

*Green Investor Day*

**PANEL DISCUSSION "CAPITAL"**

Milan, 9 may 2013

## MATCHING BETWEEN

- DEMAND AND SUPPLY OF CAPITAL
- GREEN COMPANIES AND INTERNATIONAL INVESTORS



- MONITORING INTERNATIONAL INVESTORS
- ANALYSING INVESTMENT TRENDS AND CRITERIA
- PROMOTING MATCHING WITH GREEN COMPANIES (ONE ON ONE MEETINGS, INVESTOR DAY, CONFERENCE)
- GREEN CORPORATE FINANCE

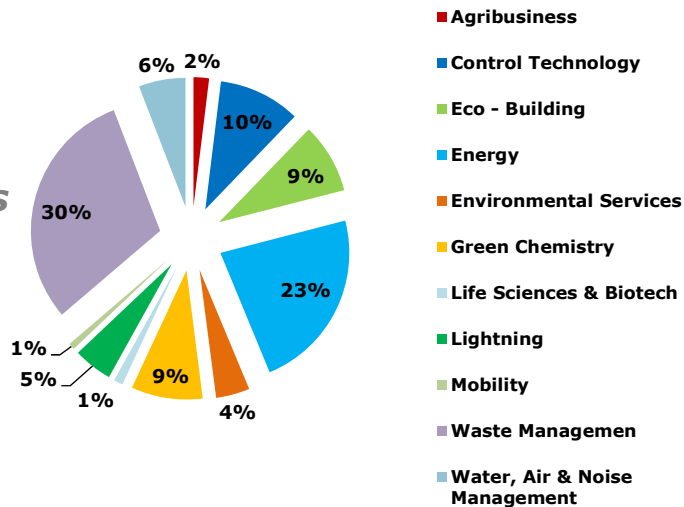
- BUILDING GREEN DATABASE
- MONITORING GREEN SECTORS
- SCREENING BEST GREEN COMPANIES
- PROMOTING GREEN INNOVATION
- FUNDING
- LISTING

## INNOVATION MEANS:

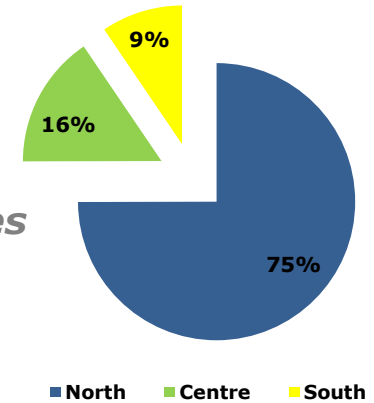
- NEW BUSINESSES (PATENTS, START UPS, ...)
- SUSTAINABILITY OF TRADITIONAL BUSINESSES

### VEDOGREEN PROPRIETARY DATABASE

*Green Companies by sector*



*Green Companies by area*

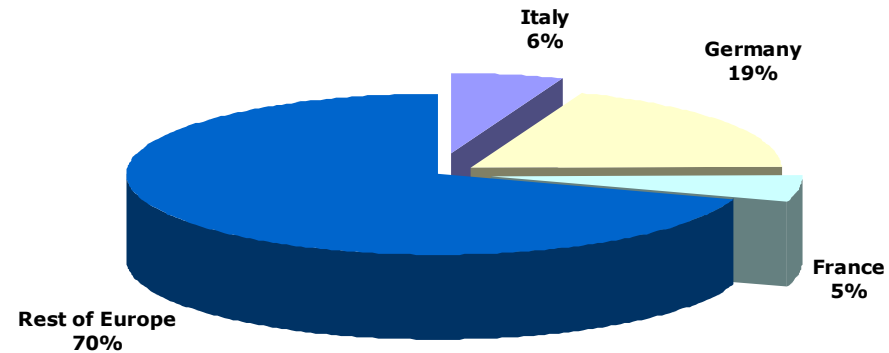


The importance of innovative business has been highlighted by **VEDOGREEN PROPRIETARY DATABASE** on 3,000 green private companies. VedoGreen has identified 11 macro sectors beyond traditional one and the most innovative are: Agribusiness, Green Chemistry, Eco – Building and Mobility.

«GREEN INNOVATION» MAKES ALL THE MAIN AREAS ITALIAN MANUFACTURING with a real commitment to the revision in a "sustainable" production process (\*)

VEDOGREEN AND DINTEC join together in the "Patent Eco-evaluation" project to boost the innovation of Italian green businesses

- **22,500 the EU patents** related to green technologies filed in 2007-2009
- **Germany(19%), Italy (6%) and France (5%)** are the most active countries in innovation
- The most active sectors in Italy: **chemical, automotive, furnishing** (80% of patents filed to the European Patent Office)
- The most interesting **areas of research**: third generation photovoltaics and technologies for smart cities

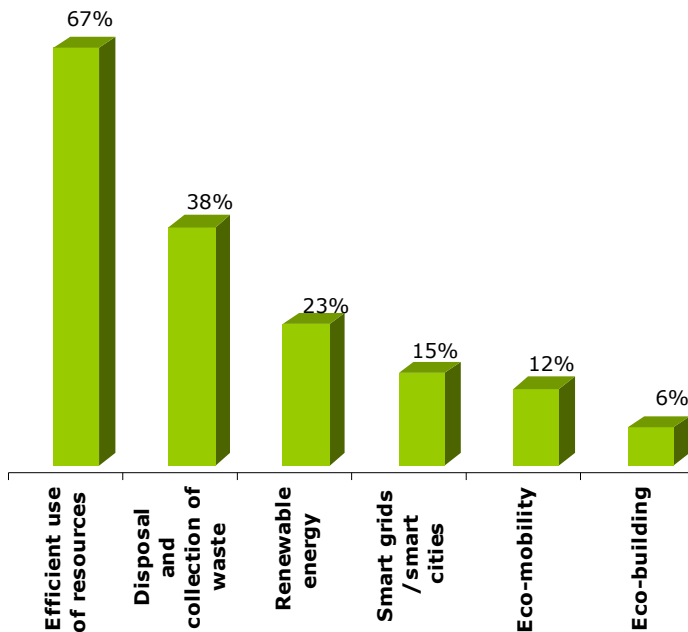


Source: Osservatorio Unioncamere Brevetti, Marchi e Design 2011  
Dintec, Consorzio per l'Innovazione tecnologica

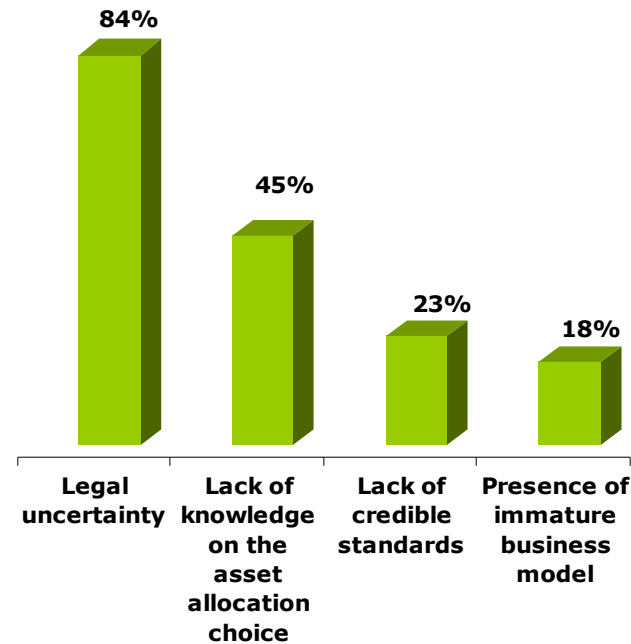
# VEDOGREEN SURVEY: INVESTOR'S INTEREST IN GREEN



Which green sectors will grow in the future?



Main obstacles to green investing?



**VedoGreen Survey conducted on a panel of 50 institutional investors showed that the high potential of the market is one of the main reasons that leads to invest in the sector. In your opinion what are the future trends on we are going to?**

VedoGreen Survey was conducted with a questionnaire sent about 50 European institutional investors in the asset management industry (september-november 2012)  
Target: European sector investment management (Ethic fund, Investment bank, Family office, PE Fund)

### STRATEGIC GUIDELINES OF GREEN COMPANIES (\*)

- ❑ Internationalisation through M&A and/or direct investments
- ❑ Geographical diversification in Eastern Europe or emerging markets through JV
- ❑ Vertical integration on the value chain through strategic partnership
- ❑ Consolidation of the leadership and extension in other green business
- ❑ Reduce operating costs and improve operational efficiency
- ❑ Strategic repositioning in the renewable energy sector with integration of activities in the traditional energy sector

### What are the most important drivers for growth?

(\*) Source: VedoGreen Report "GREEN ECONOMY ON CAPITAL MARKETS 2012"

## Italian listed companies included in VedoGreen Panel

COMPANY	GREEN SECTOR
Alerion CleanPower	Renewable
Biancamano	Waste Management
Eems	Renewable
Enertronica	Renewable
ErgyCapital	Renewable
Falck Renewables	Renewable
Fintel Energia Group	Renewable
Frendy Energy	Renewable
Industria e Innovazione	Renewable
Isagro	Green Chemistry
K.R. Energy	Renewable
Kinexia	Renewable
Landi Renzo	Mobility
Sacom	Life Science & Biotech
Sadi Servizi Industriali	Waste Management
TerniEnergia	Renewable

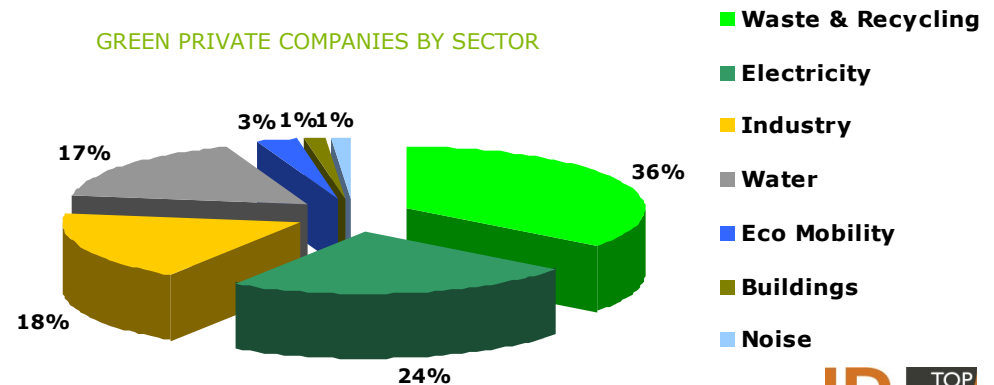
### GREEN PRIVATE COMPANY IDENTIKIT

- Revenues 2011: € 58 m (+9% VS 2010)
- EBITDA 2011: € 12 m (+15% VS 2010)
- EBITDA margin: 23%
- Number of employees: 154

## Private companies: a good opportunity to go public

- VedoGreen Survey Department has selected **50 best green private companies as «good opportunity to go public»** according to a set of criteria weighted for industry diversification, geography and dimension
- The companies report a **total turnover of € 3 billion** and employ approximately **7,700 people**.
- The total value in terms of **EV** potentially expressed by the sample amounts to **€ 6.9 billion**
- By considering the overall level of indebtedness of the companies (€ 2,4 billion), the total **market capitalization** equals to **€ 4.5 billion**

GREEN PRIVATE COMPANIES BY SECTOR



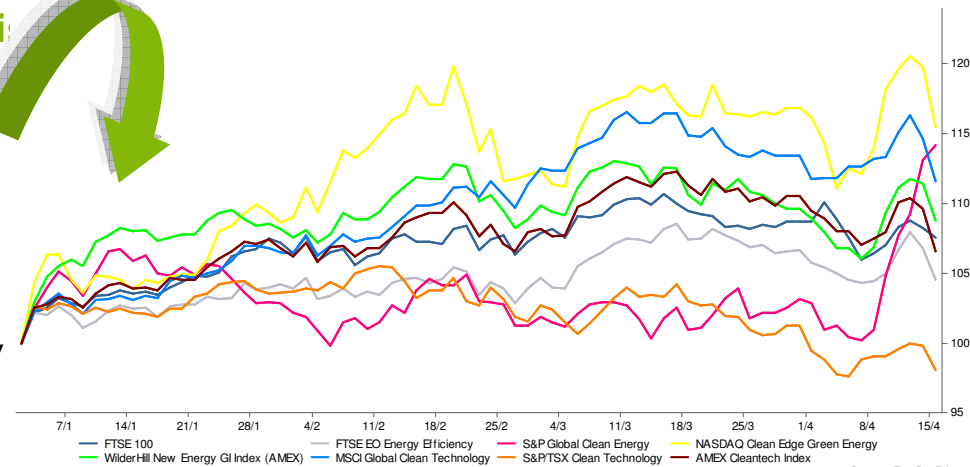
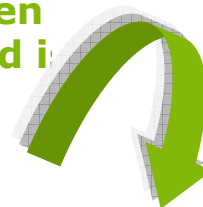
## VedoGreen proposed a Green INDEX on stock markets

Performance YTD\*:

- Panel VedoGreen: +10,5%
- FTSE Italia STAR: +10,1%
- FTSE Italia Mid Cap: +9,8%
- FTSE Italia Small Cap: +1,2%
- FTSE Italia All-Share: -2,9%
- FTSE Italia Utilities: -5,6%
- FTSE Italia Oil & Gas: -6,9%

**The strong interest in the green economy of the financial world is evidenced by the creation of several indices**

- 1999: FTSE EO Energy Efficiency
- 2000: WilderHill New Energy GI Index (AMEX)
- 2003: S&P Global Clean Energy
- 2006: AMEX Cleantech Index
- 2009: NASDAQ Clean Edge Green Energy
- 2009: MSCI Global Clean Technology
- 2010: S&P/TSX Clean Technology





### MADE IN ITALY

#### WHAT is Made in Italy?

**Food, Fashion and Furnishing**, that taken as a whole are consistent with the so called *Italian way of life*.

#### HOW is Made in Italy?

The many SME's which populate many Industrial Districts spread around Italy are characterised by **Incremental Innovation, Flexibility and Quick-Response**.

### NEXT CHALLENGE:

## GREEN AS A NEW *ITALIAN WAY OF LIFE*

### Green Investment Bank

#### Accelerating the transition to a green economy

The UK **Green Investment Bank** is the first bank of its kind in the world, with £3 billion of funding from the UK Government to invest in sustainable projects.

*We invest in UK projects which are both green and commercial, where our capital is "additional" to available private sector finance. Our mandate from Government is to deploy at least 80% of our capital in the following priority sectors.*

- *offshore wind*
- *waste recycling and energy from waste*
- *non-domestic energy efficiency, and*
- *support for the Government's Green Deal.*

## Solutions in Italy?

***"... accounting numbers are the beginning,  
not the end, of business valuation"***

**Warren Buffett**

IN YOUR OPINION VALUE IS FUNCTION OF:

HISTORICAL RESULTS  
EXPECTED RESULTS  
MANAGEMENT TEAM  
LEADERSHIP  
INNOVATION  
TRACK RECORD  
TRANSPARENCY  
MARKET TREND

...



# VEDOGREEN CHARTER OF VALUES



5 LEVERAGES	POLICY MEASURES PROPOSALS
Green finance strengths & challenges	<ul style="list-style-type: none"> <li>• Green financing mechanisms foster projects and developments that bear sustained benefits in the medium and long term</li> <li>• Promoting financial markets to ensure economic growth</li> <li>• Make green investment opportunities more attractive, both in Italy and internationally</li> </ul>
Competing objectives	<ul style="list-style-type: none"> <li>• Attract private investments to build and sustain green infrastructure and projects</li> <li>• Set up green investment funds for listed and private companies</li> </ul>
Green innovation awareness	<ul style="list-style-type: none"> <li>• Improve culture towards green themes in order to increase knowledge among public and opinion leaders</li> <li>• Cooperation with / involvement of local enterprises and communities</li> </ul>
Regulatory gaps	<ul style="list-style-type: none"> <li>• Suggesting a series of public interventions for Green industries and technologies considering different stages of maturity by requiring different levels of funding from different sources of capital</li> <li>• Investing in training on green issues in order to create new job opportunities, new professionals and enhance entrepreneurship</li> </ul>
Corporate disclosure	<ul style="list-style-type: none"> <li>• Put environmental information as a requirement for listing</li> <li>• Shift from voluntary to mandatory disclosure gradually</li> <li>• Standardize green information</li> </ul>

### VedoGreen – [www.vedogreen.it](http://www.vedogreen.it)

VedoGreen helps green companies to ensure capital for growth, fostering equity investments by institutional investors and PE/VC funds. We operate as advisor in the IPO process.

We assist companies in the International Development.

#### *Mission*

Monitoring Green Economy and facilitating relations between green companies and international investors.

VEDOGREEN SURVEY DEPARTMENT «Green Economy on capital markets»

VedoGreen monitors the Green Industry and elaborates an annual report on Italian and European companies active in the Green Economy, with focus on economic and financial results, growth strategies and shareholding composition.

### IR TOP Consulting – [www.irtop.com](http://www.irtop.com)

**IR Top**, Equity Markets Partner of Borsa Italiana - LSE, operates in the financial market with a strong experience on **Investor Relations consulting** and **Media Relations** developed over 10 years - especially for **listed** and **going public companies** - in order to support the ownership structure and the top management. The main customers of IR Top belong to the **STAR segment** of Borsa Italiana, the market segment for listed companies that comply to higher requirements of transparency, governance and liquidity. IR TOP is specialized in the following areas:

- Strategic consulting for the financial reporting and valorisation of the equity story
- Road-shows on IPO
- Media relations & Corporate Press Office
- IR strategy
- Identification of institutional investors and funding
- Analyst presentation and organisation of corporate events in support of Equity Brand
- Compliance on price sensitive information with Borsa Italiana and Consob
- Preparation of financial press releases
- Analysis and structuring of financial reports
- Contacts and supervision of interviews on the national press
- Strategic relationships with investors
- Capital subscription from institutional investors (even pre-IPO)

## Contacts

Via C. Cantù, 1  
20123 Milano  
Tel. +39.02.45473884/3  
Fax +39.02.91390665  
[www.vedogreen.it](http://www.vedogreen.it)  
info@vedogreen.com  
vedogreen@irtop.com

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# Green Investor Day

9th May, 2013



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