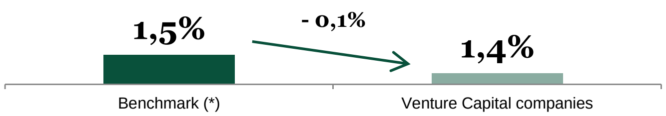
Comparative annual revenue growth 2003-2012

Average CAGR %



Comparative annual EBITDA growth 2003-2012

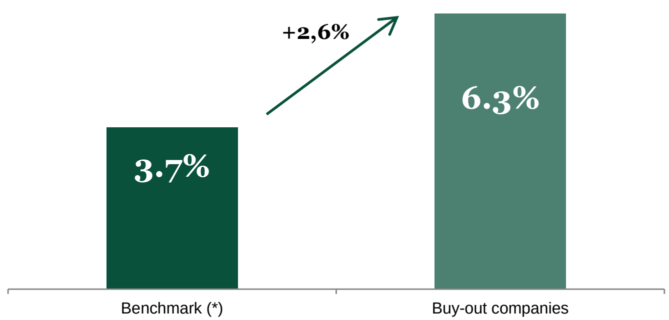
Average CAGR %



Buy out

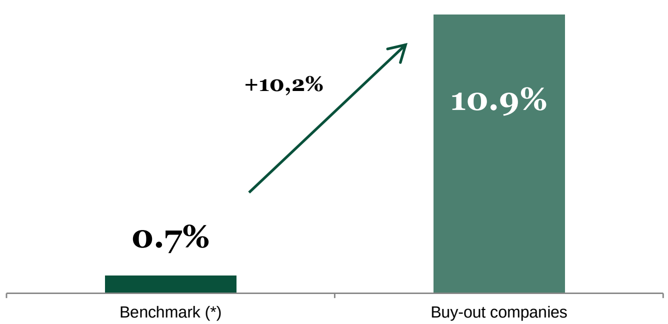
Comparative annual revenue growth 2003-2012

Average CAGR %



Comparative annual EBITDA growth 2003-2012

Average CAGR %



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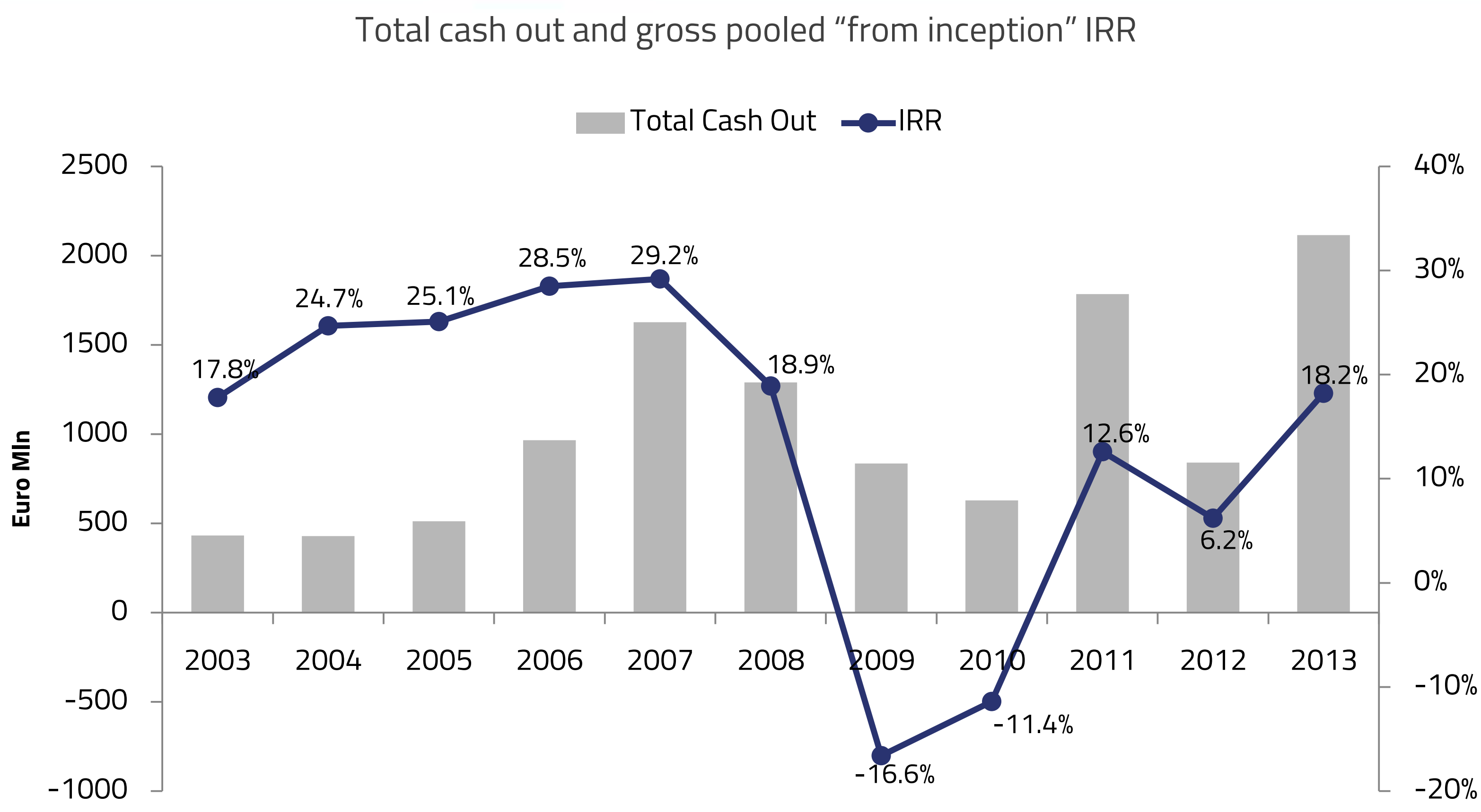
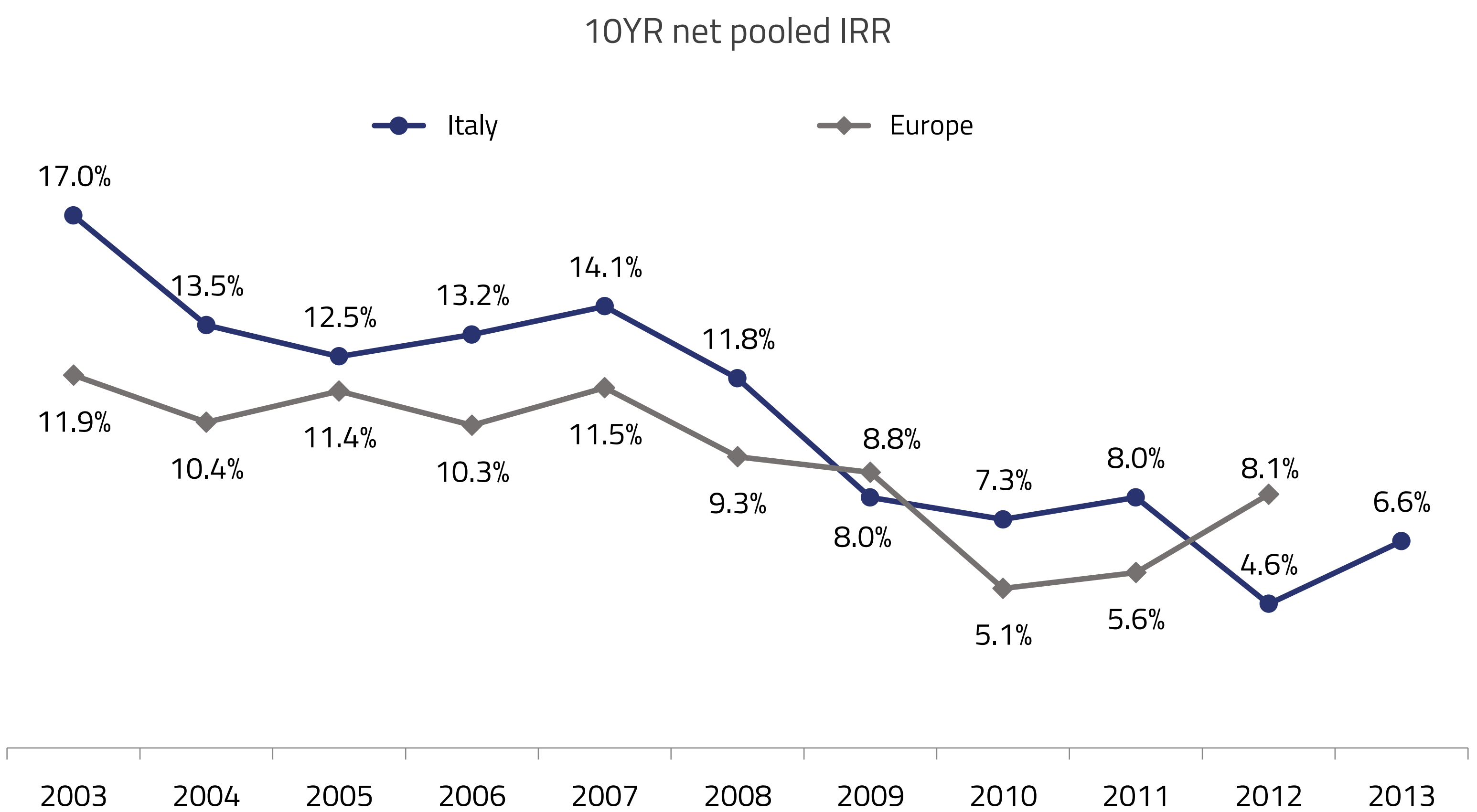
(*) the selected benchmark for comparison was extrapolated from the information included in "Dati cumulativi di 2.035 società italiane", a survey compiled by Mediobanca's Research Department

Evolution of Italian PE performances



AIFI KPMG cutting through complexity

Net pooled IRR: Italian and European data



PERFORMANCE

AIFI KPMG cutting through complexity

Note: 2013 performance figures related to the European market are not yet available
Source: EVCA

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