



FRIULIA

FINANZIARIA FVG

Your Investment Partner in Friuli Venezia Giulia

WHO WE ARE

- FRIULIA is Friuli Venezia Giulia's (FVG) Region Financial Holding Company. It is a well established company which was founded in 1967;
- For 50 years, it has been the main partner for companies who want to invest in the Region;
- FRIULIA has net assets of approximately 600 million Euros
- FRIULIA acts into 2 main roles:

PRIVATE EQUITY

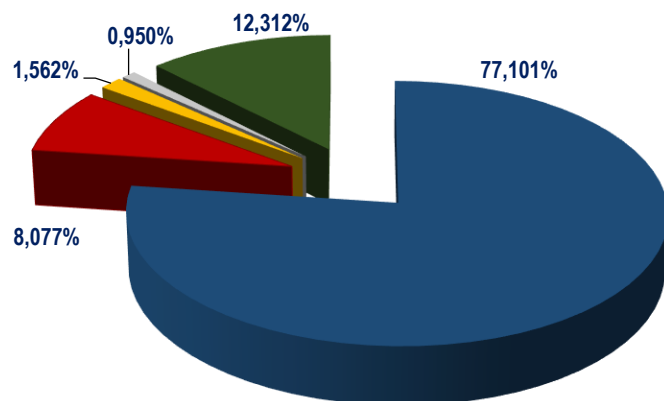
- Friulia invests up to 35% in the share capital of joint stock companies, provides assistance and financial consultancy to companies in the FVG Region and, more generally, invests in companies which generate value for the Region;
- Friulia has a distinctive position in the equity market:
- it supports development operations, promoting at the same time shareholding continuity (through put & call options);
- it guarantees a competitive cost along with an «intangible» return linked to the development and enhancement of local companies.
- Portfolio of ~ 60 companies, for 130 million Euros invested ;

HOLDING

- Since 2006 Friulia has been the Region's Financial Holding Company. It has subsidiary companies (considered strategic by the Regional government) with the mission to contribute to the development of the local economy, like the regional concessionaire for the construction and management of regional highways or an investment company for regional business development abroad, with a long term holding policy.

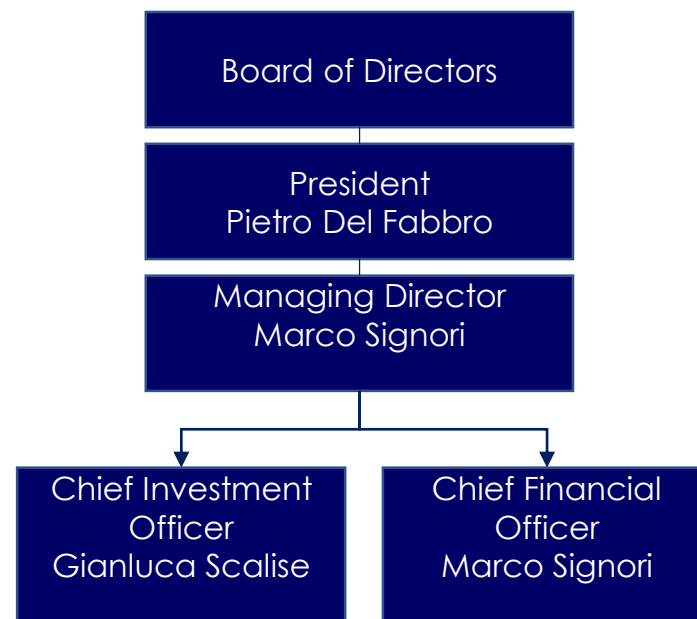
SHARE CAPITAL & GOVERNANCE

Shareholders

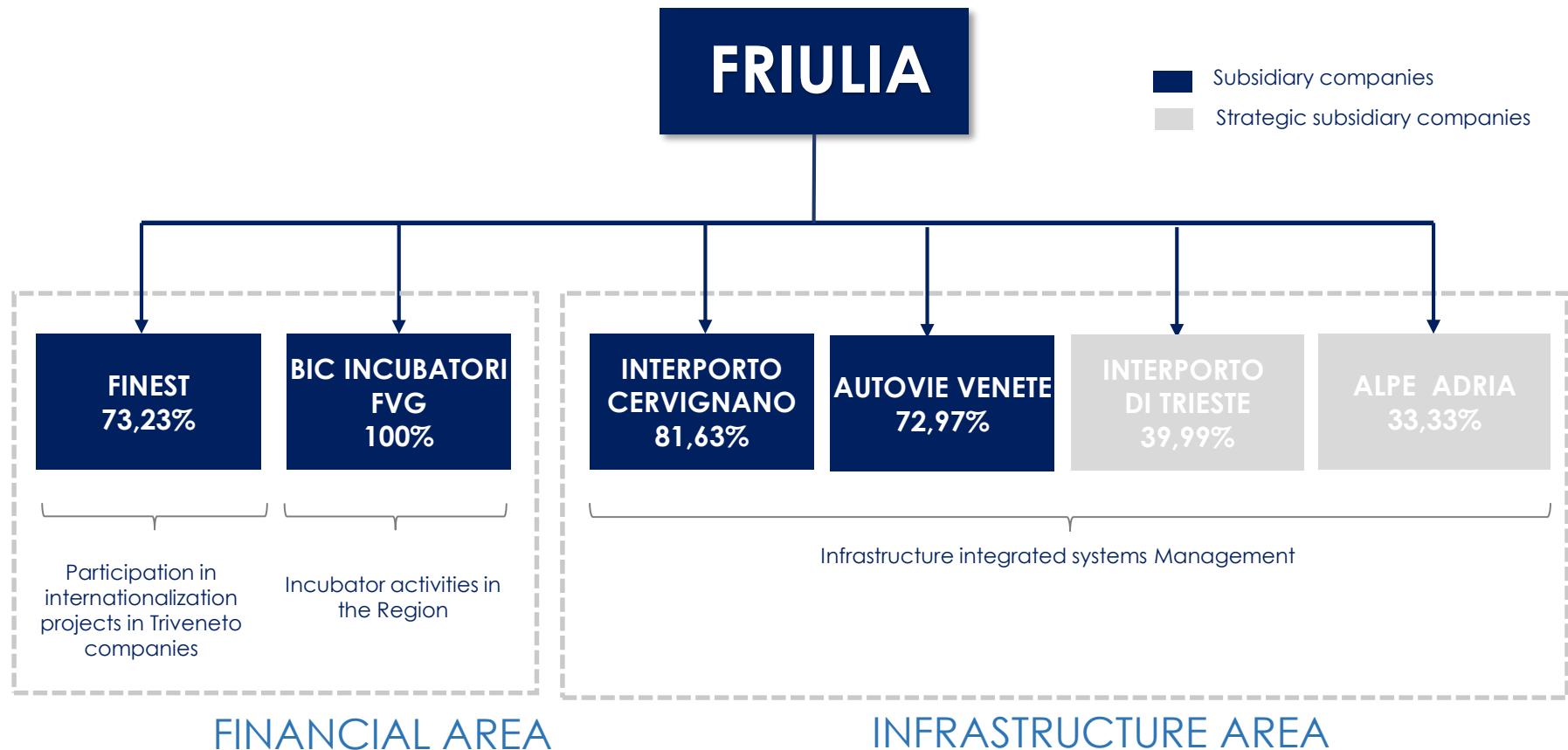


- Regione Autonoma FVG
- Banks
- Insurance companies
- Own Shares
- Others

Governance



FRIULIA GROUP



PRIVATE EQUITY – MISSION

Strengthen

- the capitalization of companies helping them to address economic resources towards investments characterized by a sustainable economic payback

Support

- the companies in setting up and improving correct company governance

Spread

- knowledge and good finance practice for the regional economic systems growth

Promote

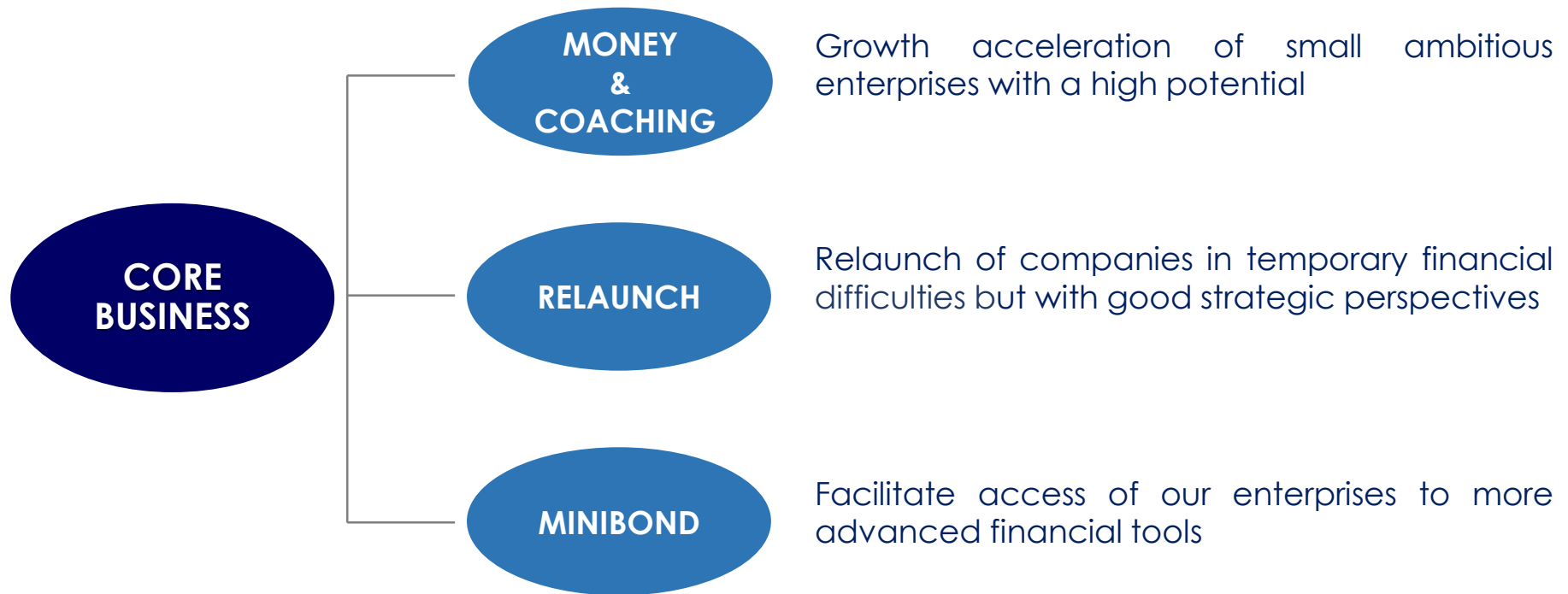
- FVG economic development in synergy with other economic players

PRIVATE EQUITY – HOW FRIULIA ACTS

- Friulia acquires a minority equity stake up to 35% of the share capital
- Way-out at 5 years
- Buy back with mixed formulae (by the entrepreneur at pre established conditions and/or by the market)
- **Leaves the governance of the company to the entrepreneurs/managers**, providing a periodical check-up on the achievement of the objectives set in the business plan, along with a constant advisory service and assistance, also including direct participation in the Board of Directors/Statutory Auditors. Friulia participates in the life of the company, sharing information, without interfering in operations, although being part of strategic decisions;
- **Networks** with institutions, banks, investors, associations and industrial groups and makes this network of relations available to the company which will be able to find contacts, synergies and advantages favouring its growth and consolidation;
- **Promotes contact with the FVG Region to exploit all the favorable opportunities and regulations/incentives;**
- **Provides exposure and standing with respect** to the banking system, customers and suppliers and, generally, to all the stakeholders;
- **Makes its portfolio of about 60 companies** available to its investee companies with the aim of constantly promoting business opportunities;
- Promotes free of charge conferences, seminars and training events for its investee companies.

PRIVATE EQUITY – INVESTMENT FORMATS

- Besides “core business” activities, such as the contribution to equity capital for the development of regional SMEs and related funding arrangements, Friulia offers other investment formats linked to the specific needs of small enterprises (Money & Coaching) and companies going through temporary financial difficulties (Relaunch);
- Friulia integrates equity investments with bond issues of its subsidiaries favouring access to the market.



PRIVATE EQUITY – CORE BUSINESS

Friuli-Venezia Giulia is a very interesting territory for productive investment. Its facilities, ports, geographical position, tax free areas, the presence of worldwide renowned training and research centres are all features that can attract investors' attention.

In addition to this, there is **Friulia**, with its core business in the Private Equity field and medium and long-term loans, which has enabled the birth and the development of dozens of new companies over the years.

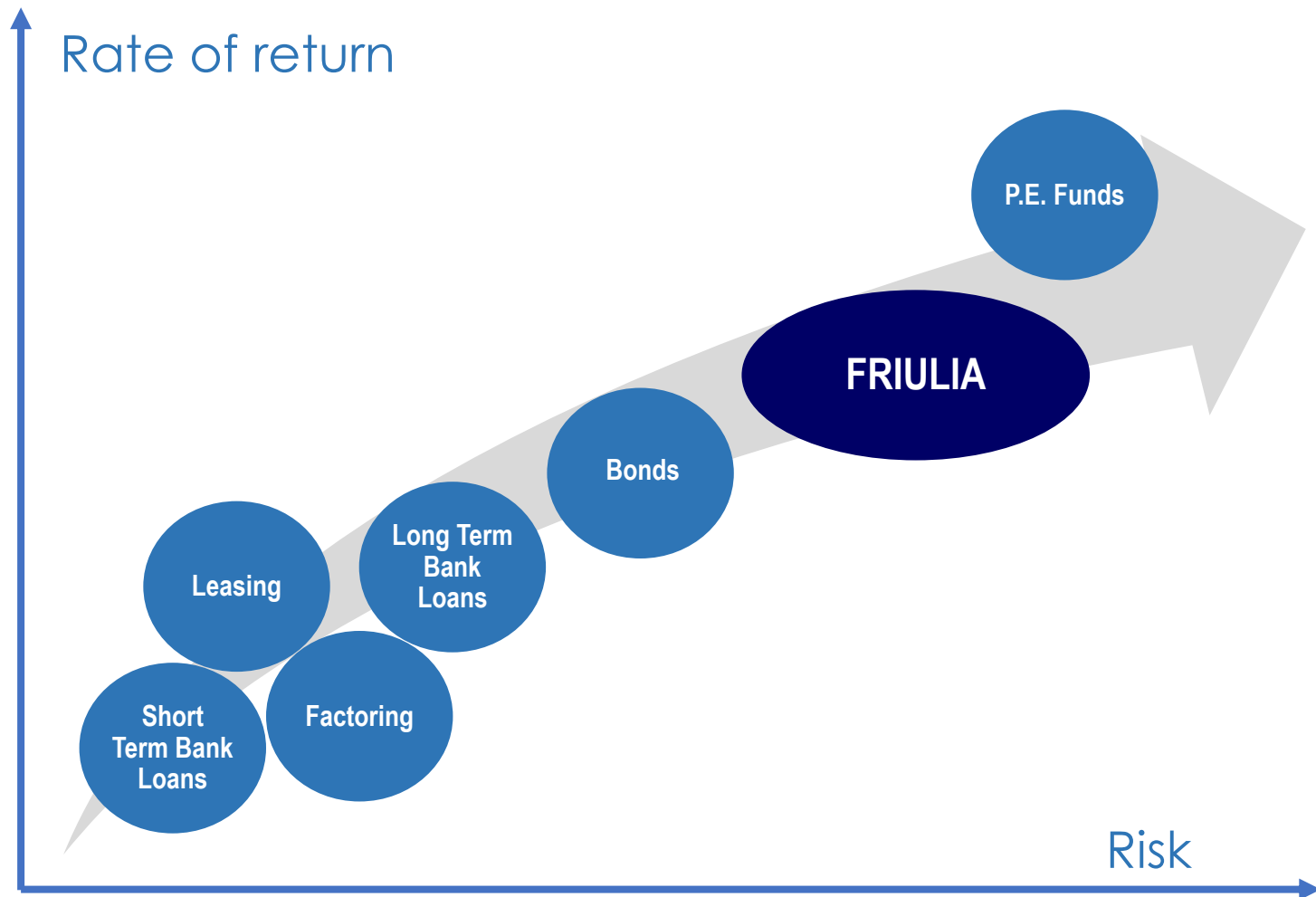
Private Equity

- ⑩ Investment size: € 0.5-10 million in equity
- ⑩ Target: companies already active in the market, in a growth phase and with entrepreneurial continuity
- ⑩ Qualified minority shareholdings (up to 35%)
- ⑩ Way out in ~ 5 years
- ⑩ Repurchase by the entrepreneur on pre-arranged conditions
- ⑩ Representatives in the Board of Directors with development support tasks
- ⑩ Assistance to favour approach to the market and the financial system
- ⑩ Assistance for M&A
- ⑩ Arrangement of loans, leasing and factoring with the banking system

Optional Accompanyng Funding

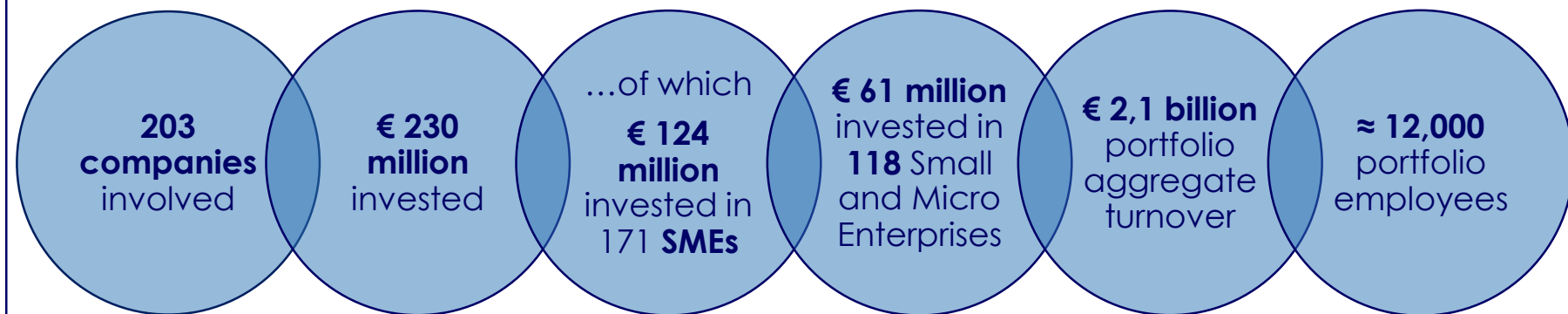
- ⑩ Medium/long term funding linked to investment in equity
- ⑩ Target: portfolio companies
- ⑩ Ordinary and convertible debt loans, hybrid and convertible loans
- ⑩ Product flexibility
- ⑩ Duration: 4-5 years in relation to permanence in the share capital

FRIULIA – A DISTINCTIVE POSITION IN THE FINANCIAL MARKET



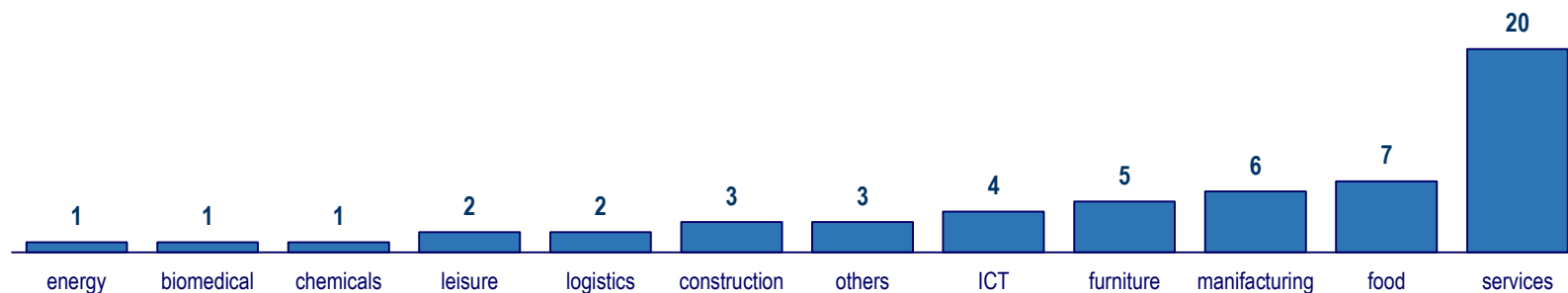
FRIULIA AT A GLANCE

Friulia Group activities to support local development



Situation at 30/06/2017

Friulia – portfolio segmentation



Portfolio at 30/06/2017

INSIDE FRIULIA GROUP: FINEST S.P.A.

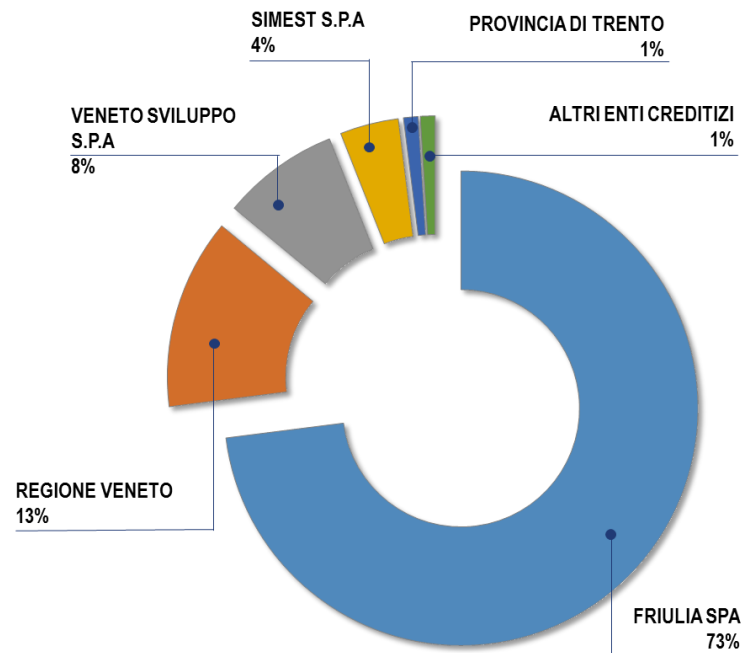
Finest is:

- an **EQUITY PARTNER**
- a **FINANCE COMPANY**
- an **ADVISOR**
- a **BUSINESS DEVELOPER**

for North-East Italian Companies investing in the international proximity markets

Finest is part of Friulia S.p.A. (FVG Region), Veneto Sviluppo S.p.A. and Veneto Region, the Autonomous Province of Trento, Simest S.p.A., and several banks:

a solid team that can meet all the challenges facing its clients



Finest takes **minority shareholders** of foreign enterprises which are fostered by North-East Italian firms.

It also provides a **potential foreign direct financing** aimed at satisfying the needs for development of enterprises.

25 years

44 Countries

570 international deals

320 bln euros allocated

2 mld euros of promoted investments



Finest is the Italian Company with the **GREATEST NUMBER OF JOINT VENTURES** in Central-Western Europe and the Balkans.

Equity



Financing



Soft Financing



Advisory

Shareholding 25-49% of total capital gain; 8 year

25% of total investment ; 8 year -> providing loans directly to the foreign Company

Grant to interest rate for corporate financing (only NOT EU Countries)

- International operations
- Corporate consulting
- Management of international businesses