



7th Annual Meeting IFSWF
Milan - September 29, 2015

FSI endorses Santiago Principles

1

Legal framework

2

Governance

3

Investment and Risk
Management



Certificate of Membership

This is to certify that the institution named below is a Member of
IFSWF Limited

Fondo Strategico Italiano SpA

Signed on 19 November 2014 in Doha

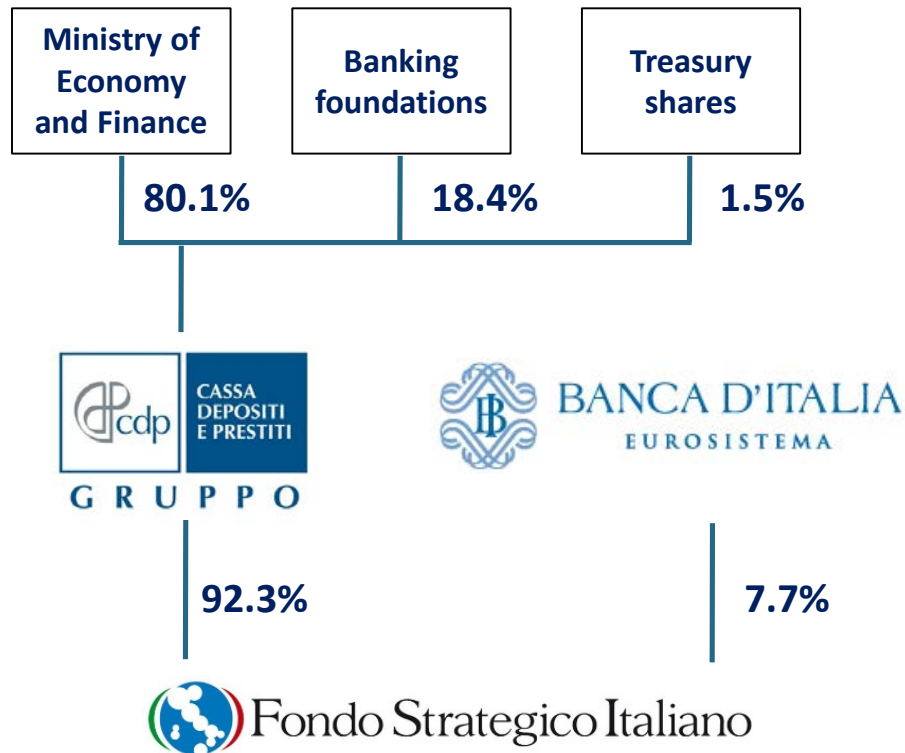


Bader M. Al Sa'ad
IFSWF Chair



Adrian Orr
IFSWF Deputy Chair

1. Legal framework – Cdp, the parent

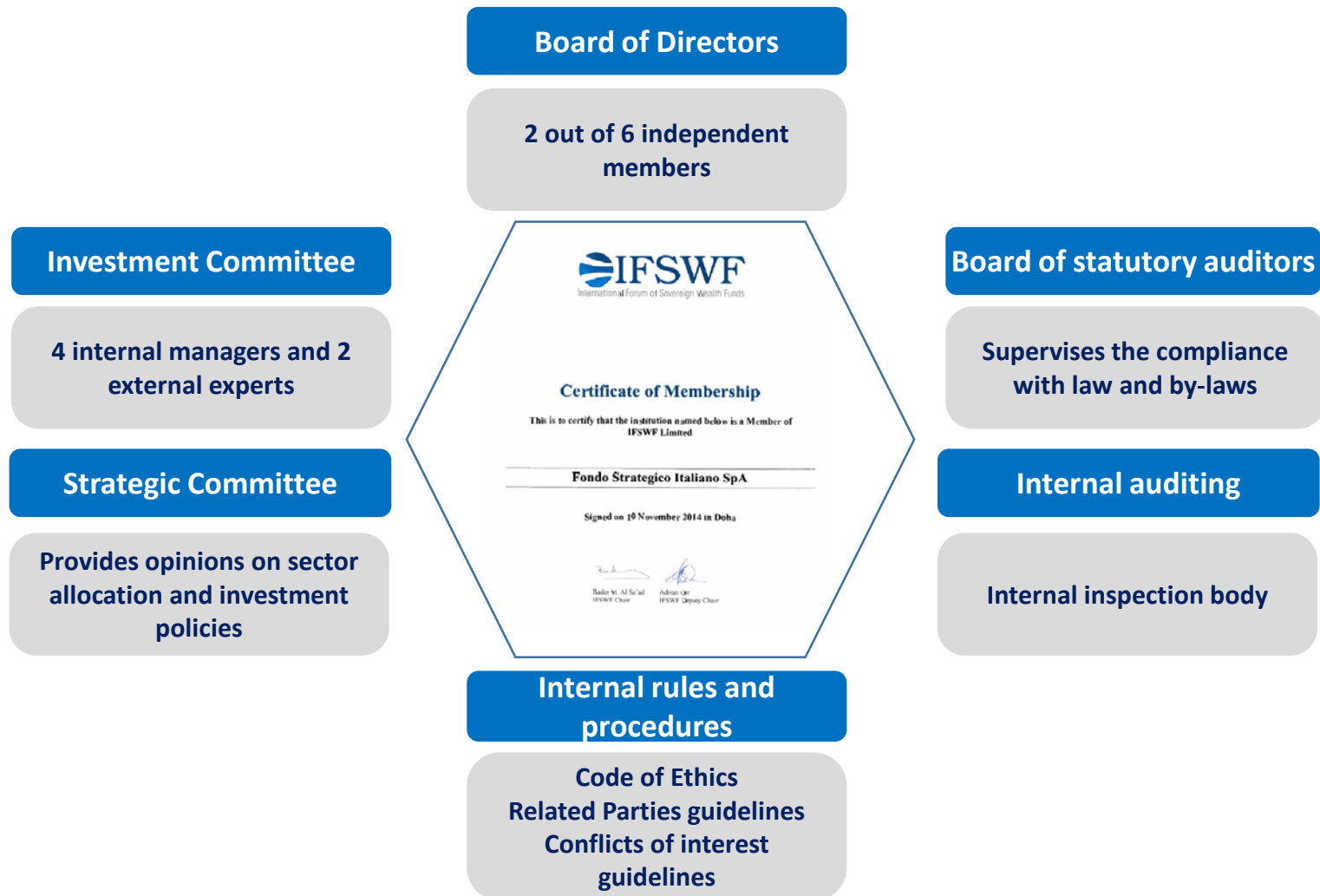


Joint-stock company owned by Cdp, the Italian Development Bank, majority owned by the Italian Government

Investor of Italian families savings collected through the post office

Long-term patient investor focused on growth equity

2. Governance



3. Investment and Risk Management

Investment Policy

- **Transparent and meritocratic investment process, based on Market Economy Investor Principle**
- **Equal treatment**
- **Cost effectiveness**

Risk Management

- **Risk Management and Compliance directly report to the Board of Directors**
- **Risk Management and Compliance policies are approved and can be changed only by the Board of Directors**
- **Single investment and sector concentration limits**
- **Third Party portfolio appraisal twice a year**

FSI's investment policy



FSI's investment formula is welcomed by Mid Caps owners

Met more than 300 potential targets - 130 proactively contacted FSI

38 strong candidates have not been pursued because of investment perimeter constraints

Most situations on a proprietary basis

No / limited participation in auction processes

46 investment opportunities discussed in the Investment Committee

18 offers presented - 10 investments completed

FSI has a solid track record

Invested € 2.8 bn to date

Portfolio as of June 30, 2015, valued at 1.21x of cost by an independent valuator

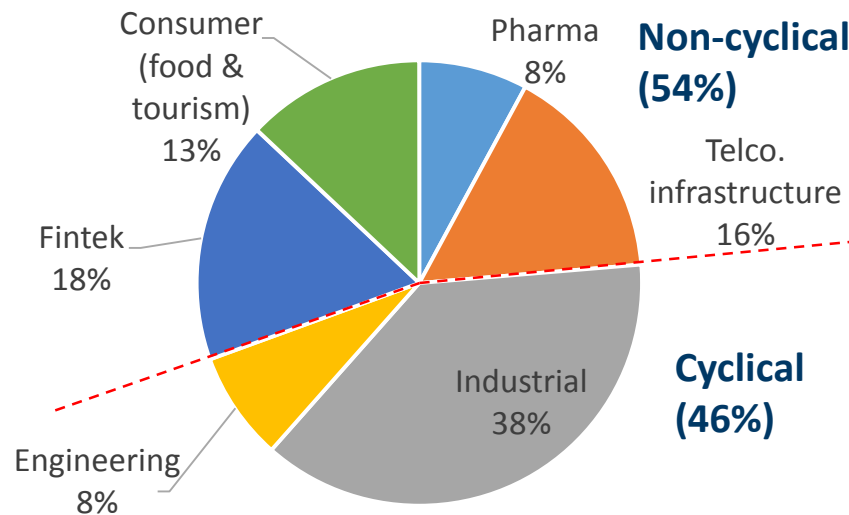
1.3x money and 20% IRR

Balanced portfolio by sector and cycle

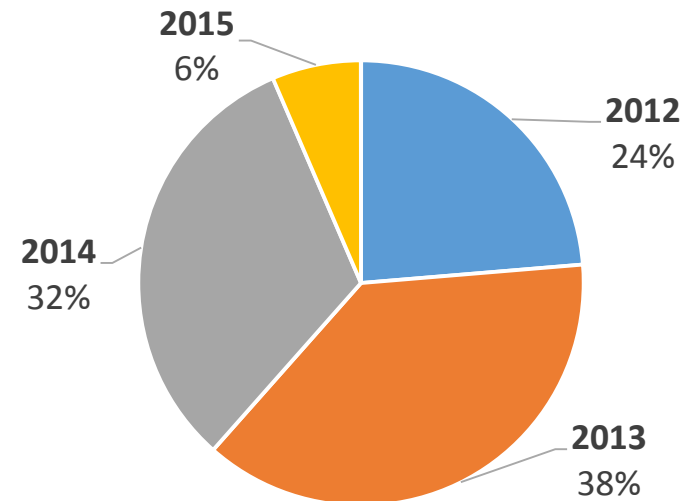
Minority ownership with active governance resulting in value creation

Portfolio by sector and year of investment

Invested capital by sector (%)



Invested capital by year⁽¹⁾ (%)

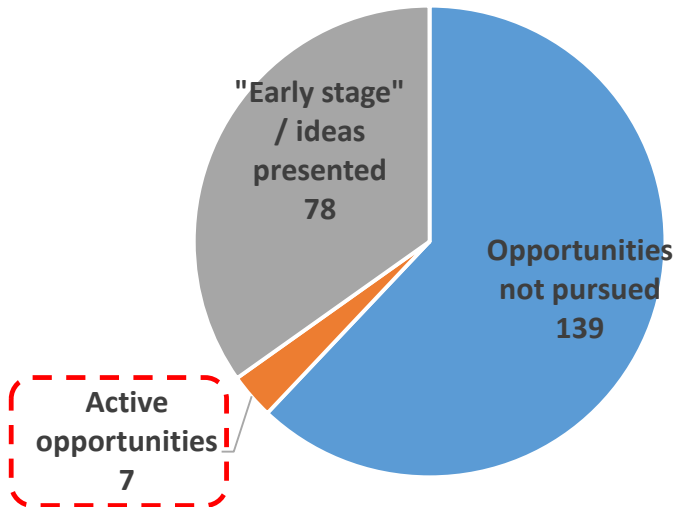


- ❑ Well balanced portfolio among cyclical and non-cyclical sectors
- ❑ Relatively constant investment pace across years

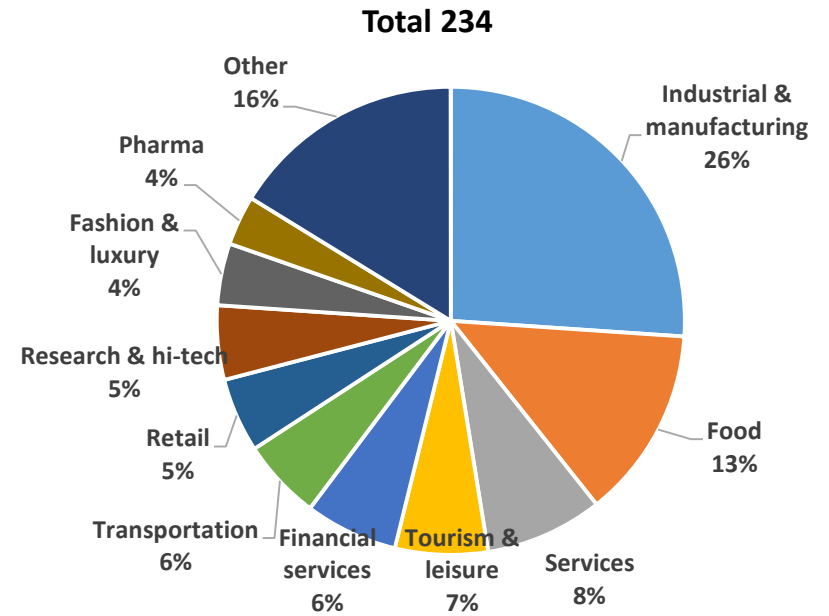
(1) Closing dates, current holdings

FSI's pipeline

Opportunities by stage



Opportunities by sector



Co-investment partnerships with SWFs



Co-investment vehicle



Joint Venture

Co-investment partnerships



FSI promotes a new Italian Mid Caps growth equity fund to share the pipeline

Target size of € 2.0 bn with € 2.5 bn cap

CDP as anchor investor and promoter, committing up to € 500 mln

Anchor investors have the right to co-invest

Focus on Italian Mid Caps with potential to become global leaders

Mainly minority with active governance rights

Limited recourse to leverage and IPO as preferred exit

Single Fund's investment size in the range € 50-250 mln

Fund term of up to 12 years, consistently with a long-term "patient" investor approach

Investment approach combines: i) investment professionals; ii) industrial experts

Alignment of interests mechanisms in line with market practice



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MILANO 2015