

# FONDO ITALIANO D'INVESTIMENTO

FONDO ITALIANO D'INVESTIMENTO SGR S.p.A.

## **ANNUAL REPORT of FONDO ITALIANO DI INVESTIMENTO AS AT 31 DECEMBER 2015**

*Approved by the Board of Directors Meeting of 24 February 2016*

REGISTERED OFFICE IN MILAN  
VIA TURATI 16/18  
SHARE CAPITAL EUR 4,000,000 fully paid up  
Registered with the Business Register of Milan, Tax Identification and VAT no. 06968440963  
Registered under No. 129 of the Register of AIF Managers kept by Banca d'Italia



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## COMPOSITION OF THE COMPANY BODIES

### BOARD OF DIRECTORS

|                                       |                         |
|---------------------------------------|-------------------------|
| Prof. Innocenzo Cipolletta            | Chairman                |
| Dr Gabriele Cappellini                | Chief Executive Officer |
| Dr Ferruccio Carminati                | Board Member            |
| Prof. Guido Giuseppe Maria Corbetta * | Board Member            |
| Dr Alberto Vittorio Giovannelli       | Board Member            |
| Prof. Anna Gervasoni*                 | Board Member            |
| Dr Giovanni Gilli                     | Board Member            |
| Dr Isabella Bruno Tolomei Frigerio    | Board Member            |
| Dr Anna Molinotti                     | Board Member            |
| Dr Rinaldo Ocleppo                    | Board Member            |
| Dr Giovanni Sabatini                  | Board Member            |
| Dr Pier Paolo Cellerino **            | Board Member            |

### BOARD OF AUDITORS

|                                  |                   |
|----------------------------------|-------------------|
| Dr Loredana Durano               | Chairman          |
| Dr Paolo Francesco Maria Lazzati | Statutory Auditor |
| Dr Marco Tani                    | Statutory Auditor |
| Dr Silvana Micci                 | Alternate Auditor |
| Dr Francesca Monti               | Alternate Auditor |

### INDEPENDENT AUDITOR

Reconta Ernst & Young S.p.A.

### DEPOSITARY

Société Générale Securities Services S.p.A.

\* Independent board member.

\*\* On 22 January 2015, the Member of the Board of Directors, Dr Domenico Santececca, tendered his resignation. The Board of Directors of 26 February 2015 co-opted Board Member Dr Pierpaolo Cellerino, who was subsequently appointed by the General Shareholder Meeting on 16 April 2015.

The Corporate Bodies will remain in office until the approval of the financial statements of SGR for the year ended 31 December 2015.

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## FONDO ITALIANO DI INVESTIMENTO ANNUAL REPORT OF 31 DECEMBER 2015

Closed-type mutual fund reserved for qualified investors Management company: Fondo Italiano d'Investimento SGR S.p.A. (hereinafter, "SGR")

### Directors' Report

The activities of the SGR are focused on the management of three funds, including the Fondo Italiano di Investimento (hereinafter, the "Fund" or the "Italian Fund"), a closed mutual fund reserved for qualified investors and authorised by Banca d'Italia on 24 August 2010.

The net asset value as at 31 December 2015, the fifth operational year of the Fund, is equal to Euro **398,237,510** (as at 31 December 2014, Euro **380,387,531**), for a unit value of 4,800 units in circulation of Euro **82,966.148** (as at 31 December 2014, Euro **79,247.402**).

As at 31 December 2015, **10** (5 in 2015) **early partial distributions** were paid against divestments as capital repayments for a total amount of Euro **143,240,063**, as follows:

- 1) Euro **4,920,614**, on **24 December 2013**, from the (i) partial disposal of Farmol S.p.A., Euro 3,250,000; (ii) redemption of units in the Gradiente I fund, Euro 960,526 and (iii) redemption of units in the Progressio II fund, Euro 710,088;
- 2) Euro **16,000,000**, on **13 June 2014**, from the sale of Eco Eridania S.p.A.;
- 3) Euro **7,757,332**, on **8 July 2014**, from the sale of Arioli S.p.A.;
- 4) Euro **59,810,000**, on **1 August 2014**, resulting from two sales: (i) Angelantoni Test Technologies S.r.l. for Euro 11,810,000 and (ii) Megadyne S.p.A. for Euro 48,000,000;;
- 5) Euro **3,720,236**, on **28 November 2014** from (i) the available margin from the sale of Megadyne S.p.A., Euro 2,892,236 and (ii) redemption of units against the divestment of the Vertis Capital Parallel fund, Euro 828,000;
- 6) Euro **4,000,000**, on **30 June 2015**, from the repayment of the Rigoni di Asiago S.r.l. shareholder loan;
- 7) Euro **10,000,002**, on **31 July 2015**, from the early repayment of the convertible bond of TBS Group S.p.A.;
- 8) Euro **17,290,000**, on **6 November 2015**, from the redemption of units in the Wisequity III fund;
- 9) Euro **3,241,880**, on **15 December 2015**, from the redemption of units in two funds (a) Gradiente I, Euro 539,474, and (b) Hat Holding All Together S.p.A., Euro 2,702,406;
- 10) Euro **16,500,000**, on **21 December 2015**, for the sale of Comecer S.p.A..

On **26 January 2016**, the Fund performed an additional early partial distribution against divestments, once again in capital, equal to Euro **8,267,910**, resulting from the redemption of units in three funds (a) Wisequity III, Euro 6,510,000, (b) Neip III S.p.A., Euro 1,731,510, (c) Ambienta II, Euro 26,400.

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The total distributions therefore amount to Euro **151,507,974**, equal to **24%** of the called up total as at the date of approval of this Report.

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The Fund has an endowment of Euro **1,200,000,000**, corresponding to 4,800 units with a unit value of Euro 250,000 and has been operating since **10 November 2010**. On 24 August 2012, the subscription period ended. The life of the Fund is 12 years from the partial closure of subscriptions on 9 November 2010, with maturity of 31 December 2022, plus the grace period. On 24 September 2015, it was decided to **extend the investment period** by an addition 12 months, thus, until 9 November 2016.

As at 31 December 2015, the amount to be called up is equal to Euro 575,341,320, after calling up Euro **624,658,680** (equal to 52.05% of subscriptions collected), broken down as follows Euro 69,984,000 in 2015, Euro 85,099,200 in 2014, Euro 132,724,800 in 2013, Euro 182,011,200 in 2012, Euro 148,839,480 in 2011 and Euro 6,000,000 in 2010.

In January and February 2016, an additional three call-ups were made for a total of Euro 18,988,800, for a total called-up amount of Euro **643,647,480** (**53.64%** of subscriptions collected); Euro **556,352,520** has not yet been called up.

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The Fund, created through a Ministry of the Economy and Finance project, was joined by the most important financial and business institutions of the country with the objective of supporting small and medium size companies (hereinafter, “SMC”) in their process of development, operating through capitalisation interventions as a function of their growth on both the national and international levels. The Fund operates both through the acquisition of direct holdings, primarily minority shareholdings, in the capital of Italian business as well as a fund of funds by investing in other funds whose operations are in line with those of the Italian Fund. The direct investment activities are aimed at Italian companies during their development phase with turnover of indicatively between 10-250 million Euros, with the objective of creating a broader segment of “national middleweight champion” companies that possess an adequate financial and managerial structure and a functional governance system to compete at the international level, while maintaining all of the flexibility and innovation that is typical of SMCs. Therefore, the Fund acts as a partner that has the ability to support businesses in dealing with the processes of development, aggregation, internationalisation, generational change and corporate restructuring.

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As at 31 December 2015, the SGR manages three funds with a total commitment of more than 1.6 billion Euros and a total workforce of 56 individuals, plus the Chief Executive Officer.

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In 2015, the Fund operated in a market that showed major signs of growth (more than 4 billion Euros in investments), confirming a positive trend with volumes close to what was reported before the crisis.

In terms of lending, in the first half of 2015, AIFI<sup>1</sup> reported investments equal to approximately 1.8 billion Euros, showing a trend toward stability compared to the first half of 2014 (1.9 billion Euros) with an increase in the number of operations, from 168 as at 30 June 2015 to 139 as at 30 June 2014. In terms of collection, however, approximately 1.3 billion Euros were reported in new resources attracted by independent operators active in Italy, compared to the 434 million Euros in the previous half year.

The first 2015 estimated figures prepared by the Osservatorio Private Equity Monitor – PEM® of the

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University of Castellanza report 108 new operations (excluding start-ups, public finance investments and follow-on operations), up 20% from 2014, more than 70% of which is associated with buy-out investments, 20% with expansions, 4% with turnarounds and 2% with replacements, with a total of 85 operators present on the market, including international operators.

The average turnover of the underlying companies is approximately 70 million, with an average workforce of approximately 180 employees. With regard to expansion operations, they are currently estimated at 12 companies target companies, with turnover of between 10 and 250 million Euros.

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In the context described above, Fondo Italiano has continued its monitoring, management and value creation activities for the investments in its portfolio and, as part of these activities, it has completed its sixth divestment operation (one of which was only partial).

At the same time, it continued the analysis and selection process for new investment proposals, which led during the financial year to (i) the completion of the direct investment in Brugola O.E.B. Industriale S.p.A., (ii) the add-ons performed in DBA Group S.r.l. and in Rigoni di Asiago S.r.l., (iii) the indirect investment in Panakés Fund and (iv) the approval of two commitment increases, currently in progress, in two funds that are already in the portfolio.

To date, 39 direct investments have been approved and completed (including add-ons) for an amount of approximately 400 million Euros (approximately 366 million Euros of which was actually invested), while the total commitments approved for the funds amount to approximately 440 million Euros, distributed across 21 investment vehicles; the overall approved total is therefore equal to more than 840 million Euros, corresponding to approximately 80% of the capital management by the Fund and available for investment.

The intervention of Fondo Italiano has attracted an additional 2 billion Euros in financial resources, approximately 500 million from leading foreign institutional investors with a focus in investments in small and medium size Italian companies.

As at 31 December 2015, the total number of companies in which investments have been made, including through the fund of fund activities, exceeds 150 (60 of which are start-ups involving venture capital activities), with turnover of approximately 5 billion Euros and approximately 27,000 employees (more than 1,200 of whom are associated with the venture capital activities).

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<sup>1</sup> Italian Private Equity, Venture Capital and Private Debt Association

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### Direct investments

The average size of investment is approximately 11.5 million Euros, while the average shareholding is approximately 22%. With respect to the operational sector of the 27 companies in the portfolio, 7 (26%) operate in industrial components; 5 (19%) in consumer goods; 4 (15%) in services (both for individuals and for industry); 3 (11%) in the machine tools and plant segment; 2 (7%) in shipping and shipbuilding; 2 (7%) in biomedical and pharma; 2 (7%) in automotive; 1 (4%) in ICT and 1 (4%) in the Media and Entertainment sector.

With respect to geographical location, 13 (48%) of the companies are in the north east (including Lombardy); 9 (33%) are in the north west; 4 (15%) are in the centre; and 1 (4%) is in the south.

In terms of size, the average number of employees increased by approximately 20% (from 260 to approximately 312), the average turnover increased by 25% (from 60 to 75 million Euros) and the export percentage increased by 10% (from 50% to 60%).

Together, the companies in the portfolio have completed more than 40 acquisition and/or joint venture operations, primarily at the international level.

### Indirect investments

As at 31 December 2015, the commitment in the 21 funds in the portfolio amounts to 428 million Euros (with an average size of approximately 20 million Euros), plus an additional 11 million Euros that have been approved and are in the process of being subscribed, for a total of 439 million Euros.

In terms of geographic location, 17 (81%) of the funds invest in the entire national territory, while 4 (19%) invest in more restricted areas; in particular, two funds invest primarily in the north east, one fund invests in Lombardy and another fund invests in central-southern Italy.

At the sector level, 15 funds invest in existing companies, most of which are family owned, that need financial and managerial support, with a particular international focus; five funds invest in venture capital with the objective of supporting the creation and development of innovative Italian companies; while one fund invests in companies operating in the environmental sector.

More than 120 companies are associated with the indirect investments (60 of them being start-ups), with a total turnover of more than three billion Euros and 13,000 employees (1,200 of whom are associated with the venture capital activities).

Today, the funds have received and analysed more than 200 investment proposals with both a national and territorial focus.

### Monitoring activities

During 2015, continuous monitoring, management and value creation activities were carried out with respect to the underlying companies and funds.

### Promotion activities

During 2015, communication activities continued targeting businesses and financial institutions with the objective of illustrating the operating characteristics of the SGR and the managed funds.

### Institutional collaboration

The collaboration with Fondo Europeo per gli Investimenti [European Investment Fund] (hereinafter, "FEI") also continued in 2015, based on the agreement signed in 2011, which was renewed on 12 November 2014. In July 2015, an agreement was signed with Invitalia, Agenzia nazionale per l'attrazione degli investimenti e lo sviluppo d'impresa, which, among other things, controls Invitalia



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Ventures SGR S.p.A. and pursues the objective of promoting the growth of businesses through venture capital operations and possible co-investments in venture capital funds.

During the financial year, the Fund also contributed to the *VentureUp* project, in conjunction with the AIFI, which consists of creating a website dedicated to the ecosystem of start-ups and venture capital with the objective of creating a virtual meeting place for venture capitalists and start-uppers and providing an information and orientation tool for the actors and opportunities that the start-up chain offers.

During the month of December, the Fund signed a memorandum of understanding with Fondazione Ricerca ed Imprenditorialità, an institution with the goal of promoting and supporting open innovation processes, including by backing high-value start-ups and spin-offs in their process of consolidation and technological, industrial and managerial development, the founding members of which are Istituto Italiano di Tecnologia, Finmeccanica, IntesaSanpaolo, Fondazione Politecnico di Milano, Sant'Anna di Pisa and Telecom.

In addition, the collaboration with Borsa Italiana was continued, with particular reference to the agreement entered into for the promotion and development of the so-called Project Elite, which has been joined by 41 companies (including direct and indirect underlying companies), 10 of which achieved the "Elite Certificate".

During 2015, the Fund's representatives continued to participate in a Work Group promoted by the CONSOB with the purpose of identifying "Incentives for listing of Small and Medium Size Companies".

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### Indirect investments in the portfolio

As at 31 December 2015, the Fund holds 27 companies (in the form of shareholdings and loans or bonds), plus an additional company (Farmol S.p.A., subject to partial divestment), in which the Fund has subscribed to a convertible bond.

- 1) On 29 April 2011, the Fund subscribed to an increase in share capital in **GEICO Servizi Integrati di Manutenzione S.r.l.** (now **Geico Lender S.p.A.**), a company with its registered office in Montesilvano (PE) that operates in the "facility management" sector, for Euro 3,000,000, equal to **12.10%** of the capital. The operation was performed as a co-investment with the fund Atlante Private Equity, managed by IMI Fondi Chiusi SGR S.p.A.. As a result of the 2011 and 2012 losses and delays in the implementation of the actions planned in the industrial plan, the holding was written down by a total of Euro 2,300,000, thus bringing the book value to Euro **700,000**.
- 2) On 9 May 2011, the Fund invested in Euro 6,650,000 in **BAT S.p.A.**, a company with its registered office in Noventa di Piave (VE) and operating in the production and distribution of components for outdoor awnings, of which Euro 5,703,960 was in capital, equal to 21.60% of the share capital, and Euro 946,040 was in converting shareholder loans, Euro 500,000 of which was converted in 2012. Given the consolidated losses, the underlying company was written down by a total of Euro 1,857,000. The book value is therefore equal to Euro **4,471,960** for the capital share and Euro **321,040** for the shareholder loan.
- 3) On 13 June 2011, the Fund underwrote a share capital increase in Cartour S.r.l., a company with its registered office in Messina that is active in the ferrying of commercial vehicles between Sicily and the continent for Euro **17,500,000**, equal to 25.36% of the share capital. Subsequently, the Fund exercised its swap right in the parent company Caronte & Tourist S.p.A., which took place on 17 July 2013 through the acquisition through the vehicle of **Ferry Investments S.r.l.** of **10.11%** of **Caronte & Tourist S.p.A.** from the sale of the investment in Cartour S.r.l.

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- 4) On 3 October 2011, the Fund invested Euro **15,000,000** in **Sanlorenzo S.p.A.**, a company head-quartered in Ameglia (SP), equal to 19.00% of the share capital (which later increased to 22.40% as a result of a price adjustment in 2012). The group, which was founded in 1958, operates in the production of yachts and mega yachts in fibreglass and metal. In 2013, following the entry of a Chinese investor, the Fund's percentage dropped to **15.96%**.
  - 5) On 7 October 2011, the Fund invested Euro 10,200,000, equal to **24.90%** of the share capital, in **Truestar Group S.p.A.**, a company with its registered office in Milan. TrueStar Group S.p.A. operates in the airport baggage handling sector with associated assistance for passengers in case of damaged, stolen or lost bags. In 2013, the Fund invested another Euro **3,000,000** as a partially convertible shareholder loan backed by a pledge on shares. Given the consolidated losses and delays in the development of the business plan, the shareholding was written down for a total of Euro 6,000,000, Euro 5,300,000 of which was written down during financial year 2015; therefore, the book value has now been decreased to **4,200,000**, plus the shareholder loan of Euro 3,000,000.
  - 6) On 14 December 2011, the Fund invested Euro 4,000,000 in the **DBA Group S.r.l.**, a company with its registered office in Villorba (TV) that operates in the engineering, project management and IC&T sectors. Of that investment, Euro 500,000 was for capital and Euro 3,500,000 was a loan as an advance against a future share capital increase, converted on 30 July 2012, which raised the Fund's investment to 22.80%. In 2013, the underlying company was written down by Euro 2,150,000, thereby reducing the book value to Euro 1,850,000. On 21 April 2015, the Fund subscribed to a second capital increase of Euro 1,500,000 for the purchase of 73.77% of the Slovenian company, Actual IT. As at 31 December 2015, the carrying value is equal to Euro **3,350,000**, which, following a capital increase reserved for the majority shareholders on 23 December 2015, represents **32.80%** of the share capital.
  - 7) On 22 December 2011, the Fund invested Euro **10,000,000** in **Amut S.p.A.**, a company head-quartered in Novara, equal to 27.80% of the share capital (which later increased to **39.80%** as a result of a price adjustment in 2012). The company is active in the production of systems for the washing extrusion, recycling and thermoforming of thermoplastic materials. Given the 2015 performance, the shareholding was written down by Euro 2,500,000 on a prudential basis. Therefore, as at 31 December 2015, the book value is equal to Euro 7,500,000.
  - 8) On 30 December 2011, the Fund invested Euro 10,000,000 in **IMT S.p.A.**, a company head-quartered in Casalecchio di Reno (BO) that operates in the production and marketing of machine tools. Of this investment, Euro 5,000,000 was in capital, equal to **30.30%** of the share capital, and Euro 5,000,000 was a convertible bond, with capitalised interest, for a total of Euro **576,490** (years 2012 and 2013). As a result of losses, the company filled a request for admission into Extraordinary Administration in December 2014. Consequently, as at 31 December 2014, the underlying company was fully written down.
  - 9) On 27 January 2012, the Fund invested Euro **5,000,000**, equal to **29.76%** of the share capital, in **ELCO Electronic Components Italiana S.p.A.**, a company with its registered office in Carsoli (AQ) that operates in the design and production of printed circuit boards for electronic systems.
  - 10) On 30 January 2012, the Fund increased its participation in **Sira Industrie S.p.A.**, a company head-quartered in Pianoro (BO) and operating in the production of terminals for outsourced die-casting in aluminium, for Euro 12,000,000 for the acquisition of an investment equal to **40.35%** of the share capital. Given the reported losses and delays in the development of the original business plan, the shareholding was written down by Euro 4,600,000, Euro 4,000,000 of which was written down during financial year 2015; the book value is equal to Euro **7,400,000**.

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- 11) On 9 February 2012, the Fund increased its participation in **TBS Group S.p.A.**, a company listed on the AIM and head-quartered in the Area Science Park of Trieste, operating in the integrated broad-spectrum clinical engineering services sector, in the amount of Euro 10,000,001, equal to **13.17%** of the share capital, and a convertible bond of Euro **10,000,002**, which was repaid early on 30 July 2015.
  - 12) On 15 February 2012, the Fund invested Euro 10,000,000 in **Rigoni di Asiago S.r.l.**, a company head-quartered in Asiago (VI) and operating in the production and distribution of organic food products, for an investment equal to 35.56% of the share capital. On 30 May 2013, the Fund invested another Euro 4,000,000 as a convertible shareholder loan, which was repaid on 28 May 2015. On 10 December 2015, the Fund subscribed to a second capital increase of Euro 2,500 for the purpose of facilitating a financing operation with Istituto Sviluppo Agroalimentare S.p.A.. Consequently, the book value is Euro **10,002,500**, equal to **35.55%** of the share capital.
  - 13) On 20 April 2012, the Fund increased its participation in **La Patria S.r.l.**, a company head-quartered in Bologna and operating in the security services sector, for Euro **9,320,049**, equal to **32.37%** of the share capital. The operation was performed as a co-investment with PM & Partners SGR S.p.A..
  - 14) On 29 May 2012, the Fund subscribed to an increase in capital in **Zeis Excelsa S.p.A.**, a company head-quartered in Montegranaro (FM) and operating in the production and distribution of footwear and clothing with its own brands and under licenses, for Euro **12,000,000**, equal to **19.99%** of the share capital and a convertible shareholder loan of Euro **8,000,000**. Given the reported consolidated losses, the shareholding was written down for a total of Euro 11,200,000, of which Euro 1,500,000 was written down in financial year 2015; consequently, the book value was decreased to Euro 800,000, while the carrying value of the bonds was kept the same at Euro 9,386,588, including matured coupons. On 16 July 2015, the company sold 51% of Levitas S.p.A., owner of the Bikkembergs brand, to the Chinese company Canudilo, listed on Shenzhen, for an amount of approximately 41 million Euros, keeping the remaining 24.5%.
  - 15) On 25 June 2012, the Fund invested Euro 13,000,000, equal to **28.85%** of the share capital, in **General Medical Merate S.p.A.**, a company with its registered office in Seriate (BG) and operating in the production and marketing of radiological equipment. Following the 2013 losses, the underlying company was written down by Euro 1,200,000; consequently, the book value was reduced to Euro **11,800,000**.
  - 16) On 27 June 2012, the Fund underwrote a share capital increase in **Labomar S.r.l.**, a company with its registered office in Istrana (TV) and specialised in research & development and the production of food supplements and health and diet products, for Euro **3,000,000**, equal to **29.33%** of the share capital.
  - 17) On 19 July 2012, the Fund underwrote a share capital increase in **Antares Vision S.r.l.**, a company with its registered office in Castel Mella (BS) and operating in the artificial vision technology sector for industrial quality control, for Euro 4,000,000 and purchased Euro 1,000,000 in shares, for a total of Euro **5,000,000**, equal to **21.11%** of the share capital.
  - 18) On 30 July 2012, the Fund underwrote a share capital increase in **E.M.A.R.C. S.p.A.**, a company with its registered office in Vinovo (TO) and operating in the production of structural components for vehicles and in the design and implementation of production methods, for Euro **10,000,000**, equal to **31.00%** of the share capital. On 5 November 2014, the Fund subscribed to a convertible bond of Euro **1,000,000**. Given the recorded losses, the underlying company has now been written down by Euro 3,000,000 in all, and by Euro 1,400,000 in 2015; the book value is therefore equal to Euro **7,000,000**, in addition to the convertible bond of Euro 1,000,000.
  - 19) On 18 October 2012, the Fund underwrote a share capital increase in **Mape S.p.A.**, a

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- Bolognese company that operates in the production of connecting rods for the motorcycling, recreational, marine, automobile and industrial vehicle sectors, for Euro 4,000,000, equal to **30.07%** of the share capital, and a convertible bond of Euro 6,000,000. As at 30 June 2013, the book value of the subsidiary and the relative bond loan were fully written down, for a total of Euro 10,000,000. On 15 May 2014, the Court of Bologna declared the company bankrupt.
- 20) On 29 January 2013, the Fund underwrote a share capital increase in **Turbocoating S.p.A.**, a company with its registered office in Rubbiano di Solignano (PR), that operates in the application of thermal coating spray technologies (so-called coating) for the energy and biomedical sectors, for Euro **7,500,000**, equal to **15.25%** of the capital, and a convertible bond of Euro **2,500,000**. The operation was performed as a co-investment with Winch Italia S.p.A. and Winch Italy Holdings 2 S.A., which invested a total of 10 million Euros.
- 21) On 31 January 2013, the Fund underwrote a share capital increase in **Surgital S.p.A.**, a company with its registered office in Lavezzola (RV) and operating in the production and marketing of frozen pasta and frozen ready meals for the Ho.Re.Ca. (hotel, restaurant and catering) channel, for Euro **10,600,000**, equal to 15.0% of the share capital (which later increased to **16.00%** due to a price adjustment in 2013).
- 22) On 18 April 2013, the Fund increased its participation in Marsilli & Co. S.p.A. (now **Marsilli S.p.A.**), a company with its registered office in Castelleone (CR) that operates in the design and production of machines and automatic lines for winding and complex systems for the automation industry, for a total of Euro **10,000,000** equal to **13.75%** of the share capital.
- 23) On 24 April 2013, the Fund underwrote a share capital increase in **Mesgo S.p.A.**, a company with its registered office in Gorlago (BG) and operating in the synthetic and natural rubber compound sector for Euro **8,000,000**, equal to **32.00%** of the share capital.
- 24) On 29 November 2013, the Fund subscribed to a convertible bond in **Farmol S.p.A.** for Euro 3,000,000 as part of a partial disposal of the underlying company, an operation that is described below.
- 25) On 27 December 2013, the Fund invested in Forgitel Group S.p.A. (now **Forgital Italy S.p.A.** through a merger by incorporation of Forgitel Group S.p.A. into Forgitel Italy S.p.A., which took place on 1 November 2015), a company with its registered office in (VI) that operates in the production and machining of rings and other large forged components as well as in the aerospace industry with the FLY subsidiary. This investment amounted to Euro **30,000,000**, of which Euro 15,000,000 was in capital, equal to **12.77%** of the share capital, and Euro 15,000,000 was a convertible bond.
- 26) On 30 July 2014, at the same time as the sale described above and as part of an LBO operation, the Fund increased its participation in MegaCo S.r.l. (now **Megadyne S.p.A.** through the merger by incorporation that took place on 29 December 2014) for Euro **15,000,000**, equal to **4.81%** of the share capital, a company with its registered office in Mathi (TO) and operating in the production and marketing of polyurethane and rubber belts, pulleys and other related products.
- 27) On 26 August 2014, the Fund underwrote a share capital increase in **Film Master Group - Italian Entertainment Network S.p.A.** (hereinafter, "I.E.N."), a company with its registered office in Rome and operating in the production of advertisement videos, corporate events and international shows as well as the management of museum services, for Euro **3,333,331**, equal to **15.33%** of the share capital, and a convertible bond of Euro 6,666,660. On 26 August 2015, IEN issued ordinary bonds through a coupon for Euro 599,999.
- 28) On 17 March 2015, the Fund subscribed to a capital increase of **Brugola O.E.B. Industriale**
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**S.p.A.** for Euro **7,500,000**, equal to 15.15% of the share capital (now equal to **15.18%** as a result of a price adjustment), a company with its registered office in Lissone (MB) and operating in the production and marketing of special screws and bolts intended for engines for automobiles, light commercial vehicles and light trucks.

### **Divestments of direct holdings**

- 1) On 23 May 2012, the Fund had invested Euro 6,250,000 (32.90% of the share capital) in **Farmol S.p.A.**, a company with its registered office in Comun Nuovo (BG) and operating in the preparation of consumer products. On **29 November 2013**, the holding was sold for a value of Euro **4,493,855**; on the same date, the Fund collected dividends equal to Euro **1,756,145** and subscribed to a convertible bond equal of **3,000,000**.
- 2) On 28 September 2011, the Fund had subscribed to a capital increase of 10,000,000 in Eco Eridania S.p.A., with its registered office Arenzano (GE), an operational holding of the group of the same name operating in the waste management sector and specialised in the collection, transportation, storage and disposal of special waste. Subsequently, in December 2012 and March 2013, the Fund subscribed to an additional Euro 2,300,000, reaching an investment of 30.6% of the share capital, for an invested total of Euro 12,300,000. On **9 June 2014**, **Eco Eridania S.p.A.** was sold for Euro **21,500,000**, of which Euro 16,000,000 was ready cash and Euro 5,500,000 was to be collected by 31 December 2016.
- 3) On 21 December 2010, the Fund had invested Euro 3,000,000 in Arioli S.p.A., a company with its registered office in a Gerenzano (VA) and operating in the production and marketing of textile machinery. Subsequently, in May 2011 and March 2012, the Fund had subscribed to additional capital increases for a total of Euro 5,727,159, increasing the ownership interest to 32.73%. On **4 July 2014**, **Arioli S.p.A.** was sold for Euro **7,757,332**.
- 4) On 16 May 2012, the Fund had underwritten a share capital increase of Euro 8,000,000, equal to 32.00% of the share capital, in Angelantoni Test Technologies S.r.l., a company with its registered office in Massa Martana (PG) and operating in the design and production of equipment for materials and systems testing used in various industrial environments. On **29 July 2014**, **Angelantoni Test Technologies S.r.l.** was sold for Euro **11,810,000**.
- 5) On 26 September 2012, the Fund had increased its participation by Euro 20,000,000, equal to 13.60% of the share capital in **Megadyne S.p.A.**, a company head-quartered in Mathi (TO) and operating in the production and marketing of polyurethane and rubber belts, pulleys and other related products. Subsequently, in August 2013, the Fund invested another Euro 2,000,000, after which the ownership interest increased to **14.13%** of the capital. On **31 July 2014**, the company was sold for Euro **51,502,236**, net the costs of the earn-out and the price adjustment.
- 6) On 23 May 2011, the Fund had increased its participation in **Comecer S.p.A.**, a company head-quartered in Castel Bolognese (RA) and operating in the nuclear medicine and isotechnology sector, for Euro 7,500,000, equal to 32.90% of the share capital. On **18 December 2015**, the company was sold for Euro **16,500,000**.

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## Indirect investments

As at 31 December 2015, the Fund holds units in 15 UCIs and shares in six holding companies:

- 1) On 10 May 2011, the Fund subscribed to a commitment of Euro **35,000,000** in **Wisequity III**, a private equity fund managed by the management company Wise SGR S.p.A., an independent management company created in 2000. The total commitment of Wisequity III is equal to 181.5 million Euros. During 2015, the fund redeemed a total of Euro 24,360,000 in units, primarily following two divestments:
  - i. Euro 28,000 on 9 June 2015,
  - ii. Euro 220,500 on 27 July 2015;
  - iii. Euro 17,601,500 on 29 October 2015 and
  - iv. Euro 6,510,000 on 21 December 2015.
- 2) On 10 June 2011, the Fund subscribed to a commitment of Euro **25,000,000** in **Progressio Investimenti II**, a private equity fund managed by Progressio SGR S.p.A.. The total commitment is equal to 204.2 million Euros. On 7 October 2013, the Fund repaid Euro 710,088 in shares against a divestment.
- 3) On 4 July 2011, the Fund subscribed to a commitment of Euro **20,000,000** in **Finanza e Sviluppo Impresa**, which is managed by Futurimpresa SGR S.p.A., a private equity operator created at the initiative of the Chambers of Commerce of Milan, Brescia, Bergamo and Como and is currently controlled by Azimut Holding. The total commitment is equal to 70.2 million Euros.
- 4) On 4 July 2011, the Fund subscribed to a commitment of Euro **20,000,000** in **Gradiente I**, managed by Gradiente SGR S.p.A., a company created at the initiative of Fondazione Cassa di Risparmio di Padova e Rovigo and Sinloc S.p.A.. The total commitment of the Fund is equal to 76.0 million Euros. As of today, the fund has redeemed units, against divestments, for Euro 1,500,000, as follows:
  - i. Euro 960,526 on 2 August 2013 and
  - ii. Euro 539,474 on 12 November 2015.
- 5) On 20 October 2011, the Fund subscribed to a commitment of Euro **15,000,000** in **Vertis Capital Parallel**, a co-investment fund operated in parallel to Vertis Capital, both of which are managed by Vertis SGR S.p.A. The total commitment is equal to 15.3 million Euros. As of today, the fund has redeemed units, against divestments and other proceeds, for Euro 1,273,414, as follows:
  - i. Euro 1,193,312 on 30 October 2014;
  - ii. Euro 80,102 on 3 June 2015.
- 6) On 24 October 2011, the Fund subscribed to a commitment of Euro 20,500,000 in **Alto Capital III**, a fund managed by Alto Partners SGR S.p.A., which was founded in 2004 and is owned by the management team. On 24 January 2012, the Fund subscribed to an additional commitment of Euro 4,500,000, for a total of Euro **25,000,000**. The total commitment is equal to 94 million Euros.
- 7) On 29 November 2011, the Fund subscribed to a commitment of Euro **20,000,000** in **Arca Impresa Tre Parallel** (total commitment of 20.2 million Euros), a parallel co-investment vehicle of the Arca Impresa Tre fund, with a commitment of 73 million Euros. Both of these funds are managed by Arca Impresa Gestioni SGR S.p.A. (hereinafter, "Arca"), now Iniziativa Gestione Investimenti SGR S.p.A. (hereinafter, "IGI"); as a result of the merger by incorporation of Arca into IGI on 1 July 2013, the fund assumed the name **IGI Investimenti Cinque Parallel**.
- 8) On 21 December 2011, the Fund subscribed to a commitment of Euro **20,000,000** in **NEIP III S.p.A.**, a holding company with Finint & Partners S.r.l. as its exclusive adviser. The company is the third investment vehicle promoted by Gruppo Finanziaria Internazionale ("Finint"), with a



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total envelope of 75.2 million Euros. On 23 December 2015, the company redeemed units against divestment for Euro 1,731,510.

- 9) On 22 December 2011, the Fund subscribed to a commitment of Euro **25,000,000** in **Winch Italia S.p.A.**, a holding company with Mast Capital Partners S.r.l. as its exclusive adviser. The vehicle was created through a co-investment agreement with Edmond de Rothschild Investment Partners, a leading French management company that manages the Winch II and Winch III funds. The overall endowment is 62 million Euros.
- 10) On 18 April 2012, the Fund subscribed to a commitment of Euro 11,000,000 in **Hat Holding All Together S.p.A.**, a holding company with Hat Private Equity S.r.l., an advisory company controlled by the management team, as its exclusive adviser. Following the entry of new investors, the company reached a commitment of 42 million Euros; consequently, the Fund subscribed to an additional Euro 3,000,000, increasing the commitment to Euro **14,000,000**. During the second half of 2015, the company redeemed units against divestments for a total of Euro 2,702,406, as follows:
  - i. Euro 1,577,406 on 1 October 2015 and
  - ii. Euro 1,125,000 on 17 December 2015.
- 11) On 1 August 2012, the Fund subscribed to a commitment of Euro **10,000,000** in **360 Capital 2011 FCPR**, a venture capital fund focused on investments in Italy and France, primarily in the digital and ICT sectors. The fund is managed by 360 Capital Partners S.A.S., a company that was founded in 2005 by a team with a decade of experience in the venture capital sector. The total commitment is equal to 71.8 million Euros.
- 12) On 2 August 2012, the Fund subscribed to a commitment of Euro **15,000,000** in **Star III – Private Equity Fund**, a fund managed by Star Capital SGR S.p.A., a company that was founded in 2001 and is entirely owned by the management team. The total commitment is equal to 87.7 million Euros.
- 13) On 25 September 2012, the Fund subscribed to a commitment of Euro **15,000,000** in **Sofinnova Capital VII**, a venture capital fund managed by Sofinnova Partners S.a.S., a company that has been active on the European venture capital market since the 1970s, with a focus in the life science sector. The total commitment is equal to 240 million Euros.
- 14) On 15 January 2013, the Fund subscribed to a commitment of Euro **9,999,951** in **United Ventures One S.p.A.**, a holding company that has United Ventures S.r.l., an advisory company controlled by the management team, as its exclusive adviser. The vehicle specialises in venture capital investments. The overall envelope is equal to 60.2 million Euros.
- 15) On 2 October 2013, the Fund subscribed to a commitment of Euro **30,000,000** in **Emisys Development**, managed by Emisys Capital S.G.R. S.p.A.. The fund is focused on capital expansion through investments in hybrid instruments, debt instruments and equity instruments in Italian small and medium size companies. The total commitment is equal to 131 million Euros.
- 16) On 21 October 2013, the Fund subscribed to a commitment of Euro **30,000,000** in **Ambienta II**, managed by Ambianta S.G.R. S.p.A.. The fund aims to invest in small and medium size companies focused on energy savings and efficiency. The total commitment is 203.3 million Euros (the total commitment of both funds, the principal fund and the parallel fund, respectively Ambianta II and Ambianta II bis, is 323.5 million Euros). On 28 December 2015, the fund redeemed units, following a price adjustment on an underlying company, for Euro 26,400.
- 17) On 19 December 2013, the Fund subscribed to a commitment of Euro 15,000,000 in **Programma 101 S.p.A.**, a holding company with P101 S.r.l. as its exclusive adviser. The

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investment activities of Programma 101 S.p.A. are focused on venture capital interventions, primarily in the digital and ICT sectors. The overall envelope of the holding is equal to 40.5 million Euros. On 22 January 2016, the company obtained authorisation to become a SICAF (società di investimento a capitale fisso [fixed capital investment fund]) and changed its name to “**Programma 101 S.p.A. SICAF**”. On 17 February 2016, the Fund subscribed to an additional Euro 5,000,000, bringing its commitment to Euro **20,000,000**.

- 18) On 7 February 2014, the Fund subscribed to a commitment of Euro **25,000,000** in **Consilium Private Equity Fund III**, managed by Consilium SGR S.p.A., a company entirely owned by the management team. The fund’s activities are primarily concentrated in investments in Italian SMCs. On 18 December 2015, the fund reported the final closing, reaching a total commitment of 145 million Euros.
- 19) On 9 April 2014, the Fund subscribed to a commitment of Euro **20,000,000** in **AXA Expansion III Italia Parallel**, a co-investment vehicle with the funds AXA Expansion Fund III and Ardian Expansion Fund IV, managed by Ardian France S.A.. The investment activity of the fund focuses exclusively on small and medium size Italian companies in co-investment with the two principal funds, with a total commitment of 20.2 million Euros.
- 20) On 12 June 2014, the Fund subscribed to a commitment of Euro **19,000,000** in **SI2 S.p.A.**, a co-investment vehicle with two small and mid cap funds (Siparex MidCap2 e Siparex MidMarket3) managed by Sigefi Private Equity, a leading French private equity company. The company invests exclusively in Italian small and medium size companies and is managed by Insec Equity Partner S.r.l., a company owned by the Italian team. The total commitment is equal to 27.6 million Euros.
- 21) On 17 December 2015, the Fund subscribed to a commitment of Euros **20,000,000** in **Panakés Fund**, a venture capital fund managed by Panakés Partners SGR S.p.A., a company wholly owned by the management team. The investment activity of the fund is focused primarily on Italian start-ups operating in the biomedical sector. The total commitment is equal to 60.6 million Euros. On 2 February 2016, the second closing was completed, bringing the commitment to 63.6 million Euros.

During the financial year, all of the holding companies filed a request with Banca d’Italia to become a SICAF, a società di investimento a capitale fisso [fixed capital investment fund], for the purpose of comply with the new regulations pursuant to European Directive 61/2011, the so-called AIFMD.

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The table below reports changes in the holdings, including the six holding companies: Neip III S.p.A., Winch Italia S.p.A., HAT Holding All Together S.p.A., United Ventures S.p.A., Programma 101 S.p.A., and SI2 S.p.A..

| no.   | Company name  | Value as at 31/12/2014 | Increases during financial year | Sales during financial year | Decreases/write-downs during financial year | Value as at 31/12/2015 | Ownership share (%) | Shareholder loan as at 31/12/2015 | Ordinary/Convertible Bonds as at 31/12/2015 |
|---|---|------------------------|---------------------------------|-----------------------------|---|------------------------|---------------------|-----------------------------------|---|
| <b>Direct investments</b>                     |   |                        |                                 |                             |   |                        |                     |                                   |   |
| 1   | Geico Lender S.p.A.                                   | 700.000                |                                 |                             |   | 700.000                | 12.10%              |                                   |   |
| 2   | BAT S.p.A.  | 5.583.960              |                                 |                             | -1.112.000                                  | 4.471.960              | 21.60%              | 321.040                           |   |
| 3   | Comecer S.p.A.  | 7.500.000              |                                 | -16.500.000                 |   | 0                      | 32.90%              |                                   |   |
| 4   | Ferry Investments S.r.l.<br>(formerly Cartour S.r.l.) | 17.500.000             |                                 |                             |   | 17.500.000             | 100.00%             |                                   |   |
| 5   | Sanlorenzo S.p.A.                                     | 15.000.000             |                                 |                             |   | 15.000.000             | 15.96%              |                                   |   |
| 6   | Truestar Group S.p.A.                                 | 9.500.000              |                                 |                             | -5.300.000                                  | 4.200.000              | 24.90%              | 3.000.000                         |   |
| 7   | DBA Group S.r.l.                                      | 1.850.000              | 1.500.000                       |                             |   | 3.350.000              | 32.80%              |                                   |   |
| 8   | Amut S.p.A.   | 10.000.000             |                                 |                             | -2.500.000                                  | 7.500.000              | 39.80%              |                                   |   |
| 9   | IMT S.p.A.  | 0                      |                                 |                             |   | 0                      | 30.30%              |                                   | 0   |
| 10  | Elco S.p.A.   | 5.000.000              |                                 |                             |   | 5.000.000              | 29.76%              |                                   |   |
| 11  | Sira Group S.p.A.                                     | 11.400.000             |                                 |                             | -4.000.000                                  | 7.400.000              | 40.35%              |                                   |   |
| 12  | TBS Group S.p.A.                                      | 10.000.001             |                                 |                             |   | 10.000.001             | 13.17%              |                                   | 0   |
| 13  | Rigoni di Asiago S.r.l.                               | 10.000.000             | 2.500                           |                             |   | 10.002.500             | 35.55%              |                                   |   |
| 14  | La Patria S.r.l.                                      | 9.320.049              |                                 |                             |   | 9.320.049              | 32.37%              |                                   |   |
| 15  | Farmol S.p.A.   | 0                      |                                 |                             |   | 0                      | 0.00%               |                                   | 3.000.000                                   |
| 16  | Zeis Excelsa S.p.A.                                   | 2.300.000              |                                 |                             | -1.500.000                                  | 800.000                | 19.99%              |                                   | 9.386.588                                   |
| 17  | General Medical Merate S.p.A.                         | 11.800.000             |                                 |                             |   | 11.800.000             | 28.85%              |                                   |   |
| 18  | Labomar S.r.l.  | 3.000.000              |                                 |                             |   | 3.000.000              | 29.33%              |                                   |   |
| 19  | Antares Vision S.r.l.                                 | 5.000.000              |                                 |                             |   | 5.000.000              | 21.11%              |                                   |   |
| 20  | E.M.A.R.C. S.p.A.                                     | 8.400.000              |                                 |                             | -1.400.000                                  | 7.000.000              | 31.00%              |                                   | 1.000.000                                   |
| 21  | Mape S.p.A.   | 0                      |                                 |                             |   | 0                      | 30.07%              |                                   | 0   |
| 22  | Turbocoating S.p.A.                                   | 7.500.000              |                                 |                             |   | 7.500.000              | 15.25%              |                                   | 2.500.000                                   |
| 23  | Surgital S.p.A.                                       | 10.600.000             |                                 |                             |   | 10.600.000             | 16.00%              |                                   |   |
| 24  | Marsilli S.p.A.                                       | 10.000.000             |                                 |                             |   | 10.000.000             | 13.75%              |                                   |   |
| 25  | Mesgo S.p.A.  | 8.000.000              |                                 |                             |   | 8.000.000              | 32.00%              |                                   |   |
| 26  | Forgital Italy S.p.A.                                 | 10.000.000             | 5.000.000                       |                             |   | 15.000.000             | 12.77%              |                                   | 15.000.000                                  |
| 27  | Megadyne S.p.A.<br>(formerly MegaCo S.r.l.)           | 15.000.000             |                                 |                             |   | 15.000.000             | 4.81%               |                                   |   |
| 28  | Film Master Group S.p.A.                              | 3.333.331              |                                 |                             |   | 3.333.331              | 15.33%              |                                   | 7.266.659                                   |
| 29  | Brugola O.E.B. S.p.A.                                 | 0                      | 7.500.000                       |                             |   | 7.500.000              | 15.18%              |                                   |   |
| <b>Indirect investments/Holding companies</b> |   |                        |                                 |                             |   |                        |                     |                                   |   |
| 1   | Winch Italia S.p.A.                                   | 4.379.727              | 146.342                         |                             |   | 4.526.070              | 99.50%              |                                   |   |
| 2   | NEIP III S.p.A.                                       | 2.847.822              | 2.607.539                       |                             | -1.844.830                                  | 3.610.530              | 26.61%              |                                   |   |
| 3   | HAT Holding All Together S.p.A.                       | 6.154.981              | 1.707.184                       |                             | -2.702.406                                  | 5.159.760              | 33.33%              |                                   |   |
| 4   | United Ventures S.p.A.                                | 2.397.525              | 2.014.312                       |                             |   | 4.411.837              | 16.61%              |                                   |   |
| 5   | Programma 101 S.p.A.                                  | 3.211.512              | 2.095.910                       |                             |   | 5.307.423              | 40.00%              |                                   |   |
| 6   | SI2 S.p.A.  | 47.500                 | 1.581.040                       |                             |   | 1.628.540              | 68.84%              |                                   |   |
| <b>Total</b>                                  |   | <b>227.326.408</b>     | <b>24.154.828</b>               | <b>-16.500.000</b>          | <b>-20.359.236</b>                          | <b>223.622.000</b>     |                     | <b>3.321.040</b>                  | <b>38.153.247</b>                           |

The table also shows the only controlling interest, Ferry Investments S.r.l., shown in item A.1. of the assets and liabilities statement. All of the other holdings are listed in item A2. of the aforesaid assets and liabilities statement.

As at 31 December 2015, six underlying companies were written down on a prudential basis: Amut S.p.A., BAT S.p.A., E.M.A.R.C. S.p.A., Sira S.p.A., Truestar Group S.p.A. and Zeis Excelsa S.p.A..

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Changes in UCI units are shown in the table below:

| no.          | Name                              | Value as at<br>31/12/2014 | Increases/decreases during<br>financial year | Capital<br>gains/losses | Value as at<br>31/12/2015 | Ownership<br>interest (%) |
|--------------|-----------------------------------|---------------------------|--|-------------------------|---------------------------|---------------------------|
| 1            | Wisequity III                     | 22.634.221                | -22.634.221                                  | 18.777.161              | 18.777.161                | 19.28%                    |
| 2            | Finanza e Sviluppo Impresa        | 4.031.416                 | 4.382.144                                    | 339.303                 | 8.752.863                 | 28.49%                    |
| 3            | Progressio Investimenti II        | 3.335.215                 | 6.427.522                                    | -188.992                | 9.573.746                 | 12.24%                    |
| 4            | Gradiente I                       | 6.364.874                 | 4.642.105                                    | 117.207                 | 11.124.187                | 26.32%                    |
| 5            | Alto Capital III                  | 4.479.512                 | 4.760.638                                    | -41.574                 | 9.198.576                 | 26.60%                    |
| 6            | Vertis Capital Parallel           | 4.070.645                 | -80.102                                      | -2.013.571              | 1.976.971                 | 98.36%                    |
| 7            | IGI Investment Cinque Parallel    | 5.271.552                 | 3.009.044                                    | 22.232                  | 8.302.828                 | 98.77%                    |
| 8            | 360 Capital 2011 FCPR             | 3.695.500                 | 1.412.828                                    | 972.272                 | 6.080.600                 | 13.92%                    |
| 9            | Sofinnova Capital VII             | 7.163.265                 | 1.924.688                                    | 370.170                 | 9.458.123                 | 6.25%                     |
| 10           | Star III Private Equity Fund      | 2.472.970                 | 2.189.282                                    | -150.735                | 4.511.517                 | 17.10%                    |
| 11           | Emisys Development                | 1.638.973                 | 3.893.130                                    | 92.757                  | 5.624.860                 | 22.90%                    |
| 12           | Ambienta II                       | 3.092.065                 | 2.023.080                                    | -164.272                | 4.950.872                 | 14.75%                    |
| 13           | Consilium Private Equity Fund III |                           | 2.643.510                                    | -14.537                 | 2.628.973                 | 17.24%                    |
| 14           | AXA Expansion III Italia Parallel | 4.265.555                 | 3.894.000                                    | 550.445                 | 8.710.000                 | 99.00%                    |
| <b>Total</b> |                                   | <b>72.515.762</b>         | <b>18.487.647</b>                            | <b>18.667.867</b>       | <b>109.671.276</b>        |                           |

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## Regulatory, compliance and risk profiles

During the first half of 2015, the regulatory process to transpose in Italy the EU provisions concerning alternative fund managers (Directive 2011/61/EU, the so-called AIFMD) was completed when the implementing measures issued by Banca d'Italia and CONSOB took effect. The Company complied with these measures and was registered on 4 June 2015 in the Register of "above threshold" Managers of Alternative Investment Funds (AIFMs) kept by Banca d'Italia.

In line with the provisions of Directive 2011/61/EU (the so-called AIFMD), the Company identifies, measures, monitors and controls the risks associated with the Fund's portfolio based on a qualitative-quantitative methodology governed by a special company policy approved by the Board of Directors and implemented through the risk management function.

In this context, issuer, credit, liquidity, rate, market and operating risks are examined according to the type of activity being analysed.

Following the risk management analysis of the Fund's risk profile exclusively concerning the portfolio held as at 31 December 2015, the risk was deemed "average", stable since the last report. This risk class is also confirmed in light of the overall risks associated with the management of the Fund. These reports show that the limit placed on the overall risk level of the Fund has been respected; in addition, the riskiest part of the portfolio has come back within the concentration limit as a result of a progressive improvement in the riskiness of investments previously assessed as high risk.

The Company does not implement hedging policies and/or risk mitigation policies. In particular,

hedging operations for market risks such as rate risk, exchange risk, credit spread risk and/or volatility risk are not put in place given the ordinary nature of the activities performed. However, as part of the risk management function's reporting to the Corporate Bodies, the results of the risk analysis are presented for the purpose of taking corrective action.

The financial lever, calculated using the gross method, amounts to 1.01 (actual ratio) and 1.06 (theoretical ratio), while it is equal to 1 using the commitment approach.

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For the Fund's underlying companies, the Company exercised its voting rights as follows:

| Company                              | meeting date | Actions taken at general shareholder meetings  |
|--------------------------------------|--------------|--|
| Comecer S.p.A.                       | 13/01/15     | Favourable vote for modification of the fees for the Board of Directors.   |
| BAT S.p.A.                           | 20/01/15     | Favourable vote for the appointment of the new member of the Board of Directors of BAT S.p.A. pursuant to the Articles of Association; related resolutions.  |
| Italian Entertainment Network S.p.A. | 21/01/15     | Favourable vote for the increase in number of members of the Board of Directors and appointment of board members; determination of total compensation for Directors.   |
| Megadyne S.p.A.                      | 30/01/15     | Acknowledgement of the resignation of a Statutory Auditor from the Board of Auditors; favourable vote for appointment of a new Statutory Auditor.  |
| GMM S.p.A.                           | 26/03/15     | Favourable vote for the merger by incorporation of the company Mecall S.r.l. into the company General Medical Merate S.p.A.; informative presentation and resolution regarding potential waiver of the assets and liabilities statement pursuant to the last paragraph of Article 2501 quater of the Italian Civil Code.   |
| Megadyne S.p.A.                      | 14/04/15     | Favourable vote for the annual financial statements ended 31/12/2014; acknowledgement of the consolidated financial statements ended 31/12/2014; favourable vote regarding renewal of the Board of Auditors and appointment of the independent auditor.  |
| La Patria S.r.l.                     | 20/04/15     | Favourable vote for the approval of the annual financial statements ended 31/12/2014; acknowledgement of the presentation of the consolidated financial statements ended 31/12/2014; favourable vote for the appointment of two members of the Board of Auditors pursuant to Article 2477 of the Italian Civil Code; favourable vote for the appointment of Reconta Ernst & Young S.p.A. as the independent auditor pursuant to Article 2477 of the Italian Civil Code.  |
| DBA Group S.r.l.                     | 21/04/15     | Favourable vote for the capital increase; favourable vote for the modification of Articles 8, 11 and 12 of the Articles of Association; unfavourable vote for the potential proposal to update the current articles of association regarding the governing body and the statutory audit of of the accounts and favourable vote for the potential modification of Article 17 of the Articles of Association.  |
| Marsilli & co. S.p.A.                | 23/04/15     | Favourable vote for the financial statements of the year ending 31/12/2014; acknowledgement of the consolidated financial statements ending 31/12/2014.  |
| GMM S.p.A.                           | 23/04/15     | Favourable vote for the annual financial statements of the year ended 31 December 2014, the appointment of the oversight body of the company and determination of the relevant compensation, the appointment of the body responsible for the statutory audit of the company, the sale of 24,255 treasury shares pursuant to Article 2357-ter of the Italian Civil Code (determination of the price and terms and conditions of sale).  |
| DBA Group Srl                        | 23/04/15     | Favourable vote for the increase in the company's share capital through cash contribution and with share premium, to be offered to the only shareholder, Fondo Italiano; Favourable vote regarding the modification of Articles 8, 11 and 12 of the Articles of Association with respect to the change in deadlines for certain shareholder rights; unfavourable vote for the amendment of the by-laws in accordance with the regulatory developments concerning control bodies and independent auditors in s.r.l.s and favourable vote for the potential modification of Article 17 of the Articles of Association.   |
| Caronte & Tourist S.p.A.             | 24/04/15     | Favourable vote for the annual financial statements of the year ended 31/12/2014 and the consolidated financial statements as at 31/12/2014; favourable vote for the appointment of the new Board of Directors and Board of Auditors.  |
| Mesgo S.p.A.                         | 27/04/15     | Favourable vote for the annual financial statements of the year ended 31/12/2014; favourable vote for the assignment of the independent auditor mission for the 2015-2017 three-year period.   |
| Labomar S.r.l.                       | 27/04/15     | Favourable vote for the financial statements ended 31/12/2014 and distribution to shareholders of part of the "Earnings Carried Forward" reserve; renewal of the expiring company offices with approval of the annual financial statements of the year ended 31/12/2014: <ul style="list-style-type: none"> <li>• Appointment of the Board of Directors and Chairman of the Board of Directors and determination of compensation,</li> <li>• Appointment of the Board of Auditors and Chairman of the Board of Auditors and determination of the members' compensation,</li> <li>• Appointment of the entity charged with performing the statutory audit of the accounts and determination of compensation.</li> </ul> |
| Labomar S.r.l.                       | 27/04/15     | Favourable vote for the determination of fees to be paid to the Board of Directors of the company for financial year 2015. Distribution to shareholders of part of the "Earnings Carried Forward" reserve.   |
| TBS Group S.p.A.                     | 28/04/15     | Favourable vote for the annual financial statements of the year ended 31/12/2014. Presentation of the Consolidated Financial Statements as at 31/12/2014; unfavourable vote for the distribution of dividends for Euro 704,163.22; favourable vote for the appointment of a Board of Directors; favourable vote for the determination of compensation to be paid to the Board of Directors. Favourable vote for the appointment of statutory auditors and the alternate auditor. Expresses a favourable vote for the determination of the gross  |

|  |          |   |
|--|----------|---|
|  |          | compensation to be paid to the Board of Auditors.   |
| Brugola Industriale S.p.A.                 | 29/04/15 | Abstained regarding the approval of the annual financial statements of the year ended 31/12/2014; abstained regarding the acknowledgement of the consolidated financial statements as at 31/12/2014 as provided for in the investment agreement.  |
| Turbocoating S.p.A.                        | 30/04/15 | Favourable vote for the annual financial statements of the year ended 31/12/2014; acknowledgement of the consolidated financial statements as at 31/12/2014.  |
| Ferry Investments S.r.l.                   | 05/05/15 | Favourable vote for the annual financial statements of the year ended 31/12/2014.   |
| Comecer S.p.A.                             | 07/05/15 | Favourable vote for the annual financial statements of the year ended 31/12/2014.   |
| Forgital Group S.p.A.                      | 07/05/15 | Favourable vote for the requirements of Article 2364 of the Italian Civil Code.   |
| Geico Lender S.p.A.                        | 12/05/15 | Favourable vote for the annual financial statements of the year ended 31 December 2014; approval of the compensation proposed by the independent auditor for the 2014/2016 three-year period.   |
| E.M.A.R.C. S.p.A.                          | 14/05/15 | Ordinary Meeting: Favourable vote for the financial statements of the year ended 31/12/2014; Acknowledgement of the consolidated financial statements as at 31/12/2014; Favourable vote for the appointment of the Board of Directors and determination of the associated compensation; Favourable vote for the appointment of the Board of Auditors and determination of the associated compensation. Extraordinary Meeting: Favourable vote for the proposal to cover the year's losses through partial use of the revaluation reserve pursuant to Legislative Decree 185/2008. |
| La Patria S.r.l.                           | 18/05/15 | Extraordinary Meeting: Favourable vote for the merger by direct incorporation of the company CBV Corpo Bustese Vigilante S.r.l. into La Patria S.r.l.. Ordinary Meeting: Favourable vote for the resignation of an alternate auditor and appointment of a new alternate auditor.  |
| Antares Vision S.r.l.                      | 25/05/15 | Favourable vote for the transfer of the registered office; modification of Article 2.1 of the by-laws and delegation to the Chairman of the Board of Directors to take all steps necessary and/or appropriate to execute the resolutions adopted.   |
| Surgital S.p.A.                            | 08/06/15 | Ordinary Shareholder Meeting: Favourable vote for the approval of the Annual Financial Statements of the year ended 31 December 2014; associated documents and related resolutions; acknowledgement of the consolidated financial statements as at 31/12/2014.  |
| Surgital S.p.A.                            | 08/06/15 | Extraordinary Shareholder Meeting: Favourable vote for the early repayment of the bond issued and subscribed on 28 December 2001 with a maturity date of 28 December 2016.  |
| Forgital Group S.p.A.                      | 12/06/15 | Extraordinary Shareholder Meeting: Favourable vote for approval of the merger through incorporation of Forgital Group S.p.A. into Forgital Italy S.p.A..  |
| Forgital Group S.p.A.                      | 12/06/15 | General Shareholder Meeting: Favourable vote for approval of the merger through incorporation of Forgital Group S.p.A. into Forgital Italy S.p.A. and waiver of the right of conversion.  |
| GMM S.p.A.                                 | 15/06/15 | Extraordinary Meeting: Favourable vote for the merger by incorporation of the company MECALL S.r.l. into the company General Medical Merate S.p.A..   |
| BAT S.p.A.                                 | 18/06/15 | Favourable vote for the financial statements of the year ended 31/12/2014; acknowledgement of the consolidated financial statements ended 31/12/2014.   |
| Rigoni di Asiago S.r.l.                    | 22/06/15 | Favourable vote for the financial statements of the year ended 31/12/2014; Acknowledgement of the consolidated financial statements ended 31/12/2014; favourable vote for the appointment of the members of the Board of Directors after determination of their number; determination of their compensation; favourable vote for the appointment of the members of the Board of Auditors and appointment of the Chairman; determination of compensation.  |
| DBA Group S.r.l.                           | 25/06/15 | Favourable vote for the financial statements of the year ended 31/12/2014; determination of the compensation of the Board of Directors; acknowledgement of the consolidated financial statements as at 31/12/2014.  |
| Amut S.p.A.                                | 29/06/15 | Favourable vote for the financial statements of the year ended 31/12/2014; acknowledgement of the consolidated financial statements as at 31/12/2014.   |
| Antares Vision S.r.l.                      | 29/06/15 | Favourable vote for the financial statements of the year ended 31/12/2014; acknowledgement of the consolidated financial statements as at 31/12/2014; favourable vote for the appointment of the Board of Directors and determination of its compensation. Favourable vote for the appointment of the Board of Auditors and determination of its compensation. Favourable vote for appointment of an independent auditor to perform the legal audit for the 2015-2017 three-year period and determination of its compensation.  |
| Elco Electronic Components Italiana S.p.A. | 29/06/15 | Favourable vote for the financial statements of the year ended 31/12/2014 and allocation of the year's profits; acknowledgement of the consolidated financial statements as at 31/12/2014; favourable vote for the renewal of corporate offices.  |
| Truestar Group S.p.A.                      | 29/06/15 | Favourable vote for the financial statements of the year ended 31/12/2014 and acknowledgement of the consolidated financial statements as at 31/12/2014; favourable vote for the appointment of the independent auditor and determination of its compensation; favourable vote regarding approval of the purchase by a Board Member of a share in the subsidiary Truestar Belgium.  |
| Italian Entertainment Network S.p.A.       | 30/06/15 | Favourable vote for the financial statements ended 31/12/2014; acknowledgement of the consolidated financial statements as at 31/12/2014; purchase of treasury shares.  |
| Sira Industrie S.p.A.                      | 06/07/15 | Favourable vote for the approval of the financial statements of the year ended 31 December 2014. Favourable vote for renewal of company offices; favourable vote for assignment of the account audit mission.   |
| SanLorenzo S.p.A.                          | 14/07/15 | Favourable vote for the financial statements of the year ended 31/12/2014 and acknowledgement of the presentation of the consolidated financial statements as at 31/12/2014; favourable vote for the reduction in number of members of the Board of Directors pursuant to Article 14 of the Articles of Association.  |
| Zeis S.p.A.                                | 24/07/15 | Acknowledgement of the progress of the Canudilo operation; favourable vote for the financial statements ended 31/12/2014 and the consolidated financial statements; favourable vote for the designation of a Board Member, Chairman of the Board of Directors, Alternate Auditor and allocation of their compensation.  |
| Elco Electronic Components Italiana S.p.A. | 27/07/15 | Favourable vote for the appointment of the independent auditor for the 2015-2017 three-year period; favourable vote for the approval of compensation for the Board of Directors and Board of Auditors. Abstained on various matters.  |

|                         |          |  |
|-------------------------|----------|--|
| La Patria S.r.l.        | 30/07/15 | Favourable vote for the appointment of two directors; favourable vote for the proposed compensation for the Board of Directors. Abstained on various matters.  |
| Sira Industrie S.p.A.   | 04/09/15 | Favourable vote for the acquisition of a minority stake in a company. Abstained on various matters.  |
| La Patria S.r.l.        | 10/09/15 | Favourable vote for the approval of the merger by incorporation of the company Aquila S.r.l. into La Patria S.r.l.; favourable vote regarding the replacement of a member of the Board of Directors. Abstained on various matters.   |
| Megadyne S.p.A.         | 21/09/15 | Extraordinary Shareholder Meeting: favourable vote regarding the modification of the Articles of Association. Ordinary Shareholder Meeting: Favourable vote regarding the expansion of the Board of Directors and appointment of two new board members. Acknowledgement of the request to demonstrate interest in subscribing to a share capital increase. |
| E.M.A.R.C. S.p.A.       | 21/09/15 | Meeting of bond-holders: Favourable vote for the appointment of the Common Bondholder Representative and the associated compensation.  |
| Mesgo S.p.A.            | 28/09/15 | Favourable vote for the approval of the Code of Ethics.  |
| Zeis Excelsa S.p.A.     | 14/10/15 | Favourable vote for the appointment of the Board of Directors and assignment of compensation; favourable vote for the renewal of the Board of Auditors and assignment of compensation. Abstained on various matters.   |
| Megadyne S.p.A.         | 13/10/15 | Favourable vote for the approval of the merger project through incorporation of Sampla Belting S.r.l. into Megadyne S.p.A..  |
| BAT S.p.A.              | 19/10/15 | Favourable vote for the appointment of the Board of Directors for the 2015-2017 three-year period and the associated compensation.   |
| Sira Industrie S.p.A.   | 29/10/15 | Favourable vote regarding the contribution of the business unit of the subsidiary F.I.R. Fabbrica Italiana Radatori Srl.   |
| DBA Group Srl           | 10/11/15 | Favourable vote for the appointment of the Board of Directors and the associated compensation.   |
| Rigoni di Asiago S.r.l. | 23/11/15 | Favourable vote for the proposal to distribute reserves.   |
| Antares Vision S.r.l.   | 24/11/15 | Favourable vote regarding the appointment of a new Board Member; favourable vote for the distribution of bonuses to members of the Board of Directors; abstained on various matters.   |
| GMM S.p.A.              | 25/11/15 | Favourable vote to approve the co-optation of a board member.  |
| BAT S.p.A.              | 09/12/15 | Favourable vote for the appointment of a board member for the 2015-2017 three-year period; favourable vote regarding the compensation of the Board of Directors for the 2015-2017 three-year period.   |
| Rigoni di Asiago S.r.l. | 10/12/15 | Favourable vote for the increase in share capital; favourable vote for the modification of certain articles in the Articles of Association.  |
| Marsilli & Co. S.p.A.   | 16/12/15 | Favourable vote regarding the modification of certain articles of the Articles of Association.   |
| Forgital Italy S.p.A.   | 23/12/15 | Meeting of Bondholders: Favourable vote regarding the modifications to the rules of the convertible bond called the "Second Convertible Bond" concerning the interest rate.  |
| Forgital Italy S.p.A.   | 23/12/15 | Extraordinary Shareholder Meeting: Favourable vote regarding the modifications to the rules of the convertible bond called the "Second Convertible Bond" concerning the interest rate.   |
| DBA Group Srl           | 23/12/15 | Favourable vote for the increase in share capital to be offered only to the majority shareholder, DB HOLDING S.r.l..   |
| Truestar Group S.p.A.   | 29/12/15 | Favourable vote to reduce the number of members on the Board of Directors. Abstained on various matters.   |
| Rigoni di Asiago S.r.l. | 12/02/16 | Favourable vote regarding the appointment of a board member; favourable vote regarding the determination of compensation for the Board of Directors.   |

#### INDIRECT INVESTMENTS

| Holding Company                            | Shareholder meeting | Actions taken at general shareholder meetings   |
|--|---------------------|---|
| Programma 101 S.p.A.                       | 23/04/15            | Extraordinary Meeting: Favourable vote for changes to the by-laws in connection with the adoption of the Società di Investimento a Capitale Fisso (SICAF) [fixed capital investment fund] qualification. Extension of the deadline for subscription of the capital increase approved by the extraordinary shareholder meeting of 19 December 2013. Ordinary Shareholder Meeting: Acknowledgement of the presentation and unfavourable vote regarding the service contract with P101 S.r.l.. |
| Neip III S.p.A.                            | 27/04/15            | Extraordinary Meeting: Favourable vote for the equity restructuring through creation of nine new share categories, splitting and conversion of shares currently in circulation; by-law modifications to allow the Company to comply with the rules transposing directive 2011/61/E in terms of SICAFs and as a consequence of the adoption of new Articles of Association. Ordinary Meeting: Favourable vote for the financial statements ended 31/12/2014.                                 |
| Winch Italia S.p.A.                        | 27/04/15            | Extraordinary Shareholder Meeting: Favourable vote for the financial statements ended 31/12/2014; Appointment of corporate bodies pursuant to Article 2364, no. 2 and no. 3, of the Italian Civil Code and appointment of the Chairman of the Board of Auditors. Ordinary Shareholder Meeting: Favourable vote for the adoption of new by-laws also concerning the adoption of the form of a SICAF, modification of name and modification of business purpose.                              |
| Siparex Investimenti 2 S.p.A. (SI2 S.p.A.) | 28/04/15            | Extraordinary Meeting: Favourable vote for changes to the by-laws in connection with the adoption of the Società di Investimento a Capitale Fisso (SICAF) qualification pursuant to Article 35-bis et seq. of the Consolidated Finance Act.   |
| United Ventures One S.p.A.                 | 28/04/15            | Favourable vote regarding modifications to the by-laws concerning the adoption of the SICAF qualification; favourable vote regarding the capital increase to be paid through issue of new category "A" shares to be offered in option to all shareholders. Acknowledgement of the information provided to shareholders regarding the modifications to the investment contract.  |
| HAT-Holding All Together S.p.A.            | 28/04/15            | Extraordinary Meeting: Favourable vote regarding modifications to the by-laws concerning the adoption of the SICAF qualification; modifications to the Articles of Association regarding  |

|   |          |   |
|---|----------|---|
|   |          | the composition and appointment of the Board of Directors.<br>Ordinary Meeting: Favourable vote for the appointment of the members of the Board of Directors and Board of Auditors. |
| Programma 101 S.p.A.                          | 29/04/15 | Favourable vote for the financial statements ended 31/12/2014.  |
| Siparex Investimenti 2 S.p.A.<br>(SI2 S.p.A.) | 05/05/15 | Ordinary Meeting: Favourable vote for the annual financial statements of the year ended 31/12/2014.   |

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This Management Report is drafted in compliance with the Regulations of Banca d'Italia of 19 January 2015 in accordance with the principles of clarity and precision and is a true and faithful representation of the economic and financial situation and the trends of the Fund as at 31 December 2015.

The Annual Management Report is comprised of the following documents:

- 1) Assets and Liabilities Statement,
- 2) Income Section,
- 3) Explanatory Notes and

is accompanied by this Directors' Report of Fondo Italiano d'Investimento SGR S.p.A., as the company that is responsible for the management of Fondo Italiano di Investimento.

The Explanatory Notes provide more detailed information on the accounting data from the assets and liability statement and the income section.

The Annual Report is drafted in Euros and was audited by Reconta Ernst & Young S.p.A., which was appointed to perform the accounting control and audit of the annual financial statements of SGR for the financial years 2010 – 2018.

\* \* \*

## Assets and Liabilities Statement

As at 31 December 2015, the **assets** of the Fund are represented by the following items:

- 1) Euro **371,446,523**, in financial instruments, comprised of the following:
  - Euro 17,500,000 in connection with the only controlling shareholding, represented by Ferry Investments S.r.l.;
  - Euro 206,122,000 in non-controlling shareholdings corresponding to the book value of the 25 direct investments and the six holding companies;
  - Euro 109,671,276 in connection with the book value of the 15 UCI units and
  - Euro 38,153,247 in debt securities represented by the bonds in the portfolio.
- 2) Euro **3,321,040** in shareholder loans to underlying companies.
- 3) Euro **14,907,374** in connection with the net cash position.
- 4) Euro **8,737,495** in other assets, to include:
  - Euro 1,025,191 represented by accrued interest income on bonds and shareholder loans;
  - Euro 1,297,306 in accrued tax savings as at 30 June 2011;
  - Euro 6,414,998 in other assets, including: (i) Euro 5,500,000 for a receivable from Roxe S.A. for the sale of Eco Eridania S.p.A., (ii) Euro 648,000 for a receivable for an indemnity from an underlying company and (iii) Euro 266,998 for a receivable from a fund for equalisation, collected on 18 January 2016.

The **liabilities** amount to Euro **174,922** and are represented by allocations and/or invoices accrued at the end of the financial year and paid (or in the process of being paid) during the first few months of the following financial year. For more details, please see the explanatory notes.

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## Income Section

31 December 2015 closes with a loss of Euro **1,102,140** (31 December 2014 closed with a profit of Euro 2,903), broken down as follows:

- Euro **9,000,000** in connection with gains on the sale of Comecer S.p.A., completed on 18 June 2015;
- Euro **2,226,518** in connection with dividends paid by some underlying companies:
  - Euro 966,644 from Mesgo S.p.A.;
  - Euro 420,916 from Marsilli S.p.A.;
  - Euro 275,695 from Ferry Investments S.r.l.;
  - Euro 259,568 from Rigoni di Asiago S.r.l.;
  - Euro 130,873 from Labomar S.r.l.;
  - Euro 94,444 from TBS Group S.p.A.;
  - Euro 78,378 from Amut S.p.A..
- Euro **5,592,989** in net capital gains, as follows:
  - Euro 21,404,989 in net capital gains on UCI units and holding companies;
  - Euro (15,812,000) in connection with write-downs on certain direct investments:
    - Euro (5,300,000) for Truestar Group S.p.A.,
    - Euro (4,000,000) for Sira Industrie S.p.A.,
    - Euro (2,500,000) for Amut S.p.A.,
    - Euro (1,500,000) in connection with Zeis Excelsa S.p.A.,
    - Euro (1,400,000) for E.M.A.R.C. S.p.A.,
    - Euro (1,112,000) for BAT S.p.A..
- Euro (137,357) in written down receivables, Euro (80,000) for the BAT S.p.A. loan and Euro (57,357) for the Mape S.p.A. dispute.
- Euro **1,479,101** in proceeds on a UCI unit;
- Euro **3,133,131** for interest income, including (i) Euro 2,707,186 for bonds and (ii) Euro 425,945, for current loans;
- Euro **(13,920,000)** in management fees accrued during the financial year equal to 1.16% of the total subscribed amounts and calculated in accordance with Article B.4, paragraph a1, of the Fund Regulations;
- Euro **(9,185,869)** in other management costs, broken down as follows: (i) Euro (413,948) for transaction costs incurred for the investments in the portfolio, (ii) Euro (8,653,774) in management fees and other fees associated with the UCI/holding company units, (iii) Euro (109,586) in independent auditor costs, (iv) Euro (6,362) in printing costs for the annual and interim reports, (v) Euro (1,334) for the CONSOB contribution and (vi) Euro (865) in banking expenses;
- Euro **(55,060)** for Depositary fees;
- Euro **767,338** in other net income: (i) Euro 773,840 primarily from an indemnity and redemptions for equalisation and (ii) Euro (6,502) in contingent liabilities for costs accrued during the previous financial year;
- Euro **(2,931)** in interest expenses accrued on the line of credit.

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for The Board of Directors The  
Chairman  
Innocenzo Cipolletta  
[signature]

Milan, 24 February 2016



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## STATEMENTS OF THE REPORT

## ASSETS and LIABILITIES STATEMENT

|  | Situation as at 31/12/2015        |                               | Situation at end of previous financial year        |                               |
|--|-----------------------------------|-------------------------------|--|-------------------------------|
| ASSETS   | Total value                       | As a percentage of the assets | Total value  | As a percentage of the assets |
| <b>A. FINANCIAL INSTRUMENTS</b>                | <b>371.446.523</b>                | <b>93,24</b>                  | <b>346.929.920</b>                                 | <b>91,01</b>                  |
| Unlisted financial instruments                 |                                   |                               |  |                               |
| A1. Controlling shareholdings                  | 17.500.000                        | 4,39                          | 17.500.000   | 4,59                          |
| A2. Non-controlling shareholdings              | 206.122.000                       | 51,74                         | 209.826.408  | 55,05                         |
| A4. Debt securities                            | 38.153.247                        | 9,58                          | 47.087.750   | 12,35                         |
| A5. UCI units                                  | 109.671.276                       | 27,53                         | 72.515.762   | 19,02                         |
| <b>C. RECEIVABLES</b>                          | <b>3.321.040</b>                  | <b>0,83</b>                   | <b>12.401.040</b>                                  | <b>3,25</b>                   |
| C2. Other                                      | 3.321.040                         | 0,83                          | 12.401.040   | 3,25                          |
| <b>F. NET CASH POSITION</b>                    | <b>14.907.374</b>                 | <b>3,74</b>                   | <b>14.022.400</b>                                  | <b>3,68</b>                   |
| F1. Cash assets                                | 14.907.374                        | 3,74                          | 14.022.400   | 3,68                          |
| <b>G. OTHER ASSETS</b>                         | <b>8.737.495</b>                  | <b>2,19</b>                   | <b>7.833.544</b>                                   | <b>2,06</b>                   |
| G2. Prepaid expenses and accrued income        | 1.025.191                         | 0,26                          | 1.036.238  | 0,27                          |
| G3. Tax savings                                | 1.297.306                         | 0,32                          | 1.297.306  | 0,34                          |
| G4. Other                                      | 6.414.998                         | 1,61                          | 5.500.000  | 1,45                          |
| <b>TOTAL ASSETS</b>                            | <b>398.412.432</b>                | <b>100,00</b>                 | <b>381.186.904</b>                                 | <b>100,00</b>                 |
| <b>LIABILITIES AND NET</b>                     | <b>Situation as at 31/12/2015</b> |                               | <b>Situation at end of previous financial year</b> |                               |
| <b>M. OTHER LIABILITIES</b>                    | <b>174.922</b>                    |                               | <b>799.373</b>                                     |                               |
| M1. Fees and expenses accrued and not yet paid | 29.011                            |                               | 30.181   |                               |
| M4. Other                                      | 145.911                           |                               | 769.192  |                               |
| <b>TOTAL LIABILITIES</b>                       | <b>174.922</b>                    |                               | <b>799.373</b>                                     |                               |
| <b>TOTAL NET VALUE OF THE FUND</b>             | <b>398.237.510</b>                |                               | <b>380.387.531</b>                                 |                               |
| Number of units in circulation                 | 4.800                             |                               | 4.800  |                               |
| Unit value of the units                        | 82.966,148                        |                               | 79.247,402   |                               |
| Total value of amounts to be called up         | 575.341.320                       |                               | 645.325.320  |                               |
| Unit value of the units to be called up        | 119.862,775                       |                               | 134.442,775  |                               |
| Redemptions or income distributed              | 143.240.063                       |                               | 92.208.182   |                               |
| Unit value of the redeemed units               | 29.841,680                        |                               | 19.210,038   |                               |

## INCOME SECTION

|   | Report ending 31/12/2015 | Report from previous financial year |
|---|--------------------------|-------------------------------------|
| <b>A. FINANCIAL INSTRUMENTS</b>                   |                          |                                     |
| Unlisted financial instruments                    |                          |                                     |
| <b>A1. HOLDINGS</b>                               | <b>-1.848.360</b>        | <b>26.222.361</b>                   |
| A1.1 dividends and other income                   | 2.226.518                | 2.061.937                           |
| A1.2 profits/losses from encashments              | 9.000.000                | 44.522.408                          |
| A1.3 capital gains/losses                         | -13.074.878              | -20.361.984                         |
| <b>A2. OTHER UNLISTED FINANCIAL INSTRUMENTS</b>   | <b>22.854.154</b>        | <b>-2.500.178</b>                   |
| A2.1 interest, dividends and other income         | 2.707.186                | 2.763.019                           |
| A2.2 profits/losses from encashments              | 1.479.101                |                                     |
| A2.3 capital gains/losses                         | 18.667.867               | -5.263.197                          |
| <b>Operating profit financial instruments</b>     | <b>21.005.794</b>        | <b>23.722.183</b>                   |
| <b>C. RECEIVABLES</b>                             |                          |                                     |
| C1. interest income and related income            | 425.945                  | 393.288                             |
| C2. increases/decreases in value                  | -137.357                 | -45.000                             |
| <b>Operating result: receivables</b>              | <b>288.588</b>           | <b>348.288</b>                      |
| <b>Operating result: investments</b>              | <b>21.294.382</b>        | <b>24.070.471</b>                   |
| <b>Gross operating profit</b>                     | <b>21.294.382</b>        | <b>24.070.471</b>                   |
| <b>H. FINANCIAL EXPENSES</b>                      | <b>-2.931</b>            | <b>-3.169</b>                       |
| H1. Interest expenses on loans received           |                          |                                     |
| H1.2 on other loans                               | -2.931                   | -3.169                              |
| <b>Net operating profit</b>                       | <b>21.291.451</b>        | <b>24.067.302</b>                   |
| <b>I. OPERATING EXPENSES</b>                      | <b>-23.160.929</b>       | <b>-24.230.803</b>                  |
| I1. SGR management fees                           | -13.920.000              | -13.920.000                         |
| I2. Depositary fees                               | -55.060                  | -56.596                             |
| I5. Other operating expenses                      | -9.185.869               | -10.254.207                         |
| <b>L. OTHER INCOME AND EXPENSES</b>               | <b>767.338</b>           | <b>166.404</b>                      |
| L1. Interest income on liquid assets              |                          | 1.600                               |
| L2. Other income                                  | 773.840                  | 195.364                             |
| L3. Other expenses                                | -6.502                   | -30.560                             |
| <b>Operating profit before taxes</b>              | <b>-1.102.140</b>        | <b>2.903</b>                        |
| <b>Total Profit/(Loss) for the financial year</b> | <b>-1.102.140</b>        | <b>2.903</b>                        |

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## EXPLANATORY NOTES

### **PART A – PERFORMANCE**

### **PART B – ASSETS, LIABILITIES AND THE TOTAL NET VALUE**

Section I – Valuation criteria

Section II – Assets

Section III – Liabilities

Section IV – Total net value Section V – Other balance sheet figures

### **Part C – ECONOMIC RESULT OF THE FINANCIAL YEAR**

Section I – Result of operations on shareholdings and other financial instruments

Section III – Receivables

Section VI – Other management operations and financial expenses

Section VII – Operating expenses

Section VIII – Other income and expenses

### **Part D – OTHER INFORMATION**

- TABLE A

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## PART A – PERFORMANCE

The trends in the equity values through 31 December 2015 is shown below:

|                        | Value of the Fund | Number of units | Unit Value | Nominal Value |
|------------------------|-------------------|-----------------|------------|---------------|
| as at 31 December 2010 | 3.426.978         | 4.800           | 713,954    | 250.000       |
| as at 30 June 2011     | 43.880.841        | 4.800           | 9.141,842  | 250.000       |
| as at 31 December 2011 | 131.753.548       | 4.800           | 27.448,656 | 250.000       |
| as at 31 December 2012 | 289.411.243       | 4.800           | 60.294,009 | 250.000       |
| as at 31 December 2013 | 382.572.995       | 4.800           | 79.702,707 | 250.000       |
| as at 31 December 2014 | 380.387.531       | 4.800           | 79.247,402 | 250.000       |
| as at 31 December 2015 | 398.237.510       | 4.800           | 82.966,148 | 250.000       |

The Fund's units were issued at the first partial closing of subscriptions, which took place on 9 November 2010.

As at 31 December 2015, 10 partial early distributions were paid against divestments for a total of Euro **143,240,063**, as follows:

- Euro **4,920,614** during the **2013** financial year (one distribution);
- Euro **87,287,568** during the **2014** financial year (four distributions);
- Euro **51,031,881** during the **2015** financial year (five distributions);

The details are shown below:

| Description                | Amount             | Unit Value | Value date |
|----------------------------|--------------------|------------|------------|
| 1st Distribution           | 4.920.614          | 1.025,128  | 24/12/13   |
| <b>2013 Sub-Total</b>      | <b>4.920.614</b>   |            |            |
| 2nd Distribution           | 16.000.000         | 3.333,333  | 13/06/14   |
| 3rd Distribution           | 7.757.332          | 1.616,111  | 08/07/14   |
| 4th Distribution           | 59.810.000         | 12.460,417 | 01/08/14   |
| 5th Distribution           | 3.720.236          | 775,049    | 28/11/14   |
| <b>2014 Sub-Total</b>      | <b>87.287.568</b>  |            |            |
| 6th Distribution           | 4.000.000          | 833,333    | 30/06/15   |
| 7th Distribution           | 10.000.002         | 2.083,334  | 31/07/15   |
| 8th Distribution           | 17.290.000         | 3.602,083  | 06/11/15   |
| 9th Distribution           | 3.241.879          | 675,392    | 18/12/15   |
| 10th Distribution          | 16.500.000         | 3.437,500  | 21/12/15   |
| <b>2015 Sub-Total</b>      | <b>51.031.881</b>  |            |            |
| <b>TOTAL DISTRIBUTIONS</b> | <b>143.240.063</b> |            |            |

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On 26 January 2016, the Fund paid the 11th distribution against divestments, equal to Euro **8,267,910**, a per-unit value of Euro 1,722.481.

During the financial year, no units were exchanged and no income was distributed.

The net asset value of the Fund as at 31 December 2015 is equal to Euro 398,237,510, which corresponds to a net unit value of Euro 82,966.148. The loss for the financial year is Euro 1,102,140. For the relevant composition, please refer to the Directors' Report.

For the qualitative and quantitative information concerning the risks assumed and the methodologies used to monitor these risks, see the contents of part D – Other Information.

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## PART B – ASSETS, LIABILITIES AND THE TOTAL NET VALUE

### Valuation Criteria

The valuation criteria applied to determine the value of the Fund's assets are the criteria established by the Regulations on Collective Asset Management Services Title V – Collective Asset Management Bodies issued on 19 January 2015 (hereinafter, the “Banca d'Italia Regulation”). The Company updated these criteria by defining a special policy called “Valuation of Assets and calculation of the NAV of managed funds”, which was approved by the Board of Directors on 16 April 2015.

The purpose of valuing the Fund's assets is to correctly determine the asset situation of the Fund itself. For this reason, the Company has equipped itself with the necessary tools to ensure that the Fund's assets are fairly and correctly represented and that their total net value is equal to the current value on the reference date of the valuation of the assets that comprise it, net of any liabilities.

The total net value takes into account the accrued income components directly attributable to the Fund and the effects from executed transactions that have not been settled.

The income and expenses are recorded on an accrual basis regardless of the date of collection and payment.

Therefore, when valuing the net assets of the Fund, the accruals portion of the relevant positive and negative income components are taken into account, among other factors.

The valuation criteria are indicated below:

#### Unlisted financial instruments

Holdings in unlisted companies are recorded at the adjusted purchase price in case of reduction of the shareholders' equity and are written down in case of deterioration of the economic, equity or financial situation of the company or events that could permanently affect the prospects of the same company and the estimated realisable value of the associated securities. The holdings are written down when there are reductions in the shareholders' equity of the underlying companies.

Any write-down may be defined according to:

- the criteria defined by Banca d'Italia (reflecting the reduction in the net equity of the holding recorded in the last official statement of account, annual financial statements and/or half-year report);
- at the fair value as determined through the valuation process (any write-down is intended to align the book value of the holding with this value).

In exceptional cases, the Company may avoid performing the write-down on the basis of a justified resolution when specific circumstances are in place, such as when the reduction is temporary or irrelevant.

Holdings in unlisted companies may be revalued after a period of typically no less than one year from the investment date based on the criteria established by Banca d'Italia (Articles 2.4.3 and 2.4.6 section II of the Banca d'Italia Regulations).



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The costs associated with the due diligence activities and legal, fiscal, accounting and notarial services incurred in all phases of the management of the companies (from acquisition through disposal) are expensed during the reference period on an accrual basis and do not increase the carrying/book value of the underlying company.

#### UCI units

The UCI units held by the Fund are valued according to the last value made known to the public, as corrected and revalued, as necessary, to take into account:

- i. market prices, if the UCI units are traded on a regulated market;
- ii. potential objective valuation elements associated with events occurring after the determination of the last value made known to the public. The value made known to the public refers to the NAV (the net asset value of the fund), which is regularly approved by the Board of Directors of the management company of the fund and published in accordance with the procedures established in the Management Regulations of the Fund undergoing valuation.

The “objective valuation elements” are reported as necessary when they change the last value made known to the public, as defined above:

- redemptions of units occurring during the reference period;
- call ups during the reference period;
- sale of holdings with capital gains or losses;
- situations related to the valuation of the holdings of the UCI (for example, official communication regarding the bankruptcy of an investee company);
- distribution of income.

The costs associated with the due diligence activities and legal, fiscal, accounting and notarial services incurred in all phases of the management of the fund (from acquisition through disposal) are expensed during the reference period on an accrual basis and do not increase the carrying/book value of the investee fund.

The commissions, fees and ancillary expenses incurred whenever the Fund subscribes to UCI units after the first closing period of the investee fund are expensed during the reference period.

UCI units subscribed to during the financial year for which there is not yet an approved NAV after the entry of the Fund are recorded according to the book value corresponding to the invested capital of the UCI specified in the relevant draw down letter.

#### Listed financial instruments

The value of listed financial instruments is determined according to the last available price recorded on the trading market; in particular, on the basis of the price located in the interval between the ask and the offer (bid-ask-price), which is considered most representative of the fair value on the measurement date. For instruments traded on multiple markets, reference is made to the market with the highest prices, keeping in mind the volumes traded on that market and the operations carried out by the fund.

If the listed financial instrument shows limited trading volumes and few exchanges, this instrument is valued in accordance with the criteria established for unlisted financial instruments.

Discounts are not applied to prices negotiated on regulated markets, unless there are agreements or legal or regulatory constraints that would impact the price of the units undergoing valuation.

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### Receivables

The acquired receivables are valued in accordance with their estimated realisable value.

This value is calculated taking into account the following:

- the market prices, where available;
- the characteristics of the receivables.

When calculating the estimated realisable value, negative economic trends impacting certain operating sectors as well as specific geographical areas may also be taken into account. The associated write-downs may also be determined on a flat-rate basis.

Receivables connected to holdings (currently in the portfolio or sold in accordance with the provisions of the Fund's management regulations) are considered in this item. In general, the receivables are valued at their nominal value. However, if these receivables arise from loans granted by the Fund to issuers of the financial instruments held in the portfolio, the valuation of said receivables shall be consistent with the valuation process of the holding.

### Other assets potentially held by the Fund

The other assets potentially held by the Fund, other than those described in the above paragraphs, are valued based on the most recent price recorded on the reference market, corrected as necessary based on the other available objective elements, potentially including valuations performed by independent experts.

In any event, the following are valued according to their nominal value:

- liquid assets;
- debt positions. For loans repayable by instalments, reference is made to the outstanding capital debt;
- on-demand bank deposits.

### Other information

Items denominated in currencies other than the currency of the Fund are converted into Euros based on the current exchange rates on the reference date of the valuation using the reference exchange rates produced by the European Central Bank (ECB).

Forward currency transactions are converted at the current forward exchange rate for maturities corresponding to those of the transactions being valued.

Assets received as collateral are recorded in the memorandum accounts at their current value.

### Income and expenses

Interest and other income and expenses are recorded on an accrual basis regardless of the date of collection and payment through the appropriate entries of accrued income and expenses.

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#### Substitute tax: taxation

With reference to the taxation of Italian mutual funds, Law No. 10 of 26 February 2011 introduced significant modifications to the tax regime for mutual funds. In particular, for Italian and foreign mutual funds, the taxation regime on the results achieved through the management of the fund has been cancelled, whereby the SGR directly applied a tax of 12.50% on the increase in value generated over the year. Starting 1 July 2011, taxation takes place at the level of the results achieved by the participants at the time of collection of the proceeds. Consequently, the unit value as at 30 June 2011 represents the basis for the tax calculation in the event of distribution of proceeds.

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## Section II – Assets

The Fund's assets as at 31 December 2015 are broken down as follows:

- 93.24% Financial Instruments;
- 3.74% Liquidity;
- 2.19% Other assets.
- 0.83% Receivables;

The financial instruments are represented by the following assets:

- 1) Controlling shareholdings equal to Euro 17,500,000 (4.36%) represented by the single vehicle owned 100% by the Fund, Ferry Investments S.r.l., which holds 10.11% of Caronte & Tourist S.p.A..
- 2) Non-controlling shareholdings equal to Euro 206,122,000 (51.74%) represented by 25 direct investments: Geico Lender S.p.A, BAT S.p.A., Sanlorenzo S.p.A., Truestar Group S.p.A., DBA Group S.r.l., Amut S.p.A., IMT S.p.A., Elco Electronic Components Italiana S.p.A., Sira Industrie S.p.A., TBS Group S.p.A., Rigoni di Asiago S.r.l., La Patria S.r.l., Zeis Excelsa S.p.A., General Medical Merate S.p.A., Labomar S.r.l., Antares Vision S.r.l., E.M.A.R.C. S.p.A., Megadyne S.p.A., Mape S.p.A., Turbocoating S.p.A., Surgital S.p.A., Marsilli S.p.A., Mesgo S.p.A., Forgital Group S.p.A., IEN-Film Master Group S.p.A. and Brugola O.E.B. Industriale S.p.A., and six indirect investments: Winch Italia S.p.A., Neip III S.p.A., HAT Holding All Together S.p.A., United Ventures One S.p.A., Programma 101 S.p.A. and SI2 S.p.A..

The information sheet for each of the Fund's holdings is provided below.

- 3) UCI units equal to Euro 109,671,276 (27.53%) represented by 15 indirect investments: Wisequity III, Finanza e Sviluppo Impresa, Progressio Investimenti II, Gradiente I, Vertis Capital Parallel, Alto Capital III, IGI Investimenti Cinque Parallel, 360 Capital 2011 FCPR, Sofinnova Capital VII, Star III-Private Equity Fund, Emisys Development, Ambienta II, AXA Expansion III Italia Parallel, Consilium Private Equity Fund III and Panakés Fund.

For each UCI, an information sheet is provided below containing a brief description of the operation and the most important information regarding the unit purchased.

- 4) Debt securities equal to Euro 38,153,247 (9.58%) represented by 6 convertible bonds (hereinafter, the "convertible bonds") in addition to ordinary bonds and capitalised interest, issued by six companies:
  - a. Euro 8,000,000, convertible bond issued by Zeis Excelsa S.p.A. on 29 May 2012, duration: 6 years and Euro 1,386,588 in ordinary bonds issued against the 2013, 2014, and 2015 coupons in addition to capitalised interest on the aforesaid ordinary bonds for a total of Euro 9,386,588;
  - b. Euro 2,500,000, convertible bond issued by Turbocoating S.p.A. on 29 January 2013, duration: 10 years;
  - c. Euro 3,000,000, convertible bond issued by Farmol S.p.A. on 29 November 2013, duration: four years;
  - d. Euro 15,000,000, convertible bond issued by Forgital Group S.p.A. on 27 December 2013, duration: five years;
  - e. Euro 6,666,660, convertible bond issued by IEN-Film Master Group S.p.A. on 26 August 2014, duration six years, and Euro 599,999 in ordinary bonds issued on 26 August 2015 against the first coupon issue;
  - f. Euro 1,000,000, convertible bond issued by E.M.A.R.C. S.p.A. on 5 November 2014,

duration: eight years.

It is noted that the following were fully written-down in previous financial years: (i) the Mape convertible bond for Euro 6,000,000, issued on 18 October 2012 and (ii) the IMT convertible bond of Euro 5,000,000 issued on 30 December 2011, plus capitalised interest as at 31 December 2013 equal to Euro 576,490.

On 30 July 2015, TBS Group S.p.A. fully repaid the convertible loan for Euro 10,000,002.

The receivables, which are equal to Euro 3,321,040 (0.83%), are associated with two loans, as indicated below:

- a. Euro 321,040, against a purchase price of Euro 446,040, in a convertible shareholder loan issued to BAT S.p.A., on 9 May 2011;
- b. Euro 3,000,000 as a convertible shareholder loan, backed by a pledge on shares, disbursed to Truestar Group S.p.A. in two separate tranches, Euro 1,200,000 on 26 November 2013 and Euro 1,800,000 on 19 December 2013, duration: three years.

On 28 May 2015, Rigoni di Asiago S.r.l. repaid the loan for Euro 4,000,000.

The net cash position, equal to Euro **14,907,374** (3.74%), consists of the balance of the Fund's current account.

The rest of the assets, equal to Euro **8,737,495** (2.19%), break down as follows:

- Euro 5,500,000 for the receivable from Roxe S.A., maturity date, 31 December 2016, for the deferred portion of the sale price of Eco Eridania S.p.A.;
- Euro 1,297,306 in tax savings based on the negative 2010 result and the first half of 2011, equal to 12.5% of the respective losses;
- Euro 1,025,191 in accrued interest for interest accruing on the convertible bonds, ordinary bonds and loans in place;
- Euro 648,000 for a receivable for an indemnity from an underlying company;
- Euro 266,997 for a receivable from the fund Consilium PE Fund III for equalisation, following the final closing reported on 18 December 2015;
- Euro 1, roundings.

## Section II.1 – Unlisted financial instruments

### Section II.1 – a): Breakdown of unlisted financial instruments by geographical area

| Geographical areas | Bonds             | Equity Securities | Other negotiable securities and debt securities | UCI units          | Holdings           | Real Estate |
|--------------------|-------------------|-------------------|---|--------------------|--------------------|-------------|
| ITALY              | 38.153.247        |                   |   | 85.422.553         | 223.622.000        |             |
| EURO COUNTRIES     |                   |                   |   | 24.248.723         |                    |             |
| <b>Total</b>       | <b>38.153.247</b> |                   |   | <b>109.671.276</b> | <b>223.622.000</b> |             |

All of the direct investments and most of the indirect investments took place in the national territory; four indirect investments took place in the Euro zone, with a focus on the national territory. For more details, see the Directors' Report.

## Section II.1 – b): Breakdown of unlisted financial instruments by economic sector

| Type of security                                   | Bonds             | Equity Securities | Other negotiable securities and debt securities | UCI units          | Holdings           | Real Estate |
|--|-------------------|-------------------|---|--------------------|--------------------|-------------|
| TEXTILES   |                   |                   |   |                    |                    |             |
| FOOD   |                   |                   |   |                    | 20.602.500         |             |
| MECHANICAL   | 16.000.000        |                   |   |                    | 66.871.960         |             |
| MISCELLANEOUS TRANSPORTATION (FACILITY MANAGEMENT) |                   |                   |   |                    | 17.500.000         |             |
| FINANCIAL  |                   |                   |   | 109.671.276        | 24.644.159         |             |
| ELECTRONIC   |                   |                   |   |                    | 3.350.000          |             |
| OTHER  | 22.153.247        |                   |   |                    | 89.953.381         |             |
| <b>Total</b>                                       | <b>38.153.247</b> |                   |   | <b>109.671.276</b> | <b>223.622.000</b> |             |

Bat S.p.A., Amut S.p.A., IMT S.p.A., Sira Industrie S.p.A., E.M.A.R.C. S.p.A., Mape S.p.A., Mesgo S.p.A., Marsilli S.p.A., Forgital Group S.p.A. and Brugola O.E.B. Industriale S.p.A. operate in the mechanical sector. Rigoni di Asiago S.r.l. and Surgital S.p.A. operate in the food sector; the rest of the companies operate in various sectors: Caronte e Tourist S.p.A. (Ferry Investments S.r.l.) in transportation, Geico Lender S.p.A. in facility management, DBA Group S.p.A. in engineering and ICT, Sanlorenzo S.p.A. in ship and boat building, Truestar Group S.p.A. in airport baggage sorting, Elco S.p.A. in the production of printed circuit boards, TBS Group S.p.A. in integrated medical equipment maintenance services, La Patria S.r.l. in security services, Farmol S.p.A. in the production of aerosols and liquids for cosmetics, Zeis Excelsa S.p.A. in footwear and clothing, Turbocoating S.p.A. in the so-called coating sector, Antares Vision S.r.l. in the artificial vision technology sector, General Medical Merate S.p.A. in diagnostic radiology equipment, Labomar S.r.l. in nutraceuticals, Megadyne S.p.A. in polyurethane and rubber belts, IEN-Film Master Group S.p.A. in cinematographic production, as described in the prospectuses of each underlying company.

The UCIs and the holding companies operate in the financial sector.

## Section II.1 - c) Breakdown of unlisted financial instruments by issuer's country of residence

| Financial instrument                        | Issuer's country of residence |              |                      |                 |
|---|-------------------------------|--------------|----------------------|-----------------|
|   | Italy                         | EU countries | Other OECD countries | Other countries |
| Equities:<br>(other than shareholdings)     |                               |              |                      |                 |
| Debt securities:                            |                               |              |                      |                 |
| – issued by the Government                  |                               |              |                      |                 |
| – issued by other public entities           |                               |              |                      |                 |
| – issued by banks                           |                               |              |                      |                 |
| – issued by others                          | 38.153.247                    |              |                      |                 |
| UCI units:                                  |                               |              |                      |                 |
| – open unreserved AIF                       |                               |              |                      |                 |
| – reserved AIF<br>including real estate Fia | 85.422.553                    | 24.248.723   |                      |                 |
| – other (please specify)                    |                               |              |                      |                 |
| Total:                                      |                               |              |                      |                 |
| – in absolute value                         | 123.575.800                   | 24.248.723   |                      |                 |
| – as a percentage of the total activities   | 31.02%                        | 6.09%        |                      |                 |

## Section II.1 – d) Changes during the year in unlisted financial instruments

|                               | Value of Purchases | Value of sales/redemptions |
|-------------------------------|--------------------|----------------------------|
| Non-controlling shareholdings | 21.304.386         | 20.933.916                 |
| Debt securities               | 1.065.499          | 10.000.002                 |
| UCI units                     | 42.490.466         | 24.002.820                 |
| <b>Total</b>                  | <b>64.860.351</b>  | <b>54.936.738</b>          |

The table showing changes during the year in unlisted financial instruments (including holding companies) shows the amount invested and divested (both direct and indirect), before capital gains/losses and profits from the sale recorded at the end of the financial year; the balance is positive and is equal to Euro 9,923,613.

### Details of Sales/Redemptions equal to Euro 54,936,738

- a) Euro **20,933,916** for the value of the sales of non-controlling shareholdings, broken down as follows:
  - Euro 16,500,000, sale of Comecer S.p.A. on 18 December 2015;
  - Euro 4,433,916, distributions from two holding companies: (i) Euro 2,702,406 from Hat Holding All Together S.p.A. and (ii) Euro 1,731,510 from Neip S.p.A..
- b) Euro **10,000,002** for the early repayment of the TBS Group S.p.A. convertible bond on 30 July 2015.
- c) Euro **24,002,820** resulting from certain reimbursements, indicated below:
  - Euro 23,019,896, Wisequity III distributions;
  - Euro 539,474, Gradiente I distribution;
  - Euro 230,948, equalisation of Consilium Private Equity Fund III.
  - Euro 106,000, redemption of AXA Expansion III Italia Private Equity;

- 
- Euro 80,102, Vertis Capital Parallel distribution;
  - Euro 26,400, Ambienta II distribution.

Details of Purchases, equal to Euro 64,860,351

- a) Euro **21,304,386** for the value of purchases of non-controlling shareholdings, broken down as follows:
  - Euro 7,500,000, for the closing in Brugola O.E.B. Industriale S.p.A., on 17 March 2015;
  - Euro 1,500,000, for the add-on in DBA Group S.r.l., on 17 April 2015;
  - Euro 5,000,000 for the conversion of the shareholder loan into a share capital increase in Forgital Italy S.p.A. on 12 June 2015;
  - Euro 7,301,886 for its portion of the call-ups executed in 2015 for investments made by the holding companies;
  - Euro 2,500, for the add-on in Rigoni di Asiago S.r.l., on 10 December 2015.
- b) Euro **1,065,499** in ordinary bonds, as follows:
  - Euro 465,500 for the third coupon of the Zeis Excelsa S.p.A. convertible bond, plus capitalised interest, on 29 May 2015 and
  - Euro 599,999 for the first IEN-Film Master Group S.p.A. convertible bond coupon, on 26 August 2015.
- c) Euro **42,490,466** for its portion of the call-ups executed in 2015 for investments made by the underlying funds (UCI units);



The details of “purchases” made during the financial year are provided below.

| Unlisted financial instruments               | Share capital increase | % of capital invested | Purchase of shares - Replacement | % of capital invested | Purchase of debt securities | % of capital invested | Capital invested in UCI units | % of capital invested | Total             |
|--|------------------------|-----------------------|----------------------------------|-----------------------|-----------------------------|-----------------------|-------------------------------|-----------------------|-------------------|
| <b>Direct investments</b>                    |                        |                       |                                  |                       |                             |                       |                               |                       |                   |
| POC ZEIS S.p.A.                              |                        |                       |                                  |                       | 465.500                     |                       |                               |                       | 465.500           |
| POC IEN S.p.A.                               |                        |                       |                                  |                       | 599.999                     |                       |                               |                       | 599.999           |
| Brugola OEB Industriale S.p.A.               | 7.500.000              |                       |                                  |                       |                             |                       |                               |                       | 7.500.000         |
| DBA Group S.r.l.                             | 1.500.000              |                       |                                  |                       |                             |                       |                               |                       | 1.500.000         |
| Rigoni di Asiago S.r.l.                      | 2.500                  |                       |                                  |                       |                             |                       |                               |                       | 2.500             |
| Forgital Italy S.p.A.                        | 5.000.000              |                       |                                  |                       |                             |                       |                               |                       | 5.000.000         |
| <b>Indirect investments</b>                  |                        |                       |                                  |                       |                             |                       |                               |                       |                   |
| HAT Holding All Together S.p.A.              |                        |                       | 100.000                          |                       |                             |                       |                               |                       | 100.000           |
| NEIP III S.p.A.                              |                        |                       | 2.607.539                        |                       |                             |                       |                               |                       | 2.607.539         |
| SI2 S.p.A.                                   |                        |                       | 1.411.232                        |                       |                             |                       |                               |                       | 1.411.232         |
| PROGRAMMA 101 S.p.A.                         |                        |                       | 2.094.879                        |                       |                             |                       |                               |                       | 2.094.879         |
| UNITED VENTURES S.p.A.                       |                        |                       | 1.088.236                        |                       |                             |                       |                               |                       | 1.088.236         |
| WISEQUITY III                                |                        |                       |                                  |                       |                             |                       | 385.675                       |                       | 385.675           |
| PROGRESSIO INVESTIMENTI II                   |                        |                       |                                  |                       |                             |                       | 6.427.522                     |                       | 6.427.522         |
| FINANZA e SVILUPPO IMPRESA                   |                        |                       |                                  |                       |                             |                       | 4.382.144                     |                       | 4.382.144         |
| GRADIENTE I                                  |                        |                       |                                  |                       |                             |                       | 5.181.579                     |                       | 5.181.579         |
| Alto Capital III                             |                        |                       |                                  |                       |                             |                       | 4.760.639                     |                       | 4.760.639         |
| IGI Investment Cinque Parallel               |                        |                       |                                  |                       |                             |                       | 3.009.044                     |                       | 3.009.044         |
| Star III-Private Equity Fund                 |                        |                       |                                  |                       |                             |                       | 2.189.282                     |                       | 2.189.282         |
| 360 CAPITAL 2011 FCPR                        |                        |                       |                                  |                       |                             |                       | 1.412.827                     |                       | 1.412.827         |
| SOFINNOVA CAPITAL VII                        |                        |                       |                                  |                       |                             |                       | 1.924.688                     |                       | 1.924.688         |
| EMISYS DEVELOPMENT                           |                        |                       |                                  |                       |                             |                       | 3.893.130                     |                       | 3.893.130         |
| AMBIENTA II                                  |                        |                       |                                  |                       |                             |                       | 2.049.480                     |                       | 2.049.480         |
| Consilium Private Equity Fund III            |                        |                       |                                  |                       |                             |                       | 2.874.457                     |                       | 2.874.457         |
| AXA EXPANSION III ITALIA                     |                        |                       |                                  |                       |                             |                       | 4.000.000                     |                       | 4.000.000         |
| <b>Total invested as at 31 December 2015</b> | <b>14.002.500</b>      | <b>21.59%</b>         | <b>7.301.886</b>                 | <b>11.26%</b>         | <b>1.065.499</b>            | <b>1.64%</b>          | <b>42.490.466</b>             | <b>65.51%</b>         | <b>64.860.351</b> |

## Section II.5 – Receivables

|  | Remaining duration |              |              |                                     |
|--|--------------------|--------------|--------------|-------------------------------------|
|  | Up to 12 months    | 12-24 months | 24-36 months | More than 36 months or undetermined |
| Receivables acquired through securitisation operations |                    |              |              |                                     |
| Other receivables:                                     |                    |              |              |                                     |
| Non-interest bearing loans to Underlying Companies     | 3.000.000          |              |              | 321.040                             |

The item, "Receivables", breaks down as follows:

- Euro 3,000,000 for the TruestarGroup S.p.A. loan, with maturity at the end of financial year 2016; in particular:
  - Euro 1,200,000, first instalment, with maturity date of 26 November 2016;
  - Euro 1,800,000, second instalment, with maturity date of 19 December 2016.
- Euro 321,040 for the BAT S.p.A. loan.

## Section II.8 – Net liquidity position

| Description              |                   |
|--------------------------|-------------------|
| Cash assets              | 14.907.374        |
| <b>NET CASH POSITION</b> | <b>14.907.374</b> |

The cash assets, equal to Euro **14,907,374**, are represented by the balance on the Fund's current account and, as shown above, in addition to the average deposit, essentially breaks down as follows:

- Euro **7,363,200** for the call-up in December (i) management fees for the first quarter of 2016 (equal to **Euro 3,480,000**) paid to SGR on 4 January 2016, (ii) call-ups by the underlying funds already honoured by the end of the year with cash acquired through distributions, interests, and dividends collected before the end of the year (equal to **Euro 3,132,612**) and (iii) costs associated with the direct investments (already incurred) and roundings (equal to **Euro 750,588**).
- Euro **7,821,510** from two distributions from two indirect investments: (i) Euro 6,090,000, distribution performed as a financial set-off by Wisequity III on 21 December 2015, as described above, and (ii) Euro 1,731,510, distribution by NEIP III S.p.A. on 23 December 2015.

## Section II.9 – Other Assets

| Description                                       |                  |
|---|------------------|
| <b>G.2 Prepaid expenses and accrued income</b>    | <b>1.025.191</b> |
| Accrued interest on convertible bonds             | 1.016.478        |
| Accrued interest on loans to Underlying Companies | 8.713            |
| <b>G.3 Tax savings</b>                            | <b>1.297.306</b> |
| Tax savings of first half of 2011                 | 929.723          |
| Tax savings for financial year 2010               | 367.583          |
| <b>G.4 Other</b>                                  | <b>6.414.998</b> |
| Miscellaneous receivables                         | 6.414.997        |
| Roundings   | 1                |
| <b>Total other liabilities</b>                    | <b>8.737.495</b> |

Item G.2, equal to Euro **1,025,191**, is broken down as follows:

- (i) Euro *1,016,478*, accrued interest on convertible bonds, as follows:
  - Euro 289,071 for the convertible bond and ordinary bonds of Zeis Excelsa S.p.A.;
  - Euro 421,572 for the Turbocoating S.p.A. convertible bond;
  - Euro 229,200 for the IEN-Film Master Group S.p.A. convertible bond;
  - Euro 51,333 for the E.M.A.R.C. S.p.A. convertible bond;
  - Euro 15,570 for the Farmol S.p.A. convertible bond;
  - Euro 9,732 for the Forgital Group S.p.A. convertible bond and
- (ii) Euro *8,713*, accrued interest on the TrueStar Group S.p.A. loan.

Item G.3, equal to Euro **1,297,306**, reports the balance derived from the tax savings, equal to 12.5% of the losses as at 31 December 2010 and as at 30 June 2011. Starting 1 July 2011, the tax (currently equal to 26%) is applied to the so-called “gain”.

Item G.4, equal to Euro **6,414,998**, is broken down as follows:

- Euro 5,500,000, receivable from Roxe S.A. for the sale of Eco Eridania S.p.A., maturity date of 31 December 2016;
- Euro 648,000, receivable for an indemnity from an underlying company;
- Euro 266,997, receivable from Consilium PE Fund III for equalisation, collected on 18 January 2016.
- Euro 1, roundings.

## Section III – Liabilities

### Section III. 5 – Other Liabilities

| Description                                    |                |
|--|----------------|
| M1. Fees and expenses accrued and not yet paid | 29.001         |
| Depository                                     | 29.001         |
| M4. Other                                      | 145.911        |
| Payables for capital expenditure               | 65.083         |
| Independent Auditor                            | 80.764         |
| Banking expenses accrued and not yet paid      | 64             |
| <b>Total other liabilities</b>                 | <b>174.922</b> |

The other Liabilities, equal to Euro **174,922**, break down as follows:

- Euro **29,011** in Depository Bank fees calculated in accordance with Article B4.a4. of the Fund Regulations;
- Euro **65,083** in invoices received before the end of December and paid during the first few months of 2016;
- Euro **80,764** in cost provisions for auditing activities, a part of which was already paid on the date of approval of this Annual Report;
- Euro **64**, in banking fees.

## Section IV – Total net value

| Description             | Number of Units | %    |
|-------------------------|-----------------|------|
| Total Units Issued      | 4.800           | 100% |
| of which:               |                 |      |
| Units held by residents | 4.800           | 100% |

The Fund performed a partial closing of subscriptions on 9 November 2010, for a total number of 4,800 units and a total amount of Euro 1,200,000,000. All of the units are held by qualified investors.

## Statement of changes in the value of the fund since the start of operations on 10/11/2010 through 31/12/2015

|   | Amount             | As a percentage of payments |
|---|--------------------|-----------------------------|
| INITIAL AMOUNT OF THE FUND (units issued x issue price)             | 1.200.000.000      |                             |
| <b>TOTAL PAYMENTS MADE</b>  | <b>624.658.680</b> | <b>100.00%</b>              |
| A1. Overall result of the management of shareholdings               | 16.939.830         | 2.71%                       |
| A2. Overall result of the management of other financial instruments | 11.966.850         | 1.92%                       |
| B. Overall real property management result                          |                    | 0.00%                       |
| C. Overall credit management result                                 | 217.615            | 0.03%                       |
| D. Interest income and total related income on bank deposits        |                    | 0.00%                       |
| E. Overall result of the management of other assets                 |                    | 0.00%                       |
| F. Overall result of foreign exchange management                    |                    | 0.00%                       |
| G. Overall result of other management operations                    |                    | 0.00%                       |
| H. Total financial expenses   | -8.515             | 0.00%                       |
| I. Total operating expenses   | -114.565.585       | -18.34%                     |
| L. Total other income and expenses                                  | 971.392            | 0.16%                       |
| M. Total taxes  | 1.297.306          | 0.21%                       |
| REDEMPTIONS OF UNITS  | 143.240.063        | 22.93%                      |
| TOTAL DISTRIBUTED INCOME  |                    | 0.00%                       |
| TOTAL VALUE PRODUCED BY MANAGEMENT BEFORE TAXES                     | -84.478.413        | -13.52%                     |
| TOTAL NET VALUE AS AT 31/12/2015                                    | 398.237.510        | 63.75%                      |
| <b>TOTAL AMOUNTS TO BE CALLED UP</b>                                | <b>575.341.320</b> |                             |
| INTERNAL RATE OF RETURN AS AT THE STATEMENT DATE                    | -5.41%             |                             |

## PART C – ECONOMIC RESULT OF THE FINANCIAL YEAR

### Section I – Result of operations on shareholdings and other financial instruments

| Overall result of operations on:         | Proceeds/losses on disposals | including: for exchange rate changes | Capital gains/(losses) | including: for exchange rate changes |
|--|------------------------------|--------------------------------------|------------------------|--------------------------------------|
| <b>A. Holdings in unlisted companies</b> |                              |                                      |                        |                                      |
| 1. Controlling                           |                              |                                      |                        |                                      |
| 2. Non-controlling                       | 9.000.000                    |                                      | -13.074.878            |                                      |
| <b>B. Unlisted financial instruments</b> |                              |                                      |                        |                                      |
| 1. Other equities                        |                              |                                      |                        |                                      |
| 2. Debt securities                       |                              |                                      |                        |                                      |
| 3. UCI units                             | 1.479.101                    |                                      | 18.667.867             |                                      |
| <b>C. Listed financial instruments</b>   |                              |                                      |                        |                                      |
| 1. Debt securities                       |                              |                                      |                        |                                      |
| 2. Equities                              |                              |                                      |                        |                                      |
| 3. UCI units                             |                              |                                      |                        |                                      |

Proceeds, which are recorded in item A1.2 of the income section, are equal to Euro **9,000,000** and were derived from the sale of Comecer S.p.A..

Proceeds, which are recorded in item A2.2 of the income section, are equal to Euro **1,479,101** and were derived from distributions paid during 2015 by Wisequity III.

The total of items A.1.3 and A2.3 of the income section (capital gains/losses) is equal to Euro **5,592,989**, and when decreased by the amount of Euro 137,357 from item C.2 of the aforesaid income section, the balance becomes Euro 5,455,632.

The net capital losses associated with the investments in unlisted companies (including holding companies, the value of which is determined based on the last official net asset value of each company) are equal to Euro **(13,074,878)**, and break down as follows:

a. write-downs of direct investments, Euro **(15,812,000)** as follows:

- Euro (5,300,000) for Truestar Group S.p.A.,
- Euro (4,000,000) for Sira Industrie S.p.A.,
- Euro (2,500,000) for Amut S.p.A.,
- Euro (1,500,000) in connection with Zeis Excelsa S.p.A.,
- Euro (1,400,000) for E.M.A.R.C. S.p.A.,
- Euro (1,112,000) for BAT S.p.A.,

b. net capital gains on indirect investments (holding companies only), Euro **2,737,122** as follows:

- Euro (1,607,184) for HAT Holding All Together S.p.A.;
- Euro 926,076 for United Ventures One S.p.A.,
- Euro 169,808 for Si2 S.p.A.,
- Euro 146,342 for Winch Italia S.p.A.,
- Euro 1,032 for Programma 101 S.p.A. and
- Euro (113,320) for Neip III S.p.A..

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The net capital gain of Euro **18,667,867** synthesises the valuation effect of the UCI units in the portfolio. In particular, at the end of the financial year, capital gains of **Euro 21,241,547** were recorded on eight UCI units, specifically:

- Euro 18,777.160 for Wisequity III. This larger value is due to proceeds on two sales (JP Group S.p.A. and EidosGroup S.p.A.);
- Euro 117,207 for Fondo Gradiente I;
- Euro 339,303 for Fondo Finanza e Sviluppo Impresa;
- Euro 22,232 for IGI Investimenti Cinque Parallel;
- Euro 972,272 for 360 Capital 2011 FCPR;
- Euro 370,170 for Sofinnova Capital VII;
- Euro 92,757 for Emisys Development;
- Euro 550,445 for Axa Expantion III [sic],

net of the capital losses, for **Euro (2,573,680)** in capital losses recorded on the six UCI units, including:

- Euro (188,992) for Progressio Investimenti II;
- Euro (41,574) for Alto Capital III;
- Euro (2,013,571) for Vertis Capital Parallel;
- Euro (150,735) for Star III Private Equity Fund;
- Euro (164,272) for Ambienta II and
- Euro (14,536) for Consilium Private Equity Fund III.

## Section VII – Operating expenses

### Section VII.1 – Costs incurred during the period

| Total amounts paid   |                                |                      |                       |                            | Taxes paid to entities of the group to which SGR belongs |                          |                       |                            |
|--|--------------------------------|----------------------|-----------------------|----------------------------|--|--------------------------|-----------------------|----------------------------|
| OPERATING EXPENSES   | Amount (in thousands of Euros) | % of total net value | % of the total assets | % of the value of the loan | Amount (in thousands of Euros)                           | % of total net value (*) | % of the total assets | % of the value of the loan |
| 1) Management fees   | 13,920,000                     | 3.50%                | 3.50%                 |                            |  |                          |                       |                            |
| 2) Recurring costs of the UCIs in which the Fund invests   | 8,653,774                      | 2.17%                |                       |                            |  |                          |                       |                            |
| 3) Compensation of the depository  | 55,060                         | 0.01%                | 0.01%                 |                            |  |                          |                       |                            |
| 4) Auditing expenses of the fund   | 109,586                        | 0.03%                |                       |                            |  |                          |                       |                            |
| 5) Costs associated with the valuation of the holding, of real property and of real property rights held by the fund |                                |                      |                       |                            |  |                          |                       |                            |
| 6) Compensation owed to independent experts  |                                |                      |                       |                            |  |                          |                       |                            |
| 7) Real estate management expenses   |                                |                      |                       |                            |  |                          |                       |                            |
| 8) Legal and judicial expenses   |                                |                      |                       |                            |  |                          |                       |                            |
| 9) Fees for the publication of the unit value and potential publication of the prospectus                            |                                |                      |                       |                            |  |                          |                       |                            |
| 10) Other expenses paid by the fund:   |                                |                      |                       |                            |  |                          |                       |                            |
| – Costs for capital expenditure  | 413,948                        | 0.10%                |                       |                            |  |                          |                       |                            |
| – Bank fees  | 0,865                          | 0.00%                |                       |                            |  |                          |                       |                            |
| – CONSOB Oversight Contribution  | 1,334                          | 0.00%                |                       |                            |  |                          |                       |                            |
| – Prospectus printing costs  | 6,362                          | 0.00%                |                       |                            |  |                          |                       |                            |
| <b>TOTAL RECURRING COSTS</b>   | <b>23.160,929</b>              | <b>5.82%</b>         |                       |                            |  |                          |                       |                            |
| 11) Incentive commissions  |                                |                      |                       |                            |  |                          |                       |                            |
| 12) Financial instrument trading fees  |                                |                      |                       |                            |  |                          |                       |                            |
| of which:  |                                |                      |                       |                            |  |                          |                       |                            |
| – on equity securities   |                                |                      |                       |                            |  |                          |                       |                            |
| – on debt securities   |                                |                      |                       |                            |  |                          |                       |                            |
| – on derivatives   |                                |                      |                       |                            |  |                          |                       |                            |
| – other (please specify)   |                                |                      |                       |                            |  |                          |                       |                            |
| 13) Financial expenses on debts assumed by the fund  | 2,931                          |                      |                       | 0.00%                      |  |                          |                       |                            |
| 14) Tax expenses to be paid by the fund  |                                |                      |                       |                            |  |                          |                       |                            |
| <b>TOTAL EXPENSES</b>  | <b>23.163,860</b>              | <b>5.82%</b>         |                       |                            |  |                          |                       |                            |



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The operating costs incurred during the reference period are broken down as follows:

- Management fees equal to Euro (13,920,000), calculated in accordance with the procedures contained in the Management Regulations pursuant to Article B4.a4;
- The recurring costs of the UCIs in which the Fund invests, equal to Euro (8,653,774), are equal to the management fees and costs called up during the financial year by the UCI units in the portfolio and recorded in the profit and loss statement.
- Investment expenditures equal to Euro (413,948) for transaction costs (expenses incurred for due diligence, legal consultation, notary fees, etc.) incurred for the direct and indirect investments;
- Euro (109,586) in independent auditor's fees;
- Euro (55,060) for Depositary fees;
- Euro (1,334) for the oversight contribution paid to CONSOB;
- Euro (6,362) in costs to print the periodic reports (annual and interim);
- Euro (3,796) in banking fees for the three current accounts (management account, inflow account and loan account) of the Depositary, in addition to interest expenses for use of the credit line.

### **Section VII.3 – Remuneration**

The Company complied with the AIFMD regulations regarding remuneration by adopting a special policy at its General Shareholders' Meeting of 29 December 2015 concerning remuneration and incentives, which is currently in effect and applies starting 1 January 2016.

## Section VIII – Other income and expenses

| Description                             |                |
|---|----------------|
| L.1 Interest income on liquid assets    |                |
| L.2 Other income                        | 773.840        |
| Interest receivable from UCI            | 8.564          |
| Reimbursement of UCI equalisation costs | 107.395        |
| Contingent assets                       | 2              |
| Revenue from Investments                | 657.878        |
| Roundings                               | 1              |
| L.3 Other expenses                      | -6.502         |
| Contingent liabilities                  | -6.502         |
| <b>TOTAL</b>                            | <b>767.338</b> |

Item L.2, equal to Euro **773,840**, is broken down as follows:

- Euro 107,395 for redemptions for equalisation by Consilium Private Equity Fund III for final closing;
- Euro 8,564 for equalisation interest by the fund as above;
- Euro 657,878, as follows: (i) Euro 648,000 as an indemnity from the underlying company, SanLorenzo S.p.A. and (ii) Euro 9,878 as reimbursement of costs by Brugola OEB Industriale S.p.A.;
- Euro 1, as contingent assets and roundings.

Item L.3, equal to Euro (6,502), consists of contingent liabilities resulting from costs accrued during the previous financial year.

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## PART D – OTHER INFORMATION

The Management Company manages the risk associated with the Fund's activities at various levels.

In addition to the checks performed by the Investment Teams, qualitative/quantitative controls are performed by the Risk Management Function regarding the major management risks and by the Compliance Function, with particular attention to the management of potential conflicts of interest and compliance with the rules to be followed in investment activities. The Internal Audit Function performs third-level controls on the investment decision-making process.

The Company pays particular attention to operational risks, which can arise from errors in internal procedures, inefficiencies in the systems, materials errors or external events.

The Company does not directly engage in portfolio risk hedging operations directly on behalf of the Funds. The Fund Regulations do not provide for the possibility to request loans to fund early redemptions of units. In addition, so-called "soft commission" agreements are not provided for.

The Company formalised a risk management policy through which it adopted and implemented a quali-quantitative model for the identification, management and assessment of operating and financial risks, which is tailored to the circumstances of the company.

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With regard to the UCI units, specific information sheets have been prepared that summarise the important information and operation types of the subscribed units.

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All of the securities in the portfolio are deposited with the Depositary, except those that have been given as a guarantee.

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## TABLE A

### PROSPECTUS regarding each investment in an unlisted company

Legend for the balance sheet data

- “net fixed capital” refers to the tangible and intangible fixed assets that are functional to the company’s activities;
- in the debt-related items, debts that are payable within the next financial year are listed as, “short-term debt” and all other debt is listed as “medium/long-term debt”;
- “net financial position” refers to the difference between all of the short-term receivables and payables (remaining life of 12 months or less);
- the shareholders’ equity includes: capital, share premium, reserves, fund for general financial risks, revaluation reserves, funds for credit risks, profits (losses) carried forward, profit or loss for the financial year;
- “gross operating margin” refers to the difference between the “turnover” and the cost of sales (excluding personnel costs and other management costs);
- the “operating result” is equal to the “gross operating margin” net of personnel costs and other management costs;
- “gross working capital” refers to the working capital including prepaid expenses and accrued income, net of cash equivalents and non-current financial assets;
- “net working capital” refers to the difference between the “gross working capital” and the non-financial payables (including trade payables, tax payables, social security payables and accrued charges and deferred income).

If consolidated financial statements have been drafted by the issuer, this data has also been reported, where deemed significant.

A financial reclassification system was used for the Holding Companies given that the general system is not applicable.

The information sheets are arranged in the order of their operational closing dates.

\* \* \*

Description and registered office of the company: **Geico Lender S.p.A. – Montesilvano (PE)**

Activity performed by the company: Facility Management – Installation of hydraulic systems, heating systems and air conditioning systems (including maintenance and repair)

## A) SECURITIES IN THE FUND'S PORTFOLIO

| (Figures in Euros)                                  |          |                              |               |                             |   |
|---|----------|------------------------------|---------------|-----------------------------|---|
| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
| 1) equities with voting rights                      | 23.077   | 12,10                        | 3.000.000     | 700.000                     | 700.000                                     |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 30.902.304 | 25.907.003              | 23.722.611                 |
| 2) Holdings                | 2.562      | 7.285.501               | 8.285.501                  |
| 3) Real estate             | 5.369      | 6.198                   | 7.027                      |
| 4) Short-term debt         | 20.444.080 | 14.339.659              | 11.599.371                 |
| 5) Medium/long-term debt   | 1.486.240  | 2.170.946               | 3.179.942                  |
| 6) Shareholders' equity    | 8.971.984  | 9.396.398               | 8.943.298                  |
| 7) Gross working capital   | 22.511.255 | 17.061.859              | 14.004.152                 |
| 8) Net working capital     | 7.601.749  | 6.624.797               | 5.734.657                  |
| 9) Net fixed capital       | 6.743.767  | 769.689                 | 729.502                    |
| 10) Net financial position | -1.086.626 | 1.465.922               | 1.052.536                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 37.884.201 | 19.328.019              | 15.191.773                 |
| 2) Gross operating margin                           | 16.668.437 | 8.710.358               | 7.352.103                  |
| 3) Operating result                                 | 1.137.507  | 723.666                 | 464.215                    |
| 4) Balance of financial income/expenses             | -399.318   | -219.458                | -252.476                   |
| 5) Balance of extraordinary income/expenses         | 1          | 1.356.818               | 8.303                      |
| 6) Profit before taxes                              | 738.190    | 861.026                 | -4.279.958                 |
| 7) Net profit (loss)                                | 18.857     | 453.103                 | -4.496.435                 |
| 8) Depreciation and amortisation for financial year | 1.227.702  | 390.214                 | 345.328                    |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost, corrected for impairment losses

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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 29 April 2011, the Fund, in co-investment with the fund Atlante Private Equity, managed by IMI Fondi Chiusi SGR S.p.A., underwrote a share capital increase in Geico Servizi Integrati di Manutenzione S.p.A. (now Geico Lender S.p.A.) by Euro 3,000,000, equal to 12.10% of the share capital. On the same date, the company purchased 100% of the share capital of Lender S.r.l. and the affiliate, ARM Engineering S.p.A..

#### **F) OTHER INFORMATION**

Geico Lender S.p.A. operates in the “facility management” sector and provides installation, management, specialised maintenance and integrated management of technological systems in civil and industrial real estate complexes.

The objective of the operation was to reinforce the activities of the companies Geico Lender and Lender in their respective reference areas, expanding operations into “peripheral” territorial areas, and to participate in larger tenders and contracts due to its larger size and robustness towards potential customers. On 1 December 2014, the merger by incorporation of subsidiary Lender S.p.A. into Geico Lender S.p.A. was completed.

As a result of the 2011 and 2012 losses and delays in the implementation of the actions planned in the industrial plan, the holding was written down by a total of Euro 2,300,000, thus bringing the book value to Euro 700,000.

The 2015 forecast data shows a production value of 40.1 million Euros (+1.5 million Euros compared to 2014) and an EBITDA of 3 million Euros. The improvement compared to the previous financial year is due to a better sales mix, thanks to greater income from the additional services and the reduction in fixed structural costs.

Description and registered office of the company: **BAT S.p.A. – Noventa di Piave (VE)**

Activity performed by the company: Production of outdoor awnings and their components

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 10.910   | 21,60                        | 6.203.960     | 4.471.960                   | 5.583.960                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      | 1        |                              | 446.040       | 321.040                     | 401.040                                     |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 35.811.321 | 35.000.033              | 34.781.242                 |
| 2) Holdings                | 6.680.239  | 7.565.802               | 6.896.128                  |
| 3) Real estate             | 4.694.437  | 5.012.442               | 5.332.913                  |
| 4) Short-term debt         | 14.052.989 | 12.755.728              | 12.741.341                 |
| 5) Medium/long-term debt   | 6.275.562  | 5.492.001               | 3.437.313                  |
| 6) Shareholders' equity    | 15.482.770 | 16.752.304              | 18.602.588                 |
| 7) Gross working capital   | 19.366.418 | 16.946.844              | 14.966.573                 |
| 8) Net working capital     | 13.488.597 | 11.992.613              | 10.831.499                 |
| 9) Net fixed capital       | 6.048.306  | 6.387.082               | 7.020.517                  |
| 10) Net financial position | -2.129.382 | -2.344.170              | -4.254.954                 |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 24.366.468 | 21.174.982              | 20.431.306                 |
| 2) Gross operating margin                           | 8.126.861  | 6.503.088               | 5.823.718                  |
| 3) Operating result                                 | 2.075.181  | 978.978                 | 257.389                    |
| 4) Balance of financial income/expenses             | 42.162     | -305.026                | -346.085                   |
| 5) Balance of extraordinary income/expenses         | -641.716   | -113.603                | 1.472.255                  |
| 6) Profit before taxes                              | -659.936   | -1.575.214              | 542.689                    |
| 7) Net profit (loss)                                | -1.269.534 | -1.850.286              | 327.439                    |
| 8) Depreciation and amortisation for financial year | 989.259    | 995.541                 | 1.056.171                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost, corrected for impairment losses

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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company owns 100% of BAT Real Estate Corp., a real estate company created in June 2011 that acquired a hanger that is instrument to the Group's activities in the United States.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 9 May 2011, the Fund acquired a 21.6% stake in the capital of BAT S.p.A. through a total investment of Euro 6,650,000, as follows (i) Euro 5,053,960 in a capital increase, (ii) Euro 650,000 in purchased shares, (iii) Euro 446,040 for the subscription of a converting non-interest bearing shareholder loan and (iv) Euro 500,000 for the subscription of an additional converting shareholder loan, which was converted during 2012.

#### **F) OTHER INFORMATION**

BAT S.p.A. is the operational holding of the BAT Group, which is active both in Italy and abroad in the design, production and marketing of outdoor awnings, their accessories and components and special sun protection systems. The BAT Group was created in 1983 when the Barbieri brothers created Fonderie BAT S.r.l., which specialised in the production of outdoor awnings. In 1994, the Group began to develop its industrial production and grew to the national and even international level.

Given the group's performance and, in particular, the bankruptcy of the Swiss subsidiary, Storatex, during financial year 2014 as well as the loss recorded at the end of 2013 (which is also primarily due to the write-down of receivables from Storatex), the Fund considered it prudent to write down the book value of the subsidiary by Euro 665,000, Euro 620,000 of which relates to the share capital, and Euro 45,000 of which relates to the shareholder loan. As at 30 June 2015, as a result of consolidated losses, the underlying company was written down by an additional Euro 1,192,000, Euro 1,112,000 for the share capital, which is now recorded at Euro 4,471,960, and Euro 80,000 for the shareholder loan, now recorded at Euro 321,040.



The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 49.010.000 | 54.860.392              | 50.828.176                 |
| 2) Holdings                | 6.000      | 7.059                   | 6.249                      |
| 3) Real estate             | 13.040.000 | 13.557.975              | 12.983.009                 |
| 4) Short-term debt         | 24.083.000 | 26.501.630              | 24.377.205                 |
| 5) Medium/long-term debt   | 11.418.000 | 10.406.751              | 8.247.759                  |
| 6) Shareholders' equity    | 13.509.000 | 17.952.011              | 18.203.212                 |
| 7) Gross working capital   | 30.586.000 | 34.883.281              | 30.316.455                 |
| 8) Net working capital     | 19.377.000 | 22.174.324              | 19.167.120                 |
| 9) Net fixed capital       | 16.672.000 | 18.292.675              | 18.998.515                 |
| 10) Net financial position | -9.291.000 | -8.568.799              | -8.856.435                 |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 52.128.000 | 63.086.349              | 59.539.690                 |
| 2) Gross operating margin                           | 19.012.000 | 22.801.410              | 22.379.317                 |
| 3) Operating result                                 | 2.522.000  | 1.632.436               | 1.409.906                  |
| 4) Balance of financial income/expenses             | -177.000   | -817.888                | -837.197                   |
| 5) Balance of extraordinary income/expenses         | -4.366.000 | -94.070                 | 1.356.513                  |
| 6) Profit before taxes                              | -4.157.000 | 720.478                 | 1.088.352                  |
| 7) Net profit (loss)                                | -4.580.000 | -21.416                 | 567.867                    |
| 8) Depreciation and amortisation for financial year | 2.150.000  | 2.537.283               | 2.570.434                  |

The forecast as at 31 December 2015 shows income of approximately 56.7 million Euros, up from the corresponding previous financial year, with an EBITDA of 5.4 million Euros, which is essentially consistent with the 2015 revised budget, improvements from the previous year. The good performance of the company comes from the division that markets the finished product, which increased its sales abroad by 15%.

Description and registered office of the company: **Ferry Investments S.r.l.**

Activity performed by the company: Holding company

## A) SECURITIES IN THE FUND'S PORTFOLIO

| (Figures in Euros)                                  |          |                              |               |                             |   |
|---|----------|------------------------------|---------------|-----------------------------|---|
| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
| 1) equities with voting rights                      | 1        | 100                          | 17.500.000    | 17.500.000                  | 17.500.000                                  |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

The company was created on 11 July 2013 as a holding vehicle for the only underlying company, Caronte & Tourist S.p.A..

| (Figures in Euros)                             |           |                         |
|--|-----------|-------------------------|
| Balance sheet data                             | 31/12/14  | Previous Financial Year |
| 1) cash, cash equivalents and sighted deposits | 471.378   | 573.080                 |
| 2) holdings in companies outside of the group  | 5.484.528 | 4.584.528               |
| 3) tangible and intangible fixed assets        | 0         | 0                       |
| 4) other assets                                | 831       | 0                       |
| 5) total assets                                | 5.056.737 | 5.157.608               |
| 6) sight liabilities                           | 160.514   | 439.396                 |
| 7) other liabilities                           | 0         | 1.650                   |
| 8) shareholders' equity                        | 4.896.223 | 4.716.562               |

| (Figures in Euros)                              |          |                         |
|---|----------|-------------------------|
| Income data                                     | 31/12/14 | Previous Financial Year |
| 1) fee and commission expenses                  | 0        | 0                       |
| 2) intermediation margin                        | 0        | 0                       |
| 3) operating result                             | 168.961  | 97.496                  |
| 4) current operating profit (loss) before taxes | 169.079  | 97.496                  |
| 5) current operating profit (loss) after taxes  | 179.661  | 102.034                 |
| 6) Profit (loss) of financial year              | 179.661  | 102.034                 |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 13 June 2011, the Fund increased its participation in Cartour S.r.l. of Euro 17,500,000, equal to 25.36% of the share capital.

In case of a decrease in profitability, the contractual agreements give the Fund the possibility of exercising a share exchange option, which was exercised on 17 July 2013. The Fund sold its participation of 25,36% in Cartour S.r.l. in exchange for the acquisition of 10.11% of the share capital of the holding, Caronte & Tourist S.p.A. (hereinafter, "C&T"), at equal value, Euro 17,500,000, through the vehicle, Ferry Investments S.r.l..

## F) OTHER INFORMATION

C&T is the operational holding of the group and operates in the maritime transportation sector, through the management of car ferry lines and maritime transportation on the Strait of Messina and between Sicily and the continent.

The shipping activities of Caronte S.p.A (hereinafter, "Caronte") and Tourist Ferry Boat S.p.A. (hereinafter, "TFB") were begun in parallel in June 1965, with the Messina/Reggio Calabria connection and later the Messina/Villa San Giovanni connection. In 2001, TFB carried out the "Autostrade del mare" project, creating Cartour S.r.l., to begin the Messina/Salerno connection. In July 2003, Caronte and TFB conferred their shipping activities to the newly created C&T.

In April 2015, C&T took over all of the operational activities of TTLines, which historically performed cabotage activities between the port of Campania and the port of Campania.

The figures from the statutory financial statements and consolidated financial statements of the underlying company Caronte & Tourist S.p.A. are shown below:

### Statutory financial statements of Caronte & Tourist S.p.A.

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 108.777.084 | 115.020.809             | 114.949.804                |
| 2) Holdings                | 58.882.863  | 54.689.952              | 48.063.452                 |
| 3) Real estate             | 2.712.378   | 2.881.290               | 3.028.885                  |
| 4) Short-term debt         | 28.082.483  | 46.113.374              | 52.957.726                 |
| 5) Medium/long-term debt   | 18.871.879  | 16.880.431              | 18.775.219                 |
| 6) Shareholders' equity    | 61.822.722  | 52.027.004              | 43.236.859                 |
| 7) Gross working capital   | 24.493.362  | 26.739.675              | 30.504.708                 |
| 8) Net working capital     | 8.390.087   | -1.694.421              | -1.787.347                 |
| 9) Net fixed capital       | 22.721.931  | 27.837.808              | 34.895.223                 |
| 10) Net financial position | -1.426.718  | -16.328.044             | -22.056.296                |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 82.192.247 | 77.609.864              | 71.452.315                 |
| 2) Gross operating margin                           | 47.335.953 | 48.407.017              | 36.445.056                 |
| 3) Operating result                                 | 18.110.369 | 19.126.992              | 7.136.197                  |
| 4) Balance of financial income/expenses             | -286.871   | -524.307                | -214.302                   |
| 5) Balance of extraordinary income/expenses         | 7.805.101  | -6.072.319              | 110.530                    |
| 6) Profit before taxes                              | 18.950.964 | 12.530.366              | 6.734.641                  |
| 7) Net profit (loss)                                | 11.795.718 | 7.393.644               | 3.862.879                  |
| 8) Depreciation and amortisation for financial year | 4.112.068  | 4.516.786               | 5.395.148                  |

#### Consolidated financial statements of Caronte & Tourist S.p.A.

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 126.427.184 | 129.268.000             | 144.796.000                |
| 2) Holdings                | 6.530.000   | 7.087.000               | 6.857.000                  |
| 3) Real estate             | 2.976.000   | 3.154.000               | 3.315.000                  |
| 4) Short-term debt         | 51.457.000  | 56.443.816              | 60.849.000                 |
| 5) Medium/long-term debt   | 39.845.000  | 42.644.000              | 49.754.000                 |
| 6) Shareholders' equity    | 35.125.184  | 30.180.184              | 34.193.000                 |
| 7) Gross working capital   | 27.544.184  | 33.827.000              | 39.0947.000                |
| 8) Net working capital     | 65.184      | 7.301.184               | 9.655.000                  |
| 9) Net fixed capital       | 75.626.000  | 70.751.000              | 79.424.000                 |
| 10) Net financial position | -20.898.816 | -19.798.816             | -17.922.000                |

| (Figures in Euros)                                  |             |                         |                            |
|---|-------------|-------------------------|----------------------------|
| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 143.681.000 | 133.684.000             | 137.951.000                |
| 2) Gross operating margin                           | 59.974.000  | 56.769.000              | 50.522.000                 |
| 3) Operating result                                 | 17.253.000  | 15.853.000              | 7.606.000                  |
| 4) Balance of financial income/expenses             | -1.829.000  | -1.876.000              | -2.132.000                 |
| 5) Balance of extraordinary income/expenses         | 406.000     | -6.243.000              | 101.000                    |
| 6) Profit before taxes                              | 15.552.000  | 7.734.000               | 5.277.000                  |
| 7) Net profit (loss)                                | 7.048.000   | 1.506.000               | 562.000                    |
| 8) Depreciation and amortisation for financial year | 7.263.000   | 6.171.000               | 7.375.000                  |

An initial estimate of the figures as at 31 December 2015 shows income equal to approximately 171 million Euros (143.7 million Euros as at 31 December 2014), reporting a growth of approximately 19%, primarily due to the acquisition of the aforesaid TTLines, which contributed to the profits of C&T for eight months.

Description and registered office of the company: **Sanlorenzo S.p.A. – Ameglia (SP)**

Activity performed by the company: Construction of ships and boats

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 4.788.963 | 15,96                        | 15.000.000    | 15.000.000                  | 15.000.000                                  |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |           |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14     | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|--------------|-------------------------|----------------------------|
| 1) Total assets            | 356.846.387  | 325.383.102             | 281.176.934                |
| 2) Holdings                | 1.986.847    | 736.797                 | 789.297                    |
| 3) Real estate             | 23.355.907   | 24.706.102              | 26.100.849                 |
| 4) Short-term debt         | 248.161.962  | 215.273.313             | 194.792.606                |
| 5) Medium/long-term debt   | 20.763.524   | 25.401.607              | 26.049.923                 |
| 6) Shareholders' equity    | 87.920.901   | 84.708.182              | 60.334.405                 |
| 7) Gross working capital   | 272.278.757  | 222.016.986             | 205.741.712                |
| 8) Net working capital     | 84.932.807   | 70.630.056              | 87.684.728                 |
| 9) Net fixed capital       | 58.591.711   | 60.998.034              | 62.228.350                 |
| 10) Net financial position | -186.530.836 | -144.893.327            | -134.275.398               |

(Figures in Euros)

| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|---|-------------|-------------------------|----------------------------|
| 1) Turnover   | 164.177.663 | 119.992.849             | 145.201.019                |
| 2) Gross operating margin                           | 30.739.936  | 21.922.623              | 20.798.808                 |
| 3) Operating result                                 | 11.445.620  | 7.239.965               | 5.696.469                  |
| 4) Balance of financial income/expenses             | -5.048.586  | -6.090.396              | -5.339.394                 |
| 5) Balance of extraordinary income/expenses         | 145.184     |                         | 543.167                    |
| 6) Profit before taxes                              | 6.038.218   | 637.569                 | 43.242                     |
| 7) Net profit (loss)                                | 3.212.719   | -626.223                | -1.219.104                 |
| 8) Depreciation and amortisation for financial year | 7.440.444   | 7.435.119               | 7.304.385                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE

## COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 3 October 2011, the Fund underwrote a share capital increase in Sanlorenzo S.p.A. for Euro 14,464,080 and acquired treasury shares for Euro 535,920, for a total investment of Euro 15,000,000, equal to 19.00% of the share capital. On the same date, the majority shareholder subscribed to Euro 15,000,000. On 6 December 2012, a price adjustment was completed (calculated using the balance sheet figures as at 31 December 2011), as a function of which the Fund's interest increased to 22.40%. In December 2013, this percentage decreased to 15.96% following a capital increase subscribed to by a Chinese industrial company and by the entrepreneur, for a total of Euro 25,000,000.

## F) OTHER INFORMATION

The company operates in the production of yachts and mega yachts in fibreglass and metal. The Fund's intervention is intended to support the company in its program of internal growth, by expanding and streamlining its current production structures, and external growth, through the acquisition of existing proven construction sites/brands in order to consolidate its presence on the reference market and acquire new market shares over the medium to long-term.

The data from the consolidated financial statements of Sanlorenzo Group is shown below:

| (Figures in Euros)         |              |                         |                            |
|----------------------------|--------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14     | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 363.337.622  | 334.913.139             | 292.376.298                |
| 2) Holdings                | 1.308.063    | 58.013                  | 110.513                    |
| 3) Real estate             | 23.355.907   | 24.706.102              | 26.100.849                 |
| 4) Short-term debt         | 250.850.393  | 217.802.815             | 196.753.377                |
| 5) Medium/long-term debt   | 29.663.607   | 37.289.405              | 40.358.150                 |
| 6) Shareholders' equity    | 82.823.622   | 79.820.919              | 55.264.771                 |
| 7) Gross working capital   | 268.169.685  | 232.029.191             | 209.997.512                |
| 8) Net working capital     | 80.722.007   | 80.385.207              | 93.388.917                 |
| 9) Net fixed capital       | 69.687.231   | 74.175.648              | 77.329.903                 |
| 10) Net financial position | -195.864.109 | -153.406.921            | -143.234.385               |

| (Figures in Euros)                                  |             |                         |                            |
|---|-------------|-------------------------|----------------------------|
| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 164.433.854 | 115.905.816             | 145.756.455                |
| 2) Gross operating margin                           | 32.330.109  | 23.714.154              | 21.515.408                 |
| 3) Operating result                                 | 10.926.570  | 7.072.409               | 5.190.931                  |
| 4) Balance of financial income/expenses             | -5.323.686  | -6.404.631              | -5.797.559                 |
| 5) Balance of extraordinary income/expenses         | 145.184     | -136.435                | -67.148                    |
| 6) Profit before taxes                              | 5.994.889   | 734.906                 | -1.115.241                 |
| 7) Net profit (loss)                                | 3.187.264   | -486.325                | -2.313.992                 |
| 8) Depreciation and amortisation for financial year | 9.524.338   | 9.366.358               | 9.334.511                  |

The 2015 forecast data confirms the gradual recovery of the domestic and American market, showing an increase in the production value. However, the situation on the Russian market is critical, which in previous years was one of the main marketing countries.

Show Boats International, a prestigious magazine in the industry, ranked Sanlorenzo number two for the third year in a row on its list of the top 20 builders of over 24-meter megayachts in the world (a segment in which Italy is the absolute world leader), behind the Azimut-Benetti group and in front of the Ferretti group.

Description and registered office of the company: **TrueStar Group S.p.A. – Milan**

Activity performed by the company: Airport baggage sorting and associated assistance in case of lost baggage

## A) SECURITIES IN THE FUND'S PORTFOLIO

| (Figures in Euros)                                  |          |                              |               |                             |   |
|---|----------|------------------------------|---------------|-----------------------------|---|
| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
| 1) equities with voting rights                      | 5.185    | 24,90                        | 10.200.000    | 4.200.000                   | 9.500.000                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      | 1        |                              | 3.000.000     | 3.000.000                   | 3.000.000                                   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 24.952.762 | 26.579.739              | 23.911.252                 |
| 2) Holdings                | 11.744.926 | 12.738.655              | 12.724.313                 |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 6.157.785  | 9.255.750               | 9.154.769                  |
| 5) Medium/long-term debt   | 8.284.233  | 8.433.472               | 5.252.582                  |
| 6) Shareholders' equity    | 10.510.744 | 8.890.517               | 9.503.901                  |
| 7) Gross working capital   | 7.698.377  | 6.460.577               | 4.293.242                  |
| 8) Net working capital     | 3.158.104  | 1.058.697               | 586.140                    |
| 9) Net fixed capital       | 3.322.490  | 3.616.983               | 2.850.588                  |
| 10) Net financial position | 3.650.188  | -198.016                | -1.396.366                 |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 17.009.235 | 14.082.196              | 10.521.450                 |
| 2) Gross operating margin                           | 3.015.375  | 3.929.104               | 3.025.374                  |
| 3) Operating result                                 | -1.866.418 | -447.152                | -2.733.304                 |
| 4) Balance of financial income/expenses             | -223.181   | -201.125                | -21.728                    |
| 5) Balance of extraordinary income/expenses         | 3.510.436  | 37                      | 125.280                    |
| 6) Profit before taxes                              | 1.420.837  | -648.240                | -2.629.752                 |
| 7) Net profit (loss)                                | 1.620.228  | -652.362                | -2.702.043                 |
| 8) Depreciation and amortisation for financial year | 570.393    | 471.832                 | 465.176                    |

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## **C) CRITERIA AND PARAMETERS USED FOR THE VALUATION**

Purchase cost, corrected for impairment losses

## **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY CONTROLLED REAL ESTATE COMPANIES**

The company does not control real estate companies.

## **E) DESCRIPTION OF THE OPERATIONS**

On 7 October 2011, the Fund underwrote a share capital increase in Truestar Group S.p.A. for Euro 8,500,000 and purchased shares for Euro 1,700,000, for a total investment of Euro 10,200,000, equal to 24.90% of the share capital.

On 18 November 2013, the company signed a loan agreement for a total amount of Euro 4,000,000 to fund guarantees to participate in certain tenders, of which (i) Euro 3,000,000 was disbursed by the Fund in 2 tranches, Euro 1,200,000 on 26 November 2013 and Euro 1,800,000 on 19 December 2013, guaranteed by a pledge on shares, and (ii) Euro 1,000,000 was contributed by the majority shareholder.

The duration of the loan is three years, with maturity dates respectively of 26 November 2016 and 19 November 2016.

## **F) OTHER INFORMATION**

TrueStar Group S.p.A. (hereinafter, "Truestar"), head-quartered in Milan, operates in Italy and worldwide (70% of its revenues) in the airport security and baggage handling sector with associated passenger assistance in case of damage, loss, or theft of baggage. The Group operates through subsidiaries all over the world and under concessions in more than 50 airports located in 15 nations, primarily in Italy, Spain, Brazil, Chile, Paraguay, Colombia, Peru, Argentina and Asia.

TrueStar's activities are closely connected to and dependent on the issue and renewal of concessions by the competent airport authorities.

The Fund's intervention is intended to support a growth program that is aimed at winning new tender contracts and renewing the contracts that are expiring through a series of investments and by issuing the appropriate guarantees; acquiring small local structures, in particular in areas that are expected to be high growth areas over the next few years in order to develop and consolidate its international presence; and developing services that are ancillary to the core business (advertising, e-commerce, development of the insurance product).

As at 30 June 2014, the Fund had considered it prudent to write down the purchase cost of the underlying company by Euro 700,000, decreasing it to Euro 9,500,000.

As of today, the company has paid a total of Euro 300,411 in interest, as follows: (i) Euro 150,411 in 2014 and (ii) Euro 150,000 in 2015.



The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 28.189.214 | 25.518.320              | 25.360.353                 |
| 2) Holdings                |            |                         |                            |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 10.620.635 | 7.967.938               | 8.533.652                  |
| 5) Medium/long-term debt   | 8.210.091  | 6.481.848               | 3.575.571                  |
| 6) Shareholders' equity    | 9.358.488  | 11.068.534              | 13.251.130                 |
| 7) Gross working capital   | 3.876.038  | 7.920.985               | 4.885.331                  |
| 8) Net working capital     | -4.741.310 | 2.821.543               | 2.687.199                  |
| 9) Net fixed capital       | 18.630.168 | 13.486.908              | 13.834.501                 |
| 10) Net financial position | -3.502.914 | -517.108                | 1.632.990                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 36.759.400 | 35.507.166              | 38.663.910                 |
| 2) Gross operating margin                           | 10.744.157 | 10.917.766              | 11.486.726                 |
| 3) Operating result                                 | -112.326   | -293.124                | 403.898                    |
| 4) Balance of financial income/expenses             | -780.474   | -927.449                | -540.101                   |
| 5) Balance of extraordinary income/expenses         | -32.896    | -11.429                 | 456.895                    |
| 6) Profit before taxes                              | -1.815.355 | -1.232.002              | 320.692                    |
| 7) Net profit (loss)                                | -2.443.119 | -2.102.533              | -1.877.884                 |
| 8) Depreciation and amortisation for financial year | 1.390.589  | 1.352.500               | 1.458.734                  |

Given the reported consolidated losses and the negative performance of the company, the participation was written down by an additional Euro 5,300,000. The book value is therefore decreased to Euro 4,200,000, plus the shareholder loan of Euro 3,000,000.

The forecast data as at 31 December 2015 shows income equal to approximately 45 million Euros, a 7.4 million Euro improvement over 2014, thanks to the Argentina subsidiary, while the performances on the other significant markets (Italy, Brazil and Russia) are lower than the previous financial year.

Description and registered office of the company: **DBA Group S.r.l.- Villorba (TV)**

Activity performed by the company: Engineering and IC&T

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 1        | 32,80                        | 5.500.000     | 3.350.000                   | 1.850.000                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14  | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-----------|-------------------------|----------------------------|
| 1) Total assets            | 7.450.074 | 7.290.866               | 7.695.297                  |
| 2) Holdings                | 4.622.294 | 4.622.294               | 3.933.782                  |
| 3) Real estate             |           |                         |                            |
| 4) Short-term debt         | 644.317   | 631.706                 | 447.185                    |
| 5) Medium/long-term debt   | 267.358   | 240.879                 | 210.210                    |
| 6) Shareholders' equity    | 6.538.399 | 6.418.281               | 7.037.902                  |
| 7) Gross working capital   | 1.741.225 | 1.421.294               | 1.575.090                  |
| 8) Net working capital     | 1.103.490 | 795.326                 | 1.116.263                  |
| 9) Net fixed capital       | 56.704    | 108.969                 | 135.552                    |
| 10) Net financial position | 2.104.546 | 1.820.317               | 3.178.778                  |

(Figures in Euros)

| Income data   | 31/12/14  | Previous Financial Year | 2° Previous Financial Year |
|---|-----------|-------------------------|----------------------------|
| 1) Turnover   | 1.973.736 | 1.627.494               | 1.433.033                  |
| 2) Gross operating margin                           | 885.060   | 392.587                 | 264.506                    |
| 3) Operating result                                 | -309.352  | -835.248                | -506.363                   |
| 4) Balance of financial income/expenses             | 321.579   | 37.568                  | 103.470                    |
| 5) Balance of extraordinary income/expenses         | 5.905     | -2.411                  | 1.422                      |
| 6) Profit before taxes                              | 18.132    | -800.091                | -401.471                   |
| 7) Net profit (loss)                                | 120.116   | -619.620                | -420.842                   |
| 8) Depreciation and amortisation for financial year | 55.802    | 84.676                  | 39.822                     |

DBA Group S.r.l. was created on 5 December 2011 when the parent company, DBA Group S.p.A., transferred the business unit and the related subsidiaries (which then took the name, DBH S.r.l. ).

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost, corrected for impairment losses

#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 14 December 2011, the Fund underwrote a share capital increase in DBA Group S.r.l. by Euro 500,000 and paid an advance against a future capital increase of Euro 3,500,000, which was converted on 30 July 2012, for a total of Euro 4,000,000, equal to 22.80% of the share capital.

On 21 April 2015, the Fund subscribed to an additional capital increase equal to Euro 1,500,000 for the acquisition of the Slovenian company Actual IT, which specialises in the development of IT solutions, bringing its stake to 34.84% of the share capital. Following a capital increase reserved for majority shareholders on 23 December 2015, that stake was reduced to 32.80%.

#### **F) OTHER INFORMATION**

The Group is active in two main business areas, which are closely interconnected: (i) Engineering or process engineering/project management and (ii) ICT, or the development of Web-Based software platforms.

In the Engineering area, the company carries out more than 1,500 engineering projects every year. In 2005, the ICT area came about as a support activity for the Engineering area and prospectively represents an important area for development.

The Fund's intervention is intended to support foreign growth and finance the development of two innovative projects that will facilitate the telematic management of the primary port processes and the management of toll collection on paid infrastructure.

On 31 December 2013, due to the very critical macroeconomic conditions and reference market conditions as well as the loss recorded in 2012, the Fund had written down the purchase cost of the underlying company on a prudential basis by Euro 2,150,000.

For a more complete representation, the figures from the consolidated financial statements are shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 22.050.062 | 19.659.725              | 22.019.912                 |
| 2) Holdings                | 149.403    | 149.403                 | 1.343                      |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 12.800.640 | 9.983.572               | 12.278.610                 |
| 5) Medium/long-term debt   | 1.959.553  | 2.535.279               | 2.128.338                  |
| 6) Shareholders' equity    | 7.289.869  | 7.140.874               | 7.612.964                  |
| 7) Gross working capital   | 16.639.716 | 13.925.635              | 15.639.543                 |
| 8) Net working capital     | 9.165.871  | 7.547.408               | 8.105.355                  |
| 9) Net fixed capital       | 2.824.034  | 3.394.839               | 3.443.950                  |
| 10) Net financial position | 5.305.944  | 4.673.975               | 4.493.950                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 23.603.857 | 19.875.061              | 19.369.205                 |
| 2) Gross operating margin                           | 12.082.773 | 10.130.788              | 9.695.193                  |
| 3) Operating result                                 | 850.598    | 68.800                  | 587.079                    |
| 4) Balance of financial income/expenses             | -254.485   | -200.018                | -68.475                    |
| 5) Balance of extraordinary income/expenses         | 122.147    | 11.089                  | 295.625                    |
| 6) Profit before taxes                              | 718.260    | -120.129                | 812.914                    |
| 7) Net profit (loss)                                | 149.071    | -465.361                | 154.216                    |
| 8) Depreciation and amortisation for financial year | 683.199    | 787.896                 | 566.143                    |

The 2015 forecast shows an improvement both compared to 2014 and compared to the budget with respect to revenue, equal to 40.4 million Euros, as well as EBITDA. This performance is due to the acquisition of a few very important contracts.

Description and registered office of the company: **Amut S.p.A. – Novara (NO)**

Activity performed by the company: Production of extrusion systems for plastics

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 5.225.172 | 39,80                        | 10.000.000    | 7.500.000                   | 10.000.000                                  |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |           |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 60.471.554 | 50.237.955              | 51.248.651                 |
| 2) Holdings                | 1.930.626  | 1.917.039               | 110.028                    |
| 3) Real estate             | 4.887.233  | 5.128.447               | 5.382.338                  |
| 4) Short-term debt         | 28.941.169 | 20.559.372              | 21.380.126                 |
| 5) Medium/long-term debt   | 3.598.027  | 2.482.326               | 3.443.052                  |
| 6) Shareholders' equity    | 27.932.358 | 27.196.257              | 26.425.473                 |
| 7) Gross working capital   | 43.214.264 | 31.333.582              | 30.230.895                 |
| 8) Net working capital     | 19.583.417 | 15.735.161              | 11.622.185                 |
| 9) Net fixed capital       | 9.901.199  | 8.760.496               | 8.692.859                  |
| 10) Net financial position | -7.647.295 | 1.009.665               | 2.900.230                  |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 29.181.159 | 34.180.480              | 36.939.561                 |
| 2) Gross operating margin                           | 9.161.969  | 7.711.208               | 7.835.572                  |
| 3) Operating result                                 | 1.815.606  | 83.967                  | 293.536                    |
| 4) Balance of financial income/expenses             | 298.308    | -294.587                | 123.353                    |
| 5) Balance of extraordinary income/expenses         | -127.139   | 1.135.067               | 191.432                    |
| 6) Profit before taxes                              | 1.986.775  | 924.447                 | 608.321                    |
| 7) Net profit (loss)                                | 1.064.315  | 770.784                 | 362.735                    |
| 8) Depreciation and amortisation for financial year | 813.240    | 673.378                 | 639.076                    |

DBA Group S.r.l. was created on 5 December 2011 when the parent company, DBA Group S.p.A., transferred the business unit and the related subsidiaries (which then took the name, DBH S.r.l. ).

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

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Purchase cost, corrected for impairment losses

#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 22 December 2011, the Fund underwrote a share capital increase in Amut S.p.A. of Euro 7,000,000 and purchased shares from shareholders for Euro 3,000,000, for a total of Euro 10,000,000, equal to 27.80% of the share capital.

On 21 November 2012, in accordance with contractual arrangements, a price adjustment was completed on the balance sheet figures as at 31 December 2011, as a function of which the Fund's interest increased to 39.80%.

#### **F) OTHER INFORMATION**

Amut S.p.A., which was founded in 1958 by the Milani brothers, produces innovative systems for the washing, extrusion, recycling and thermoforming of thermoplastic materials.

Amut conducts activities in three thermoplastic transformation areas: (i) extrusion of profiles, tubes, foils and sheets (which are used in a wide range of industrial sectors), (ii) production of in-line and off-line thermoforming systems (for the production of products for packaging, trays, pans and disposable products such as plates and cups) and (iii) production of systems for the recycling of plastics of industrial origin or post consumer plastics. Since the 1980s, the company has also produced systems for the recycling of plastics of industrial origin or post consumer plastics.

In December 2011, before the Fund's entry, Amut completed a merger by incorporation of AMU S.p.A., a company held in part by the same shareholders as AMUT that is active in the production of extrusion lines for plastics.

The Fund's intervention is intended to support Amut in continuing its growth program in all three of its business areas.

At the end of 2014, the company created "Amut Dolci Bielloni S.r.l.", which, starting in 2015, signed a lease agreement for the business unit of Dolci Bielloni S.p.A., a company under arrangement with creditors that produces cast film and converting systems as well as flexographic printing machines, with the objective of defending another market segment.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 70.279.235  | 55.821.765              | 55.504.667                 |
| 2) Holdings                | 11.250      | 1.250                   | 1.258                      |
| 3) Real estate             | 6.841.976   | 7.126.638               | 7.423.976                  |
| 4) Short-term debt         | 36.721.830  | 25.321.100              | 24.914.549                 |
| 5) Medium/long-term debt   | 5.736.956   | 2.933.419               | 3.585.374                  |
| 6) Shareholders' equity    | 27.820.449  | 27.567.246              | 27.004.744                 |
| 7) Gross working capital   | 51.675.422  | 34.154.965              | 31.332.538                 |
| 8) Net working capital     | 22.634.243  | 17.176.975              | 11.657.668                 |
| 9) Net fixed capital       | 13.852.879  | 12.512.044              | 11.864.151                 |
| 10) Net financial position | -10.883.253 | -136.820                | 1.387.997                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 37.584.707 | 38.350.693              | 43.291.762                 |
| 2) Gross operating margin                           | 10.777.241 | 9.059.304               | 9.100.388                  |
| 3) Operating result                                 | 1.145.382  | -273.882                | 676.235                    |
| 4) Balance of financial income/expenses             | 269.275    | -358.431                | 117.112                    |
| 5) Balance of extraordinary income/expenses         | -126.641   | 51.353                  | 143.321                    |
| 6) Profit before taxes                              | 1.288.016  | -580.960                | 936.668                    |
| 7) Net profit (loss)                                | 235.409    | -697.633                | 558.684                    |
| 8) Depreciation and amortisation for financial year | 1.255.799  | 1.085.446               | 703.210                    |

The 2015 preliminary figures show an increase in the Group's activity as a result of the good performance of its historical business lines as well as the development of the activities of the newly-created Amut Dolci Bielloni, a newco created with the goal of leasing the business unit, Dolci Bielloni, which is under arrangement with creditors.

However, the margins are negatively impacted by certain underlying companies that are undergoing reorganisation and by certain problematic contracts. The shareholding was written down by Euro 2,500,000 on a prudential basis. Therefore, as at 31 December 2015, the book value is equal to Euro 7,500,000.

Description and registered office of the company: **IMT S.p.A. – Casalecchio di Reno (BO)**

Activity performed by the company: Production and Marketing of Machine Tools

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 2.136.570 | 30,30                        | 5.000.000     | -                           | -   |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 5.000.000 | 100                          | 5.000.000     | -                           | -   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 112.711.702 | 130.594.454             | 111.203.851                |
| 2) Holdings                | 798.955     | 798.379                 | 773.329                    |
| 3) Real estate             |             |                         |                            |
| 4) Short-term debt         | 83.692.758  | 95.306.996              | 80.645.610                 |
| 5) Medium/long-term debt   | 11.823.646  | 12.880.929              | 8.620.451                  |
| 6) Shareholders' equity    | 17.195.298  | 22.406.529              | 21.937.790                 |
| 7) Gross working capital   | 92.094.446  | 103.780.339             | 82.439.792                 |
| 8) Net working capital     | 42.915.146  | 41.919.152              | 29.571.371                 |
| 9) Net fixed capital       | 14.240.736  | 12.538.687              | 10.740.214                 |
| 10) Net financial position | -51.010.872 | -39.978.908             | -39.509.286                |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 63.963.137 | 99.030.877              | 66.851.633                 |
| 2) Gross operating margin                           | 20.304.741 | 28.172.535              | 25.704.473                 |
| 3) Operating result                                 | -1.250.791 | 4.715.785               | 3.383.801                  |
| 4) Balance of financial income/expenses             | -2.799.959 | -2.592.464              | -1.979.246                 |
| 5) Balance of extraordinary income/expenses         | -1.332.065 | -90.074                 | -227.977                   |
| 6) Profit before taxes                              | -5.383.356 | 2.033.247               | 1.176.578                  |
| 7) Net profit (loss)                                | -5.211.231 | 468.739                 | 24.731                     |
| 8) Depreciation and amortisation for financial year | 2.339.830  | 2.237.770               | 2.379.282                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost, corrected for impairment losses



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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 30 December 2011, the Fund underwrote a share capital increase in IMT S.p.A. for a total of Euro 4,999,994, equal to 27.80% of the share capital, and a convertible bond of Euro 5,000,000 with a duration of 7 years and a maturity date of 30/12/2018. On the same date, the majority shareholder increased its participation by Euro 11,000,000, Euro 5,000,000 of which was a conversion of a shareholder loan.

The Fund's stake increased to 30.3% due to a price adjustment completed on 28 December 2012 for a symbolic price of 6 Euros.

The company capitalised interest for the first and second coupon payments of the convertible bond, respectively for 2012 and 2013, for a total of Euro 576,490.

#### **F) OTHER INFORMATION**

IMT S.p.A. is a Group with a registered office in Casalecchio di Reno (Bologna) that operates in the production and marketing of machine tools and in particular grinding machines. The Group was created a few years ago through the combination of four operators in the grinding machines sector – Morara and De.Ci.Ma. (which became a single company 2006), Tacchella Macchine and Meccanodora Favretto – becoming the Italian leader and one of the European leaders in the reference sector.

The decline in turnover in 2013 was caused by the contraction in the Company's main geographic reference market, China. At the end of 2013, a gradual recovery was noted in orders, which hinted at an improvement for 2014. Unfortunately, a few months later orders once again dropped, and this fact led to a serious financial crisis that caused a strong decline in production in the second half of 2014. The estimated losses of the financial year completed absorbed the net equity, making it negative.

In December 2014, the company filed a request for extraordinary administration pursuant to Legislative Decree 270/1999, and on 31 December 2014, the Court of Bologna declared IMT S.p.A. insolvent.

Consequently, at the end of financial year 2014, it was decided to write down both the share capital and the convertible bond in full, including capitalised interest, as at 31 December 2013, for a total of Euro 10,576,490. In addition, the interest accruing for the ending financial year was also written down.

Description and registered office of the company: **Elco S.p.A. – Carsoli (AQ)**

Activity performed by the company: Production of printed circuit boards

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 418.375  | 29,76                        | 5.000.000     | 5.000.000                   | 5.000.000                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 28.108.641 | 24.339.862              | 26.910.940                 |
| 2) Holdings                | 9.969.753  | 5.239.321               | 3.843.781                  |
| 3) Real estate             | 3.940.024  | 4.111.209               | 4.227.777                  |
| 4) Short-term debt         | 9.341.582  | 7.168.202               | 9.350.793                  |
| 5) Medium/long-term debt   | 5.234.955  | 4.535.185               | 4.964.945                  |
| 6) Shareholders' equity    | 13.532.104 | 12.636.475              | 12.595.202                 |
| 7) Gross working capital   | 12.361.796 | 12.739.953              | 13.301.298                 |
| 8) Net working capital     | 5.689.235  | 8.347.576               | 8.894.447                  |
| 9) Net fixed capital       | 5.602.770  | 4.921.638               | 5.166.678                  |
| 10) Net financial position | 1.201.940  | 5.619.303               | 6.574.634                  |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 14.885.472 | 14.113.233              | 14.115.154                 |
| 2) Gross operating margin                           | 4.088.073  | 3.718.038               | 4.084.565                  |
| 3) Operating result                                 | 1.018.119  | 1.051.965               | 856.230                    |
| 4) Balance of financial income/expenses             | -233.248   | -78.670                 | -79.330                    |
| 5) Balance of extraordinary income/expenses         | -47.538    | -73.260                 | 204.897                    |
| 6) Profit before taxes                              | 429.044    | 405.357                 | 116.021                    |
| 7) Net profit (loss)                                | 181.913    | 62.649                  | 94.513                     |
| 8) Depreciation and amortisation for financial year | 567.021    | 456.563                 | 683.412                    |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 27 January 2012, the Fund invested Euro 5,000,000 in Elco S.p.A., equal to 29.76% of its share capital, Euro 4,250,000 of which was part of a capital increase and Euro 750,000 was in purchased shares.

## F) OTHER INFORMATION

Elco S.p.A. produces printed circuit boards for electronic systems in various sectors, including the aeronautic, aerospace and automotive industries. The company creates prototypes and produces small high-tech series in Italy, while its large series production takes place at the Chinese plant. It is the second leading operator in Italy and the fifth operator in Europe in terms of production value.

In January 2014, the company purchased 60% of a Dutch competitor, Ramaer B.V.; the remaining 40% will be purchased subsequently in accordance with the contract.

For a better understanding, the figures from the consolidated financial statements of the company are shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 38.056.000 | 29.007.000              | 33.912.000                 |
| 2) Holdings                | 831.000    | 821.000                 | 821.000                    |
| 3) Real estate             | 5.066.000  | 5.215.000               | 5.344.000                  |
| 4) Short-term debt         | 14.606.000 | 10.503.000              | 13.314.000                 |
| 5) Medium/long-term debt   | 6.750.000  | 5.563.000               | 6.398.000                  |
| 6) Shareholders' equity    | 16.700.000 | 12.941.000              | 14.200.000                 |
| 7) Gross working capital   | 21.117.000 | 16.451.000              | 18.189.000                 |
| 8) Net working capital     | 11.600.000 | 10.727.000              | 11.999.000                 |
| 9) Net fixed capital       | 15.260.000 | 9.728.000               | 9.671.000                  |
| 10) Net financial position | 257.000    | 4.100.000               | 6.302.000                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 40.647.000 | 21.332.000              | 21.630.000                 |
| 2) Gross operating margin                           | 15.231.000 | 8.605.000               | 8.405.000                  |
| 3) Operating result                                 | 1.045.000  | 748.000                 | 373.000                    |
| 4) Balance of financial income/expenses             | -540.000   | -284.000                | -347.000                   |
| 5) Balance of extraordinary income/expenses         | 126.000    | 148.000                 | 95.000                     |
| 6) Profit before taxes                              | 631.000    | 612.000                 | 121.000                    |
| 7) Net profit (loss)                                | 240.000    | 102.000                 | 2.000                      |
| 8) Depreciation and amortisation for financial year | 2.004.000  | 1.253.000               | 1.458.000                  |

The 2015 forecast data shows income equal to 40.3 million Euros, in line with the previous year. An improvement in the EBITDA is reported as a result of the closure of a French subsidiary and the

larger contribution made by a Chinese subsidiary, as a consequence of better absorption of direct personnel costs and an increase in production volumes. The NFP is expected to have improved compared to the 31 December 2014 figures and compared to the budget.

Description and registered office of the company: **Sira Industrie S.p.A. – Pianoro (BO)**

Activity performed by the company: Production and marketing of radiators and outsourced die-casting

## A) SECURITIES IN THE FUND'S PORTFOLIO

| (Figures in Euros)                                  |          |                              |               |                             |   |
|---|----------|------------------------------|---------------|-----------------------------|---|
| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
| 1) equities with voting rights                      | 306.769  | 40,35                        | 12.000.000    | 7.400.000                   | 11.400.000                                  |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 49.819.262 | 43.965.823              | 38.787.760                 |
| 2) Holdings                | 22.069.543 | 21.769.543              | 16.880.877                 |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 18.665.170 | 17.740.079              | 14.092.282                 |
| 5) Medium/long-term debt   | 9.560.936  | 4.827.433               | 4.220.053                  |
| 6) Shareholders' equity    | 21.593.156 | 21.398.311              | 20.475.425                 |
| 7) Gross working capital   | 17.770.979 | 10.987.212              | 12.295.520                 |
| 8) Net working capital     | 7.875.000  | 4.937.540               | 4.887.859                  |
| 9) Net fixed capital       | 2.443.792  | 2.557.352               | 2.048.421                  |
| 10) Net financial position | -2.398.862 | -2.800.390              | 417.645                    |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 15.739.539 | 13.666.896              | 19.325.881                 |
| 2) Gross operating margin                           | 2.411.646  | 1.137.512               | 1.500.924                  |
| 3) Operating result                                 | 1.177.728  | -233.461                | -175.021                   |
| 4) Balance of financial income/expenses             | -872.818   | -573.400                | -371.804                   |
| 5) Balance of extraordinary income/expenses         | 113.022    | 164.100                 | 289.641                    |
| 6) Profit before taxes                              | 417.932    | -642.761                | -257.184                   |
| 7) Net profit (loss)                                | 194.845    | -733.986                | -352.531                   |
| 8) Depreciation and amortisation for financial year | 570.274    | 466.228                 | 314.515                    |

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### **C) CRITERIA AND PARAMETERS USED FOR THE VALUATION**

Purchase cost, corrected for impairment losses

### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

### **E) DESCRIPTION OF THE OPERATIONS**

On 30 January 2012, the Fund underwrote a share capital increase in Sira Industrie S.p.A. of Euro 11,999,999, equal to 34.23% of the share capital.

On 19 December 2012, in accordance with the contractual arrangements, the price adjustment took place for the symbolic price of 1 Euro based on the balance sheet figures as at 31 December 2011. The Fund's holding increased to 40.35%.

### **F) OTHER INFORMATION**

Sira Industrie S.p.A. is a Group with its registered office in Pianoro (Bologna). It was founded in 1959 and produces heating terminals in aluminium, known as "heaters" or "radiators", and provides full cycle castings.

The objective of the Fund's investment is to support the Group to implement a strategy of (i) internal growth through investments designed to further strengthen the production capacity of the current plants and (ii) external growth through extraordinary operations with companies active in outsourced die-casting in aluminium and the production of aluminium radiators.

Since the entry of the Fund, the Group has acquired: (i) the company Almec S.p.A. (active in outsourced die casting as a direct supplier of automobile manufacturers); (ii) the radiator business unit of Faral S.p.A.; and (iii) the brand, moulds and product portfolio of the Pasotti S.p.A. company.

Following the loss recorded at the end of 2013 due to a series of extraordinary activities performed in 2012 (such as the acquisition of brands and business with financial difficulties), on 31 December 2014, the Fund felt that it was prudent to write down the purchase cost of the underlying company by Euro 600,000.

The data from the consolidated financial statements is shown below:

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 116.445.038 | 116.026.539             | 94.626.598                 |
| 2) Holdings                | 7.800       | 7.800                   | 6.800                      |
| 3) Real estate             | 10.110.164  | 10.231.485              | 7.913.080                  |
| 4) Short-term debt         | 62.884.630  | 63.595.548              | 45.805.501                 |
| 5) Medium/long-term debt   | 12.025.221  | 12.168.615              | 6.536.075                  |
| 6) Shareholders' equity    | 41.535.187  | 40.262.376              | 42.285.022                 |
| 7) Gross working capital   | 68.283.585  | 65.175.657              | 54.249.566                 |
| 8) Net working capital     | 38.771.040  | 32.661.700              | 28.211.537                 |
| 9) Net fixed capital       | 32.520.525  | 29.685.516              | 25.018.627                 |
| 10) Net financial position | -6.558.267  | -3.270.998              | 2.306.574                  |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 78.244.338 | 74.077.455              | 67.793.571                 |
| 2) Gross operating margin                           | 10.746.330 | 11.171.012              | 10.238.994                 |
| 3) Operating result                                 | 1.927.058  | -1.176.431              | -2.270.795                 |
| 4) Balance of financial income/expenses             | -2.266.460 | -1.645.190              | -849.432                   |
| 5) Balance of extraordinary income/expenses         | -75.620    | 1.602.337               | 349.795                    |
| 6) Profit before taxes                              | -415.022   | -1.219.284              | -2.770.432                 |
| 7) Net profit (loss)                                | -985.992   | -1.636.700              | -3.081.641                 |
| 8) Depreciation and amortisation for financial year | 4.112.348  | 3.492.868               | 2.190.122                  |

During 2015, due to delays in implementing the business plan, the Fund wrote down the carrying value of the underlying company for a total of Euro 4,000,000, of which Euro 2,000,000 was written down as at 30 June 2015. The current book value is, therefore, Euro 7,400,000.

Despite the fact that the 2015 forecast data predicted an increase in revenue (estimated at approximately 100 million Euros) primarily as a result of the positive performance of the die-casting division, which is benefiting from the recovery of the European automotive market, the margins decreased slightly due to highly competitive sales prices (in the radiator segment) and the increase in structural costs.

Description and registered office of the company: **TBS Group S.p.A. – Trieste**

Activity performed by the company: Integrated medical equipment maintenance services

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity   | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|------------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 5.555.556  | 13,17                        | 10.000.001    | 10.000.001                  | 10.000.001                                  |
| 2) equities without voting rights                   |            |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 10.000.002 | 100                          | 10.000.002    |                             | 10.000.002                                  |
| 4) bonds with warrants on shares of the same issuer |            |                              |               |                             |   |
| 5) other financial instruments                      |            |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 123.590.145 | 116.407.620             | 111.204.858                |
| 2) Holdings                | 74.824.953  | 73.287.786              | 70.987.786                 |
| 3) Real estate             | 1.119.075   | 1.160.306               | 1.190.829                  |
| 4) Short-term debt         | 22.713.340  | 29.852.599              | 21.398.944                 |
| 5) Medium/long-term debt   | 29.769.884  | 19.405.730              | 19.141.312                 |
| 6) Shareholders' equity    | 71.106.921  | 67.149.291              | 70.664.602                 |
| 7) Gross working capital   | 12.155.035  | 17.348.659              | 15.849.271                 |
| 8) Net working capital     | 3.162.898   | 6.800.616               | 10.400.228                 |
| 9) Net fixed capital       | 3.699.449   | 3.541.928               | 4.075.308                  |
| 10) Net financial position | 21.172.656  | -14.667.117             | -5.799.245                 |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 17.362.968 | 9.042.577               | 8.083.519                  |
| 2) Gross operating margin                           | 3.899.054  | 450.280                 | 1.045.941                  |
| 3) Operating result                                 | -1.323.920 | -4.622.768              | -3.292.561                 |
| 4) Balance of financial income/expenses             | 4.682.614  | 6.109.215               | 11.386.079                 |
| 5) Balance of extraordinary income/expenses         |            |                         |                            |
| 6) Profit before taxes                              | 3.341.624  | -4.624.835              | 2.085.518                  |
| 7) Net profit (loss)                                | 3.986.196  | -3.488.238              | 3.710.438                  |
| 8) Depreciation and amortisation for financial year | 1.131.994  | 1.237.549               | 1.194.602                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

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## **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

## **E) DESCRIPTION OF THE OPERATIONS**

On 9 February 2012, the Fund underwrote a share capital increase in TBS Group S.p.A. (hereinafter, "TBS") for a total of Euro 10,000,001, equal to 13.17% of the share capital, and subscribed to a convertible bond of Euro 10,000,002 with a duration of 4 years and a maturity date of 9 February 2016, which was repaid in advance on 30 July 2015, plus interest accrued.

## **F) OTHER INFORMATION**

TBS is a listed company on AIM Italia and is a European leader in the broad spectrum clinical engineering services sector. With its registered office at AREA Science Park of Trieste, TBS was created in February 1987 as a result of a CNR research project with the goal of verifying the efficiency and practicality of multivendor clinical engineering services in outsourcing to public and private welfare and healthcare facilities. Operations started in 1991. In 1997, the company reported turnover of approximately 2.5 million Euros, which had reached 200 million Euros by the end of 2012.

Since 2001, in parallel with its capacity for managing not only biomedical equipment but also all hospital technology, TBS has increasingly expanded its operations in the e-Health and e-Government sector, expanding its skills and market shares in these sectors through various acquisitions.

The Group is now present in 13 countries (Saudi Arabia, Austria, Belgium, China, France, Germany, India, the United Kingdom, Italy, Holland, Portugal, Serbia and Spain), employs more than 2,000 employees and operates 26 specialised centres and more than 300 on-site laboratories associated with more than 1,000 hospitals.

TBS Group's shareholder base includes major institutional shareholders, in addition to its managers, and the Fund's entry is intended to support additional expansion and internationalisation projects for the Group.

As in previous financial years, given the fact that i) the listing market is not a regulated and is not a liquid market; ii) the trading volumes are low and the exchange frequency is limited, iii) the capitalisation of the security is limited, TBS is considered an unlisted financial instrument and, therefore, on 31 December 2015, the book value corresponds to the purchase cost.

As of today, TBS Group has paid

1. dividends for Euro 227,000, broken down as follows:
  - Euro 133,000 in 2012,
  - Euro 94,000 in 2015 and
2. interest on the convertible bond equal to Euro 2,149,000, broken down as follows:
  - Euro 573,000 in 2012,
  - Euro 640,000 in 2013,
  - Euro 592,000 in 2014,
  - Euro 344,000 in 2015.



For a better understanding of the underlying company, the figures from the consolidated financial statements of Elco S.p.A. are shown below:

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 252.136.000 | 253.243.000             | 248.388.000                |
| 2) Holdings                | 1.125.000   | 676.000                 | 727.000                    |
| 3) Real estate             | 6.827.000   | 6.992.000               | 6.534.000                  |
| 4) Short-term debt         | 147.851.000 | 168.455.000             | 154.277.000                |
| 5) Medium/long-term debt   | 52.633.000  | 34.203.000              | 31.903.000                 |
| 6) Shareholders' equity    | 51.652.000  | 50.585.000              | 62.208.000                 |
| 7) Gross working capital   | 144.845.000 | 146.132.000             | 152.573.000                |
| 8) Net working capital     | 62.223.000  | 51.303.000              | 69.605.000                 |
| 9) Net fixed capital       | 74.380.000  | 72.929.000              | 77.271.000                 |
| 10) Net financial position | 10.500.000  | -27.695.000             | -20.204.000                |

| (Figures in Euros)                                  |             |                         |                            |
|---|-------------|-------------------------|----------------------------|
| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 230.853.000 | 216.668.000             | 214.806.000                |
| 2) Gross operating margin                           | 117.587.000 | 108.224.000             | 108.788.000                |
| 3) Operating result                                 | 13.588.000  | 6.218.000               | 9.075.000                  |
| 4) Balance of financial income/expenses             | -6.584.000  | -6.711.000              | -5.320.000                 |
| 5) Balance of extraordinary income/expenses         |             | -6.088.000              |                            |
| 6) Profit before taxes                              | 6.957.000   | -6.589.000              | 1.741.000                  |
| 7) Net profit (loss)                                | 2.348.000   | -10.495.000             | -1.689.000                 |
| 8) Depreciation and amortisation for financial year | 10.507.000  | 10.330.000              | 10.146.000                 |

As at 30 September 2015, the consolidated income is up from the corresponding period of the previous financial year and is equal to 171.8 million Euros (+2.1 compared to 30 September 2014). Margins are also up. These improvements in profitability are the result of the positive contribution of the "Medical Devices and ICT Solutions" and "Integrated e-Health & e-Government Solutions" divisions.

The average price of TBS securities in 2015 was around Euro 1.66 per share, thus confirming the higher value recorded in the previous financial year.

Description and registered office of the company: **Rigoni di Asiago S.r.l. - Asiago (VI)**

Activity performed by the company: Food – production and marketing of spreadable products (fruit jams, honey and creams)

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 1        | 35,55                        | 10.002.500    | 10.002.500                  | 10.000.000                                  |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      | 1        |                              | 4.000.000     | -                           | 4.000.000                                   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 88.654.713  | 81.967.973              | 75.915.897                 |
| 2) Holdings                | 9.017.659   | 6.313.317               | 2.313.317                  |
| 3) Real estate             | 4.449.928   | 4.499.087               | 4.575.350                  |
| 4) Short-term debt         | 56.674.927  | 44.885.136              | 43.035.589                 |
| 5) Medium/long-term debt   | 7.273.576   | 14.811.364              | 12.223.751                 |
| 6) Shareholders' equity    | 24.706.210  | 22.271.473              | 20.656.557                 |
| 7) Gross working capital   | 34.681.825  | 43.343.186              | 34.672.324                 |
| 8) Net working capital     | 10.727.640  | 21.294.330              | 31.994.702                 |
| 9) Net fixed capital       | 13.248.056  | 11.662.129              | 12.469.953                 |
| 10) Net financial position | -27.415.033 | -21.948.195             | -20.143.538                |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 76.144.514 | 67.659.988              | 56.475.454                 |
| 2) Gross operating margin                           | 11.907.675 | 10.006.405              | 7.491.511                  |
| 3) Operating result                                 | 5.198.170  | 3.694.366               | 2.345.276                  |
| 4) Balance of financial income/expenses             | -973.761   | -811.081                | -631.028                   |
| 5) Balance of extraordinary income/expenses         | -138.707   | -116.776                | -24.877                    |
| 6) Profit before taxes                              | 3.923.702  | 2.624.509               | 1.374.905                  |
| 7) Net profit (loss)                                | 2.434.736  | 1.614.916               | 682.607                    |
| 8) Depreciation and amortisation for financial year | 2.382.651  | 2.410.315               | 2.283.870                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

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## **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

## **E) DESCRIPTION OF THE OPERATIONS**

On 15 February 2012, the Fund underwrote a share capital increase in Rigoni di Asiago S.r.l. by Euro 500,000 and subscribed to a shareholder loan against a future capital increase of Euro 9,500,000, which was converted on 25 July 2012, for a total investment of Euro 10,000,000, equal to 35.56% of the share capital.

On 30 May 2013, the Fund dispensed Euro 4,000,000 as a convertible shareholder loan with a duration of two years, which was repaid on 28 May 2015, plus interest accrued.

On 10 December 2015, the Fund subscribed to a second capital increase of Euro 2,500 for the purpose of facilitating a financing operation with Istituto Sviluppo Agroalimentare S.p.A.. The Fund's stake remained unchanged at 35.55% of the share capital.

## **F) OTHER INFORMATION**

The Group Rigoni di Asiago (hereinafter, the "Group") produces and markets jams, honeys, honey products, spreadable creams and organic sweeteners.

The Fund's intervention is intended to help the Group expand its production capacity, consolidate its leadership position on the domestic market and continue to grow on the international markets, including by launching new products and innovative packaging.

The Rigoni Group began operations in the 2000's, initially concentrating on the production and sale of honey. The company subsequently started to produce and market jams and other spreadable organic products and became a leader at the national level. As at 31 December 2015, the Group employs 225 employees (full-time equivalent).

The company's brand is well-known both nationally and internationally and it offers a wide range of organic products, such as honey, the jam, "Fiordifrutta", the cream, "Nocciolata"; the sweetener, "Dolcedi"; the "Tantifrutti" fruit juices, etc.

During 2014, the Company issued a mini five-year bond with a duration of 5 years for 7 million Euros, which was used to finance the expansion of its production capacity as well as build a new production plant in Italy, which became operational at the end of 2015.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 91.229.066  | 85.399.792              | 80.525.815                 |
| 2) Holdings                | 800         | 800                     | 800                        |
| 3) Real estate             | 8.106.034   | 7.882.515               | 7.668.704                  |
| 4) Short-term debt         | 50.854.780  | 50.678.718              | 47.624.583                 |
| 5) Medium/long-term debt   | 19.589.800  | 16.054.259              | 14.640.587                 |
| 6) Shareholders' equity    | 20.784.486  | 18.666.815              | 18.260.645                 |
| 7) Gross working capital   | 46.174.666  | 46.512.669              | 44.652.875                 |
| 8) Net working capital     | 20.346.555  | 22.568.421              | 20.401.989                 |
| 9) Net fixed capital       | 32.633.406  | 30.337.952              | 30.316.179                 |
| 10) Net financial position | -19.957.991 | -25.537.143             | -22.151.474                |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 80.232.923 | 71.046.202              | 59.098.669                 |
| 2) Gross operating margin                           | 15.775.845 | 12.955.907              | 8.852.006                  |
| 3) Operating result                                 | 5.490.361  | 3.552.948               | 1.263.207                  |
| 4) Balance of financial income/expenses             | -2.156.475 | -2.028.990              | -1.654.968                 |
| 5) Balance of extraordinary income/expenses         | -512.623   | -154.431                | -496.845                   |
| 6) Profit before taxes                              | 2.821.263  | 1.369.527               | -888.606                   |
| 7) Net profit (loss)                                | 1.297.910  | 390.378                 | -1.477.204                 |
| 8) Depreciation and amortisation for financial year | 4.095.259  | 3.988.595               | 3.526.958                  |

Description and registered office of the company: **La Patria S.r.l. – Bologna**

Activity performed by the company: Security services

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 1        | 32,37                        | 9.320.049     | 9.320.049                   | 9.320.049                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

La Patria S.r.l. (previously Sentinel S.r.l.) was created on 2 March 2012<sup>2</sup>.

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 50.142.191 | 49.401.678              | 52.225.391                 |
| 2) Holdings                | 14.247.719 | 6.656.433               | 6.656.433                  |
| 3) Real estate             | -          | -                       | -                          |
| 4) Short-term debt         | 8.659.328  | 10.622.740              | 7.863.070                  |
| 5) Medium/long-term debt   | 17.684.719 | 13.379.425              | 17.765.741                 |
| 6) Shareholders' equity    | 23.798.144 | 25.399.513              | 26.596.580                 |
| 7) Gross working capital   | 3.459.982  | 5.918.729               | 6.060.337                  |
| 8) Net working capital     | -1.448.701 | -795.819                | -524.870                   |
| 9) Net fixed capital       | 30.568.122 | 34.637.603              | 38.639.640                 |
| 10) Net financial position | -4.498.978 | -2.515.098              | -933.752                   |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 15.771.104 | 17.017.707              | 3.903.791                  |
| 2) Gross operating margin                           | 11.716.018 | 12.920.987              | 2.370.723                  |
| 3) Operating result                                 | -1.078.978 | -519.518                | -1.164.323                 |
| 4) Balance of financial income/expenses             | 501.270    | 46.077                  | -548.698                   |
| 5) Balance of extraordinary income/expenses         | -684.443   | -114.464                | 381.718                    |
| 6) Profit before taxes                              | -1.262.151 | -587.905                | -1.331.303                 |
| 7) Net profit (loss)                                | -1.601.365 | -1.197.067              | -1.103.519                 |
| 8) Depreciation and amortisation for financial year | 4.003.680  | 4.062.965               | 1.062.508                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

<sup>2</sup> It should be noted that the economic results of La Patria S.r.l. only concern the last quarter of 2012 because the merger between the companies, as described above, occurred at the end of September 2012 and did not have any retroactive effect.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 20 April 2012, the Fund underwrote a share capital increase in **La Patria S.r.l.**, a company with its registered office in Bologna and operating in the security services sector, for Euro **9,320,049**, equal to **32.37%** of the share capital.

The operation was conducted jointly with PM & Partners and the industrial shareholders, and it was used, along with bank loans, to purchase 100% of La Patria S.r.l., which now owns 100% of the company Sistemi Integrati S.r.l. (together, the "La Patria Group").

The share held by the Company is given as a pledge to two banks to secure a loan granted to the company.

## F) OTHER INFORMATION

The company was founded in 1950 by the Colli family, which still owns shares in the company. La Patria Group is active in the security services industry primarily in the provinces of Modena and Bologna, where it holds a leadership position.

The objective of the investment is to support La Patria Group in its aggregation process to create an Italian leader in the security services sector, promoting a business model that focuses on high-value added services, such as zone surveillance.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 50.109.080 | 47.676.818              | 51.443.582                 |
| 2) Holdings                | 12.384     | 12.384                  | 12.384                     |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 8.978.389  | 9.107.261               | 8.913.681                  |
| 5) Medium/long-term debt   | 18.365.551 | 13.747.862              | 16.374.177                 |
| 6) Shareholders' equity    | 22.765.140 | 24.821.695              | 26.155.724                 |
| 7) Gross working capital   | 8.423.930  | 8.691.968               | 9.195.553                  |
| 8) Net working capital     | 4.711.030  | 3.354.846               | 3.989.210                  |
| 9) Net fixed capital       | 39.385.450 | 36.611.482              | 40.997.162                 |
| 10) Net financial position | 1.251.180  | 1.583.884               | 1.105.413                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 23.124.739 | 23.496.976              | 23.634.579                 |
| 2) Gross operating margin                           | 15.698.513 | 16.037.767              | 15.764.468                 |
| 3) Operating result                                 | 255.398    | 798.399                 | 290.180                    |
| 4) Balance of financial income/expenses             | -676.978   | -853.257                | -792.518                   |
| 5) Balance of extraordinary income/expenses         | -690.206   | -114.464                | 423.472                    |
| 6) Profit before taxes                              | -1.111.786 | -169.322                | -78.866                    |
| 7) Net profit (loss)                                | -2.056.553 | -1.334.027              | -1.544.375                 |
| 8) Depreciation and amortisation for financial year | 5.360.827  | 5.151.202               | 5.190.556                  |

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The loss recorded in 2014, like the losses recorded in the two previous years, is also essentially consistent with what was expected in the business plan at the entry of the Fund and therefore was already taken into account when determining the purchase price of the investment; consequently, this loss is not permanent in nature. These losses are the result of the depreciation of the goodwill, among other factors, resulting from the original operation and the merger by incorporation of the two companies acquired in 2014 and 2015.

The 2015 forecast data shows an increase in income and margins compared to the previous financial year as a result of the acquisitions of two companies, Corpo Bustese Vigilnot S.r.l. and Aquila S.r.l., respectively in December 2014 and May 2015. The NFP is also expected to have increased slightly compared to financial year 2014.

Description and registered office of the company: **Farmol S.p.A. – Comun Nuovo (BG)**

Activity performed by the company: Outsourced production of aerosols and liquids for cosmetics, personal hygiene and detergents

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      |           |                              |               |                             |   |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 3.000.000 | 100                          | 3.000.000     | 3.000.000                   | 3.000.000                                   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 23.559.817 | 20.051.454              | 22.290.837                 |
| 2) Holdings                | 2.442.609  | 2.442.609               | 2.368.894                  |
| 3) Real estate             | 2.256      | 3.446                   | 4.636                      |
| 4) Short-term debt         | 13.434.693 | 10.138.141              | 9.363.633                  |
| 5) Medium/long-term debt   | 3.860.713  | 4.495.127               | 2.506.456                  |
| 6) Shareholders' equity    | 6.264.411  | 5.418.186               | 10.420.748                 |
| 7) Gross working capital   | 11.258.261 | 7.320.880               | 7.388.807                  |
| 8) Net working capital     | -938.058   | -1.850.373              | 317.904                    |
| 9) Net fixed capital       | 4.497.368  | 4.057.517               | 4.690.514                  |
| 10) Net financial position | -3.986.962 | -1.925.632              | 593.447                    |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 43.294.218 | 35.928.923              | 31.559.995                 |
| 2) Gross operating margin                           | 8.639.237  | 7.116.912               | 6.087.234                  |
| 3) Operating result                                 | 1.615.361  | 649.471                 | -814.481                   |
| 4) Balance of financial income/expenses             | -203.782   | 1.545                   | 72.599                     |
| 5) Balance of extraordinary income/expenses         |            |                         | 138.343                    |
| 6) Profit before taxes                              | 1.411.579  | 651.016                 | -603.539                   |
| 7) Net profit (loss)                                | 846.224    | 335.266                 | -491.728                   |
| 8) Depreciation and amortisation for financial year | 1.255.075  | 1.257.009               | 1.740.549                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES



The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 23 May 2012, the Fund underwrote a share capital increase in Farmol S.p.A. and purchased shares for a total of Euro 6,250,000, equal to 32.90% of the share capital.

The changing macroeconomic framework in which Farmol operates and the loss of growth opportunities through extraordinary operations have led the Fund and Farmol's other shareholders to withhold the financial resources resulting from the capital increase subscribed to by the Fund that exceed Farmol's actual needs. Consequently, on 25 January 2013, a new agreement was signed regarding the Fund's exit from the share capital and subscription of a convertible bond.

On 29 November 2013, the operation was completed involving the sale of the Company's shares held by the Fund to other shareholders for Euro 4,493,855, the distribution of an extraordinary dividend, the Fund's portion of which was equal to Euro 1,756,145, and the subscription by the Fund of a convertible bond for Euro 3,000,000, with a duration of four years and a maturity date of 31 December 2017. In total, the Fund collected Euro 6,250,000, equal to the investment made.

## F) OTHER INFORMATION

Farmol operates in the sector of outsourced production of aerosols and liquids for cosmetics, personal hygiene and detergents.

In 2014, the company prepared its first consolidated financial statements, shown below:

| (Figures in Euros)         |            |
|----------------------------|------------|
| Balance sheet data         | 31/12/14   |
| 1) Total assets            | 31.337.775 |
| 2) Holdings                |            |
| 3) Real estate             | 3.916.921  |
| 4) Short-term debt         | 18.108.418 |
| 5) Medium/long-term debt   | 7.934.308  |
| 6) Shareholders' equity    | 5.295.049  |
| 7) Gross working capital   | 14.325.182 |
| 8) Net working capital     | -1.148.404 |
| 9) Net fixed capital       | 14.361.934 |
| 10) Net financial position | -5.985.444 |

| (Figures in Euros)                                  |            |
|---|------------|
| Income data   | 31/12/14   |
| 1) Turnover   | 53.406.168 |
| 2) Gross operating margin                           | 12.153.896 |
| 3) Operating result                                 | 2.626.953  |
| 4) Balance of financial income/expenses             |            |
| 5) Balance of extraordinary income/expenses         | -773.248   |
| 6) Profit before taxes                              | 1.853.705  |
| 7) Net profit (loss)                                | 1.223.906  |
| 8) Depreciation and amortisation for financial year | 2.447.617  |

The revised budget data shows results that are significantly improved compared to 2014 both in terms of income, 73.2 million Euros, and EBITDA as a result of the increase in sales volumes and new clients acquired in Italy and Hungary. The NFP is expected to be down as a result of greater

cash generation.

Description and registered office of the company **Zeis Excelsa S.p.A. – Montegranaro (FM)**

Activity performed by the company: Production of footwear, clothing and accessories under its own brands or under license

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 249.900   | 19,99                        | 12.000.000    | 800.000                     | 2.300.000                                   |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 8.000.000 | 100                          | 8.000.000     | 8.000.000                   | 8.000.000                                   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      | 1.313.438 | 100                          | 1.386.588     | 1.386.588                   | 921.088                                     |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 121.926.239 | 146.610.985             | 156.846.168                |
| 2) Holdings                | 11.861.327  | 11.025.766              | 9.095.614                  |
| 3) Real estate             | 11.085.410  | 13.666.196              | 13.873.680                 |
| 4) Short-term debt         | 69.866.311  | 80.379.010              | 81.306.602                 |
| 5) Medium/long-term debt   | 25.995.847  | 25.681.443              | 27.856.433                 |
| 6) Shareholders' equity    | 26.064.081  | 40.550.532              | 47.683.133                 |
| 7) Gross working capital   | 74.997.653  | 91.522.064              | 87.053.506                 |
| 8) Net working capital     | 36.943.488  | 54.674.745              | 48.580.308                 |
| 9) Net fixed capital       | 22.664.537  | 28.624.473              | 31.056.255                 |
| 10) Net financial position | -34.855.880 | -35.100.029             | -24.898.237                |

(Figures in Euros)

| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|---|-------------|-------------------------|----------------------------|
| 1) Turnover   | 89.645.702  | 106.117.073             | 119.397.112                |
| 2) Gross operating margin                           | 10.247.890  | 16.848.423              | 18.086.640                 |
| 3) Operating result                                 | -10.198.767 | -4.858.786              | -1.826.346                 |
| 4) Balance of financial income/expenses             | -4.240.060  | -3.230.562              | -1.973.947                 |
| 5) Balance of extraordinary income/expenses         | -1.919.421  | 3.247.134               | 207.585                    |
| 6) Profit before taxes                              | -17.560.892 | -8.721.919              | -4.008.062                 |
| 7) Net profit (loss)                                | -14.486.447 | -7.132.602              | -3.057.792                 |
| 8) Depreciation and amortisation for financial year | 4.859.703   | 5.262.294               | 4.881.732                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

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Purchase cost, corrected for impairment losses

#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 29 May 2012, the Fund underwrote a share capital increase in Zeis Excelsa S.p.A. (hereinafter, "Zeis") by Euro 12,000,000, equal to 19.99% of the share capital, and subscribed to a convertible bond (hereinafter, the convertible bond) for Euro 8,000,000, with a duration of 6 years and a maturity date of 28 May 2018.

The company issued ordinary bonds (with the same maturity date as the convertible bond), in addition to interest capitalisation, against the convertible bond coupon issue, for a total of Euro 1,386,588, which breaks down as follows:

- Euro 448,000, on 11 June 2013, as the first dividend,
- Euro 473,088, on 12 June 2014, as the second dividend, including capitalised interest,
- Euro 465,500, on 12 June 2015, as the third dividend, including capitalised interest,

#### **F) OTHER INFORMATION**

Zeis Excelsa S.p.A. is the parent company of the group of the same name and is one of the leading Italian operators in the production and distribution of medium and high range footwear, both under its own brands, with the brands Bikkembergs, Docksteps, Cult and Virtus Palestre, and brands that it markets under license, including Merrell, Samsonite Footwear and other smaller brands.

Since 2011, when Zeis bought the Bikkembergs brand, which it had already been selling under license in the footwear sector and significantly increased its turnover, especially abroad, by expanding its line of products in the clothing sector, the Company has experienced a consistent loss of revenue concentrated primarily in the wholesale channel of the footwear segment in Italy and western Europe (France, Spain).

In 2014, the company began a review process of the Group's business model with the objective of a commercial relaunch of Zeis products and brands (particularly abroad) and progressive outsourcing of production and logistics in order to focus on design, industrialisation, marketing and distribution, including direct distribution, of the product. This reorganisation of commercial processes and production is still ongoing and is expected to start to show effects in the coming years.

In July 2015, the company sold 51% of the Bikkembergs brand to the Chinese company Canudilo, listed on Shenzhen, for an amount of approximately 41 million Euros.

The consolidated figures of the Zeis Group are shown below:

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 140.097.762 | 173.826.995             | 191.202.952                |
| 2) Holdings                | 973.616     | 1.170.217               | 1.451.809                  |
| 3) Real estate             | 16.398.680  | 19.161.914              | 19.707.373                 |
| 4) Short-term debt         | 77.381.136  | 97.129.373              | 96.274.106                 |
| 5) Medium/long-term debt   | 30.964.716  | 33.741.209              | 43.757.986                 |
| 6) Shareholders' equity    | 31.751.910  | 42.956.413              | 51.170.860                 |
| 7) Gross working capital   | 75.723.312  | 98.319.554              | 98.076.898                 |
| 8) Net working capital     | 28.387.251  | 44.064.553              | 36.785.546                 |
| 9) Net fixed capital       | 60.711.371  | 71.075.379              | 75.597.737                 |
| 10) Net financial position | -46.117.714 | -52.055.332             | -39.969.403                |

| (Figures in Euros)                                  |             |                         |                            |
|---|-------------|-------------------------|----------------------------|
| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 103.921.911 | 119.221.712             | 123.713.553                |
| 2) Gross operating margin                           | 19.861.868  | 28.421.667              | 32.224.983                 |
| 3) Operating result                                 | -11.504.176 | -4.499.873              | 351.131                    |
| 4) Balance of financial income/expenses             | -5.107.929  | -4.159.927              | -2.847.409                 |
| 5) Balance of extraordinary income/expenses         | -216.901    | -447.313                | 2.298.224                  |
| 6) Profit before taxes                              | -17.147.629 | -9.461.661              | -511.324                   |
| 7) Net profit (loss)                                | -14.322.662 | -8.293.581              | -721.430                   |
| 8) Depreciation and amortisation for financial year | 9.508.043   | 9.905.836               | 10.032.464                 |

Following the sale of the majority in Levitas (owner of the Bikkembergs brand) to Canudilo, 2015 will be the first deconsolidation year of the underlying company (in which Zeis now owns 24.5%), as well as the transfer of the clothing activities, which were transferred under license to the SINV partner in 2014.

The 2015 forecast shows a reduction in turnover as a result of the operations indicated below, and the financial benefits resulting from the collection of the Bikkembergs fees (for which capital gains were equal to approximately 20 million Euros), against operating margins that are still negative, despite certain improvements compared to 2014, related to reduction measures and cost variabilisation.

In light of the company's performance, the losses recorded in recent years, and the interim report as at 30 June 2015 and the impairment analysis, which shows a permanent loss in value (primarily due to current conditions), it was considered prudent to align the book value of the shares with their fair value with an additional write-down of Euro 1,500,000 from the adjusted purchase value of 31 December 2014. The book value thus was reduced to Euro 800,000, in addition to Euro 9,386,588 in bonds, for a total of Euro 10,186,588.

Description and registered office of the company: **General Medical Merate S.p.A. - Seriate (BG)**

Activity performed by the company: Radiological Diagnostic Equipment

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 1.399.656 | 28,85                        | 13.000.000    | 11.800.000                  | 11.800.000                                  |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |           |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 54.958.987 | 58.745.369              | 60.162.739                 |
| 2) Holdings                | 12.364.227 | 11.028.886              | 9.528.886                  |
| 3) Real estate             | 18.716     | 24.798                  | 35.168                     |
| 4) Short-term debt         | 23.468.998 | 28.764.344              | 27.360.202                 |
| 5) Medium/long-term debt   | 3.370.168  | 4.019.005               | 6.165.896                  |
| 6) Shareholders' equity    | 28.119.821 | 25.962.020              | 26.636.641                 |
| 7) Gross working capital   | 33.902.102 | 37.430.432              | 35.305.636                 |
| 8) Net working capital     | 19.484.869 | 22.581.805              | 15.578.340                 |
| 9) Net fixed capital       | 1.798.962  | 2.840.694               | 1.497.026                  |
| 10) Net financial position | 1.100.815  | -4.497.242              | 3.883.535                  |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 39.903.592 | 43.029.628              | 55.190.647                 |
| 2) Gross operating margin                           | 8.790.857  | 8.952.933               | 13.952.112                 |
| 3) Operating result                                 | -720.380   | -22.556                 | 4.048.847                  |
| 4) Balance of financial income/expenses             | 1.459.289  | -444.984                | -442.025                   |
| 5) Balance of extraordinary income/expenses         | 2          | -162.112                | 289.025                    |
| 6) Profit before taxes                              | 2.034.356  | -629.652                | 2.600.402                  |
| 7) Net profit (loss)                                | 2.062.496  | -674.619                | 1.153.750                  |
| 8) Depreciation and amortisation for financial year | 670.722    | 712.493                 | 614.831                    |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost, corrected for impairment losses

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 25 June 2012, the Fund underwrote a share capital increase in General Medical Merate S.p.A. (hereinafter "GMM") of Euro 13,000,000, equal to 28.85% of the share capital.

## F) OTHER INFORMATION

Created in 1952, GMM produces and markets advanced radiological equipment with high levels of integrated technology, such as remote-controlled tables, machine units, complete x-ray rooms and/or monoblocks (both under its own brand and as a supplier of the major multi-national brands). The fields of application include both conventional "static" radiology (single images) and "dynamic" radiology (moving images).

Controlled by the Sordi family, a majority shareholder through the holding GMM Italia S.p.A., GMM employs more than 255 employees and exports approximately 80% of its turnover abroad. Since 2008, the company has completed two acquisitions in Italy, MT Medical Technology S.r.l. and Mecall S.r.l., and one in China, IMD China Ltd. Currently, the company operates four plants in Italy and one in China.

The company has positioned itself within the historical core of Italian companies that over the years have achieved a global level of excellence in the sector of diagnostic radiology machines, representing a point of reference for the entire segment at both the national and international levels.

In June 2015, GMM and Mecall S.r.l. were merged with the objective of simplifying and streamlining the corporate structure of the group and achieving cost synergies, which began to emerge by the last few months of 2015.

As a result of the loss recorded at the end of 2013 resulting from the negative trends on certain markets, on 30 June 2014, the Fund had written down the purchase price of the underlying company on a prudential basis by the amount of Euro 1,200,000. The current book value is therefore Euro 11,800,000.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 63.447.266 | 68.953.247              | 68.497.801                 |
| 2) Holdings                | 143.836    | 138.917                 | 87.887                     |
| 3) Real estate             | 1.023.241  | 1.066.317               | 1.119.191                  |
| 4) Short-term debt         | 31.327.395 | 36.916.421              | 33.992.194                 |
| 5) Medium/long-term debt   | 5.757.753  | 6.435.519               | 8.484.030                  |
| 6) Shareholders' equity    | 26.362.118 | 25.601.307              | 26.021.577                 |
| 7) Gross working capital   | 48.026.359 | 51.946.003              | 46.937.984                 |
| 8) Net working capital     | 29.106.660 | 31.136.382              | 22.596.502                 |
| 9) Net fixed capital       | 4.649.052  | 5.138.067               | 4.261.402                  |
| 10) Net financial position | 2.949.497  | -2.661.102              | 4.316.720                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 59.408.948 | 61.021.089              | 72.405.632                 |
| 2) Gross operating margin                           | 15.773.091 | 14.908.551              | 19.726.297                 |
| 3) Operating result                                 | 1.658.562  | 1.142.799               | 4.057.158                  |
| 4) Balance of financial income/expenses             | -780.017   | -600.568                | -674.210                   |
| 5) Balance of extraordinary income/expenses         | -12.255    | -308.565                | 378.241                    |
| 6) Profit before taxes                              | 866.290    | 233.666                 | 3.761.189                  |
| 7) Net profit (loss)                                | 350.353    | -346.143                | 1.882.950                  |
| 8) Depreciation and amortisation for financial year | 1.139.050  | 1.687.042               | 1.821.827                  |

The 2015 forecast data shows income of 60.2 million Euros and an EBITDA of approximately 3.7 million Euros, improvements over 2014 and over the budget, primarily due to an increase in sales in Romania and China and a reduction in costs for services and personnel. The forecast NFP is down, primarily due to the improvement in the operating profit.

Description and registered office of the company: **Labomar S.r.l.- Istrana (TV)**

Activity performed by the company: Outsourced production and distribution of nutraceuticals.

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 1        | 29,33                        | 3.000.000     | 3.000.000                   | 3.000.000                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 20.145.399 | 15.993.778              | 14.740.068                 |
| 2) Holdings                | 375.871    | 184.308                 | 76.854                     |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 8.828.791  | 8.715.708               | 7.694.187                  |
| 5) Medium/long-term debt   | 5.542.889  | 2.462.639               | 2.244.286                  |
| 6) Shareholders' equity    | 5.773.719  | 4.815.431               | 4.801.595                  |
| 7) Gross working capital   | 10.197.540 | 10.596.873              | 10.100.935                 |
| 8) Net working capital     | 3.161.001  | 3.906.167               | 9.097.282                  |
| 9) Net fixed capital       | 7.982.347  | 4.233.584               | 4.168.878                  |
| 10) Net financial position | 5.682      | -1.038.725              | 344.275                    |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 25.084.770 | 18.909.757              | 19.168.869                 |
| 2) Gross operating margin                           | 8.379.578  | 5.513.192               | 6.356.879                  |
| 3) Operating result                                 | 1.750.726  | 351.207                 | 866.049                    |
| 4) Balance of financial income/expenses             | -153.355   | -128.457                | -168.505                   |
| 5) Balance of extraordinary income/expenses         | -213       | -39.679                 | 57.845                     |
| 6) Profit before taxes                              | 1.583.566  | 183.071                 | 755.389                    |
| 7) Net profit (loss)                                | 958.285    | 13.835                  | 423.171                    |
| 8) Depreciation and amortisation for financial year | 1.088.056  | 999.041                 | 870.563                    |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.



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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 27 June 2012, the Fund underwrote a share capital increase in Labomar S.r.l. of Euro 3,000,000, equal to 29.33% of the share capital.

#### **F) OTHER INFORMATION**

Labomar S.r.l. specialises in the research and development and production of food supplements and health and diet products. Founded in 1999 by Walter Bertin, a traditional pharmacist and current majority shareholder, and invested in by Carmen Frare, current technical director, in 2004, the company represents a production and distribution partner for major pharmaceutical companies, focusing its activities in medical/scientific information and direct sales in pharmacies and similar channels, such as herbalist shops and GDO.

The Fund's intervention is intended to promote chain integration and support a major investment plan designed to increase production capacity, expand activities internationally and further increase research and development, with the involvement of leading universities.

On 24 July 2015, the company paid dividends of Euro 130,873.

The estimated data as at 31 December 2015 shows income of 27.8 million Euros, up from the previous financial year. However, the margins do not reflect this higher value due to greater fixed costs from a reinforced structure and other costs related to the commissioning of a new production plant. The NFP is expected to be higher as a result of these greater costs.

Description and registered office of the company: **Antares Vision S.r.l. Castel Mella (BG)**

Activity performed by the company: Mechanical ICT

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 1        | 21,11                        | 5.000.000     | 5.000.000                   | 5.000.000                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 28.016.565 | 15.774.390              | 12.895.438                 |
| 2) Holdings                | 1.928.287  | 1.557.658               | 830.449                    |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 15.557.603 | 5.777.215               | 3.573.200                  |
| 5) Medium/long-term debt   | 3.243.523  | 2.226.891               | 2.437.740                  |
| 6) Shareholders' equity    | 9.215.439  | 7.770.284               | 6.884.498                  |
| 7) Gross working capital   | 18.342.288 | 9.117.879               | 7.307.618                  |
| 8) Net working capital     | 2.749.968  | 3.249.519               | 4.033.380                  |
| 9) Net fixed capital       | 2.454.933  | 2.540.307               | 1.909.764                  |
| 10) Net financial position | 1.704.735  | 1.538.290               | 3.366.529                  |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 21.530.645 | 12.688.978              | 8.234.665                  |
| 2) Gross operating margin                           | 7.226.826  | 3.765.988               | 1.792.985                  |
| 3) Operating result                                 | 1.663.786  | 605.123                 | 414.825                    |
| 4) Balance of financial income/expenses             | -47.654    | 25.106                  | 56.658                     |
| 5) Balance of extraordinary income/expenses         |            | 2                       | 32.269                     |
| 6) Profit before taxes                              | 1.986.761  | 1.131.685               | 813.286                    |
| 7) Net profit (loss)                                | 1.445.157  | 885.785                 | 643.520                    |
| 8) Depreciation and amortisation for financial year | 976.472    | 481.939                 | 197.016                    |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 19 July 2012, the Fund underwrote a share capital increase in Antares Vision S.r.l. (now Antares Vision S.r.l.) by Euro 4,000,000 and purchased shares for the amount of Euro 1,000,000, for a total of Euro 5,000,000, equal to 21.11% of the share capital.

## F) OTHER INFORMATION

The company, which was created in 1998 from a spin-off of the Università di Brescia, conducts design, realisation and distribution activities of artificial visual solutions, with a focus on the pharmaceutical sector, with the purpose of producing products and systems to guarantee drug safety. The Company distributes own-brand products, Antares Vision, and employs 180 employees.

With the Fund's support, the company initiated a new growth process and plans to expand its production capacity and *R&D* structure by building a new plant in Italy and opening certain foreign branches, followed by the consolidation of the international commercial network.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 28.670.116 | 15.760.180              | 13.054.847                 |
| 2) Holdings                |            |                         |                            |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 16.095.196 | 5.834.152               | 3.700.178                  |
| 5) Medium/long-term debt   | 3.259.689  | 2.258.116               | 2.473.611                  |
| 6) Shareholders' equity    | 9.315.231  | 7.667.912               | 6.881.058                  |
| 7) Gross working capital   | 18.923.893 | 9.439.516               | 7.621.979                  |
| 8) Net working capital     | 2.812.104  | 3.514.219               | 4.220.763                  |
| 9) Net fixed capital       | 2.502.549  | 2.562.694               | 1.943.387                  |
| 10) Net financial position | 3.353.438  | 2.754.425               | 3.976.354                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 23.465.577 | 14.793.954              | 9.933.068                  |
| 2) Gross operating margin                           | 8.937.680  | 5.189.945               | 2.905.947                  |
| 3) Operating result                                 | 2.205.751  | 1.178.499               | 837.558                    |
| 4) Balance of financial income/expenses             | -55.155    | 27.123                  | 60.377                     |
| 5) Balance of extraordinary income/expenses         | -11.148    | 2                       | 32.269                     |
| 6) Profit before taxes                              | 2.139.448  | 1.205.624               | 930.204                    |
| 7) Net profit (loss)                                | 1.408.465  | 791.295                 | 640.080                    |
| 8) Depreciation and amortisation for financial year | 1.017.794  | 507.157                 | 227.044                    |

The pre-closing data at the end of 2015 shows an increase over the previous year and an improvement over the 2015 budget due to significant contracts obtained with certain pharmaceutical companies and the lower impact of labour costs. The NFP is estimated to be slightly down.

Description and registered office of the company: **E.M.A.R.C. S.p.A. – Vinovo (TO)**

Activity performed by the company: Manufacture of parts and accessories for vehicles

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 5.166.682 | 31,00                        | 10.000.000    | 7.000.000                   | 8.400.000                                   |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 1.000.000 | 33,33                        | 1.000.000     | 1.000.000                   | 1.000.000                                   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 79.568.141  | 88.604.708              | 92.831.367                 |
| 2) Holdings                | 14.619.743  | 13.633.517              | 13.522.782                 |
| 3) Real estate             | 14.535.409  | 14.322.536              | 14.800.763                 |
| 4) Short-term debt         | 39.329.600  | 51.806.293              | 49.112.262                 |
| 5) Medium/long-term debt   | 14.195.473  | 8.928.988               | 10.653.895                 |
| 6) Shareholders' equity    | 26.043.068  | 27.869.427              | 33.065.210                 |
| 7) Gross working capital   | 32.789.234  | 39.530.757              | 35.138.468                 |
| 8) Net working capital     | 764.742     | -928.156                | 845.591                    |
| 9) Net fixed capital       | 29.026.291  | 26.997.479              | 25.265.447                 |
| 10) Net financial position | -23.980.733 | -29.988.946             | -20.141.939                |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 90.139.265 | 76.917.965              | 63.970.412                 |
| 2) Gross operating margin                           | 13.795.203 | 9.837.704               | 10.220.516                 |
| 3) Operating result                                 | -6.585.665 | -8.303.487              | -3.390.615                 |
| 4) Balance of financial income/expenses             | -31.769    | 902.989                 | 758.102                    |
| 5) Balance of extraordinary income/expenses         | 4.450.934  | 31.894                  | -706.583                   |
| 6) Profit before taxes                              | -2.626.614 | -7.368.604              | -3.347.096                 |
| 7) Net profit (loss)                                | -2.661.495 | -5.195.780              | -2.173.909                 |
| 8) Depreciation and amortisation for financial year | 3.949.842  | 3.171.123               | 2.407.300                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost, corrected for impairment losses

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## **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company owns 100% of two real estate companies, Carol S.r.l. and Ameg S.r.l..

## **E) DESCRIPTION OF THE OPERATIONS**

On 30 June 2012, the Fund underwrote a share capital increase in E.M.A.R.C. S.p.A. by Euro 10,000,000, equal to 31.00% of the share capital.

On 5 November 2014, E.M.A.R.C. S.p.A. issued a convertible bond of Euro 3,000,000, of which Euro 1,000,000 was subscribed by the Fund (and Euro 2,000,000 was subscribed by the majority shareholder) with a duration of 8 years, with a maturity date within 91 days following 30 September 2022, thus by 30 December 2022.

## **F) OTHER INFORMATION**

E.M.A.R.C. S.p.A., with its registered office in Vinovo (Turin), operates in the design and production of systems (bending machines) and in the production and marketing of components for the automotive sector. The company operates in eight countries around the world.

The company offers its clients a full portfolio of products in steel and aluminium, providing doors, hatches, sliding door systems, modules for structural assemblies, car bodies and spaceframes for cars and commercial vehicles. The Group, even though it is smaller in size than its competitors, performs a Tier-1 role in the automotive sector.

The Fund's intervention is intended to support the company with its industrial growth plan, which is characterised by (i) the development of production joint ventures in non-EU countries, (ii) the enhancement of current production sites and development of new production sites, (iii) the expansion of the line of products offered, (iv) the consolidation of the sales network, and (v) the potential acquisition, with opportunistic logic, of synergistic companies for their know how and production technologies.

Following the loss recorded at the end of 2013 primarily caused by a decrease in volumes on certain contracts and the production inefficiencies of the Italian plants, on 31 December 2014, the Fund considered it prudent to write down the purchase cost of the underlying company (capital only) by Euro 1,600,000. Subsequently, as at 30 June 2015, the company was written down again by Euro 1,400,000. The current book value is, therefore, Euro 7,000,000.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 112.885.231 | 125.155.575             | 126.952.919                |
| 2) Holdings                | 2.719.292   | 2.138.575               | 1.995.216                  |
| 3) Real estate             | 16.669.955  | 16.159.151              | 16.708.576                 |
| 4) Short-term debt         | 58.082.910  | 64.995.064              | 61.493.251                 |
| 5) Medium/long-term debt   | 21.722.113  | 22.185.134              | 21.973.683                 |
| 6) Shareholders' equity    | 33.080.208  | 37.975.377              | 43.485.985                 |
| 7) Gross working capital   | 54.108.025  | 61.844.472              | 53.429.000                 |
| 8) Net working capital     | 9.712.257   | 12.412.001              | 9.955.498                  |
| 9) Net fixed capital       | 51.970.165  | 54.138.501              | 54.521.582                 |
| 10) Net financial position | -28.958.808 | -30.505.162             | -22.205.979                |

| (Figures in Euros)                                  |             |                         |                            |
|---|-------------|-------------------------|----------------------------|
| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 147.369.186 | 132.417.918             | 121.327.554                |
| 2) Gross operating margin                           | 36.551.674  | 32.139.857              | 30.844.422                 |
| 3) Operating result                                 | -765.542    | -532.464                | 1.728.114                  |
| 4) Balance of financial income/expenses             | -1.513.303  | -2.160.181              | -1.214.512                 |
| 5) Balance of extraordinary income/expenses         | -184.229    | 116.131                 | -2.396.228                 |
| 6) Profit before taxes                              | -2.443.667  | -2.543.890              | -1.872.993                 |
| 7) Net profit (loss)                                | -4.300.986  | -2.543.972              | -1.149.215                 |
| 8) Depreciation and amortisation for financial year | 8.801.385   | 8.969.509               | 8.360.768                  |

The pre-closing data as at 31 December 2015 shows higher sales volumes as a result of the positive trends on the commercial vehicle market. The margins were negatively impacted by certain issues involving the efficiency of the Italian production plants.

Description and registered office of the company: **Mape S.p.A. – Bazzano (BO)**

Activity performed by the company: Production of connecting rods and drive shafts for the automobile, recreational and industrial sector

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 229.357   | 30,07                        | 4.000.000     | 0                           | 0   |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 6.000.000 | 100                          | 6.000.000     | 0                           | 0   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/13    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 5.085.745   | 15.946.405              | 17.328.391                 |
| 2) Holdings                | 3.450.424   | 11.275.574              | 17.134.165                 |
| 3) Real estate             |             |                         |                            |
| 4) Short-term debt         | 9.947.158   | 4.148.835               | 1.809.677                  |
| 5) Medium/long-term debt   | 15.819.000  | 11.550.213              | 3.502.430                  |
| 6) Shareholders' equity    | -20.680.413 | 247.357                 | 12.016.284                 |
| 7) Gross working capital   | 1.601.140   | 1.565.439               | 178.558                    |
| 8) Net working capital     | -1.555.223  | -1.546.127              | -1.631.119                 |
| 9) Net fixed capital       | 7.545       | 21.733                  | 10.707                     |
| 10) Net financial position | -8.319.382  | 490.252                 | -1.637.192                 |

(Figures in Euros)

| Income data   | 31/12/13    | Previous Financial Year | 2° Previous Financial Year |
|---|-------------|-------------------------|----------------------------|
| 1) Turnover   | 1.810.067   | 2.287.590               | 25.864.273                 |
| 2) Gross operating margin                           | 813.664     | 1.140.783               | 9.210.745                  |
| 3) Operating result                                 | -2.661.933  | -3.016.772              | 1.825.250                  |
| 4) Balance of financial income/expenses             | -236.037    | -246.962                | -955.546                   |
| 5) Balance of extraordinary income/expenses         | -13.369.025 | -3.625                  | 3.375.385                  |
| 6) Profit before taxes                              | -20.906.522 | -18.371.749             | 3.543.383                  |
| 7) Net profit (loss)                                | -20.927.774 | -18.306.236             | 2.881.369                  |
| 8) Depreciation and amortisation for financial year | 5.095       | 3.794                   | 1.854.679                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost, corrected for impairment losses

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## **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

## **E) DESCRIPTION OF THE OPERATIONS**

On 18 October 2012, the Fund underwrote a share capital increase in Mape S.p.A. by Euro 4,000,000, equal to 30.07% of the share capital, and subscribed to a convertible bond (hereinafter, the “convertible bond”) for Euro 6,000,000.

## **F) OTHER INFORMATION**

Mape is an international leader in the production of special engine systems (connecting rods, camshafts and other components) for the recreational, motorcycling, automobile, industrial and agricultural sectors.

The problems associated with foreign investments that had not yet become fully operational in parallel with the profound crisis in the automotive sector triggered a significant deterioration in economic and financial performance, which, along with the losses arising from write-downs, had led to an economic result for financial year 2012 that was strongly negative. The Fund had therefore decided to write down the share capital and convertible bond as at 30 June 2013 by a total of Euro 10,000,000.

On 13 June 2013, Mape Forge S.r.l. (100% Mape S.p.A.), had filed a request with the Court of Chieti for admission into voluntary early arrangement with creditors and, on 30 December 2013, the Court had granted the request on the basis of a liquidation plan.

On 20 September 2013, Mape S.p.A., Mape Italia S.r.l. (100% Mape S.p.A.) and Mape Tecnol S.r.l. (100% Mape S.p.A., then declared bankruptcy at the end of November 2013) had filed a request with the Court of Bologna for admission into voluntary early arrangement with creditors.

Subsequently, the Court of Bologna had authorised a liquidation plan for Mape S.p.A. and Mape Italia S.r.l. respectively and on 5 February 2014 had authorised an arrangement with creditors process for Mape S.p.A., approving a composition proposal presented by a newco, called Mape Technology S.r.l..

On 9 May 2014, the Official Receiver filed a request for revocation of the arrangement, and, consequently, on 15 May 2014, the Court of Bologna declared Mape S.p.A. bankrupt; on 13 May 2014, the same company had filed a petition for bankruptcy.

After the Fund submitted a proof of debt claiming an amount equal to the amount of the convertible bond and accrued interest as at the date of bankruptcy (specifically, Euro 6,937,481.82), the Court of Bologna approved the debt claimed by the Fund in the unsecured and subordinated loan category for an amount equal to the amount of the convertible bond and interest accrued as at the date of filing of the request for arrangement (specifically, Euro 6,530,235.62). The Fund filed an appeal in objection to the statement of affairs as part of its actions taken to protect its rights of property in order to obtain recognition of the non-subordinated nature of the debt claimed in the proof of debt.



Description and registered office of the company: **Turbocoating S.p.A. (Rubbiano di Solignano)**

Activity performed by the company: Application of thermal coating spray technologies (so-called coating)

## A) SECURITIES IN THE FUND'S PORTFOLIO

| (Figures in Euros)                                  |           |                              |               |                             |   |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
| 1) equities with voting rights                      | 9.874     | 15,25                        | 7.500.000     | 7.500.000                   | 7.500.000                                   |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 2.500.000 | 50,00                        | 2.500.000     | 2.500.000                   | 2.500.000                                   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 52.655.743 | 50.843.616              | 26.248.360                 |
| 2) Holdings                | 18.370.825 | 18.370.825              | 3.120.825                  |
| 3) Real estate             | 27.675     | 17.431                  | 21.786                     |
| 4) Short-term debt         | 9.041.419  | 9.086.844               | 9.264.460                  |
| 5) Medium/long-term debt   | 11.357.940 | 12.532.064              | 6.348.867                  |
| 6) Shareholders' equity    | 32.256.384 | 29.224.708              | 10.635.033                 |
| 7) Gross working capital   | 14.711.625 | 16.706.561              | 11.585.396                 |
| 8) Net working capital     | 7.770.880  | 11.085.301              | 5.093.903                  |
| 9) Net fixed capital       | 4.075.703  | 4.166.218               | 4.437.738                  |
| 10) Net financial position | 15.871.324 | 7.961.864               | 3.647.001                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 26.999.956 | 21.926.021              | 20.418.945                 |
| 2) Gross operating margin                           | 13.492.141 | 10.661.103              | 9.253.500                  |
| 3) Operating result                                 | 5.196.451  | 4.066.399               | 3.427.714                  |
| 4) Balance of financial income/expenses             | -383.444   | -461.630                | -79.399                    |
| 5) Balance of extraordinary income/expenses         | -105.547   | 463.415                 | 1.419.295                  |
| 6) Profit before taxes                              | 4.707.460  | 4.068.184               | 4.767.610                  |
| 7) Net profit (loss)                                | 3.031.675  | 2.589.675               | 3.148.683                  |
| 8) Depreciation and amortisation for financial year | 1.702.006  | 1.841.012               | 1.834.007                  |

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### **C) CRITERIA AND PARAMETERS USED FOR THE VALUATION**

Purchase cost.

### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

### **E) DESCRIPTION OF THE OPERATIONS**

On 29 January 2013, the Fund underwrote a share capital increase in Turbocoating S.p.A. for a total of Euro 7,500,000, equal to 15.25% of the share capital, and a convertible bond of Euro 2,500,000 with a duration of 10 years and a maturity date of 31 December 2022. The operation was performed as a co-investment with Winch Italia S.p.A. and Winch Italy Holdings 2 S.A., which invested an additional 10 million Euros.

### **F) OTHER INFORMATION**

Turbocoating is an operational company and the holding of "Unitedcoatings Group" (hereinafter, the "Group" or "ICG Group"), with its registered office in Rubbiano di Solignano (PR), which operates in the application of thermal coating spray technologies (so-called coatings) for the energy and biomedical sectors.

The Group operates primarily in three industrial sectors, with (i) a division that works in surface treatment for components of the "hot part" of turbines (the so-called "IGT Division"), (ii) a division that works primarily in surface treatment for orthopaedic joint and dental prostheses (the so-called "Biomedical Division") and (iii) a joint venture with General Electric dedicated to the aviation sector. The technologies used are also developed internally through a company that builds the equipment that is used in the various coating processes offered by the Group.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 85.442.690 | 64.107.629              | 65.192.958                 |
| 2) Holdings                | 9.485      | 9.424                   | 449.668                    |
| 3) Real estate             | 4.216.961  | 3.689.188               | 4.217.633                  |
| 4) Short-term debt         | 21.452.291 | 19.823.291              | 18.376.260                 |
| 5) Medium/long-term debt   | 32.472.274 | 23.420.827              | 20.587.950                 |
| 6) Shareholders' equity    | 31.518.125 | 20.863.511              | 26.228.748                 |
| 7) Gross working capital   | 32.631.186 | 26.969.599              | 24.142.814                 |
| 8) Net working capital     | 17.253.731 | 12.426.838              | 8.606.396                  |
| 9) Net fixed capital       | 32.636.532 | 30.948.520              | 35.479.600                 |
| 10) Net financial position | 18.998.640 | 7.693.025               | 6.184.536                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 65.177.376 | 47.181.345              | 44.113.178                 |
| 2) Gross operating margin                           | 36.010.721 | 22.674.190              | 21.930.396                 |
| 3) Operating result                                 | 10.401.282 | 1.633.389               | 7.701.842                  |
| 4) Balance of financial income/expenses             | 817.558    | -2.006.512              | -572.702                   |
| 5) Balance of extraordinary income/expenses         | -341.308   | 481.693                 | 1.498.796                  |
| 6) Profit before taxes                              | 10.878.776 | 108.570                 | 8.127.976                  |
| 7) Net profit (loss)                                | 10.828.869 | -1.366.946              | 4.771.723                  |
| 8) Depreciation and amortisation for financial year | 6.101.371  | 5.824.163               | 4.473.024                  |

The results estimated as at 31 December 2015 confirm the good performance of the Unitedcoating group compared to the previous financial year both in terms of revenues and in terms of margins as a result of the sustained growth of both of the business units, the IGT and Biomedical Divisions, on both the European and American markets.

Description and registered office of the company: **Surgital S.p.A. (Lavezzola)**

Activity performed by the company: Production and marketing of frozen pasta and frozen ready meals

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 94.118   | 16,00                        | 10.600.000    | 10.600.000                  | 10.600.000                                  |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 91.460.742 | 92.074.490              | 94.399.269                 |
| 2) Holdings                | 200.369    | 161.880                 | 388.676                    |
| 3) Real estate             | 12.088.335 | 7.348.266               | 7.380.369                  |
| 4) Short-term debt         | 18.456.531 | 17.129.758              | 18.238.233                 |
| 5) Medium/long-term debt   | 12.479.869 | 15.964.721              | 22.924.661                 |
| 6) Shareholders' equity    | 60.524.342 | 58.980.011              | 53.236.375                 |
| 7) Gross working capital   | 16.809.301 | 16.982.273              | 18.183.642                 |
| 8) Net working capital     | 2.458.868  | 3.088.464               | 2.474.900                  |
| 9) Net fixed capital       | 47.988.879 | 49.761.336              | 52.331.569                 |
| 10) Net financial position | 19.691.573 | 20.506.565              | 15.931.141                 |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 56.089.503 | 52.875.587              | 50.971.505                 |
| 2) Gross operating margin                           | 20.026.272 | 18.756.164              | 16.103.666                 |
| 3) Operating result                                 | 2.400.923  | 659.764                 | 4.758.372                  |
| 4) Balance of financial income/expenses             | 240.576    | 521.105                 | 261.984                    |
| 5) Balance of extraordinary income/expenses         | -4.312     | 41.431                  | 375.607                    |
| 6) Profit before taxes                              | 2.546.937  | 757.707                 | 5.000.964                  |
| 7) Net profit (loss)                                | 1.544.336  | 143.632                 | 3.226.376                  |
| 8) Depreciation and amortisation for financial year | 8.761.493  | 9.321.500               | 2.388.052                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 31 January 2013, the Fund underwrote a share capital increase in Surgital S.p.A. by Euro 10,600,000, equal to 15.00% of the share capital, which increased to 16.00% as a result of certain contractual price adjustment clauses.

## F) OTHER INFORMATION

Surgital produces and markets frozen pasta and frozen ready meals for the Ho.Re.Ca. (hotel, restaurants and catering) channel and sells third-party brands (so-called "private label" products). The Group is a leader in Italy and offers a wide range of products.

The Fund's investment is intended to (i) enhance production and storage capacity by building a new automated warehouse and purchasing new production lines; (ii) strengthen its presence and increase turnover on foreign markets; and (iii) support the potential acquisition of existing structures.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 94.075.035 | 94.818.227              | 98.390.315                 |
| 2) Holdings                | 103.925    | 101.880                 | 101.880                    |
| 3) Real estate             | 14.598.103 | 9.960.462               | 10.254.993                 |
| 4) Short-term debt         | 18.731.470 | 17.365.405              | 20.148.581                 |
| 5) Medium/long-term debt   | 13.282.857 | 16.793.809              | 23.728.316                 |
| 6) Shareholders' equity    | 62.060.708 | 60.659.013              | 54.513.418                 |
| 7) Gross working capital   | 16.747.365 | 16.999.621              | 19.374.392                 |
| 8) Net working capital     | 2.122.210  | 2.870.245               | 2.239.171                  |
| 9) Net fixed capital       | 50.920.143 | 52.828.689              | 55.681.427                 |
| 10) Net financial position | 19.542.475 | 20.276.070              | 14.702.402                 |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 57.420.001 | 53.968.991              | 51.388.364                 |
| 2) Gross operating margin                           | 20.564.049 | 19.446.937              | 16.820.509                 |
| 3) Operating result                                 | 2.221.404  | 778.206                 | 5.086.294                  |
| 4) Balance of financial income/expenses             | 238.613    | 511.261                 | 228.595                    |
| 5) Balance of extraordinary income/expenses         | -3.253     | 41.384                  | 375.606                    |
| 6) Profit before taxes                              | 2.366.514  | 1.240.849               | 5.068.700                  |
| 7) Net profit (loss)                                | 1.386.382  | 550.023                 | 3.194.433                  |
| 8) Depreciation and amortisation for financial year | 8.949.980  | 9.500.067               | 2.534.204                  |

The pre-closing data as at 31 December 2015 shows income of more than 60 million Euros as a result of the positive trends on both the domestic market and foreign markets. The margins are down slightly, primarily due to the increase in raw material prices. The NFP in December 2015 is expected to be negative (cash) as a result of the generation of cash flows that were only partially absorbed by the investments that were made to expand the warehouse.

Description and registered office of the company: **Mesgo S.p.A. (Gorlago)**

Activity performed by the company: production of synthetic and natural rubber compounds

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 138.092  | 32,00                        | 8.000.000     | 8.000.000                   | 8.000.000                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|------------|-------------------------|----------------------------|
| 1) Total assets            | 40.938.961 | 35.337.221              | 41.462.750                 |
| 2) Holdings                | 368.433    | 143.608                 | 129.602                    |
| 3) Real estate             |            |                         | 12.385.619                 |
| 4) Short-term debt         | 11.213.448 | 12.248.927              | 14.835.897                 |
| 5) Medium/long-term debt   | 6.510.827  | 3.940.391               | 13.366.399                 |
| 6) Shareholders' equity    | 23.214.686 | 19.147.903              | 13.260.454                 |
| 7) Gross working capital   | 29.881.425 | 25.904.435              | 21.043.770                 |
| 8) Net working capital     | 20.921.077 | 16.698.408              | 14.163.381                 |
| 9) Net fixed capital       | 5.636.212  | 7.027.719               | 19.875.689                 |
| 10) Net financial position | 10.886.323 | 5.432.925               | -1.577.347                 |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 48.944.844 | 42.009.467              | 34.989.432                 |
| 2) Gross operating margin                           | 10.958.228 | 9.402.701               | 7.855.592                  |
| 3) Operating result                                 | 6.235.398  | 5.382.683               | 3.916.167                  |
| 4) Balance of financial income/expenses             | 2.009.995  | 1.310.975               | 53.904                     |
| 5) Balance of extraordinary income/expenses         | -23.936    | -60.182                 | 113.533                    |
| 6) Profit before taxes                              | 8.221.457  | 6.633.476               | 4.083.604                  |
| 7) Net profit (loss)                                | 6.095.005  | 4.724.333               | 2.701.416                  |
| 8) Depreciation and amortisation for financial year | 1.741.962  | 1.764.321               | 1.502.648                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

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## **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

## **E) DESCRIPTION OF THE OPERATIONS**

On 24 April 2013, the Fund increased its participation in Mesgo S.p.A. by Euro 8,000,000, equal to 32.00% of the share capital.

## **F) OTHER INFORMATION**

Founded in 1996, Mesgo has a registered office in Gorlago (Bergamo) and is active in the natural and synthetic (both silicon and fluorinated) rubber compound sector, and is now one of the largest European compounders in the sector.

The Fund's investment is intended to (i) increase volumes in the rubber sector by building a new production plant (ii) facilitate the internationalisation of production and distribution as well as encourage the acquisition of competitors.

In March 2013, an extraordinary operation was performed involving a lease with purchase option of one of the business units of the company Iride Color S.r.l. (in an arrangement with creditors), a company that markets and produces colour pigments for plastics, rubber and silicon.

In December 2014, the Group completed the acquisition of the company 3A Mcom S.r.l. di Grigno (TN), which is active in the production of thermoplastic rubbers, and the lease of the business owned by Guzzetti Master S.r.l., which is active in the production and marketing of pigmented products. With these acquisitions, the Mesgo Group has become one of the few operators in Europe with a complete range of products in the reference sector.

Currently, the company has paid a total of Euro 1,878,050 in dividends, as follows:

- Euro 262,374 in 2013,
- Euro 649,032 in 2014.
- Euro 966,644 in 2015.

The 2015 forecast shows *pro-forma* income equal to 70 million Euros, consistent with the budget and higher than the 31 December 2014 figures as a result of the increase in sales volumes and margins of some of the products of the parent company, Mesgo S.p.A.. However, the margins were slightly down.

Description and registered office of the company: **Marsilli S.p.A. (Castelleone)**

Activity performed by the company: Design and production of machines and automatic lines for winding

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 3.826.515 | 13,75                        | 10.000.000    | 10.000.000                  | 10.000.000                                  |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |           |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 101.067.529 | 93.373.425              | 68.892.530                 |
| 2) Holdings                | 2.904.627   | 2.904.627               | 2.904.627                  |
| 3) Real estate             | 8.379.818   | 8.381.958               | 7.030.443                  |
| 4) Short-term debt         | 32.010.570  | 33.307.243              | 20.153.218                 |
| 5) Medium/long-term debt   | 22.864.942  | 18.038.584              | 20.379.919                 |
| 6) Shareholders' equity    | 46.192.017  | 42.027.598              | 28.359.393                 |
| 7) Gross working capital   | 42.307.757  | 36.762.058              | 20.070.643                 |
| 8) Net working capital     | 10.461.900  | 8.514.388               | 2.804.748                  |
| 9) Net fixed capital       | 37.132.517  | 37.732.551              | 36.054.907                 |
| 10) Net financial position | 427.030     | -5.520.718              | -1.812.877                 |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 49.040.446 | 48.207.250              | 47.219.721                 |
| 2) Gross operating margin                           | 22.805.037 | 21.848.934              | 24.953.048                 |
| 3) Operating result                                 | 6.689.407  | 6.563.797               | 6.174.019                  |
| 4) Balance of financial income/expenses             | 96.053     | -197.345                | -734.605                   |
| 5) Balance of extraordinary income/expenses         |            |                         |                            |
| 6) Profit before taxes                              | 6.785.460  | 6.366.452               | 5.439.414                  |
| 7) Net profit (loss)                                | 4.615.267  | 3.897.891               | 3.824.069                  |
| 8) Depreciation and amortisation for financial year | 2.127.491  | 2.065.499               | 2.528.000                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.



## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 18 April 2013, the Fund underwrote a share capital increase in Marsilli & Co. S.p.A. (now Marsilli S.p.A.) by Euro 10,000,000, equal to 13.75% of the share capital.

## F) OTHER INFORMATION

Marsilli, with its registered office in Castelleone (Cremona), operates in the production of polyurethane and rubber belts for applications in various industrial contexts, with production plants and distribution branches in Europe, America, China, India and Russia.

The Fund's investment is intended to (i) increase its direct commercial presence abroad, especially in the Far East, through its own branches, (ii) improve the production structure for rubber products through a new plant in Eastern Europe and (iii) support the potential acquisition of existing structures.

During 2015, the company paid dividends of Euro 420,917.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 107.464.000 | 95.886.000              | 73.279.000                 |
| 2) Holdings                | 3.000       | 3.000                   | 3.000                      |
| 3) Real estate             | 9.656.000   | 9.669.000               | 8.349.000                  |
| 4) Short-term debt         | 32.742.000  | 31.191.000              | 16.515.000                 |
| 5) Medium/long-term debt   | 24.334.000  | 19.380.000              | 25.431.000                 |
| 6) Shareholders' equity    | 50.388.000  | 45.315.000              | 31.333.000                 |
| 7) Gross working capital   | 45.326.000  | 36.190.000              | 21.519.000                 |
| 8) Net working capital     | 12.904.000  | 10.192.000              | -1.235.000                 |
| 9) Net fixed capital       | 40.986.000  | 41.420.000              | 39.569.000                 |
| 10) Net financial position | 2.601.000   | -1.032.000              | 3.735.000                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 51.318.000 | 50.672.000              | 51.220.000                 |
| 2) Gross operating margin                           | 29.949.000 | 28.104.000              | 30.629.000                 |
| 3) Operating result                                 | 7.631.000  | 7.434.000               | 7.000.000                  |
| 4) Balance of financial income/expenses             | 54.000     | -228.000                | -867.000                   |
| 5) Balance of extraordinary income/expenses         |            |                         |                            |
| 6) Profit before taxes                              | 7.685.000  | 7.206.000               | 6.133.000                  |
| 7) Net profit (loss)                                | 5.182.000  | 4.485.000               | 4.401.000                  |
| 8) Depreciation and amortisation for financial year | 2.631.000  | 2.555.000               | 2.968.000                  |

The forecast data shows an increase in income compared to the previous year that is consistent with

the budget forecasts due to the development of new product lines; the margins are also up due to better absorption of structural costs.

Description and registered office of the company: **Forgital Italy S.p.A. (Velo d'Astico)**

Activity performed by the company: Production and machining of rings and other large forged components

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity   | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|------------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 732.166    | 12,77                        | 15.000.000    | 15.000.000                  | 10.000.000                                  |
| 2) equities without voting rights                   |            |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 15.000.000 | 100                          | 15.000.000    | 15.000.000                  | 15.000.000                                  |
| 4) bonds with warrants on shares of the same issuer |            |                              |               |                             |   |
| 5) other financial instruments                      | 1          |                              |               | -                           | 5.000.000                                   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 168.099.777 | 186.311.410             | 173.989.160                |
| 2) Holdings                | 136.830.672 | 124.389.995             | 136.523.440                |
| 3) Real estate             | 16.095.260  | 16.520.567              | 17.795.907                 |
| 4) Short-term debt         | 8.002.660   | 23.288.155              | 11.456.784                 |
| 5) Medium/long-term debt   | 25.401.596  | 31.289.785              | 33.950.672                 |
| 6) Shareholders' equity    | 134.695.521 | 131.733.470             | 128.581.704                |
| 7) Gross working capital   | 2.172.472   | 3.521.386               | 7.956.734                  |
| 8) Net working capital     | -40.972     | -1.730.699              | -942.280                   |
| 9) Net fixed capital       | 17.730.445  | 18.168.495              | 19.126.281                 |
| 10) Net financial position | 551.803     | -332.406                | -2.394.836                 |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 2.735.389  | 2.719.424               | 2.646.061                  |
| 2) Gross operating margin                           | 1.534.738  | 1.092.006               | 1.598.995                  |
| 3) Operating result                                 | 2.819.665  | 3.308.796               | 3.309.782                  |
| 4) Balance of financial income/expenses             | -2.354.466 | 1.368.098               | -2.150.383                 |
| 5) Balance of extraordinary income/expenses         | -8.476     | -66.219                 | 195.807                    |
| 6) Profit before taxes                              | -1.594.674 | -6.440.677              | 7.754.023                  |
| 7) Net profit (loss)                                | -2.037.948 | -6.848.235              | 6.987.733                  |
| 8) Depreciation and amortisation for financial year | 1.590.232  | 1.563.859               | 1.482.693                  |

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## **C) CRITERIA AND PARAMETERS USED FOR THE VALUATION**

Purchase cost.

## **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

## **E) DESCRIPTION OF THE OPERATIONS**

On 27 December 2013, the Fund invested Euro 30,000,000 in Forgital Group S.p.A. (now Forgital Italy S.p.A. following the merger by incorporation of Forgital Group S.p.A. into Forgital Italy S.p.A. on 12 June 2015). This investment breaks down as (i) Euro 100,000, capital increase; (ii) 9,900,000, convertible shareholder loan, converted on 17 December 2014; (iii) Euro 5,000,000, convertible shareholder loan, converted on 12 June 2015, bringing the Fund's stake to 12.77% of the share capital; and (iv) Euro 15,000,000, as the second convertible bond, duration: 5 years, maturity date: 15 December 2018.

## **F) OTHER INFORMATION**

Forgital, with its registered office in Velo d'Astico (VI), operates in the production and machining of rings and other large forged components. Gruppo Forgital (hereinafter, the "Group") was founded in 1873 by the Spezzapria family, the current fifth-generation owner of the Group, as a small laboratory for the production of agricultural tools. Over the years, it has become a worldwide leader in the production of large rectangular-section and profiled-section rings, primarily in the aerospace, oil & gas and power generations sectors.

The Fund's investment is primarily intended to support the Group's development in the aerospace sector through new investments.

During 2015, the company paid Euro 1,069,918 in dividends, as follows:

- Euro 181,918 on 25 June 2015,
- Euro 442,784 on 30 June 2015 and
- Euro 445,216 on 29 December 2015.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 366.407.820 | 384.046.420             | 363.027.316                |
| 2) Holdings                | 1.004.645   | 934.776                 | 2.484.384                  |
| 3) Real estate             | 71.966.519  | 74.092.799              | 64.216.914                 |
| 4) Short-term debt         | 156.690.277 | 171.175.704             | 166.047.925                |
| 5) Medium/long-term debt   | 84.498.977  | 92.027.664              | 74.070.349                 |
| 6) Shareholders' equity    | 125.218.566 | 120.843.052             | 122.909.042                |
| 7) Gross working capital   | 169.998.257 | 165.901.358             | 156.072.999                |
| 8) Net working capital     | 38.749.815  | 26.439.500              | 35.165.632                 |
| 9) Net fixed capital       | 181.756.616 | 190.166.542             | 197.347.098                |
| 10) Net financial position | -75.391.286 | -71.329.580             | -95.276.859                |

| (Figures in Euros)                                  |             |                         |                            |
|---|-------------|-------------------------|----------------------------|
| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 240.723.652 | 233.561.234             | 247.195.121                |
| 2) Gross operating margin                           | 76.842.767  | 70.490.812              | 72.942.948                 |
| 3) Operating result                                 | 6.901.634   | -3.485.900              | -1.513.178                 |
| 4) Balance of financial income/expenses             | -7.066.194  | -7.937.513              | -5.735.446                 |
| 5) Balance of extraordinary income/expenses         | 985.511     | -590.014                | 11.903.810                 |
| 6) Profit before taxes                              | 860.920     | -11.982.099             | 4.773.864                  |
| 7) Net profit (loss)                                | -1.854.840  | -12.507.582             | 393.465                    |
| 8) Depreciation and amortisation for financial year | 29.075.559  | 30.347.464              | 31.102.418                 |

The pre-closing data as at 31 December 2015 confirms the budget objectives; in particular, consolidated income of approximately 270 million Euros is estimated, up from 31 December 2014, as a result of the good performance in the aerospace sector. The margins and NFP are also expected to have improved slightly.

Description and registered office of the company: **Megadyne S.p.A. – Mathi (TO)**

Activity performed by the company: Production and marketing of polyurethane and rubber belts

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity   | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|------------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 48.092.336 | 4,81                         | 15.000.000    | 15.000.000                  | 15.000.000                                  |
| 2) equities without voting rights                   |            |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |            |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |            |                              |               |                             |   |
| 5) other financial instruments                      |            |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 478.460.987 | 127.843.677             | 109.357.392                |
| 2) Holdings                | 59.363.399  | 54.326.104              | 36.511.988                 |
| 3) Real estate             | 7.154.055   | 7.326.704               | 7.490.202                  |
| 4) Short-term debt         | 30.581.418  | 38.054.810              | 35.424.164                 |
| 5) Medium/long-term debt   | 186.471.932 | 9.091.272               | 10.448.399                 |
| 6) Shareholders' equity    | 261.407.637 | 80.697.595              | 63.484.829                 |
| 7) Gross working capital   | 49.241.005  | 41.247.570              | 38.521.886                 |
| 8) Net working capital     | 25.538.612  | 19.332.143              | 18.371.063                 |
| 9) Net fixed capital       | 338.834.835 | 15.990.117              | 16.070.086                 |
| 10) Net financial position | 8.467.772   | -10.920.859             | -11.920.951                |

(Figures in Euros)

| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Turnover   | 80.203.559 | 72.391.896              | 59.015.769                 |
| 2) Gross operating margin                           | 25.636.264 | 21.896.948              | 19.034.360                 |
| 3) Operating result                                 | 632.406    | 7.683.720               | 5.448.987                  |
| 4) Balance of financial income/expenses             | -4.944.686 | 1.814.467               | 2.919.103                  |
| 5) Balance of extraordinary income/expenses         | -30.359    | 1.591.396               | 448.589                    |
| 6) Profit before taxes                              | -4.342.639 | 11.089.583              | 8.816.679                  |
| 7) Net profit (loss)                                | -2.294.954 | 8.712.765               | 6.756.755                  |
| 8) Depreciation and amortisation for financial year | 12.816.099 | 1.680.705               | 1.385.529                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 30 July 2014, the Fund underwrote a share capital increase in MegaCo S.r.l. (now Megadyne S.p.A. as a result of a merger by incorporation completed on 29 December 2014) by Euro 15,000,000, equal to 4.81% of the share capital.

The Fund's dematerialised shares have been pledged to Banca IMI to guarantee a loan granted to the company.

## F) OTHER INFORMATION

The Group operates in the polyurethane belt production sector, in which it is a global market leader, and in the rubber belt sector for applications in various industrial contexts, with production plants and distribution branches in Europe, the Americas and Asia.

The Fund's investment (its second intervention) is intended to (i) increase the company's direct presence abroad through its own branches, (ii) access new product niches and (ii) support the potential acquisition of existing structures.

The data from the consolidated financial statements is shown below:

| (Figures in Euros)         |             |                         |                            |
|----------------------------|-------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 554.870.563 | 190.107.383             | 161.845.913                |
| 2) Holdings                | 10.206      | 10.206                  | 10.219                     |
| 3) Real estate             | 16.139.195  | 13.237.137              | 13.164.869                 |
| 4) Short-term debt         | 56.049.245  | 62.073.120              | 61.343.049                 |
| 5) Medium/long-term debt   | 187.750.720 | 15.049.456              | 11.539.396                 |
| 6) Shareholders' equity    | 311.070.598 | 112.984.807             | 88.963.468                 |
| 7) Gross working capital   | 138.235.362 | 108.970.237             | 99.771.956                 |
| 8) Net working capital     | 101.703.352 | 75.110.660              | 69.109.833                 |
| 9) Net fixed capital       | 396.646.631 | 63.064.564              | 48.131.969                 |
| 10) Net financial position | 31.967.830  | 6.206.456               | -1.675.762                 |

| (Figures in Euros)                                  |             |                         |                            |
|---|-------------|-------------------------|----------------------------|
| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 231.471.913 | 206.438.593             | 192.770.681                |
| 2) Gross operating margin                           | 96.239.428  | 85.779.071              | 79.358.631                 |
| 3) Operating result                                 | 24.163.536  | 30.266.591              | 22.891.173                 |
| 4) Balance of financial income/expenses             | -8.066.720  | -2.850.498              | -1.766.960                 |
| 5) Balance of extraordinary income/expenses         | -168.819    | 825.718                 | 1.480.763                  |
| 6) Profit before taxes                              | 15.927.997  | 28.241.811              | 22.604.976                 |
| 7) Net profit (loss)                                | 10.799.534  | 19.970.229              | 15.813.508                 |
| 8) Depreciation and amortisation for financial year | 18.899.960  | 6.574.677               | 6.113.604                  |

The 2015 forecast data shows improvements over 2014 both in terms of income and in terms of margins. This performance is due to the increase in sales, the acquisition of Sampla Belting (in July

2015) and the positive effect of the €/€ exchange rate.

Description and registered office of the company: **Film Master Group Italian Entertainment Network S.p.A. – Rome**

Activity performed by the company: Organisation of Events, advertising productions and management of museum services

#### A) SECURITIES IN THE FUND'S PORTFOLIO

| (Figures in Euros)                                  |           |                              |               |                             |   |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
| 1) equities with voting rights                      | 589.240   | 15.33%                       | 3.333.331     | 3.333.331                   | 3.333.331                                   |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer | 6.666.660 | 100                          | 6.666.660     | 6.666.660                   | 6.666.660                                   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      | 599.999   | 100                          | 599.999       | 599.999                     | -   |

#### B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

| (Figures in Euros)         |            |                         |                            |
|----------------------------|------------|-------------------------|----------------------------|
| Balance sheet data         | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Total assets            | 27.149.034 | 13.189.194              | 12.582.757                 |
| 2) Holdings                | 14.431.748 | 9.565.546               | 8.641.688                  |
| 3) Real estate             |            |                         |                            |
| 4) Short-term debt         | 3.094.807  | 3.133.969               | 1.860.610                  |
| 5) Medium/long-term debt   | 7.009.780  | 1.096.470               | 1.528.769                  |
| 6) Shareholders' equity    | 17.044.447 | 8.958.755               | 9.193.378                  |
| 7) Gross working capital   | 3.212.448  | 1.978.148               | 2.722.817                  |
| 8) Net working capital     | 540.048    | 352.640                 | 1.016.239                  |
| 9) Net fixed capital       | 436.116    | 519.423                 | 633.250                    |
| 10) Net financial position | 8.129.562  | -80.544                 | 1.394.308                  |

| (Figures in Euros)                                  |            |                         |                            |
|---|------------|-------------------------|----------------------------|
| Income data   | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
| 1) Turnover   | 1.462.465  | 2.430.600               | 10.658.811                 |
| 2) Gross operating margin                           | -357.816   | 437.643                 | 1.533.587                  |
| 3) Operating result                                 | -1.311.296 | -712.221                | -737.250                   |
| 4) Balance of financial income/expenses             | 345.968    | 428.719                 | 1.322.174                  |
| 5) Balance of extraordinary income/expenses         | -455.273   | 59.712                  | 258.384                    |
| 6) Profit before taxes                              | -1.420.610 | -223.790                | 843.308                    |
| 7) Net profit (loss)                                | -1.088.840 | -234.624                | 785.723                    |
| 8) Depreciation and amortisation for financial year | 195.835    | 174.887                 | 202.411                    |

As a result of certain spin-off operations, the financial statement data as at 31 December 2013 concerns Film Master Group S.p.A. only.

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 26 August 2014, the Fund underwrote a share capital increase in Film Master Group Italian Entertainment Network S.p.A. (hereinafter, "IEN") by Euro 3,333,333, equal to 15.33% of the share capital, and subscribed to a convertible/converting bond for Euro 6,666,660, with a duration of 6 years, maturity date: 26 August 2020.

On 26 August 2015, the company issued ordinary bonds through a coupon for Euro 599,999.

## F) OTHER INFORMATION

The company, with its registered office in Rome, operates in the organisation of corporate events and major institutional events, advertising productions and the management of museum services.

IEN is the operational holding that was created through the recent aggregation of the companies under the Filmmaster Group (a leader in Italy and abroad in the organisation of events, Olympic ceremonies, shows and advertising and commercial productions) with the Civita Group (an Italian leader in the management of museum services) and CineDistrict Entertainment, including through event organisation and management of the Cinecittà spaces and museum, holder of the "Cinecittà" brand, which took place at the same time as the Fund's entry.

The Fund's involvement is intended to support and facilitate the creation and development of the new IEN Group, a leading operator in the entertainment and edutainment sector, promoting its growth and international development and supporting the process of integrating its various activities in order to achieve significant synergy.

The IEN Group drafted its first consolidated financial statements as at 31 December 2014, shown below:

| (Figures in Euros)         |             |
|----------------------------|-------------|
| Balance sheet data         | 31/12/14    |
| 1) Total assets            | 113.092.710 |
| 2) Holdings                | 4.424.216   |
| 3) Real estate             | 729.245     |
| 4) Short-term debt         | 69.290.171  |
| 5) Medium/long-term debt   | 21.150.304  |
| 6) Shareholders' equity    | 22.625.235  |
| 7) Gross working capital   | 56.970.886  |
| 8) Net working capital     | 3.191.638   |
| 9) Net fixed capital       | 33.235.648  |
| 10) Net financial position | -9.420.637  |



| (Figures in Euros)                                  |            |
|---|------------|
| Income data   | 31/12/14   |
| 1) Turnover   | 91.952.110 |
| 2) Gross operating margin                           | 20.409.713 |
| 3) Operating result                                 | 55.243     |
| 4) Balance of financial income/expenses             | -830.405   |
| 5) Balance of extraordinary income/expenses         | -244.922   |
| 6) Profit before taxes                              | -1.145.303 |
| 7) Net profit (loss)                                | -2.389.774 |
| 8) Depreciation and amortisation for financial year | 2.443.579  |

The 2015 forecast data shows total revenues of 166 million Euros, up from the 2014 pro-forma revenues equal to 136 million Euros. The margins are expected to be slightly down compared to the previous year of certain investments.

Description and registered office of the company: **Brugola O.E.B. Industriale - Lissone (MB)**

Activity performed by the company: Production and marketing of screws and bolts

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 544.133  | 15,18                        | 7.500.000     | 7.500.000                   | -   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data         | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|----------------------------|-------------|-------------------------|----------------------------|
| 1) Total assets            | 122.443.574 | 120.654.803             | 119.880.573                |
| 2) Holdings                | 66.084      | 66.084                  | 66.084                     |
| 3) Real estate             | 8.103.142   | 8.156.926               | 8.018.781                  |
| 4) Short-term debt         | 64.560.849  | 61.506.309              | 57.550.837                 |
| 5) Medium/long-term debt   | 14.733.397  | 17.444.400              | 21.471.845                 |
| 6) Shareholders' equity    | 43.149.328  | 41.704.094              | 40.857.891                 |
| 7) Gross working capital   | 58.974.123  | 57.205.508              | 55.199.718                 |
| 8) Net working capital     | 13.980.504  | 10.608.330              | 14.486.390                 |
| 9) Net fixed capital       | 57.268.763  | 58.689.327              | 58.616.662                 |
| 10) Net financial position | -30.511.374 | -31.628.523             | -30.221.407                |

(Figures in Euros)

| Income data   | 31/12/14    | Previous Financial Year | 2° Previous Financial Year |
|---|-------------|-------------------------|----------------------------|
| 1) Turnover   | 125.713.572 | 121.006.549             | 108.249.185                |
| 2) Gross operating margin                           | 28.245.102  | 25.149.104              | 23.409.816                 |
| 3) Operating result                                 | 3.709.446   | 3.333.626               | 2.603.314                  |
| 4) Balance of financial income/expenses             | -688.399    | -1.382.378              | -1.628.268                 |
| 5) Balance of extraordinary income/expenses         | -39.268     | 38.479                  | 510.912                    |
| 6) Profit before taxes                              | 2.981.779   | 1.989.727               | 1.485.958                  |
| 7) Net profit (loss)                                | 1.445.232   | 846.203                 | 687.630                    |
| 8) Depreciation and amortisation for financial year | 5.744.067   | 5.273.169               | 5.162.962                  |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

Purchase cost.

## D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES

The company does not control real estate companies.

## E) DESCRIPTION OF THE OPERATIONS

On 17 March 2015, the Fund underwrote a share capital increase in Brugola O.E.B. Industriale S.p.A. (hereinafter, "Brugola") by Euro 7,500,000, equal to 15.15%, which increased to 15.18% as a result of certain contractual price adjustment clauses.

## F) OTHER INFORMATION

The company, which was founded in 1926 by the Brugola family, which still owns a majority in the company, produces and markets special screws and bolts designed for engines for automobiles, light commercial vehicles and light trucks both in Italy and in Europe, with an international orientation thanks to its manufacturing plants and logistical centres located in America, as well as Italy and Europe. It currently employs approximately 300 people.

The Fund's involvement is intended to support the growth of the Group through the creation of a new manufacturing plant in the United States with the objective of meeting the demand of American clients.

The first consolidated financial statements drafted by the group are shown below:

| (Figures in Euros)         |             |
|----------------------------|-------------|
| Balance sheet data         | 31/12/14    |
| 1) Total assets            | 132.770.839 |
| 2) Holdings                | 27.322      |
| 3) Real estate             | 16.193.694  |
| 4) Short-term debt         | 65.746.164  |
| 5) Medium/long-term debt   | 22.054.949  |
| 6) Shareholders' equity    | 44.969.726  |
| 7) Gross working capital   | 55.255.985  |
| 8) Net working capital     | 10.393.746  |
| 9) Net fixed capital       | 70.501.315  |
| 10) Net financial position | -38.913.593 |

| (Figures in Euros)                                  |             |
|---|-------------|
| Income data   | 31/12/14    |
| 1) Turnover   | 126.913.911 |
| 2) Gross operating margin                           | 28.801.478  |
| 3) Operating result                                 | 4.106.771   |
| 4) Balance of financial income/expenses             | -792.920    |
| 5) Balance of extraordinary income/expenses         | -51.268     |
| 6) Profit before taxes                              | 3.262.583   |
| 7) Net profit (loss)                                | 1.989.581   |
| 8) Depreciation and amortisation for financial year | 6.159.102   |

The 2015 forecast data show total revenues of 129.5 million Euros, an improvement over 2014, equal to 126 million Euros. An EBITDA of 11.4 million Euros is expected, which is essentially consistent with the budget and is greater than the previous financial year.

Description and registered office of the company: **WINCH ITALIA S.p.A. - Milan**

Activity performed by the company: Acquisition of holdings

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 59.900   | 49.92%                       | 7.033.039     | 4.526.070                   | 4.379.727                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data                             | 31/12/14  | Previous Financial Year | 2° Previous Financial Year |
|--|-----------|-------------------------|----------------------------|
| 1) Cash, cash equivalents and sighted deposits | 673.404   | 3.338.146               | 66.405                     |
| 2) Holdings in companies outside of the group  | 3.941.622 | 3.886.293               | -                          |
| 3) Tangible and intangible fixed assets        | -         | -                       | -                          |
| 4) Other assets                                | 5.024     | 5.024                   | 5.024                      |
| 5) Total assets                                | 4.620.050 | 7.229.463               | 671.429                    |
| 6) Sight liabilities                           | 71.350    | 118.443                 | 88.454                     |
| 7) Other liabilities                           | -         | -                       | -                          |
| 8) Shareholders' equity                        | 4.548.700 | 7.111.020               | 582.975                    |

(Figures in Euros)

| Income data                                     | 31/12/14 | Previous Financial Year | 2° Previous Financial Year |
|---|----------|-------------------------|----------------------------|
| 1) Fee and commission expenses                  | 637.792  | 762.111                 | 854.424                    |
| 2) Intermediation margin                        | -563.965 | -695.922                | -854.266                   |
| 3) Operating result                             | -652.015 | -782.003                | -942.420                   |
| 4) Current operating profit (loss) before taxes | -652.100 | -782.003                | -942.421                   |
| 5) Current operating profit (loss) after taxes  | -652.100 | -782.003                | -678.485                   |
| 6) Profit (loss) of financial year              | -652.100 | -782.003                | -678.485                   |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

The purchase cost corresponds to the total amount of call-ups made by the company as at 31 December 2015. The difference compared to the book value corresponds to the costs for management fees, institution expenses and other operating costs attributed to the year in which they were incurred.

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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 22 December 2011, the Fund subscribed to a commitment of 25 million Euros in Winch Italia S.p.A., created on 28 December 2011. On that date, the Fund subscribed to 59,900 A shares corresponding to a stake of 49.9% of the share capital. The total commitment of the holding amounts to 25.125 million Euros.

As at 31 December 2015, the called-up commitment of the company is equal to 28.13% of the subscribed total.

#### **F) OTHER INFORMATION**

Winch Italia S.p.A. is a holding company with Mast Capital Partners S.r.l. as its exclusive adviser. The Fund's investment implements the co-investment agreement with the Winch Capital 2 and Winch Capital 3 funds, managed by Edmond de Rothschild Investment Partners (EdRIP), a leading French private equity company primarily focused on investments in minority development capital. In particular, the agreement states that the holding company and the funds will co-invest in small and medium size Italian companies to promote their growth at the international level.

Description and registered office of the company: **NEIP III S.p.A. – Conegliano (Treviso)**

Activity performed by the company: Acquisition of holdings

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 594.000  | 26.61%                       | 7.019.721     | 3.610.530                   | 2.847.822                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data                             | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|--|------------|-------------------------|----------------------------|
| 1) Cash, cash equivalents and sighted deposits | 380.928    | 1.050.844               | 1.007.555                  |
| 2) Holdings in companies outside of the group  | 10.262.556 | 8.262.556               | 0                          |
| 3) Tangible and intangible fixed assets        | 155.815    | 233.722                 | 311.630                    |
| 4) Other assets                                | 300.228    | 3.410                   | 6.377                      |
| 5) Total assets                                | 11.099.527 | 9.550.532               | 1.325.562                  |
| 6) Sight liabilities                           | 756.052    | 739.363                 | 681.432                    |
| 7) Other liabilities                           | 66.307     | 108.104                 | 89.552                     |
| 8) Shareholders' equity                        | 10.277.168 | 8.703.065               | 554.578                    |

(Figures in Euros)

| Income data                                     | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Fee and commission expenses                  | 1.497.000  | 1.497.000               | 1.495.462                  |
| 2) Intermediation margin                        | -1.199.145 | -1.477.945              | -1.474.290                 |
| 3) Operating result                             | -1.427.021 | -1.701.286              | -1.699.005                 |
| 4) Current operating profit (loss) before taxes | -1.425.898 | -1.701.513              | -1.699.005                 |
| 5) Current operating profit (loss) after taxes  | -1.425.898 | -1.701.513              | -1.699.005                 |
| 6) Profit (loss) of financial year              | -1.425.898 | -1.701.513              | -1.699.007                 |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

The purchase cost corresponds to the total amount of call-ups made by the company as at 31 December 2015. The difference compared to the carrying value corresponds to the costs for management fees, institution expenses and other operating costs attributed to the year in which they were incurred.

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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 21 December 2011, the Fund subscribed to a commitment of 20 million Euros in NEIP III S.p.A., which was followed on 28 December 2011 with the first closing, at which the Fund subscribed to 594,000 category A shares, for a value of Euro 594,000, equal to 26.53% of the capital. The total commitment of the holding amounts to 75.2 million Euros.

As at 31 December 2015, the called-up commitment of the company is equal to 35.10% of the subscribed total.

#### **F) OTHER INFORMATION**

NEIP III is the third private equity vehicle promoted by the Gruppo Finanziaria Internazionale, which was founded in 1980 and has the company Finint & Partners S.r.l. as its exclusive advisor. The company is oriented towards supporting small and medium size companies operating in the industrial and services sectors that intend to carry out managerialisation processes/development plans, including through incremental acquisitions. The company's strategy involves investments in companies active in the national territory, with a particular focus on North-East Italy (Veneto, Emilia Romagna, Trentino Alto Adige and Friuli Venezia Giulia).

On 23 December 2015, the company redeemed units for Euro 1,731,510 following the sale of Lafert S.p.A..

Description and registered office of the company: **HAT – Holding All Together S.p.A.- Milan**

Activity performed by the company: Acquisition of holdings

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity  | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|-----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 1.400.000 | 33.33%                       | 7.168.750     | 5.159.760                   | 6.154.981                                   |
| 2) equities without voting rights                   |           |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |           |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |           |                              |               |                             |   |
| 5) other financial instruments                      |           |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data                             | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|--|------------|-------------------------|----------------------------|
| 1) Cash, cash equivalents and sighted deposits | 4.094.271  | 699.780                 | 304.190                    |
| 2) Holdings in companies outside of the group  | 14.439.972 | 15.254.373              | 13.204.365                 |
| 3) Tangible and intangible fixed assets        | 116.977    | 178.052                 | 230.239                    |
| 4) Other assets                                | 1.000.382  | 792.856                 | 621.067                    |
| 5) Total assets                                | 19.651.602 | 16.925.061              | 14.359.861                 |
| 6) Sight liabilities                           | -          | -                       | -                          |
| 7) Other liabilities                           | 468.844    | 349.048                 | 398.952                    |
| 8) Shareholders' equity                        | 19.182.758 | 16.576.013              | 13.960.909                 |

(Figures in Euros)

| Income data                                     | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Fee and commission expenses                  | 954.217    | 898.272                 | 448.107                    |
| 2) Intermediation margin                        | -826.811   | -779.300                | -338.446                   |
| 3) Operating result                             | -323.127   | -694.311                | -437.917                   |
| 4) Current operating profit (loss) before taxes | -1.305.934 | -695.409                | -591.265                   |
| 5) Current operating profit (loss) after taxes  | -1.305.934 | -695.409                | -448.929                   |
| 6) Profit (loss) of financial year              | -1.305.934 | -686.965                | -448.929                   |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

The purchase cost corresponds to the total amount of call-ups made by the company as at 31 December 2015. The difference compared to the carrying value corresponds to the costs for management fees, institution expenses and other operating costs attributed to the year in which they were incurred.



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## **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

## **E) DESCRIPTION OF THE OPERATIONS**

On 18 April 2012, the Fund subscribed to a commitment of Euro 11,000,000 in HAT – Hat Holding All Together S.p.A.. Subsequently, on 27 July 2012, the Fund subscribed to 1,100,000 category A shares, for a value of Euro 1,100,000, equal to 33.33% of the capital.

After the completion of successive closings, the Fund subscribed:

- on 30 September 2013, to a second capital increase of Euro 50,000 and a commitment of Euro 500,000;
- on 30 November 2013, to a third capital increase of Euro 150,000 and a commitment of Euro 1,500,000;
- on 28 November 2014, to a fourth capital increase – final closing – of Euro 100,000 and a commitment of Euro 1,000,000.

Following the operations described above, the Fund's commitment is Euro 14,000,000, equal to 33.33% of the total commitment of the holding, which is equal to 42 million Euros.

As at 31 December 2015, the called-up commitment of the company is equal to 51.21% of the subscribed total.

## **F) OTHER INFORMATION**

HAT – Holding All Together S.p.A is a holding company with HAT Private Equity S.r.l. as its exclusive adviser. Its investment activities are primarily focused on development capital investments or minority shareholdings. The operations were performed through investments in equity and in other financial instruments (convertible and ordinary bonds, shareholder loans, warrants) issued by companies head-quartered in Italy, with revenues ranging approximately between 5 million Euros and 75 million Euros.

During the second half of 2015, the company redeemed units against 5 divestments (Assist S.p.A., Drogheria Alimentari S.p.A., Gepark S.p.A., Grafiche Pizzi S.r.l. and Repark S.r.l.) for a total of Euro 2,702,406, as follows:

- i. Euro 1,577,406 on 1 October 2015 and
- ii. Euro 1,125,000 on 17 December 2015.

Description and registered office of the company: **United Ventures One S.p.A. – Milan**

Activity performed by the company: Acquisition of holdings

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 49.751   | 16.50%                       | 4.209.773     | 4.411.837                   | 2.397.525                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data                             | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|--|------------|-------------------------|----------------------------|
| 1) Cash, cash equivalents and sighted deposits | 4.729.451  | 1.347.396               | 1.701.642                  |
| 2) Holdings in companies outside of the group  | 13.745.600 | 7.060.511               | 2.853.902                  |
| 3) Tangible and intangible fixed assets        | -          | -                       | 188.017                    |
| 4) Other assets                                | 73.041     | 21.797                  | 26.754                     |
| 5) Total assets                                | 18.548.092 | 8.429.704               | 4.770.315                  |
| 6) Sight liabilities                           | 338.804    | 96.383                  | 47.958                     |
| 7) Other liabilities                           | -          | -                       | -                          |
| 8) Shareholders' equity                        | 18.209.288 | 8.333.321               | 4.722.357                  |

(Figures in Euros)

| Income data                                     | 31/12/14   | Previous Financial Year | 2° Previous Financial Year |
|---|------------|-------------------------|----------------------------|
| 1) Fee and commission expenses                  | 1.420.452  | 1.206.138               | 210.669                    |
| 2) Intermediation margin                        | -1.403.028 | -1.194.440              | -200.034                   |
| 3) Operating result                             | -1.592.824 | -1.590.555              | -400.530                   |
| 4) Current operating profit (loss) before taxes | -2.044.378 | -1.615.505              | -397.280                   |
| 5) Current operating profit (loss) after taxes  | -2.044.378 | -1.615.505              | -397.280                   |
| 6) Profit (loss) of financial year              | -2.044.378 | -1.615.505              | -397.280                   |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

The purchase cost corresponds to the total amount of call-ups made by the company as at 31 December 2015. The difference compared to the book value corresponds to the costs for management fees, institution expenses and other operating costs attributed to the year in which they were incurred.

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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 15 January 2013, the Fund subscribed to a commitment of 10 million Euros in United Ventures One S.p.A., as well as 49,751 category A-bis shares, for a value of Euro 49,751, equal to 37.06% of the capital.

After a series of closings during 2014, the Fund's percentage dropped to 16.5%.

As at 31 December 2015, the called-up commitment is equal to 42.10% of the subscribed total.

#### **F) OTHER INFORMATION**

United Ventures One S.p.A. is a holding company with United Ventures S.r.l. as its exclusive adviser. The investment activity is focused on venture capital interventions in Italy in companies in the start-up, seed, early stage and late stage phases that are primarily active in the digital and ICT sectors.

On 30 September 2014, the company finalised the final closing, reaching a total commitment of 60.2 million Euros.

Description and registered office of the company: **Programma 101 S.p.A. – Milan**

Activity performed by the company: Acquisition of holdings

## A) SECURITIES IN THE FUND'S PORTFOLIO

(Figures in Euros)

| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
|---|----------|------------------------------|---------------|-----------------------------|---|
| 1) equities with voting rights                      | 75.000   | 41.70%                       | 6.269.701     | 5.307.423                   | 3.211.512                                   |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

(Figures in Euros)

| Balance sheet data                             | 31/12/14  | Previous Financial Year |
|--|-----------|-------------------------|
| 1) Cash, cash equivalents and sighted deposits | 1.322.412 | 245.383                 |
| 2) Holdings in companies outside of the group  | 6.448.567 | 0                       |
| 3) Tangible and intangible fixed assets        | 7.800     | 0                       |
| 4) Other assets                                | 9.609     | 193.055                 |
| 5) Total assets                                | 7.788.388 | 438.438                 |
| 6) Sight liabilities                           | 78.220    | 94.338                  |
| 7) Other liabilities                           | 62        | 16                      |
| 8) Shareholders' equity                        | 7.710.106 | 344.084                 |

(Figures in Euros)

| Income data                                     | 31/12/14 | Previous Financial Year |
|---|----------|-------------------------|
| 1) Fee and commission expenses                  | 894.384  | 530.884                 |
| 2) Intermediation margin                        | -887.722 | -530.726                |
| 3) Operating result                             | -895.350 | -531.236                |
| 4) Current operating profit (loss) before taxes | -766.239 | -531.236                |
| 5) Current operating profit (loss) after taxes  | -766.239 | -531.236                |
| 6) Profit (loss) of financial year              | -766.239 | -531.236                |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

The purchase cost corresponds to the total amount of call-ups made by the company as at 31 December 2015. The difference compared to the book value corresponds to the costs for management fees, institution expenses and other operating costs attributed to the year in which they were incurred.

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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 19 December 2013, the Fund subscribed to a commitment of 15 million Euros in Programma 101 S.p.A., as well as 75,000 category A.1 shares for a value of Euro 75,000.

During the financial year, two additional closings were completed, which raised the total commitment of the holding company to 40.5 million Euros; consequently, the Fund's stake was reduced to 37.03%.

On 17 February 2016, the Fund subscribed to an additional 5 million Euros, bringing its commitment to Euro 20,000,000. The total commitment is equal to 45.5 million Euros.

As at 31 December 2015, the called-up commitment is equal to 41.80% of the subscribed total.

#### **F) OTHER INFORMATION**

Programma 101 S.p.A is a holding company that has P101 S.r.l. as its exclusive adviser. The investment activities are focused on venture capital in companies in the seed, early and late stages primarily active in the digital and ICT sectors, with particular focus on companies that were created and located at certain leading Italian incubators with which the company has signed investment sourcing agreements.

On 22 January 2016, the company obtained authorisation to become a SICAF (società di investimento a capitale fisso [fixed capital investment fund]) and assuming the name "**Programma 101 S.p.A. SICAF**".

Description and registered office of the company: **Si2 S.p.A. - Milan**

Activity performed by the company: Acquisition of holdings

## A) SECURITIES IN THE FUND'S PORTFOLIO

| (Figures in Euros)                                  |          |                              |               |                             |   |
|---|----------|------------------------------|---------------|-----------------------------|---|
| Securities in the Fund's portfolio                  | Quantity | % of total securities issued | Purchase cost | Value as at the report date | Value as at the date of the previous report |
| 1) equities with voting rights                      | 47.500   | 68.80%                       | 2.273.140     | 1.628.540                   | 47.500                                      |
| 2) equities without voting rights                   |          |                              |               |                             |   |
| 3) bonds convertible into shares of the same issuer |          |                              |               |                             |   |
| 4) bonds with warrants on shares of the same issuer |          |                              |               |                             |   |
| 5) other financial instruments                      |          |                              |               |                             |   |

## B) FINANCIAL STATEMENT ITEMS OF THE ISSUER

Because Si2 S.p.A. was created during financial year 2014, its first financial statements end on 31 December 2014.

| (Figures in Euros)                             |          |
|--|----------|
| Balance sheet data                             | 31/12/14 |
| 1) Cash, cash equivalents and sighted deposits | 170.078  |
| 2) Holdings in companies outside of the group  |          |
| 3) Tangible and intangible fixed assets        | 275.812  |
| 4) Other assets                                |          |
| 5) Total assets                                | 445.890  |
| 6) Sight liabilities                           | 130.222  |
| 7) Other liabilities                           |          |
| 8) Shareholders' equity                        | 315.668  |

| (Figures in Euros)                              |          |
|---|----------|
| Income data                                     | 31/12/14 |
| 1) Fee and commission expenses                  | 301.961  |
| 2) Intermediation margin                        | -371.928 |
| 3) Operating result                             | -371.928 |
| 4) Current operating profit (loss) before taxes | -371.928 |
| 5) Current operating profit (loss) after taxes  | -371.928 |
| 6) Profit (loss) of financial year              | -371.928 |

## C) CRITERIA AND PARAMETERS USED FOR THE VALUATION

The purchase cost corresponds to the total amount of call-ups made by the company as at 31 December 2015. The difference compared to the book value corresponds to the costs for management fees, institution expenses and other operating costs attributed to the year in which they were incurred.

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#### **D) LIST OF REAL ESTATE ASSETS AND REAL PROPERTY RIGHTS HELD BY SUBSIDIARY REAL ESTATE COMPANIES**

The company does not control real estate companies.

#### **E) DESCRIPTION OF THE OPERATIONS**

On 12 June 2014, the Fund subscribed to a commitment of 19 million Euros in SI2 S.p.A., a co-investment vehicle with two small and mid cap funds (Siparex MidCap2 e Siparex MidMarket3) managed by Sigefi Private Equity, the leading French private equity company focused on minority shareholding operations and expansion capital.

The total commitment of the company is equal to 27.6 million Euros.

As at 31 December 2015, the called-up commitment is equal to 12.0% of the subscribed total.

#### **F) OTHER INFORMATION**

SI2 S.p.A is a holding company that has Insec Equity Partner S.r.l. as its exclusive adviser, which is wholly owned by the Italian management team. SI2 invests exclusively in small and medium size Italian companies, primarily minority shareholdings and expansion capital, in accordance with a pre-established co-investment relationship with two funds, Siparex MidCap2 and Siparex MidMarket3.

## INFORMATION SHEETS of the UCI units

UCI description: **Wisequity III**

Management Company and Registered Office: Wise SGR S.p.A., Milan

### A) INFORMATION ON THE UCI

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2010               |
| 2) Total subscribed in the UCI on report date: | 181.500.000        |

### B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 700                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 19.3%                       |
| 4) Amount subscribed by the Fund            | 35.000.000                  |
| 5) To be called up                          | 8.540.000                   |
| 6) Called up                                | 26.460.000                  |
| 7) Book value                               | 18.777.160                  |

### C) DESCRIPTION

On 10 May 2011, the Fund subscribed to a commitment of Euro 35,000,000 in Wisequity III, the third closed-ended fund reserved for qualified investors managed by Wise SGR S.p.A., an independent management company active since 2000. The Wisequity III fund, with an envelope of 181.5 million Euros, focuses on investments in small and medium size Italian companies operating in a diverse range of sectors and characterised by generational change and growth objectives. The management team aims to create value through incremental acquisitions, defining growth strategies (plans for expansion into new markets or launch of new products) and improving operational processes and cash management. During 2015, the fund redeemed a total of Euro **24,360,000** in units, primarily following two divestments:

- i. Euro 28,000 on 9 June 2015,
- ii. Euro 220,500 on 27 July 2015;
- iii. Euro 17,601,500, on 29 October 2015 (divestment of JP Group S.p.A.) and
- iv. Euro 6,510,000, on 21 December 2015 (divestment of EidosMedia S.p.A.).



Description of the UCI: **Alto Capital III**

Management Company and Registered Office: Alto Partners SGR S.p.A., Milan

#### A) INFORMATION ON THE UCI

| (Figures in Euros)                             |            |
|--|------------|
| 1) Start date of operation                     | 2011       |
| 2) Total subscribed in the UCI on report date: | 94.000.000 |

#### B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND

| (Figures in Euros)                          |                             |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 500                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 26.60%                      |
| 4) Amount subscribed by the Fund            | 25.000.000                  |
| 5) To be called up                          | 13.372.500                  |
| 6) Called up                                | 11.627.500                  |
| 7) Book value                               | 9.198.576                   |

#### C) DESCRIPTION

The Fund subscribed to a commitment of 25 million Euros in Alto Capital III, 20.5 million Euros on 24 October 2011 and 4.5 million Euros on 24 January 2012. Alto Capital III is a closed-ended fund reserved for qualified investors that is managed by Alto Partners SGR S.p.A., a company founded by the management team in 2004. Alto Capital III's investment strategy is based on supporting the growth plans of small and medium size Italian companies and the process of reorganisation and generational transition in family companies.

Description of the UCI: **Star III-Private Equity Fund**

Management Company and Registered Office: Star Capital SGR S.p.A., Milan

**A) INFORMATION ON THE UCI**

(Figures in Euros)

|  |            |
|--|------------|
| 1) Start date of operation                     | 2012       |
| 2) Total subscribed in the UCI on report date: | 87.700.000 |

**B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND**

(Figures in Euros)

|   | Value as at the report date |
|---|-----------------------------|
| 1) Number of units subscribed by the Fund   | 300                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 17.10%                      |
| 4) Amount subscribed by the Fund            | 15.000.000                  |
| 5) To be called up                          | 9.406.324                   |
| 6) Called up                                | 5.593.676                   |
| 7) Book value                               | 4.511.517                   |

**C) DESCRIPTION**

On 2 August 2012, the Fund subscribed to a commitment of 15 million Euros in Star III Private Equity Fund, the third closed-ended fund reserved for qualified investors managed by Star Capital SGR S.p.A., a management company created in 2001 at the initiative of Efibanca and Palladio Finanziaria that became independent in 2010. The fund's investment strategy involves the creation of value for small and medium size Italian companies operating in a diverse range of sectors through growth and improvement of management processes, with the objective of supporting the entrepreneur and management in developing the business.

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Description of the UCI: **IGI Investimenti Cinque Parallel**

Management Company and Registered Office: IGI SGR S.p.A, Milan

**A) INFORMATION ON THE UCI**

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2011               |
| 2) Total subscribed in the UCI on report date: | 20.250.000         |

**B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND**

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 400                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 98.8%                       |
| 4) Amount subscribed by the Fund            | 20.000.000                  |
| 5) To be called up                          | 9.856.184                   |
| 6) Called up                                | 10.143.816                  |
| 7) Book value                               | 8.302.828                   |

**C) DESCRIPTION**

On 29 November 2011, the Fund subscribed to a commitment of 20 million Euros in Arca Impresa Tre Parallel (now IGI Investimenti Cinque Parallel) with a total commitment of 20.25 million Euros. IGI Investimenti Cinque Parallel is a closed-ended fund reserved for qualified investors that is dedicated to investments in Italian small and medium size, industrial and service companies characterised by development plans, including through incremental acquisitions. The fund, which is currently controlled by IGI SGR S.p.A. (hereinafter, "IGI"), a management company entirely controlled by the management team, is intended to promote the growth of companies while improving their management processes. The fund operates in parallel with the IGI Investimenti Cinque fund in accordance with a pre-established co-investment relationship with a commitment of 73 million Euros.

The two funds were originally managed by Arca SGR S.p.A. (hereinafter, "Arca"), a company owned by Banca Popolare dell'Emilia Romagna (hereinafter, the "Bank"). On 21 March 2013, the Bank sold Arca to IGI. Subsequently, on 1 July 2013, Arca was merged into IGI; consequently, the fund took the name IGI Investimenti Cinque Parallel.

UCI name: **Progressio Investimenti II**

Management Company and Registered Office: Progressio SGR S.p.A., Milan

#### **A) INFORMATION ON THE UCI**

| (Figures in Euros)                             |             |
|--|-------------|
| 1) Start date of operation                     | 2010        |
| 2) Total subscribed in the UCI on report date: | 204.200.000 |

#### **B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND**

| (Figures in Euros)                          |                             |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 500                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 12.2%                       |
| 4) Amount subscribed by the Fund            | 25.000.000                  |
| 5) To be called up                          | 6.224.873                   |
| 6) Called up                                | 18.775.127                  |
| 7) Book value                               | 9.573.746                   |

#### **C) DESCRIPTION**

On 10 June 2011, the Fund subscribed to a commitment of 25 million Euros in Progressio Investimenti II, a closed-ended fund reserved for qualified investors managed by Progressio SGR S.p.A., an independent company created in 2004 at the initiative of the Mittel Group, Fondazione Cassa di Risparmio di Trento e Rovereto and Istituto Atesino di Sviluppo S.p.A., which is currently controlled by the management team. The total commitment of the Fund is equal to 204.2 million Euros.

The fund concentrates its activities on companies characterised by generational transitions, internationalisation and expansion into new markets, including through acquisitions of companies undergoing surmountable difficulties, with institution of new management or contribution of financial resources. On average, the investments range between 10 and 40 million Euros.

On 7 October 2013, the fund distributed Euro 710,088 as capital repayment against the sale of Chrovamis S.p.A.

Description of the UCI: **Vertis Capital Parallel**

Management Company and Registered Office: Vertis SGR S.p.A., Naples

#### A) INFORMATION ON THE UCI

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2011               |
| 2) Total subscribed in the UCI on report date: | 15.250.000         |

#### B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 300                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 98.4%                       |
| 4) Amount subscribed by the Fund            | 15.000.000                  |
| 5) To be called up                          | 8.494.668                   |
| 6) Called up                                | 6.505.332                   |
| 7) Book value                               | 1.976.971                   |

#### C) DESCRIPTION

On 20 October 2011, the Fund subscribed to a commitment of 15 million Euros in Vertis Capital Parallel, a closed-ended fund reserved for qualified investors managed by Vertis SGR S.p.A.. The fund operates in parallel to the Vertis Capital fund (with a commitment of 30 million Euros) in accordance with a pre-established co-investment relationship and is focused primarily on investments in minority shareholdings through expansion capital operations.

The fund focuses on investments in small and medium size companies based in the Centre/South of Italy that are characterised by revenues indicatively under 50 million Euros, good profitability, a concrete development plan and good growth prospects, promoting the aggregation process to make these companies more competitive at the national and international level.

As of today, the fund has distributed as share redemptions Euro **1,273,414** , as follows:

- Euro 1,193,312 on 31 October 2014, against the sale of Wisco S.p.A.,
- Euro 80,102, on 3 June 2015, against proceeds from underlying companies.

Description of the UCI: **Gradiente I**

Management Company and Registered Office: Gradiente SGR S.p.A., Padua

#### A) INFORMATION ON THE UCI

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2010               |
| 2) Total subscribed in the UCI on report date: | 76.000.000         |

#### B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 400                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 26.3%                       |
| 4) Amount subscribed by the Fund            | 20.000.000                  |
| 5) To be called up                          | 5.871.513                   |
| 6) Called up                                | 14.667.961                  |
| 7) Book value                               | 11.124.187                  |

#### C) DESCRIPTION

On 4 July 2011, the Fund subscribed to a commitment of 10 million Euros in Gradiente I, a closed-ended fund reserved for qualified investors managed by Gradiente SGR S.p.A., held by the management team and by certain banking foundations, including Fondazione Cassa di Risparmio di Padova e Rovigo, Carimonte Holding Spa and Fondazione Cassa di Risparmio di Lucca. The total commitment of the Fund is 76.0 million Euros.

The fund focuses on investments with an average size of between 5 and 10 million Euros in small and medium size companies in North-East Italy characterised by good margins and a good market position, with the objective of supporting the entrepreneur to grow the company, including through aggregation of the production chain.

As of today, the fund has redeemed units, against divestments, for Euro **1,500,000**, as follows:

- Euro 960,526 on 2 August 2013 against the sale of Spiller S.p.A.,
- Euro 539,474 (callable) on 12 November 2015 against the partial sale (21.5%) of Tuber S.r.l..

Description of the UCI: **Finanza e Sviluppo Impresa**

Management Company and Registered Office: Futurimpresa SGR S.p.A., Milan

#### A) INFORMATION ON THE UCI

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2010               |
| 2) Total subscribed in the UCI on report date: | 76.000.000         |

#### B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 200                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 28.5%                       |
| 4) Amount subscribed by the Fund            | 20.000.000                  |
| 5) To be called up                          | 6.602.054                   |
| 6) Called up                                | 13.397.946                  |
| 7) Book value                               | 8.752.863                   |

#### C) DESCRIPTION

On 4 July 2011, the Fund subscribed to a commitment of 20 million Euros in Finanza e Sviluppo Impresa, a closed-ended fund reserved for qualified investors managed by Futurimpresa SGR S.p.A.. The total commitment of the Fund is equal to 70.2 million Euros.

The objective of the fund is to invest in small and medium size Italian companies head-quartered in Lombardy, with revenues of between 10 and 50 million Euros, with proven entrepreneurial experience, valid development plans, distinct brands and know-how, and a propensity for innovation and internationalisation. The fund supports companies according to an industrial logic, typically by acquiring minority interests. In certain cases, it may acquire majority shareholdings in the presence of a valid management team or co-investment with other private equity operators. Previously controlled by the Chambers of Commerce of Milan, Bergamo, Brescia and Como, since 2014, 55% of the management company has been controlled by Azimut Holding.

Description of the UCI: **360 Capital 2011 FCPR**

Management Company and Registered Office: 360 Capital Partners SAS, Saint Germain en Laye

#### **A) INFORMATION ON THE UCI**

| (Figures in Euros)                             |            |
|--|------------|
| 1) Start date of operation                     | 2012       |
| 2) Total subscribed in the UCI on report date: | 71.830.000 |

#### **B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND**

| (Figures in Euros)                          |                             |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 10.000                      |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 13.9%                       |
| 4) Amount subscribed by the Fund            | 10.000.000                  |
| 5) To be called up                          | 4.532.700                   |
| 6) Called up                                | 5.467.300                   |
| 7) Book value                               | 6.080.600                   |

#### **C) DESCRIPTION**

On 1 August 2012, the Fund subscribed to a commitment of 10 million Euros in 360 Capital 2011 FCPR, the second French closed-ended fund managed by 360 Capital Partners S.A.S., a management company that was founded in 2005. Its team has been active in the venture capital investment sector for more than 10 years. The total commitment is 71.8 million Euros.

The fund is primarily focused on the early stage in companies characterised by strong technological innovation that operate in a diverse range of sectors (such as ICT, internet, cleantech, medical equipment, excluding biotechnology) and are generally based in Italy and France.



Description of the UCI: **Sofinnova Capital VII**

Management Company and Registered Office: Sofinnova Partners SAS - Paris

#### A) INFORMATION ON THE UCI

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2012               |
| 2) Total subscribed in the UCI on report date: | 240.000.000        |

#### B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 1.500                       |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 6.3%                        |
| 4) Amount subscribed by the Fund            | 15.000.000                  |
| 5) To be called up                          | 6.000.000                   |
| 6) Called up                                | 9.000.000                   |
| 7) Book value                               | 9.458.123                   |

#### C) DESCRIPTION

On 25 September 2012, the Fund subscribed to a commitment of 15 million Euros in Sofinnova Capital VII, the sixth closed-ended fund reserved for qualified investors managed by Sofinnova Partners S.a.S., a management company that has operated on the European venture capital market since the 1970s. The fund is dedicated primarily to early stage investments in companies in the life science sector, specifically the biopharmaceutical, biotechnology, medical equipment and industrial biotechnology sectors. The fund's operations are concentrated at the European level, with investment opportunities in Italian small and medium size companies in the start-up phase operating in the aforesaid sector.

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Description of the UCI: **Emisys Development**

Management Company and Registered Office: Emisys Capital SGR S.p.A, Milan

**A) INFORMATION ON THE UCI**

| (Figures in Euros)                             |             |
|--|-------------|
| 1) Start date of operation                     | 2012        |
| 2) Total subscribed in the UCI on report date: | 131.000.000 |

**B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND**

| (Figures in Euros)                          |                             |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 60                          |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 22.9%                       |
| 4) Amount subscribed by the Fund            | 30.000.000                  |
| 5) To be called up                          | 23.176.875                  |
| 6) Called up                                | 6.823.125                   |
| 7) Book value                               | 5.624.860                   |

**C) DESCRIPTION**

On 2 October 2013, the Fund subscribed to a commitment of 30 million Euros in Emisys Development, a Closed-ended fund reserved for qualified investors managed by Emisys S.G.R. S.p.A., a company owned by the management team, Fineurop and IntesaSanpaolo. The total commitment of the Fund is 131 million Euros.

The fund is concentrated on expansion capital through investments in hybrid, debt and equity instruments in Italian small and medium-size companies, with the goal of promoting growth, expansion and competitiveness.

Description of the UCI: **Ambienta II**

Management Company and Registered Office: Ambienta SGR S.p.A., Milan

#### A) INFORMATION ON THE UCI

| (Figures in Euros)                             |             |
|--|-------------|
| 1) Start date of operation                     | 2013        |
| 2) Total subscribed in the UCI on report date: | 203.350.000 |

#### B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND

| (Figures in Euros)                          |               |
|---|---------------|
| Value as at the report date                 |               |
| 1) Number of units subscribed by the Fund   | A 500 + B 100 |
| 2) Category of units subscribed by the Fund | A+B           |
| 3) % of the Fund in the UCI                 | 14.8%         |
| 4) Amount subscribed by the Fund            | 30.000.000    |
| 5) To be called up                          | 23.432.026    |
| 6) Called up                                | 6.567.974     |
| 7) Book value                               | 4.950.872     |

#### C) DESCRIPTION

On 21 October 2013, the Fund subscribed to a commitment of 30 million Euros in Ambienta II, the second closed-ended fund reserved for qualified investors managed by Ambienta SGR S.p.A., an independent company that manages private equity funds, with a focus on investments in small and medium size companies operating in the environmental technologies sector. The total commitment is equal to 203.35 million Euros.

On 28 December 2015, the fund redeemed units for a total of Euro **26,400**, following a price adjustment on an underlying company, IP Cleaning S.p.A..

Description of the UCI: **Consilium Private Equity Fund III**

Management Company and Registered Office: Ardian France S.A., Paris

#### **A) INFORMATION ON THE UCI**

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2014               |
| 2) Total subscribed in the UCI on report date: | 145.000.000        |

#### **B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND**

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 500                         |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 17.2%                       |
| 4) Amount subscribed by the Fund            | 25.000.000                  |
| 5) To be called up                          | 21.113.343                  |
| 6) Called up                                | 3.886.657                   |
| 7) Book value                               | 2.628.973                   |

#### **C) DESCRIPTION**

On 7 February 2014, the Fund subscribed to a commitment of 25 million Euros in Consilium Private Equity Fund III, managed by Consilium SGR S.p.A., a company entirely owned by the management team. The investment activity is primarily focused on small and medium size Italian companies with turnover of between 10 and 80 million Euros that are in leadership positions on their own reference market.

On 18 December 2015, the fund reported the final closing, reaching a total commitment of 145 million Euros.

Description of the UCI: **AXA Expansion III Italia Parallel**

Management Company and Registered Office: Ardian France S.A., Paris

**A) INFORMATION ON THE UCI**

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2014               |
| 2) Total subscribed in the UCI on report date: | 20.202.100         |

**B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND**

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 200.000                     |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 99.0%                       |
| 4) Amount subscribed by the Fund            | 20.000.000                  |
| 5) To be called up                          | 11.700.000                  |
| 6) Called up                                | 8.300.000                   |
| 7) Book value                               | 8.710.000                   |

**C) DESCRIPTION**

On 9 April 2014, the Fund subscribed to a commitment of 20 million Euros in AXA Expansion III Italia Parallel, a co-investment vehicle with the funds AXA Expansion Fund III and Ardian Expansion Fund IV, managed by Ardian France S.A.. The investment activities of the parallel fund are focused exclusively on small and medium size Italian companies, and it co-invests with the primary fund according to a predefined ratio, leveraging the team of Ardian P.E. (the Italian subsidiary) in Italy.

The total endowment of the Fund amounts to 20.2 million Euros.

Description of the UCI: **Panakés Fund**

Management Company and Registered Office: Panakés Partner S.r.l., Milan

#### A) INFORMATION ON THE UCI

|  | (Figures in Euros) |
|--|--------------------|
| 1) Start date of operation                     | 2015               |
| 2) Total subscribed in the UCI on report date: | 60.575.000         |

#### B) INFORMATION ON UNITS SUBSCRIBED BY THE FUND

|   | (Figures in Euros)          |
|---|-----------------------------|
|   | Value as at the report date |
| 1) Number of units subscribed by the Fund   | 20.000                      |
| 2) Category of units subscribed by the Fund | A                           |
| 3) % of the Fund in the UCI                 | 33.0%                       |
| 4) Amount subscribed by the Fund            | 20.000.000                  |
| 5) To be called up                          | 19.708.000                  |
| 6) Called up                                | 292.000                     |
| 7) Book value                               | 0                           |

#### C) DESCRIPTION

On 17 December 2015, the Fund subscribed to a commitment of 20 million Euros in Panakés Fund, a venture capital fund managed by Panakés Partners S.r.l., a company wholly owned by the management team. The fund's activities are primarily concentrated in investments in Italian start-ups. The total commitment of the Fund is equal to 60.57 million Euros.

On 2 February 2016, the second closing was completed, bringing the commitment of Panaké Fund to 63.57 million Euros. Consequently, the Fund's new stake dropped to 31.46%.

TABLE B

**SUMMARY OF ASSETS DIVESTED BY THE FUND  
between 10/11/2010 and 31/12/2015**

| Holdings                             | Quantity        |       | Purchase                               |  | Last valuation | Gains on sale |               | Proceeds generated | Costs incurred | Result of the investment |
|--------------------------------------|-----------------|-------|--|--|----------------|---------------|---------------|--------------------|----------------|--------------------------|
|                                      | no. share/units | %     | Date                                   | Purchase cost                                    |                | Date          | Sales revenue |                    |                |                          |
| FARMOL S.p.A.                        | 519.971         | 32,90 | 23/05/2012                             | 6.250.000  | 6.250.000      | 29/11/2013    | 4.493.855     | 1.756.145          |                | -                        |
| ARIOLI S.p.A.                        | 286.128         | 32,73 | 21/12/2010<br>03/05/2011<br>15/03/2012 | 3.000.000<br>1.467.459<br>1.259.700<br>5.727.159 | 7.757.332      | 04/07/2014    | 7.757.332     |                    |                | 2.030.173                |
| ECO ERIDANIA S.p.A.                  | 4.826.190       | 30,60 | 28/09/2011<br>19/12/2012<br>11/03/2013 | 10.000.000<br>1.440.000<br>860.000<br>12.300.000 | 12.300.000     | 09/06/2014    | 21.500.00     | 50.000             |                | 9.250.000                |
| ANGELANTONI TEST TECHNOLOGIES S.p.A. | 59.230          | 32,00 | 16/05/2012                             | 8.000.000  | 11.810.000     | 29/07/2014    | 11.810.000    | 350.000            |                | 4.160.000                |
| MEGADYNE S.p.A.                      | 1.533.174       | 14,13 | 26/09/2012<br>01/08/2013               | 20.000.000<br>2.000.000<br>22.000.000            | 48.000.000     | 31/07/2014    | 51.502.236    | 1.412.904          |                | 30.915.140               |
| COMECER S.p.A.                       | 329.00          | 32,90 | 23/05/2011                             | 7.500.000<br>7.500.000                           | 7.500.000      | 18/12/2015    | 16.500.000    |                    |                | 9.000.000                |

- 1) On **29 November 2013**, Farmol S.p.A. was sold for a value of Euro **4,493,855**; on the same date, the Fund collected dividends equal to Euro **1,756,145** and paid a convertible bond of Euro **3,000,000**, which is currently in the portfolio. The purchase cost of the underlying company was Euro 6,250,000. The costs incurred in connection with due diligence activities accrued during the financial year were equal to Euro 210,198.
- 2) On **9 June 2014**, Eco Eridania S.p.A. was sold for the amount of Euro **21,500,000**, of which Euro 16,000,000 was ready cash (Euro 20,000 in December 2013 and Euro 10,000 in March 2014) and Euro 5,500,000 was to be collected by 31 December 2016. The **profits on the sale** amounted to Euro **9,200,000**, plus Euro 50,000 as consideration for the *call option*, collected on 24 May 2013, for a total of Euro 9,250,000, against a purchase cost of Euro 12,300,000 (Euro 10,000,000 on 28 September 2011, Euro 1,440,000 on 19 December 2012 and Euro 860,000 on 11 March 2013). The costs incurred in connection with the due diligence activities associated with the Fund's entry were paid by the target. The costs incurred during 2014, equal to Euro 97,698, were for the legal expenses associated with the sale of the underlying company.
- 3) On 4 July 2014, Arioli S.p.A. was sold for Euro **7,757,332**, resulting in **gains** of Euro **2,030,172**. The purchase cost of the underlying company was Euro 5,727,159 (Euro 3,000,000 of which was paid on 21 December 2010 as an advance against a future capital increase, Euro 1,467,459 of which was paid on 3 May 2011 and Euro 1,259,700 of which was paid on 15 March 2012). The costs incurred in connection with due diligence activities accrued during the financial year were equal to Euro 155,818.
- 4) On **29 July 2014**, Angelantoni Test Technologies S.r.l. was sold for Euro **11,810,000**; the profit on the sale was equal to Euro **3,810,000**, compared to a purchase cost of Euro 8,000,000 on 16 May 2012. During 2013, the company paid dividends of Euro 350,000. The costs incurred in connection with due diligence activities accrued during the financial year were equal to Euro 218,676.

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- 5) On **31 July 2014**, **Megadyne S.p.A.** was sold for Euro **51,502,236**, net of the earn-out and the price adjustment; the **profit on the sale** was equal to Euro **29.502.236**, compared to a purchase cost of Euro 22,000,000 (of which Euro 20,000,000 was paid on 26 September 2012 and Euro 2,000,000 was paid on 1 August 2013). On 17 April 2014, the company paid dividends of Euro 1,412,904. In August 2014, the Fund paid a success fee of Euro 610,000. The costs incurred in connection with due diligence activities accrued during the financial year were equal to Euro 382,107.
- 6) On **18 December 2015**, **Comecer S.p.A.** was sold for Euro **16,500,000**; the profit on the sale was equal to Euro **9,000,000**, compared to a purchase cost of Euro 7,500,000 on 23 May 2011. The costs incurred in connection with due diligence activities accrued during the financial year were equal to Euro 144,829.
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**REPORT OF THE INDEPENDENT AUDITOR  
ON THE ANNUAL REPORT  
AS AT 31 DECEMBER 2015  
PURSUANT TO ARTICLES 14 and 16  
OF LEGISLATIVE DECREE NO. 39 of 27/1/2010**

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Fondo Italiano d'Investimento SGR S.p.A.

**Management Report  
of Fondo Comune di Investimento Mobiliare Chiuso  
Fondo Italiano di Investimento  
as at 31 December 2015**

**Report of the independent auditor  
pursuant to Article 14 of Legislative Decree No. 39  
of 27/1/2010 .  
and Article 9 of Legislative Decree No. 58 of  
24/2/1998**



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Reconta Ernst & Young S.p.A. Tel: +39 02 722121  
Via della Chiusa, 2 Fax: +39 02 72212037  
20123 Milan ey.com

**Report of the independent auditor  
pursuant to Article 14 of Legislative Decree No. 39 of 27/1/2010 .  
and Article 9 of Legislative Decree No. 58 of 24/2/1998**

To the Participants of the  
Closed-ended fund, "Fondo Italiano di Investimento"

**Report on the Management Report**

We conducted the audit of the attached management report of Fondo Comune di Investimento Mobiliare Chiuso, known as "Fondo Italiano di Investimento" (the "Fund"), comprised of the assets and liability statement, income section and explanatory notes, for the financial year ended 31 December 2015.

*Responsibility of the directors for the management report*

The directors of Fondo Italiano d'Investimento SGR S.p.A., the Management Company of the Fund, are responsible for drafting a management report that provides a true and faithful representation in accordance with the Order issued by Banca d'Italia on 19 January 2015 (hereinafter also referred to as the "Provision").

*Responsibility of the independent auditor*

It is our responsibility to express an opinion on the Fund's management report based on our accounting audit. We conducted the accounting audit in accordance with the international auditing principles (ISA Italy) developed in accordance with Article 11, paragraph 3, of Legislative Decree No. 39 of 21/1/2010 . These principles require respect for ethical principles as well as the planning and performance of an accounting audit for the purpose of ascertaining with reasonable certainty that the management report does not contain significant errors.

The audit includes the performance of procedures intended to acquire probative elements in support of the amounts and information contained in the management report. The procedures are selected in accordance with the professional judgement of the auditor, including an assessment of the risks of significant errors in the management report due to fraud or unintentional acts or events. When assessing such risk, the auditor considers the internal control of the drafting of the Fund's management report, which provides a true and faithful representation in accordance with the Order, for the purpose of defining auditing procedures that are appropriate under the circumstances and not to express an opinion on the effectiveness of the internal control procedures of the Fund Management Company. The audit also includes an assessment of the appropriateness of the valuation criteria and methods used, the reasonableness of the accounting estimates made by the directors, and an assessment of the presentation of the management report as a whole.

We believe that we have obtained sufficient and appropriate probative elements on which to base our judgement.

Reconta Ernst & Young S.p.A.  
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*Opinion*

In our opinion, the management report provides a true and fair view of the economic and financial situation of the Closed-Ended Fund named “Fondo Italiano di Investimento” as at 31 December 2015 as well as of the net result for the financial year ending on that date in accordance with the Provision issued by Banca d'Italia on 19 January 2015.

**Report on other legal and regulatory provisions**

*Judgement on the consistency of the directors' report with the management report*

We followed the procedures indicated by auditing standard (SA Italia) no. 720B in order to express a judgement on the consistency of the directors' report, for which the directors of Società di Gestione del Fondo are responsible, with the management report of Closed-Ended Fund “Fondo Italiano di Investimento” for the financial year ended 31 December 2015. In our judgement, the directors' report is consistent with the management report of the Closed-Ended Fund known as “Fondo Italiano di Investimento” for the financial year ended 31 December 2015.

Milan, 8 March 2016

Reconta Ernst & Young S.p.A.

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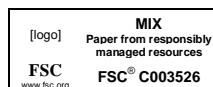
Daniele Zamboni  
(Shareholder)

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