

FONDO ITALIANO D'INVESTIMENTO

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

INTERIM REPORT
of FONDO ITALIANO DI INVESTIMENTO
as at 30 JUNE 2015

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 FIA [Fondo di Investimento Alternativo (Alternative Investment Fund)]

Managers kept by Banca d'Italia [Bank of Italy]

TABLE OF CONTENTS

	page
Composition of the Corporate Bodies	4
Interim Report	
Directors' Report.....	5
Assets and Liabilities Statement	23
Income Section	24
Valuation Criteria	25

COMPOSITION OF THE COMPANY BODIES

BOARD OF DIRECTORS

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

BOARD OF AUDITORS

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

INDEPENDENT AUDITOR

Reconta Ernst & Young S.p.A.

CUSTODIAN BANK

Société Générale Securities Services S.p.A.

* Independent directors.

** Following the resignation of Board of Directors Member Dr Cesare Buzzi Ferraris, the Board of Directors of 18 December 2014 co-opted Board Member Dr Alberto Vittorio Giovannelli, who was subsequently appointed by the General Shareholder Meeting of 16 April 2015.

*** On 22 January 2015, the Member of the Board of Directors, Mr 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 of 16 April 2015.

The Corporate Bodies will remain in office until the approval of the Financial Statements of the AMC ended 31 December 2015.

FONDO ITALIANO DI INVESTIMENTO

INTERIM REPORT ending 30 June 2015

Closed-ended 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 Fondo Italiano di Investimento (hereinafter, the "Fund" or the "Italian Fund"), a closed-ended fund reserved for qualified investors and authorised by Banca d'Italia on 24 August 2010.

The net asset value as at 30 June 2015, the fifth operational year of the Fund, is equal to Euro **401,019,430** (as at 31 December 2014, Euro **380,387,531**), for a unit value of 4,800 units in circulation of Euro **83,545.715** (as at 31 December 2014, Euro **79,247.402**).

As of the date of this Interim Report, the Fund has performed **six partial early distributions** against divestments as capital repayments for a total amount of Euro **96,208,182**, as described below:

- 1) On **24 December 2013**, the Fund distributed **Euro 4,920,614**, resulting from a sale of the Fund and units redeemed by two funds in the portfolio against divestments: (i) partial disposal of Farmol S.p.A., Euro 3,250,000; (ii) Gradiente I fund, Euro 960,526 and (iii) Progressio II fund, Euro 710,088;
- 2) On **13 June 2014**, the Fund distributed **Euro 16,000,000** resulting from the sale of Eco Eridania S.p.A.;
- 3) On **8 July 2014**, the Fund distributed **Euro 7,757,332** resulting from the sale of Arioli S.p.A.;
- 4) On **1 August 2014**, the Fund distributed **Euro 59,810,000** 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) On **28 November 2014**, the Fund distributed **Euro 3,720,236**, 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, equal to Euro 828,000;
- 6) On **30 June 2015**, the Fund distributed (as a financial set-off against call no. 63) Euro **4,000,000**, resulting from the repayment of the Rigoni di Asiago S.r.l. shareholder loan on 28 May 2015.

The Fund has an envelope 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.

As at 30 June 2015, the amount to be called up is equal to Euro **608,710,920** after calling up Euro **591,289,080** (equal to **49.27%** of subscriptions collected), broken down as follows: Euro 36,614,400 in the first half of 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 July 2015, three additional call-ups were made for a total of Euro **16,824,000**, thereby bringing the total called up amount at the end of July 2015 to Euro **608,113,080** (equal to **50.38%** of subscriptions collected); with an additional Euro **591,886,920** still to be called.

* * *

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. Its direct investment activities are focused on Italian companies in the development phase that have ambitious for growth and internationalisation with a turnover indicatively of between 10 - 250 million Euros. The objective of the Fund is to create 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.

As at 30 June 2015, the SGR manages three funds with a total commitment of more than 1.56 billion Euros and a total workforce of 54 individuals, plus the Chief Executive Officer.

* * *

The initial indicators of the trends on the Italian private equity market in the first half of 2015 confirm the significant signs of recovery noted during the second half of 2014.

In particular, according to the findings of the monitoring centre Private Equity Monitor – PEM®, between January and June 2015, 43 new investment operations were announced (excluding start ups, reinvestments in underlying companies and operations executed by public investment vehicles), in line with the trends from the same period during the previous year.

In terms of operation type, most of the investments involved buy outs (35, equal to 81%), followed by expansions (5, equal to 12%) and turnarounds (2, equal to 5%) and replacements (1, equal to 2%).

The monitoring centre notes a significant increase in add-on operations, which represent approximately 19% of the market (compared to 10% as of 30 June 2014).

In terms of size, the analysis reveals an average turnover of approximately 65 million Euros (70 million Euros in 2014). More specifically, 8% of the target companies recorded on average overall turnover of more than 250 million Euros, 50% between 50 and 250 million Euros and the remaining 42% less than 50 million Euros.

In terms of distribution according to sector, a significant and growing interest can be seen in the consumer goods segment, recording a rate of 28%, the same as the industry products segment.

Finally, in terms of geographic distribution, the market is highly concentrated between Lombardy and Emilia Romagna (49% of the target companies and respectively 30% and 19%). Veneto takes 9%, while the impact of southern companies is much more limited, at 4%.

In this context, Fondo Italiano di Investimento represents a point of reference for the market both for its direct investment activities and its indirect investment activities, operating as a fund of funds.

* * *

As part of the context described above, during the first half of 2015, the Fund continued to manage and develop the holdings in its portfolio as well as to seek out and evaluate new investment opportunities.

As at 30 June 2015, the Fund's portfolio includes direct investments in 28 companies after an initial five divestments (one of which being partial, Farmol S.p.A.), and 20 indirect investments in UCI units and holding companies (in addition to another indirect investment that was approved in 2014 but has not yet been completed).

Since the start of operations, 39 direct investments have been approved and completed (including the add ons), amounting to approximately 400 million Euros, while the approved indirect investments (UCI units and holding companies) amount to approximately 440 million Euros, bringing the total of approved investments to approximately 840 million Euros.

Direct investments

As at 30 June 2015, the 27 underlying companies of the Fund employ approximately 14,000 employees with total turnover of approximately 2,500 million Euros and an average export percentage of approximately 50% (+10% since entry to the Fund).

Considering the sector distribution of these companies, 6 (21.4%) are in industrial components, 5 (17.9%) operate in the machine tools and plant segment, 5 (17.9%) in consumer goods, 3 (10.7%) in services (for individuals and industry), 2 (7.1%) in *shipping* and shipbuilding, 2 (7.1%) in biomedical and *pharma*, 2 (7.1%) in ICT, 2 (7.1%) in *automotive* and 1 (3.6%) in the *media & entertainment* sector.

With regard to geographic location, 13 (46%) of the companies are located in the north east (including Lombardy); 10 (36%) in the north west; 4 (14%) in the centre; and 1 (4%) in the south.

The average size of the investments is approximately 11 million Euros.

Indirect investments

The commitment made to indirect investment vehicles is 408 million Euros, in addition to another approved 30 million Euros in the process of finalisation. The average size is approximately 20 million Euros. Of these, 14 (70%) have a national geographical focus, 4 (20%) are territorial and 2 (10%) have a European geographical focus. These investments concern 100 companies, with aggregate turnover of approximately 3 billion Euros and more than 12,000 employees.

* * *

Indirect investments in the portfolio

As at 30 June 2015, the Fund has interests in 28 companies (in the form of shareholdings and loans and/or bonds). In one case, Farmol S.p.A., the Fund only holds convertible bonds, following a partial divestment.

- 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 head-quartered in Montesilvano (PE) that operates in the "facility management" sector, for Euro 3,000,000, equal to **12.10%** of the share 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. The underlying company, as a result of consolidated losses, has now been written down by Euro 1,857,000 between the capital share and the shareholder loan. The book value is therefore respectively decreased to Euro **4,471,960** (capital share) and Euro **321,040** (shareholder loan).
- 3) On 23 May 2011, the Fund had increased its participation in **Comecer S.p.A.**, a company headquartered 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. Comecer manufactures screening systems and equipment for special applications and carries out custom projects in the isotechnology sector for the production of insulators for treatment of toxic and hazardous substances.
- 4) On 13 June 2011, the Fund increased its participation in Cartour S.r.l., a company headquartered 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. In 2013, the Fund exercised its swap right in a holding of 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.** against the sale of the aforesaid investment in Cartour S.r.l.
- 5) On 3 October 2011, the Fund invested Euro **15,000,000** in **Sanlorenzo S.p.A.**, a company with its registered office 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%**.
- 6) 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 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 recorded, the holding has now been written down for a total of Euro 2,700,000; the book value is therefore equal to Euro **7,500,000**, in addition to the shareholder loan of Euro 3,000,000.
- 7) 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 (raising the Fund's investment to 22.80%). On 21 April 2015, the Fund subscribed to a second share capital increase of Euro 1,500,000 for the purchase of 73.77% of the Slovenian company, Actual IT. At the end of 2013, the underlying company was written down by Euro 2,150,000, thereby reducing the book value to Euro 1,850,000. Consequently, the book value as at 30 June 2015 is Euro **3,350,000**, equal to **34.84%** of the share capital.
- 8) On 22 December 2011, the Fund invested Euro **10,000,000** in **Amut S.p.A.**, a company headquartered 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, which was founded in 1958, is active in the production of systems for the washing, extrusion, recycling and thermoforming of thermoplastic materials.
- 9) 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, on 31 December 2014, the underlying company was fully written down.

- 10) 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 head-quartered in Carsoli (AQ) that operates in the design and production of printed circuit boards for electronic systems.
- 11) 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. As a result of losses recorded, the holding was written down by a total of Euro 2,600,000; the book value is equal to Euro **9,400,000**.
- 12) 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**. On 23 June 2015, the company indicated its intention to repay the entire convertible bond in advance with value date of 31 July 2015.
- 13) 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.
- 14) On 20 April 2012, the Fund increased its participation 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 performed as a co-investment with PM & Partners SGR S.p.A.. During the first half of 2015, the company acquired 100% of Aquila (Sassuolo).
- 15) On 29 May 2012, the Fund subscribed to an increase in share capital in **Zeis Excelsa S.p.A.**, a company with its registered office 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 recorded losses, the holding has now been written down by Euro 9,700,000, thus bringing the book value to Euro **2,300,000**, while maintaining the value of the bonds, including matured coupons. On 16 July 2015, the company sold 51% of the Bikkerbers brand to the Chinese company Canudilo, listed on Shenzhen, for an amount of approximately 41 million Euros.
- 16) 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. As at 30 June 2014, following the 2013 losses, the underlying company was written down by Euro 1,200,000, reducing the book value to Euro **11,800,000**.
- 17) On 27 June 2012, the Fund increased its participation 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.

-
- 18) On 19 July 2012, the Fund increased its participation 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.
- 19) On 30 July 2012, the Fund increased its participation in **E.M.A.R.C. S.p.A.**, a company head-quartered 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 for a total of Euro 3,000,000; the book value is therefore equal to Euro **7,000,000**, in addition to the convertible bond of Euro 1,000,000.
- 20) On 18 October 2012, the Fund increased its participation in **Mape S.p.A.**, a 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.
- 21) On 29 January 2013, the Fund increased its participation 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.
- 22) On 31 January 2013, the Fund increased its participation 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). In 2014, the company opened a subsidiary in the United States.
- 23) On 18 April 2013, the Fund increased its participation in **Marsilli & Co. 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.
- 24) On 24 April 2013, the Fund increased its participation in **Mesgo S.p.A.**, a company head-quartered 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. During 2014, the Group completed the acquisition the company 3A Mcom S.r.l. of Grigno (TN) and the lease of the company Guzzetti Master S.r.l. of Turate (CO).
- 25) On 27 December 2013, the Fund invested Euro **30,000,000** in **Forgital Group S.p.A.**, a company head-quartered in Velo d'Astico (VI) and operating in the production and machining of rings and other large forged components and in the aerospace industry through the FLY subsidiary. This investment breaks down into Euro 15,000,000 in capital shares (equal to **12.77%**) and Euro 15,000,000 in a convertible/converting bond.
- 26) On 30 July 2014, at the same time as the sale described below 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 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 increased its participation 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**.
- 28) On 17 March 2015, the Fund increased its participation in **Brugola O.E.B. Industriale 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 increased its participation in Eco Eridania S.p.A., with its registered office Arenzano (GE), and 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, by 10,000,000. In December 2012, the Fund had subscribed to a convertible bond (which was subsequently converted) of Euro 1,440,000. On 11 March 2013, the Fund increased its participation by an additional Euro 860,000. The total investment of Fondo Italiano was therefore Euro 12,300,000, equal to 30.6% of the share capital. 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 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 head-quartered in a Gerenzano (VA) and operating in the production and marketing of textile machinery. On 3 May 2011 and 15 March 2012, the Fund had subscribed to two additional capital increases for a total of Euro 5,727,159, equal to 32.73% of the share capital. On **4 July 2014**, Arioli S.p.A. was **sold** for Euro **7,757,332**.
- 4) On 16 May 2012, the Fund had increased its participation by Euro 8,000,000, equal to 32.00% of the share capital (post-price adjustment), 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. On 1 August 2013, the Fund invested an additional Euro 2,000,000 following the acquisition of the Turkish company Rultrans. The Fund's interest increased to **14.13%** of the share 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.

Indirect investments

As at 30 June 2015, the Fund holds units in 14 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. On 9 June 2015, the fund repaid Euro 378,000 in shares (of which Euro 325,000 was callable) against a divestment and interest income.
- 2) On 10 June 2011, the Fund subscribed to a commitment of Euro **25,000,000** in **Progressio Investimenti II**, a private equity fund launched by Progressio SGR S.p.A.. The total commitment of Progressio Investimenti II 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 of Finanza e Sviluppo Impresa 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. On 2 August 2013, the Fund repaid Euro 960,526 in shares against a divestment.
- 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 of Vertis Capital Parallel is 15.3 million Euros. As of today, the fund has redeemed shares (i) on 30 October 2014, for Euro 1,193,312, against divestment and with a call-up set-off on the same date and (ii) on 3 June 2015, for Euro 80,102, through a financial set-off against a call-up for the same value, with collection of certain interest income.
- 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 of the Fund 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 20.25 million Euros), a parallel co-investment vehicle of the Arca Impresa Tre fund, with a commitment of 73 million Euros. These funds are managed by Arca Impresa Gestioni SGR S.p.A., now Iniziativa Gestione Investimenti SGR S.p.A. (IGI); as a result of the merger by incorporation of Arca into IGI, which took place 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") and has a total envelope of 75.2 million Euros.
- 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. Winch Italia S.p.A. was created as part of the co-investment agreement signed between the investment vehicle and Edmond de Rothschild Investment Partners, a leading French management company that manages the Winch II fund, now the Winch III fund, with which Winch Italia S.p.A. co-invests

in transactions that it executes in Italy, with a total envelope of 62 million Euros.

- 10) On 27 July 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**.
- 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 of the Fund 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 of the fund 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 biopharma. The total commitment of the Fund is equal to 240 million Euros.
- 14) On 17 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 is focused on venture capital investments. The overall envelope of the holding is equal to 60.2 million Euros. On 11 June 2015, the Fund approved an additional commitment of up to 5 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 of the Fund 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.. The fund aims to invested in small and medium size companies focused on energy savings and efficiency. The total commitment of the Fund is equal to 203.35 million Euros.
- 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 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 36 million Euros. On 11 June 2015, the Fund approved an additional commitment of up to 5 million Euros.
- 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. The total commitment of the Fund is equal to 133.35 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 primary fund, AXA Expansion Fund III, managed by Ardian France S.A.. The investment activities of AXA Expansion III Italia Parallel is exclusively focused on small and medium size Italian companies in co-investment with the primary fund. The total commitment of the Fund is equal to 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 small and mid cap funds managed by Sigefi Private Equity ("Sigefi PE"), a French private equity company. SI2 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 of the Fund amounts to 27.6 million Euros.

The Fund approved a commitment of Euro 20,000,000 in Panakés Fund dedicated to venture capital that has not yet been completed as of the date of approval of this Interim Report.

* * *

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 Decreases/ of the financial year write-downs during financial year	Value as at 30/06/2015	Sharehold ing (%)	Shareholder loan as at 30/06/2015	Ordinary/Conv ertible Bonds as at 30/06/2015
Direct investments								
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			7,500,000	32.90%		
4	Ferry Investments S.r.l. (formerly Carlour 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		-2,000,000	7,500,000	24.90%	3,000,000	
7	DBA Group S.r.l.	1,850,000	1,500,000		3,350,000	34.84%		
8	Amut S.p.A.	10,000,000			10,000,000	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		-2,000,000	9,400,000	40.35%		
12	TBS Group S.p.A.	10,000,001			10,000,001	13.17%		10,000,002
13	Rigoni di Asiago S.r.l.	10,000,000			10,000,000	35.56%		
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			2,300,000	19.99%		8,969,150
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 & CO. 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 Group S.p.A.	10,000,000	5,000,000		15,000,000	12.77%		15,000,000
27	Megadyne S.p.A. (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%		6,666,660
29	Brugola O.E.B. S.p.A.	0	7,500,000		7,500,000	15.18%		
Indirect investments/Holding companies								
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	-113,320	5,342,040	26.61%		
3	HAT Holding All Together S.p.A.	6,154,981	874,186		7,029,168	33.33%		
4	United Ventures S.p.A.	2,397,525	714,415	-227	3,111,713	16.61%		
5	Programma 101 S.p.A.	3,211,512	1,411,651		4,623,164	40.00%		
6	SI2 S.p.A.	47,500	169,808		217,308	68.84%		
Total		227,326,409	19,923,941	-6,625,546	240,624,803		3,321,040	47,135,812

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

As at 30 June 2015, four underlying companies were written down on a prudential basis: BAT S.p.A., EMARC S.p.A., Sira S.p.A. and Truestar Group S.p.A..

Changes in UCI units are shown in the table below:

no.	Name	Value as at 31/12/2014	Increases/decreases during financial year	Capital gains/losses	Value as at 30/06/2015	Shareholding (%)
1	Wisequity III	22,634,221	-166,997	110,220	22,577,443	19.28%
2	Finanza e Sviluppo Impresa	4,031,416	1,867,236	218,956	6,117,608	28.49%
3	Progressio Investimenti II	3,335,215		-184,128	3,151,088	12.24%
4	Gradiente I	6,364,874	2,734,211	51,495	9,150,580	26.32%
5	Alto Capital III	4,479,512	1,329,787	-276,111	5,533,188	26.60%
6	Vertis Capital Parallel	4,070,645	-80,102	300,208	4,290,751	98.36%
7	IGI Investment Cinque Parallel	5,271,552	2,309,827	4,119	7,585,498	98.77%
8	360 Capital 2011 FCPR	3,695,500	762,500	-57,500	4,400,500	13.92%
9	Sofinnova Capital VII	7,163,265	1,336,875	1,556,303	10,056,443	6.25%
10	Star III Private Equity Fund	2,472,970	2,189,282	-1,729	4,660,523	17.10%
11	Emisys Development	1,638,973		79,460	1,718,433	22.90%
12	Ambienta II	3,092,065	2,049,480	-130,990	5,010,554	14.75%
13	Consilium Private Equity Fund III	0	2,814,023	110,858	2,924,882	18.75%
14	AXA Expansion III Italia Parallel	4,265,555	3,894,000	-85,555	8,074,000	99.00%
Total		72,515,762	21,040,121	1,695,606	95,251,490	

* * *

Regulatory, compliance and risk profiles

In the first half of 2015, the regulatory process to incorporate - within Italy - 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 kept by Banca Italia of "above threshold" AIFMs.

Therefore, the SGR is required to provide investors with information regarding the Fund's current risk profile as well as any exceedance of the risk limits established by the Board of Directors and monitored as part of the Risk Management function (or the risk that these limits may be exceeded in the future) and, in case of exceedance, a description of the circumstances and the corrective measures taken.

In this regard, keeping in mind the results of the risk management analysis, the current risk profile at the Fund portfolio level is estimated at a "moderate" risk level as at 30 June 2015 (fifth risk rating out of a total of nine), a decrease from the last assessment. Considering the overall risks associated with the management of the Fund, the risk profile would be in the "medium-low" risk class (third rating out of a total of nine). These findings reveal that the limit imposed on the overall risk level of the Fund is respected; however, the concentration limit on the riskiest part of the portfolio has been slightly exceeded, due to certain direct investments and a certain delay in the use of resources associated with the interest investments. In any event, through targeted mitigation actions, including new direct transactions at lower risk, it will be possible to bring risk levels back within this limit.

* * *

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

DIRECT INVESTMENTS

Company	meeting date	Actions taken at general shareholder meetings
Comecer S.p.A.	13/01/15	Favourable vote for modification to the fees of 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 quarter of the Italian Civil Code.
Megadyne S.p.A.	14/04/15	Favourable vote for the financial statements ended 31/12/2014; acknowledgement of the consolidated financial statements ended 31/12/2014; favourable vote for the renewal of the Board of Auditors after expiry of the three-year term; renewal of the independent auditor's assignment after expiry of the three-year term; favourable vote for renewal of the Board of Auditors and appointment of the independent auditor.
La Patria S.r.l.	20/04/15	Favourable vote for the financial statements of the year 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 the independent auditor pursuant to Article 2477 of the Italian Civil Code.
DBA Group S.r.l.	21/04/15	Favourable vote for the share 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 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 ended 31/12/2014; acknowledgement of the consolidated financial statements as at 31/12/2014.
GMM S.p.A.	23/04/15	Favourable vote for the financial statements of the year ended 31/12/2014, the appointment of the oversight body of the company and determination of the relevant compensation, the appointment of the body responsible for the regulatory 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).
Mesgo S.p.A.	27/04/15	Favourable vote for the annual financial statements 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 of the year 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 as at 31/12/2014: – Appointment of the Board of Directors and Chairman of the Board of Directors and determination of compensation, – Appointment of the Board of Auditors and Chairman of the Board of Auditors and determination of the members' compensation, – Appointment of the entity charged with performing the statutory audit of the accounts and determination of compensation.
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. Favourable vote for the distribution to shareholders of part of the "Earnings Carried Forward" reserve.
TBS Group S.p.A.	28/04/15	Favourable vote for the financial statements ended 31/12/2014. Presentation of the Consolidated Financial Statements ended 31/12/2014; unfavourable vote for the distribution of dividends; 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. Favourable vote for the determination of the gross compensation to be paid to the Board of Auditors.
Brugola O.E.B. Industriale S.p.A.	29/04/15	Abstained regarding the approval of the financial statements ended 31/12/2014; Abstained regarding the acknowledgement of the consolidated financial statements ended 31/12/2014 as provided for in the investment agreement.

Turbocoating S.p.A.	30/04/15	Favourable vote for the financial statements of the year ended 31/12/2014; acknowledgement of the consolidated financial statements as at 31/12/2014.
Ferry Investments S.r.l.	05/05/15	Favourable vote for the annual financial statements as at 31/12/2014.
Comecer S.p.A.	07/05/15	Favourable vote for the annual financial statements as at 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 as at 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	<i>Ordinary Meeting:</i> Favourable vote for the financial statements ended 31/12/2014; Acknowledgement of the consolidated financial statements ended 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. <i>Extraordinary Meeting:</i> 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	<i>Extraordinary Meeting:</i> Favourable vote for the merger by direct incorporation of the company CBV Corpo Bustese Vigilante S.r.l. into La Patria S.r.l. <i>Ordinary Meeting:</i> 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 Articles of Association 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	<i>Ordinary Meeting:</i> Favourable vote for the financial statements ended 31/12/2014; acknowledgement of the consolidated financial statements ended 31/12/2014. <i>Extraordinary Meeting:</i> Favourable vote for the early repayment of the bond issued and subscribed on 28 December 2001 with maturity of 28 December 201 [sic]
Forgital Group S.p.A.	12/06/15	<i>Extraordinary Shareholder Meeting:</i> 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	<i>General Shareholder Meeting:</i> 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	<i>Extraordinary Meeting:</i> Favourable vote for the merger by incorporation of the company MECALL S.r.l. into the company General Medical Merate S.p.A..
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 as at 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.
IEN S.p.A.	30/06/15	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 purchase of treasury shares.
Zeis Excelsa S.p.A.	24/07/15	Acknowledgement of the progress of the Canudilo operation; favourable vote for the financial statements of the year 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.
San Lorenzo S.p.A.	14/07/15	Favourable vote for the financial statements ended 31/12/2014; acknowledgement of the consolidated financial statements as at 31/12/2014. Favourable vote for the reduction in the number of members of the Board of Directors pursuant to Article 14 of the Articles of Association.
Antares Vision S.r.l.	29/06/15	Favourable vote for the financial statements 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.
Sira Industrie S.p.A.	06/07/15	Favourable vote for the financial statements of the year ended 31/12/2014. Favourable vote for renewal of company offices; favourable vote for assignment of the account audit mission.

INDIRECT INVESTMENTS		
Holding Company	Shareholder meeting	Actions taken at general shareholder meetings
Programma 101 S.p.A.	23/04/15	<i>Extraordinary Meeting:</i> 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. Favourable vote for the extension of the final deadline for subscription to the capital increase until 19 December 2015. <i>Ordinary Meeting:</i> Acknowledgement of the report.
Neip III S.p.A.	27/04/15	<i>Extraordinary Meeting:</i> 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. <i>Ordinary Meeting:</i> Favourable vote for the financial statements ended 31/12/2014.
Winch Italia S.p.A.	27/04/15	<i>Extraordinary Meeting:</i> 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. <i>Ordinary Meeting:</i> Favourable vote for the adoption of new Articles of Association, also concerning the adoption of the form of a SICAF as well as the modification of the company's name and purpose.
Siparex Investimenti 2 S.p.A. (SI2 S.p.A.)	28/04/15	<i>Extraordinary Meeting:</i> Favourable vote for changes to the Articles of Association 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	<i>Extraordinary Meeting:</i> 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. <i>Ordinary Meeting:</i> 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 of the year ended 31/12/2014.
Siparex Investimenti 2 S.p.A. (SI2 S.p.A.)	05/05/15	<i>Ordinary Meeting:</i> Favourable vote for the financial statements of the year ended 31/12/2014.

This Interim 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 30 June 2015.

The Interim Report is comprised of the following documents:

- 1) Balance Sheet;
- 2) Income Section.

The Interim Report 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 Interim 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 financial statements of SGR for the financial years 2010 – 2018.

* * *

Balance sheet

As at 30 June 2015, the assets of the Fund are represented by the following items:

- 1) Euro **383,012,105** in financial instruments, comprised of the following:
 - Euro 17,500,000 in connection with the only controlling shareholding, Ferry Investments S.r.l.;
 - Euro 223,124,803 in non-controlling shareholdings corresponding to the book value of the 27 direct investments and the six holding companies;
 - Euro 95,251,490 in connection with the book value of the 14 UCI units;
 - Euro 47,135,812 in debt securities represented by the bonds in the portfolio.
- 2) Euro **3,321,040** in shareholder loans to underlying companies;
- 3) Euro **14,156,145** in connection with the net cash position;
- 4) Euro **9,195,431** in connection with other assets, including (i) 5,500,000 in receivables from Roxe S.A. for the sale of Eco Eridania S.p.A. and Euro 417,438 in receivables from Zeis Excelsa S.p.A. for the third coupon matured at the end of May 2015 (and not yet paid) of the convertible bond, (ii) Euro 1,297,306 in accrued tax savings as at 30 June 2011 and (iii) Euro 1,332,687, primarily represented by accrued interest income on bonds and shareholder loans.

The Fund's liabilities amount to Euro 8,665,291 and primarily consist of the item, Loans, equal to Euro 8,503,614, as exposure to the Depositary Bank for temporary cash requirements as a result of temporary timing differences due to *capital calls* received from the underlying funds that were fully repaid on 1 July 2015.

Income Section

30 June 2015 closes with a loss of Euro (**11,982,500**) (31 December 2014 closed with a profit of Euro **2,903**), broken down as follows:

- Euro **1,757,700** in dividends paid by the following underlying companies:
 - Euro 966,644 paid by Mesgo S.p.A.;
 - Euro 420,917 paid by Marsilli S.p.A.;
 - Euro 275,695 paid by Ferry Investments S.r.l..
 - Euro 94,444 paid by TBS Group S.p.A..

-
- Euro **1,461,035** in net interest on bonds and shareholder loans;
 - Euro **(3,953,464)** in capital losses, including
 - Euro (6,512,000) in connection with write-downs on certain direct investments:
 - Euro (2,000,000) for Sira Industrie S.p.A.,
 - Euro (2,000,000) for Truestar Group 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 (114,892), of which Euro (80,000) is for the BAT S.p.A. loan and Euro (34,892) is for the Mape S.p.A. dispute,
 - Euro 2,673,428 in net capital gains on UCI units and holding companies;
 - Euro **350,329** for interest income on shareholder loans;
 - Euro **(6,960,000)** in management fees accrued during the half-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 **(5,348,547)** in other management fees, including (i) Euro (153,839) for transaction and follow-up costs associated with the investments in the portfolio, (ii) Euro (5,119,125) in management fees and other fees associated with the UCI units/holding companies in the portfolio, (iii) Euro (69,292) in independent auditor fees, (iv) Euro (5,307) in printing costs for the periodic reports, (v) Euro (662) for the CONSOB contribution and (vi) Euro (322) in banking expenses;
 - Euro **(26,654)** in depositary fees;
 - Euro **739,062** in other net income, including (i) Euro 648,000 in indemnities from an underlying company, Euro 79,910 in redemptions for equalisation, Euro 12,050 in chargeback costs from an underlying company, Euro 2 in contingent assets and (ii) Euro (900) in contingent liabilities for expenses from the previous financial year;
 - Euro **(1,961)** in interest expenses accrued on the line of credit.

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

Milan, 28 July 2015

BALANCE SHEET

ASSETS	Situation as at 30/06/2015		Situation at end of previous financial year	
	Total value	As a percentage of the assets	Total value	As a percentage of the assets
A. FINANCIAL INSTRUMENTS	383,012,105	93.49	346,929,920	91.01
Unlisted financial instruments				
A1. Controlling shareholdings	17,500,000	4.27	17,500,000	4.59
A2. Non-controlling shareholdings	223,124,803	54.46	209,826,408	55.05
A4. Debt securities	47,135,812	11.51	47,087,750	12.35
A5. UCI units	95,251,490	23.25	72,515,762	19.02
C. RECEIVABLES	3,321,040	0.81	12,401,040	3.25
C2. Other	3,321,040	0.81	12,401,040	3.25
F. NET CASH POSITION	14,156,145	3.46	14,022,400	3.68
F1. Cash assets	14,156,145	3.46	14,022,400	3.68
G. OTHER ASSETS	9,195,431	2.24	7,833,544	2.06
G2. Prepaid expenses and accrued income	1,332,687	0.32	1,036,238	0.27
G3. Tax savings	1,297,306	0.32	1,297,306	0.34
G4. Other	6,565,438	1.60	5,500,000	1.45
TOTAL ASSETS	409,684,721	100.00	381,186,904	100.00

LIABILITIES AND SHAREHOLDERS' EQUITY	Situation as at 30/06/2015	Situation at end of previous financial year
H. LOANS RECEIVED	8,503,614	
H3. Other	8,503,614	
M. OTHER LIABILITIES	161,677	799,373
M1. Fees and expenses accrued and not yet paid	56,834	30,181
M4. Other	104,843	769,192
TOTAL LIABILITIES	8,665,291	799,373
TOTAL NET VALUE OF THE FUND	401,019,430	380,387,531
Number of units in circulation	4,800	4,800
Unit value of the units	83,545.715	79,247.402
Total value of amounts to be called up	608,710,920	645,325,320
Unit value of the units to be called up	126,814.775	134,442.775
Redemptions or income distributed	96,208,182	92,208,182
Unit value of the redeemed units	20,043.371	19,210.038

INCOME SECTION

	Report for year ending 30/06/2015		Report from previous financial year	
A. FINANCIAL INSTRUMENTS				
Unlisted financial instruments				
A1. HOLDINGS	-3,776,478		26,222,361	
A1.1 dividends and other income	1,757,700		2,061,937	
A1.2 profits/losses from encashments			44,522,408	
A1.3 capital gains/losses	-5,534,178		-20,361,984	
A2. OTHER UNLISTED FINANCIAL INSTRUMENTS	3,156,641		-2,500,178	
A2.1 interest, dividends and other income	1,461,035		2,763,019	
A2.3 capital gains/losses	1,695,606		-5,263,197	
Operating profit financial instruments		-619,837		23,722,183
C. RECEIVABLES				
C1. interest income and related income	350,329		393,288	
C2. increases/decreases in value	-114,892		-45,000	
Operating result receivables		235,437		348,288
Operating result investments		-384,400		24,070,471
Gross operating profit		-384,400		24,070,471
H. FINANCIAL EXPENSES	-1,961		-3,169	
H1. Interest expenses on loans received				
H1.2 on other loans	-1,961		-3,169	
Net operating profit		-386,361		24,067,302
I. OPERATING EXPENSES	-12,335,201		-24,230,803	
I1. SGR management fees	-6,960,000		-13,920,000	
I2. Depositary fees	-26,654		-56,596	
I5. Other operating expenses	-5,348,547		-10,254,207	
L. OTHER INCOME AND EXPENSES	739,062		166,404	
L1. Interest income on liquid assets			1,600	
L2. Other income	739,962		195,364	
L3. Other expenses	-900		-30,560	
Operating profit before taxes		-11,982,500		2,903
Total Profit/(Loss) for the financial year		-11,982,500		2,903

The figures from the previous financial year's report are not comparable with the figures as at 30 June 2015 because they concern the entire year of 2014.

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 Regulations”). 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 net 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 subsidiary companies.

The potential write-down may refer 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).

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 subsidiary 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 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 subsidiary 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.

Receivables

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

This value is calculated by 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, 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.

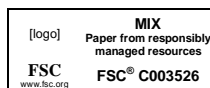
Income and expenses

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.

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, the taxation regime on results achieved through the management of the fund has been cancelled for Italian and foreign mutual funds, 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.

Printing and Preprinting: Agema Corporation



Fondo Italiano D'investimento Sgr S.p.A., out of respect for the environment, has printed these financial statements on paper derived from responsibly managed forests, in accordance with FSC® (Forest Stewardship Council®) criteria
