

Investindustrial



A EUROPEAN INVESTMENT GROUP WITH A
GLOBAL INDUSTRIALLY-DRIVEN APPROACH

2012 ANNUAL REVIEW & SUSTAINABILITY REPORT

Investindustrial™



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A LEADING EUROPEAN INVESTMENT GROUP

Investindustrial is one of Europe's leading independent investment groups which provides industrial solutions and capital to medium-size companies that are leaders in their fields.

Investindustrial operates through independently managed investment holding and advisory companies with strong sector and industrial expertise, operational focus and global platforms.

Founded in 1990 out of an industrial conglomerate, Investindustrial has a team of more than 50 professionals on three continents.

Investindustrial's aim is to create long-term value by helping portfolio companies to accelerate international expansion and improve operational efficiency.

The general partners of the funds manage the funds in the interest of the limited partners and therefore an autonomous and independent manner from the other group companies. Investments and divestments are made (and shares in portfolio companies are held) by the applicable investment or holding company. Decisions over investments and divestments, including the exercise of the voting rights over the shares of the portfolio companies, are made by the applicable investment or holding company board of directors in an autonomous and independent manner from the other group companies, consistently with the applicable corporate governance rules and by-laws. It is the responsibility of the management of each portfolio company to operate the company on a day-to-day basis.

www.investindustrial.com

PROVIDING INDUSTRIAL EXPERTISE, OPERATIONAL FOCUS AND GLOBAL PLATFORMS TO ACCELERATE VALUE CREATION AND INTERNATIONAL EXPANSION

2012 RECOGNITIONS OF INVESTINDUSTRIAL EXCELLENCE

European Firm of the Year
(PEI, shortlisted)

European House of the Year
(Real Deals, shortlisted)

Italian Firm of the Year
(Private Equity Exchange)
Italian Firm of the Year
(PEI)

Spanish Firm of the Year
(Private Equity Exchange)
Spanish Firm of the Year
(PEI)

Southern European Deal of the Year
(Ducati – Real Deals, shortlisted)

Origins from a successful industrial group

Operating as a firm since 1990

More than 50 professionals on three continents

Industrially driven approach

A HISTORY WITH A CONSISTENT STRATEGY



35 YEARS OF INVESTMENTS IN LEADING BRANDS AND COMPANIES

AN INVESTMENT STRATEGY REFINED FROM SUCCESSES AND EXPERIENCES FROM PREVIOUS PARTNERSHIPS SUCH AS ...



... IS BEING APPLIED TO THE CURRENT PORTFOLIO OF LEADING BRANDS AND COMPANIES.



INVEST IN QUALITY BUSINESSES

Quality management team

Focus on reinforcing research and development

Optimization and rationalization of product mix

Improvement of working capital management

DRIVE MARKET LEADERSHIP

Create international leaders through organic growth and new acquisitions

Maximize profitability by leveraging synergies and developing restructuring or cost-cutting plans

Capture international growth opportunities

Business line diversification

CAPTURE GLOBAL OPPORTUNITIES

Capture international sales growth opportunities that are not easily accessible for mid-market companies

Use the Group's global network to facilitate access to new markets

Relocate manufacturing to low-cost countries with growing domestic consumption

CREATE TOMORROW'S LEADERS

Integrate product development, production and supply chain capabilities with international distribution capacity

Capture growth opportunities both geographical and product

Become an attractive business opportunity for international players

STRATEGIC COMMENTARY

“In 2012, Investindustrial and its portfolio of companies achieved remarkable results despite a difficult operating environment”

The business climate was challenging during the year, and it was difficult for companies to make reliable forecasts beyond the immediate term. Macroeconomic uncertainty was damaging consumer confidence, the performance of public markets and availability of credit across most developed economies as governments continued to pursue austerity measures to reduce public deficits and high levels of indebtedness. This negative trend is expected to continue into 2013 before a modest economic growth eventually emerges.

The western economies have now been in a depressed environment for the last five years since the sub-prime bubble burst in the US, setting off a series of global financial, economic and political crises. The

length of this recessionary climate is taking its toll on consumers and companies, many of which have already implemented several rounds of rationalisation. However, the European Union and the European Central Bank showed a stronger political will during the year than in the last few years, and as a result removed most of the market's fear of a Euro collapse.

Out of the fifteen investments, seven recorded their best ever earnings and/or sales during 2012. This is a tribute to the highly experienced and motivated management teams at the helm of the individual companies, as well as the Investindustrial team of 50 professionals across three continents providing hands-on operational support.

“Investindustrial and its companies continued to invest in 2012, which was rewarded with double-digit EBITDA growth”

The aggregate EBITDA of group companies grew by 14% since 2011 to €1.4 billion mainly through organic growth. Investindustrial's focus on accelerating internationalisation of its portfolio companies played a key role in this positive performance. In the European markets, which saw a stagnant or declining sales trend, the focus was on gaining market share and improving strategic positioning.

About two thirds of the portfolio growth

since inception is located outside of Italian and Spanish markets and 43% of this growth has been driven from non-European countries. This represents a significant shift from the previous generation of investments where a growing and less penetrated Europe accounted for the vast majority of sales increases. Investindustrial is present in Asia and the Americas in order to accelerate the companies' internationalisation into new markets.



SEVEN OUT OF FIFTEEN INVESTMENTS
RECORDED THEIR BEST EARNINGS AND/OR SALES EVER
DURING 2012, A REMARKABLE RESULT IN A DIFFICULT
OPERATING ENVIRONMENT

The new Ducati 1199 was launched on the race track of Abu Dhabi which is also home to one of Permasteelisa's flagship projects, the Yas Marina Hotel

“Record year in terms of proceeds from divestitures as premium brands and companies continue to attract significant interest from strategic buyers”

Investindustrial generated more proceeds from divestitures in 2012 than in any previous year. The main liquidity event was the exit of premium sports motorcycle manufacturer Ducati to Audi, part of the Volkswagen Group. Investindustrial also divested its majority stake in Contenur, a leading

Spanish waste management company. We continue to selectively find new attractive or industrial homes for our companies, only to redeploy the capital in new investments in our core markets where we can enter at attractive valuations and begin a new industrially-driven ownership period.

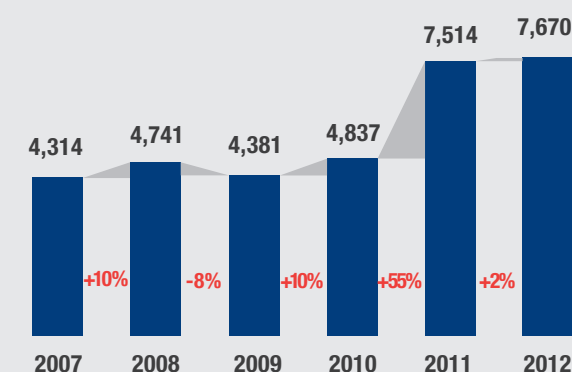
“Investindustrial expects to invest approximately €3 billion in the next couple of years”

At the beginning of 2013, Investindustrial completed the acquisition of Aston Martin, one of the most exclusive sports car brand in the world. During 2012 investindustrial made two significant acquisitions. One in Euskaltel, a leading Spanish cable operator, and one in the acquisition of the remaining 50% in PortAventura Europe’s third largest destination resort and theme park. Nevertheless, the group ended 2012 with approximately €1.3 billion of equity available for investments. The Group’s view is that difficult economic times are

key moments to remain active and improve its competitive positioning. With this capital and moderate financial leverage, we expect to invest approximately €3 billion over the next couple of years. As such, Investindustrial is likely to be one of the most important sources of private capital investing in Europe and in Southern Europe, a strong statement about our commitment to the region and conviction that it is home to many exceptional, world-class companies and brands.

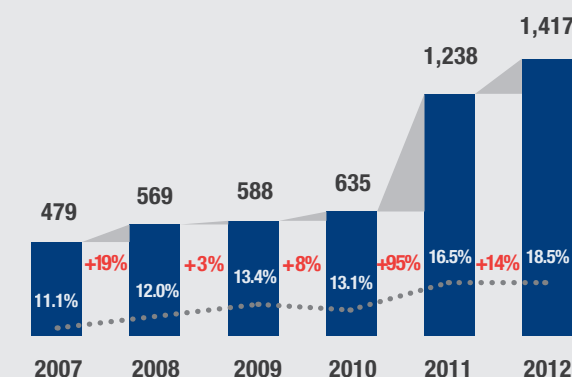
2012 PORTFOLIO FIGURES

TOTAL SALES (€M)



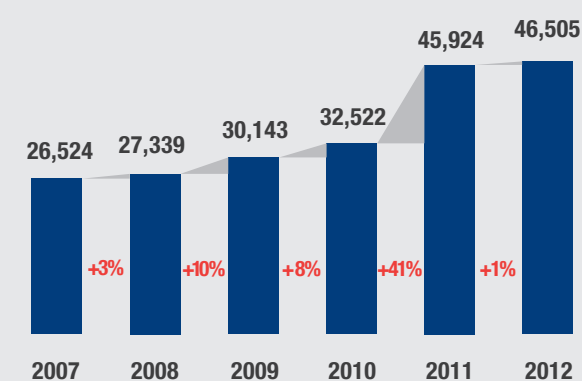
Total investments generated aggregate sales of €7.7 billion in 2012 with an increase of 2% compared to the prior year. During 2012, Investindustrial sold two companies and invested in one new company; excluding these new transactions, portfolio sales grew by 5%.

EBITDA (€M) AND MARGIN (%)



In 2012, Investindustrial’s aggregate investments generated an EBITDA of €1.4 billion, 14% higher than last year. Excluding new acquisitions, EBITDA growth was 13%.

TOTAL EMPLOYEES



At the end of 2012 the workforce of portfolio companies remained substantially stable at almost 46,500 employees.

With more than €3.1 billion in assets under management, Investindustrial ranks among the top 10 continental European investment firms

Investindustrial ranks as one of the top 10 continental European private investment firms, measured by assets under management (as per the recent PEI 300 survey). Within that group, Investindustrial is the only leading firm also focused on Italy and Spain. We are consistently ranked as the leading investment group in Italy and Spain in an industry-wide annual survey

by Private Equity International, and in 2012 Investindustrial was shortlisted by both Private Equity International and Real Deals as one the leading European mid-market firm. We are proud to see that the dedication and expertise of our team and trusted partners has made Investindustrial a rising star among European investment firms.

With this annual review, we aim to share some useful insights with you into how we operate and how our investments are growing in a responsible and sustainable

manner. We hope that you enjoy the reading and look forward to reporting to you again on further achievements for 2013.



Headquarters of Banca Popolare di Milano in Piazza Meda, Milan (Italy)

2012 KEY EVENTS

€1.3 BILLION OF EQUITY FOR INVESTMENTS

€1.3bn

At the end of 2012 Investindustrial had available approximately €1.3 billion of equity to make further acquisitions. The Group's large capital availability is a strategic advantage in the current market environment.

3 INVESTMENTS AND 8 ADD-ON ACQUISITIONS

3+8

The Group made two new investments in Aston Martin and in Euskaltel, an additional investment in PortAventura to buy the remaining 50% and a further 8 add-on acquisitions to four of its portfolio companies. By supporting growth through acquisitions, Investindustrial strengthened the international footprint of its investments.

SELECTIVE EXITS COMPLETED WITH €0.9 BILLION OF VALUE

€0.9bn

During 2012 Investindustrial successfully exited Ducati, by selling the company to the leading German car manufacturer Audi and Contenur which was sold to financial buyers.

A HIGHLY PROFITABLE PORTFOLIO

18.5%

During 2012, Group sales increased by 2% while EBITDA grew by 14%, increasing the profitability margin to 18.5%. Growth was strong during the year, and occurred mostly outside Southern European countries.

LEADING EUROPEAN FOOTPRINT WITH A GROWING INTERNATIONAL PRESENCE

Investindustrial has a considerable international exposure and combines a global vision with local insight and capital to offer growth opportunities to its companies. The Group has a global footprint with 35% of its sales coming from outside Southern European markets. The most attractive growth

opportunities are arising from outside Southern Europe and in particular from North America and Rest of the World.

Since inception, non-European countries have contributed to 43% of the growth of portfolio companies sales.

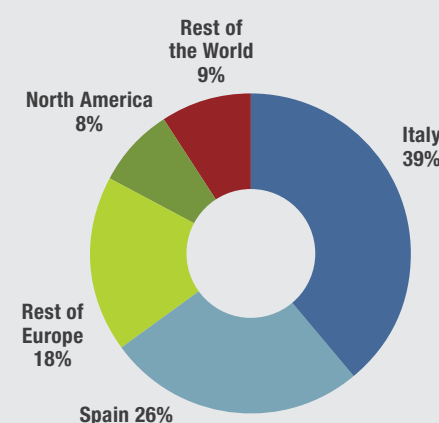


From left: Andrea C. Bonomi (Senior Principal at Investindustrial), Simon Rodd (General Manager of Aston Martin Long Island) and John C. Mowinkel (Special Principal at Investindustrial) during a visit to the Aston Martin dealer in Long Island (New York, USA)

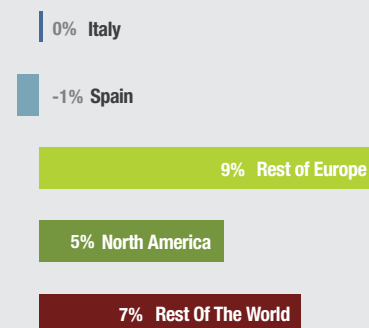


From left: Gabriele Del Torchio (CEO of Ducati) with Rupert Stadler (CEO of Audi) and on the back Dante Razzano (Senior Principal at Investindustrial) during the signing for the sale of Ducati to Audi

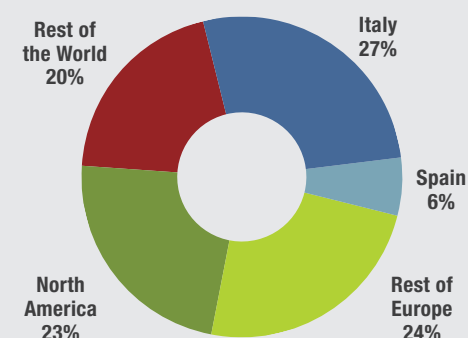
2012 SALES⁽¹⁾ BY REGION



2012 SALES⁽¹⁾ VARIANCE BY REGION (%)



2012 SALES VARIANCE BY REGION SINCE INCEPTION (%)



More than 2/3 of the portfolio growth since inception is located outside Southern European markets and 43% of this growth has been driven from non-European countries.

¹⁾ Sales weighted by shareholding of the companies present in the portfolio at the end of 2012



From left: James Drummond (CEO of Avincis), Carlo U. Bonomi (Senior Principal at Investindustrial) and John C. Mowinkel (Special Principal at Investindustrial) during a visit to Sikorsky Headquarters in Stratford (Connecticut, USA) for the signing of a procurement contract



From left: Roberto Maestroni (Principal at Investindustrial), Umberto Magnetti (Vice President at Investindustrial), Peter Hug (General Manager of Aston Martin Zurich), Andrea C. Bonomi (Senior Principal at Investindustrial) and Carl Nauckhoff (Principal at Investindustrial) during a visit to the Aston Martin dealer in Zürich (Switzerland)



From left: Carl Nauckhoff (Principal at Investindustrial) with Dr. S.K. Djeng (Chairman of Aston Martin Singapore) and Carlo Umberto Bonomi (Senior Principal at Investindustrial) in an Aston Martin dealer in Singapore



From left: Maurizio Merenda (CEO of Straloro), Filippo Aleotti (Senior Principal at Investindustrial), Elliot Yuen (Managing Director of Straloro Oro China) and Albert Chen (owner and president of Chi Jewellery)



From left: Carlo Umberto Bonomi (Senior Principal at Investindustrial) with a PortAventura team: Giovanni Cavalli (Commercial Director), Coro Miguel (Executive Sales Manager), Sergio Juan Lozano (E-Commerce Manager), Monica Conesa (Sales Manager National Market) and Maria Navas (UK Sales Manager) at the World Travel Market in London, the biggest world tour operator event

INVESTINDUSTRIAL IS A GLOBAL PROVIDER OF EMPLOYMENT

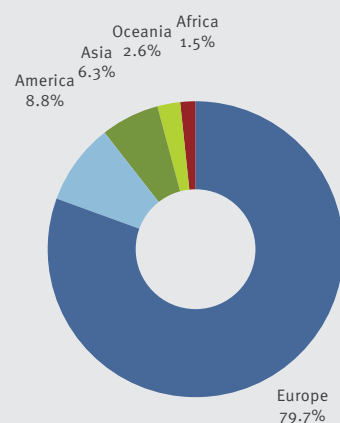
Investindustrial's companies employ approximately 46,500 employees, based mostly in Europe, across a wide range of sectors and countries.

Investindustrial considers the skills of its employees as an asset to be developed and shared while respecting and safeguarding individuals. Furthermore, the Group is committed to offering equal opportunities in employment and in career development avoiding every form of discrimination, in particular discrimination based on race, sex, sexual orientation, age, nationality, religion and personal beliefs.

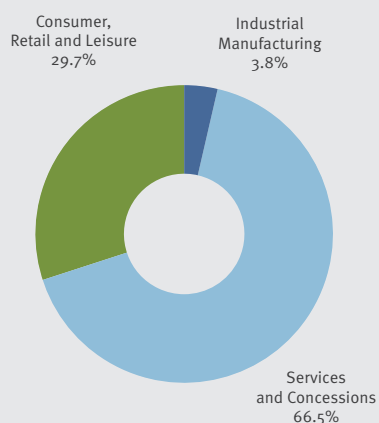
The companies in which we invest endeavour to maintain and improve training and further develop the know-how of their employees. In 2012, the total workforce increased to 46,500 employees of which approximately 9,000 are outside of Europe.

Manufacturing and commercial activities are present across 19 countries and five continents.

TOTAL INVESTINDUSTRIAL COMPANIES EMPLOYEES



By Region (%)



By Sector (%)

INVESTINDUSTRIAL INVESTMENTS HAVE A DIRECT PRESENCE THROUGH MANUFACTURING FACILITIES OR SUBSIDIARIES IN 19 COUNTRIES

ARGENTINA, AUSTRALIA, BRASIL
CHILE, CHINA, FRANCE
GERMANY, ITALY, MALAYSIA
NORWAY, PERÙ, POLAND, PORTUGAL
RUSSIA, SOUTH AFRICA, SPAIN
UAE, UNITED KINGDOM, USA



A SUCCESSFUL LONG-TERM COOPERATION WITH MANAGEMENT

"The co-operation with Investindustrial has allowed Avincis to implement a successful long-term value creation strategy mainly focused on international build-ups. Avincis today is a global leader in the emergency helicopter services growth and represents a unique platform from which to further capture consolidation opportunities arising in the sector globally. Avincis is a leader as a result of its focus on safety standards in its operations and services and its strong commitment to invest in innovation, development and fleet renewal."

JAMES DRUMMOND, CEO

AVINCIS



"After having been involved in the telecommunications industry for more than 20 years it is a great honor for me to cooperate with Investindustrial in managing a leading company such as Euskaltel. I believe the company has a unique position in a strong and growing sector and has a solid value creation plan which can be successfully achieved thanks to the strong industrially-driven approach of Investindustrial."

RICHARD ALDEN, VICE CHAIRMAN

EUSKATEL



"The strong partnership with Investindustrial has allowed Stroili Oro to significantly strengthen the potentials of the brand. The Group is supporting the company to expand its domestic and international network, diversify product offering, increase market share and profitability and capture global growth opportunities with a particular focus on the Russian and Chinese markets."

MAURIZIO MERENDA, CEO

STROILI ORO



"After the successful experience with the largest Italian theme park Gardaland, it is a great pleasure for me to continue working with Investindustrial in PortAventura. After three years of cooperation with Investindustrial, PortAventura has been transformed from a theme park in Europe's third largest integrated destination resort. A strong repositioning plan has been implemented based on strengthening of product offering, implementation of a more accurate commercial strategy and cost optimization. The company is today on the right path to meet its long term value creation plan."

SERGIO FEDER, PRESIDENT OF THE EXECUTIVE COMMITTEE

PORTAVENTURA



AVINCIS

A GLOBAL HELICOPTER SERVICES PROVIDER

Since Investindustrial's entry in late 2005, Avincis has been transformed from a domestic player to the world's largest emergency aerial services company.

Avincis (www.avincisgroup.com) is the world's largest provider of emergency and mission critical aerial services contracted on a long-term basis with public administrations. The Company has over 40 years of experience with operations in Spain, Italy, France, the UK, Portugal, Chile, Peru, Ireland, Norway and Australia, being the most internationally diversified operator in its sector.

Avincis operates the third largest helicopter fleet in the world with 359 aircrafts as of the end of 2012, of which 143 are owned by the company. Headquartered in London, UK, the company employs more than 3,000 pilots, engineers and other staff. With its current size and diversification, Avincis has a clear competitive advantage over its local peers:

- a large and modern fleet;
- strong bargaining power with suppliers;

- long-term public contracts with fixed revenues giving strong visibility of earnings;
- extensive network of operating bases;
- highly trained personnel with its own flight simulators;
- own maintenance facilities operating to superior quality standards in services;
- other economies of scale such as insurance and procurement;
- leading safety practices

Avincis provides public clients with services including emergency medical services, fire-fighting, sea and mountain rescue, civil protection customs surveillance and services to oil and gas platforms. The company's market-leading position and concession-based revenue profile has enabled Avincis to achieve consistent growth and execute its global acquisition strategy in recent years.

AVINCIS 2012 EBITDA MARGIN

24.4%

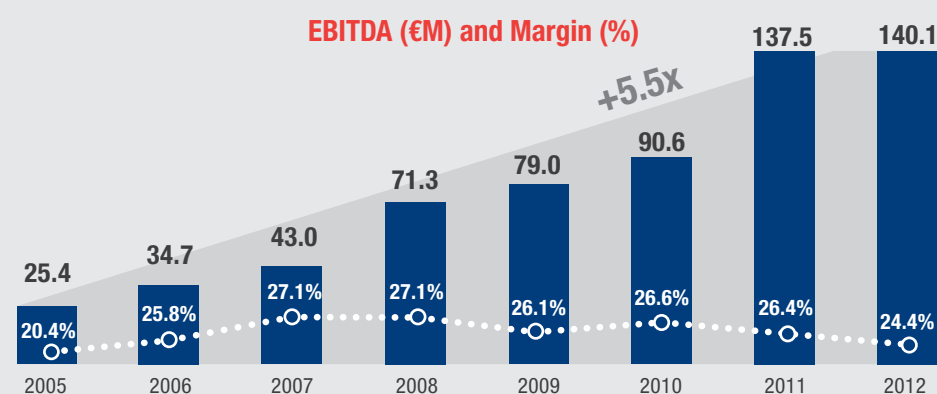
Developments since entry

Sales growth	362%
EBITDA growth	452%
EBITDA margin growth	20%



Avincis' helicopter during an operation in London

INTERNATIONALISATION AND BUSINESS DIVERSIFICATION WHILE STRENGTHENING PROFITABILITY



Avincis continued its internationalisation strategy by consolidating the acquisition of Bond Aviation Group, a major independent UK helicopter operator, which provides off-shore (oil & gas) transportation and mission critical emergency helicopter services under long-term contracts.

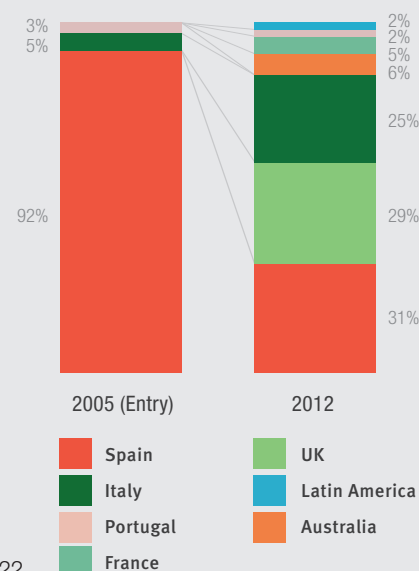
The acquisition represents the eighth add-on completed by Avincis since Investindustrial's entry in December 2005 and strengthens the continued transformation of Avincis into a geographically diversified operator with competitive size advantages. Investindustrial believes that Bond Aviation Group represents an excellent investment to continue building on Avincis' leading position as a provider of mission critical emergency aerial services, reinforcing its market leadership in Europe and giving the company an increased presence in the UK market. In 2012 the group moved its global headquarters to London. The acquisition

allows Avincis an entry into the heavy fleet category of operations, where Avincis was not present and that could give access to future growth.

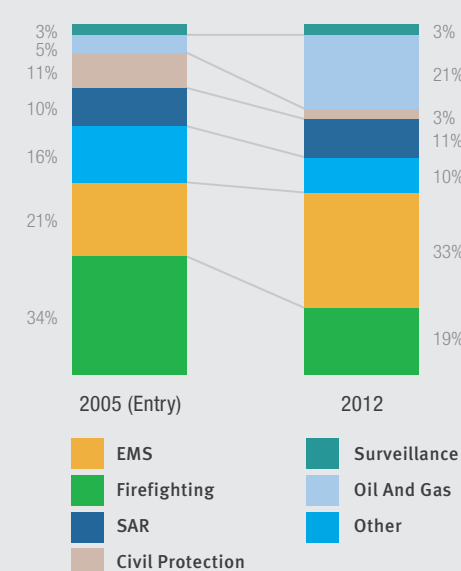
Furthermore the Group can increase its presence in a strategically attractive segment of the Oil & Gas helicopter services market that strongly resembles Avincis' core business lines, given the mission-critical nature of helicopter transportation in the North Sea, the high component of search & rescue operations, and the structure of Bond's contracts with major Oil & Gas blue-chip operators (long-term, fixed charged revenues).

Avincis has further reinforced its international presence by consolidating operations in Peru and Norway. Avincis continues to be well positioned for future growth, both organically and through additional bolt-on acquisitions.

Sales by Country (%)

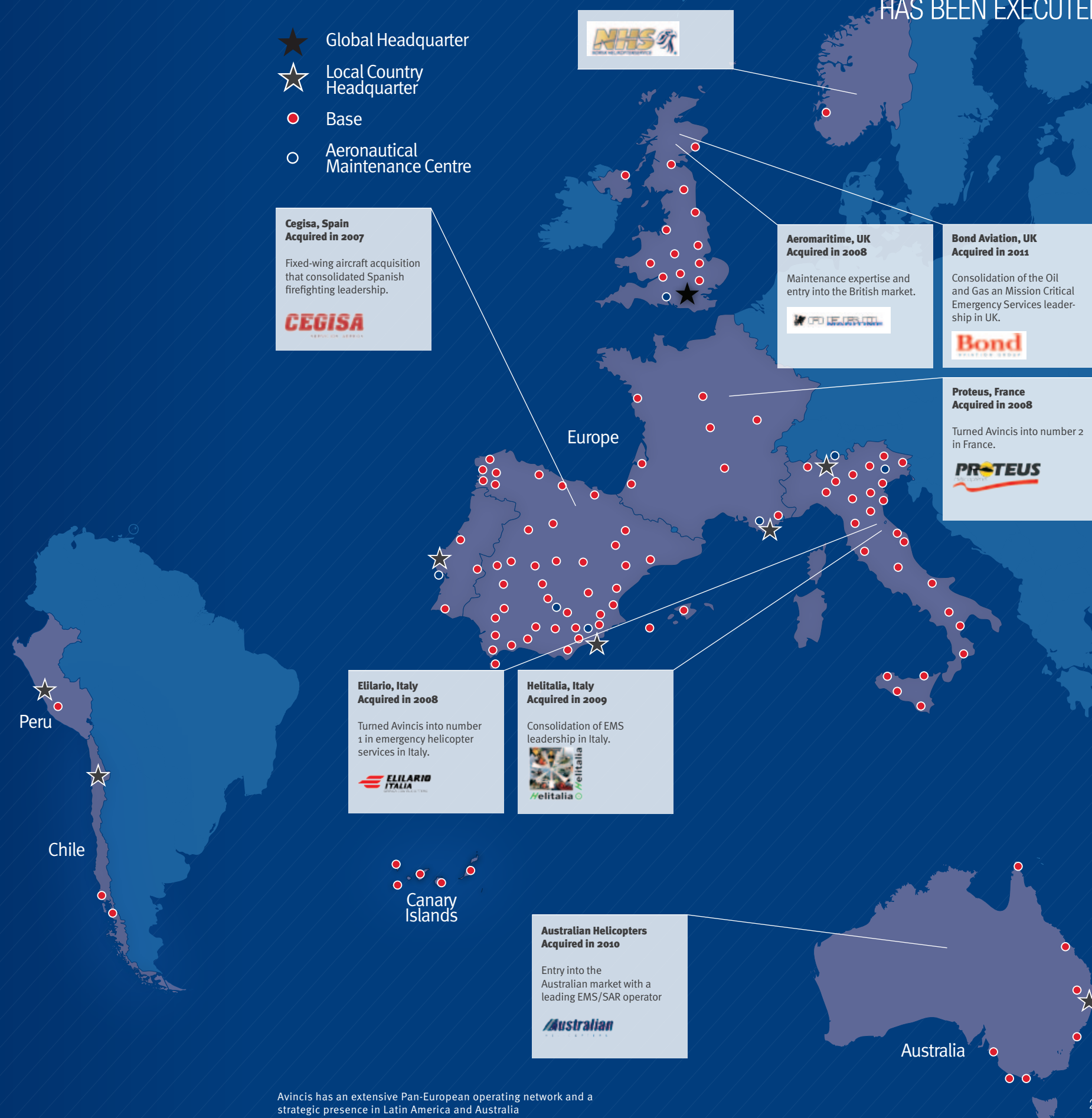


Sales by Category (%)



AVINCIS' GEOGRAPHICAL PRESENCE AS OF DECEMBER 31, 2012

SINCE INVESTINDUSTRIAL'S ENTRY, AN AMBITIOUS BUILD-UP PLAN HAS BEEN EXECUTED



Avincis has an extensive Pan-European operating network and a strategic presence in Latin America and Australia

PORTAVENTURA ACQUIRING SOLE OWNERSHIP OF EUROPE'S THIRD LARGEST INTEGRATED DESTINATION RESORT AND THEME PARK

Building on the successful previous investment in Italian theme park operator Gardaland, in 2009 Investindustrial acquired PortAventura.

PortAventura (www.portaventura.com), established in 1995, is the largest Southern European theme park and third largest in Europe. The park comprises an amusement park with 34 rides, over 100 daily shows, 43 shops and arcades, a water park, four hotels with capacity for over 2,000 rooms and a 4,000 person convention and conferencing centre.

PortAventura is located in the north-eastern coastal area of Spain (Costa Dorada), by the tourist resort of Salou and less than one hour from Barcelona. The area is a major tourist destination which attracts visitors from across Europe. The park attracts more than 3.7 million local and international visits each year. The acquisition was made possible through the close relationships with La Caixa, the largest savings bank in

Europe, and its majority-owned investment company Criteria Caixa Corp.

Since Investindustrial's entry, PortAventura performed well despite a very difficult economic environment. The company's positive performance is a result of the industrially-driven approach of Investindustrial and its repeat management team from Gardaland led by Sergio Feder. The key drivers of the overperformance to date are the successfully repositioned commercial strategy, improvements in the park offering from shops and food, the addition of a new kids area and the tallest rollercoaster in Europe, and an efficiency programme that has significantly increased the profitability. During 2012, Investindustrial bought the remaining 50% of the company from La Caixa.

PORTAVENTURA 2012 EBITDA MARGIN

38.0%

Developments since entry

Sales growth	27%
EBITDA growth	93%
EBITDA margin growth	52%

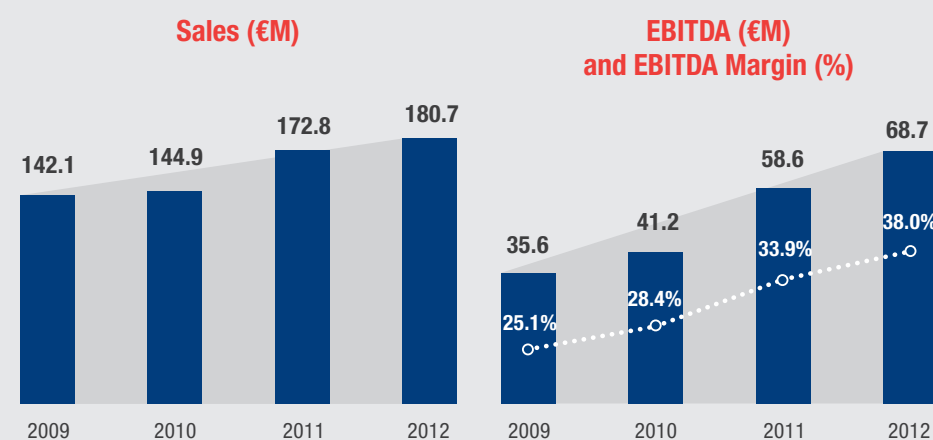
PortAventura, Spain
a major European
destination resort



A SUCCESSFUL DEVELOPMENT STRATEGY

Since Investindustrial's entry at the end of 2009, PortAventura has shown a strong performance: EBITDA doubled to approximately €69 million with a mar-

gin of 38% and the number of visitors has increased by 15% as a result of new park offerings and a re-launched commercial strategy.



Over the past three years the company has focused on the following areas:

New park offerings: In 2011, the company inaugurated the new kids area, SesamoAventura. As a result, the park's visits improved by almost 500,000 visits compared to the previous year, recording the highest number of visits during the month

of June for PortAventura since its inception in 1995. In 2012 the company opened the new rollercoaster that is the tallest in Europe (76 meters) and with Europe's longest drop (78 meters). It was inaugurated in May 2012 and is a landmark change in the skyline of PortAventura. The new ride has been a major attraction for the tour operators and local repeat visitors during the 2012 season.



From left Giovanni Cavalli (Commercial Director), Gianfranco Bollini (Shows Director), Sergio Feder (President), Giovanni Modena (Operations Director), and Fernando Aldecoa (Managing Director)

冒险万岁! 让我们一起攀上巨龙的脊背!



PortAventura developed a tailored market campaign to the fast growing Chinese tourist market

Commercial strategy: Over the past three years, and supported by the new kids area and the new rollercoaster, the company has refocused its marketing strategy concentrating on traditional values, entertainment and family. As a result, it has been able to reverse the negative trend in visits prior to Investindustrial's entry, achieving a substantial increase of visits from abroad in 2012. In the hotels area, the company has worked very closely with major tour operators both in Spain and internationally to develop a cohesive

marketing effort increasing hotel bookings by 36% since 2009. PortAventura is investing significantly to further diversify its customer base and to attract new customers especially from the promising Russian and Chinese markets.

In addition, a new website and booking engine have been implemented, and call centre best practices introduced, increasing direct bookings by more than 40% since 2009.

RECAPITALISATION

Thanks to the excellent performance of PortAventura, Investindustrial completed a recapitalisation of the company in 2011 which returned half of the investment to investors. In addition, the recapitalisation financed the acquisition of the two

hotels (Gold River and El Paso) as well as the convention centre that up until then were operated through a long-term lease agreement with La Caixa. The successful recapitalisation was one of the few of its kind in Spain in the last few years.



PortAventura has been awarded Best European Park in 2012, from left: Frank Rottwilm (Journalist of World Parks), Gianfranco Bollini (Shows Director), Giovanni Modena (Operations Director) and Andreas Walter (Head Journalist of World Parks)

POLYNT TURNING A LOCAL MANUFACTURER INTO A GLOBAL PLAYER

Since Investindustrial's entry, Polynt has significantly expanded its manufacturing and commercial presence.

Polynt (www.polynt.it) is a global leader in the production of intermediate and specialty polymers, which are then further transformed and used to manufacture products employed in a wide range of industries. Polynt's products mainly consist of anhydrides, plasticisers, resins and compounds all of which are derived from the transformation of crude oil and virgin naphtha into maleic, phthalic and trimellitic anhydrides. The end markets are primarily construction, electric/electronics, transportation and, to a lesser extent, household applications, paints and sporting goods.

Polynt has thirteen plants: five in Italy, four in the USA, one in Germany, one in the UK, one in Poland and one in China, and employs approximately 1,500 employees. Since Investindustrial's entry the company improved its international presence

through a series of actions which included the expansion of the manufacturing footprint in four new countries (USA, China, UK and Poland) and a significant strengthening of the international commercial presence in the North American markets.

The success of this strategy is demonstrated by a significant increase in EBITDA despite a difficult economic environment which has not allowed Polynt to realize its full potential. Today Polynt is a global market leader in all of its segments and provides a unique platform for further consolidation in order to become one of the most prominent global players in the coating and composite resin market.

Polynt places significant emphasis on respecting the environment and adopting highly robust safety practices.

POLYNT 2012 EBITDA MARGIN

7.1%

Developments since entry

Sales growth	41%
EBITDA growth	21%
EBITDA margin growth	-14%



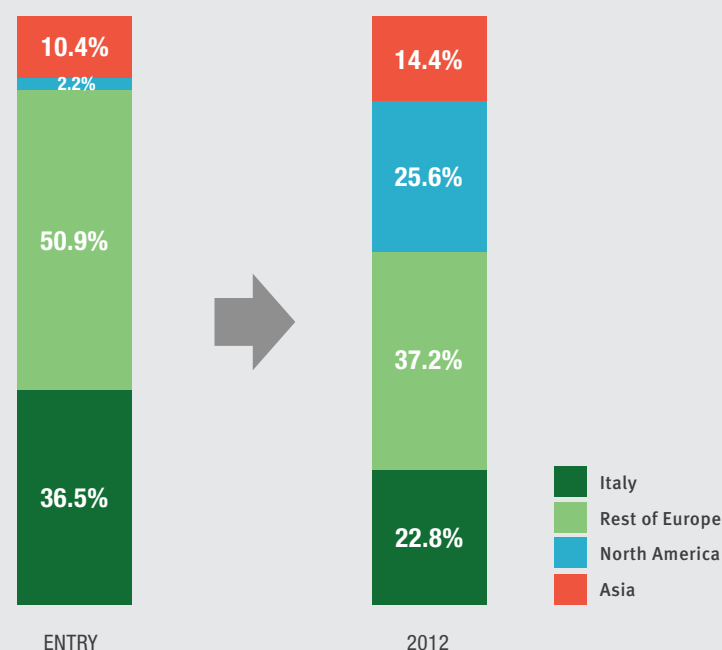
Polynt manufacturing plant in Scanzorosciate (Italy)

POLYNT USA, A SIGNIFICANT STRENGTHENING OF THE NORTH AMERICAN FOOTPRINT

In 2011 Polynt group acquired PCCR, the North American coatings and composites resins business of Momentive Inc.. The acquired business is headquartered in Carpentersville, near Chicago and operates four manufacturing facilities located in Texas, Illinois, Georgia and California. The company has world class manufacturing facilities with process flexibility and significant nameplate capacity. This acquisition represents a continuation of the build-up of assets that Polynt carried out

in specialty chemicals since Investindustrial's entry in 2008. With an experienced management team in place, Polynt has steadily improved its leadership position during the recession and is number one or two in each of its markets. Acquiring Momentive's coatings and composites business further established Polynt as a truly global player with manufacturing presence in Europe, Asia and North America and a critical mass from which to further consolidate the market.

Polynt Group Sales (%)



In 2012, the US market became the single largest market for the Polynt Group. After the acquisition of Momentive, a series of actions have been executed to consolidate the North American business including:

- Strengthening the local management team;
- A quick cultural change towards market orientation, team working and profitability focus;
- Better use of R&D, sales and technical skills;
- Optimisation of the distribution network;

- Development of a new and improved product margin management systems;
- Introduction of new formulations from the European business and vice versa, Europe has introduced the entire range of coating products from the North American market.

Following the implementation of these actions, preliminary results are very positive: the US business increased the average margin (GVA) per ton sold by 23% in 2012 and has successfully achieved a cost reduction by 9.2% of the fixed cost base.

POLYNT 'S USA MANUFACTURING PRESENCE AS OF DECEMBER 31, 2012

IN PARTNERSHIP WITH INVESTINDUSTRIAL, POLYNT HAS SIGNIFICANTLY INCREASED ITS PRESENCE IN THE AMERICAN MARKETS



TSC

A EUROPEAN LEADER IN MEDICAL TRANSPORTATION

Since Investindustrial's entry, TSC has consolidated its national presence and started its international expansion.

TSC (www.tscambulancias.com) is one of Europe's largest private medical transportation operators, providing emergency ambulance transportation and non-urgent patient transportation services principally contracted on a long term basis with public administrations. Originally part of the Spanish Red Cross, it was privatised in 1998 as the leading ambulance services provider in Catalonia, with a strong presence in the region of Aragón, both in Spain.

TSC operates one of the largest ambulance fleets in Europe, with over 450 vehicles as of the end of 2012, has a work force of over 1,500 employees and provided over 1 million individual transport services during the year. Headquartered in Barcelona, Spain, TSC has 28 operational bases across Catalonia and Aragon. In early 2012, TSC acquired Premier Care Direct, the UK's only dedicated private renal dialysis ambulance transportation company, with a fleet of 10

vehicles and 20 employees. In late 2012 TSC acquired Thames Ambulance Group becoming one of the top three players in the UK market.

TSC is a leader in medical transportation, with the fleet equipped with the latest state-of-the art dispatching, communications and tracking technology available, and manned by highly trained personnel who receive over 24,000 hours of annual training. The Company handles all stages of the process: call handling, resourcing planning, staff training, scheduling and delivery of emergency, urgent and non-emergency patient transport services on a 24/7 365-day basis. Working in partnership with a wide range of public bodies and private clinics, TSC has considerable experience of developing robust patient centred frameworks that deliver service excellence, underpinned by trust, reliability and effective communication.

TSC 2012 EBITDA MARGIN

20.4%

Developments since entry

Sales growth	-1%
EBITDA growth	17%
EBITDA margin growth	18%



TSC, emergency transport services in Barcelona (Spain)

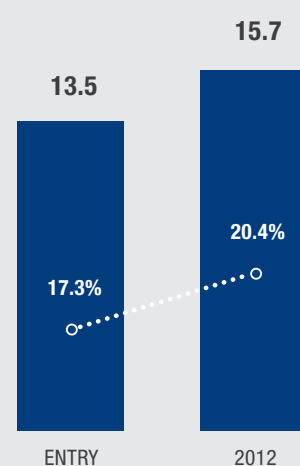
A SOLID PLATFORM FOR AN INTERNATIONAL BUILD-UP PROGRAM

TSC represents a strong platform for a European build-up strategy, developed on three stages: platform optimisation, national consolidation and European expansion.

During the **platform optimisation phase**, concluded just over twelve months from

acquisition, TSC underwent an aggressive internal strengthening and cost optimisation programme, predicated on a wide range of activities such as supplier consolidation, establishment of a business development function and the deployment of real-time vehicle tracking and dispatching technology.

EBITDA (€M) and Margin



The **national consolidation phase** is centered on further strengthening TSC's position in Spain, by turning it from the largest firm, albeit with a regional focus, into a nation-wide operator and the de-facto reference point for ambulance service provision across the country. To this end, TSC's new business development team is pursuing a range of nation-wide public tenders, and has won several private sector contracts.

The **European expansion phase** began by identifying the most attractive national market in Europe following criteria such as public sector financial health, market fragmentation

and privatisation trends. Once identified, by using Investindustrial's network, TSC has developed an attractive acquisition target pipeline in its target markets. In 2012, TSC acquired Premier Care Direct Ltd., the UK's only specialised renal dialysis patient transport service operator and Thames Ambulances Group UK's top three operator marking the first stage of European expansion.

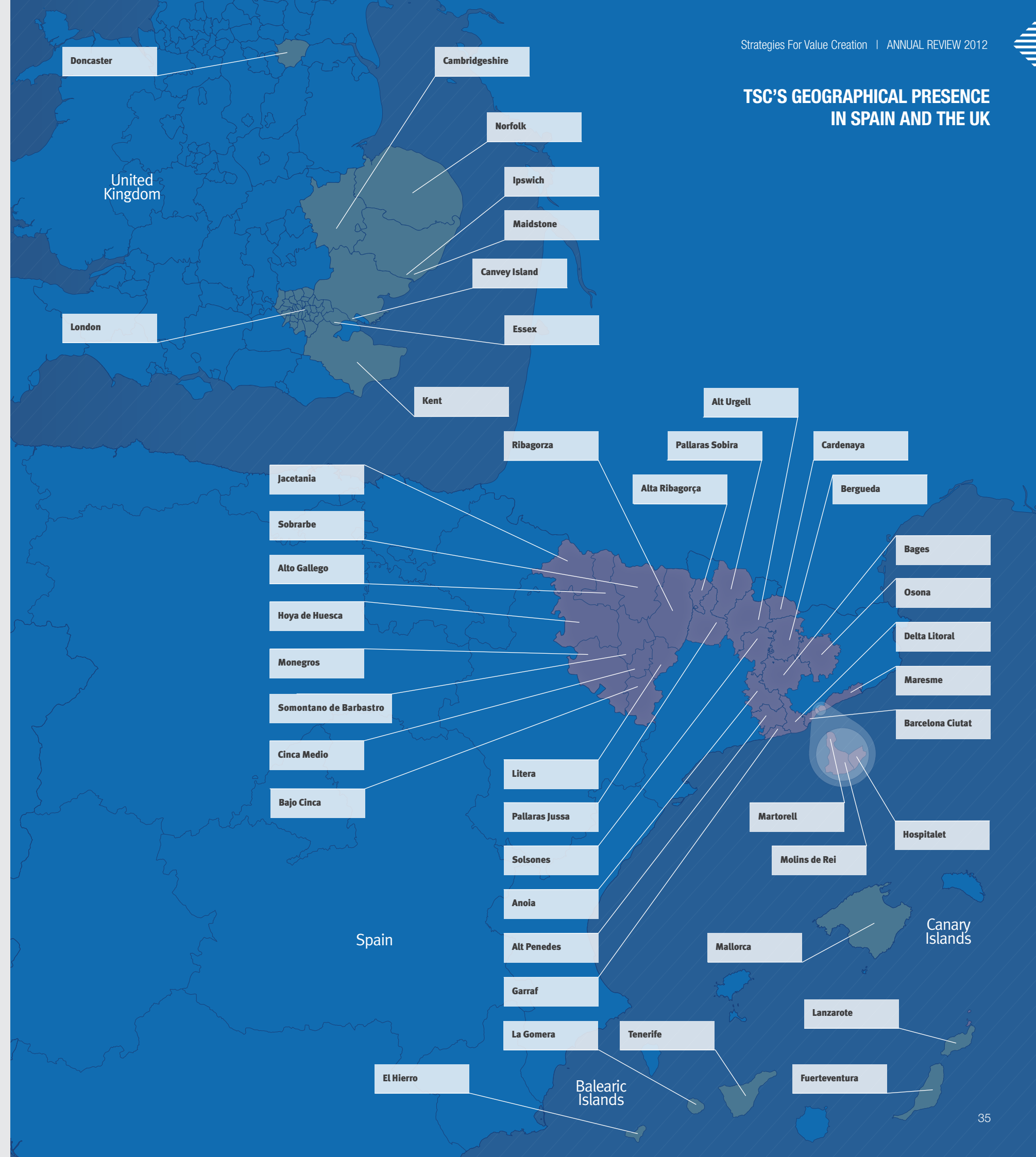
The national consolidation and European expansion phases are in full execution, with TSC currently in negotiations to acquire several private ambulance operators across Europe, including several in Spain.

LEADING CERTIFICATIONS

In Spain, TSC holds the ISO 9001 and 179002 certifications and is accredited as a training organisation by IES (Medical Research Institute) and the Catalan Board of Cardiopulmo-

nary Resuscitation. In the UK, the company is registered with the Care Quality Commission and is in the process of obtaining Investors in People accreditation.

TSC'S GEOGRAPHICAL PRESENCE IN SPAIN AND THE UK



ASTON MARTIN INVESTING IN AN ICONIC SPORTS CAR BRAND

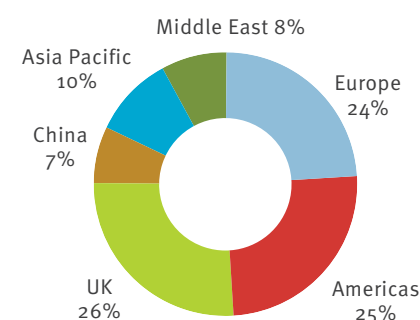
After the successful experience in Ducati, Investindustrial has recently invested in another great brand to support its next development phase.

In December 2012, Investindustrial agreed to acquire 37.5% of the share capital and 50% of the controlling rights of Aston Martin in order to lead the next phase of its industrial development and to accelerate its global expansion. Founded in 1913 in London, Aston Martin is together with Ferrari, viewed as the most exclusive sports car brand in the world. Coupled with its performance and elegant design, Aston Martin has built an iconic brand status by featuring as James Bond's car in many 007 movies since the Sean Connery era in 1964. It has been voted as the UK's coolest brand in six out of the last eight years in the Coolbrands survey, and enjoys high brand

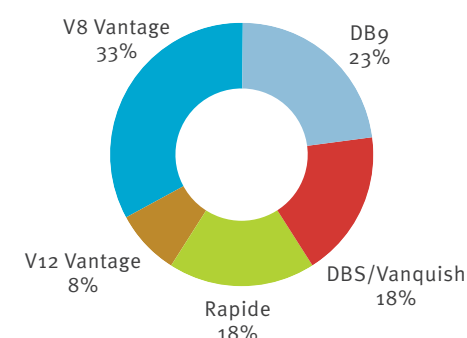
recognition worldwide. In 2012 Aston Martin sold approximately 3,500 units and generated sales of approximately €600 million. Aston Martin operates in the ultra-luxury automotive segment, which has and is expected to see strong growth driven by new markets and to significantly outperform the general automotive market. China will be the single largest growth market for the segment, doubling in volume over the coming five years to reach a market size in line with Europe and the United States.

The Company's unit sales breakdown across geographies and models is as follows:

2012 Unit Sales by Region (%)



2012 Unit Sales by Product (%)



Aston Martin's proprietary VH architecture allows lower developments costs and a faster time to market than competitors in the fast changing industry of the sport cars. Furthermore a technical partnership between Investindustrial and a premium OEM for the supply of engines, electronic components and engineering services is already in progress and

would allow Aston Martin to launch a more competitive product offer compared to the past. Based on its significant experience in the automotive sector, recently refined during the successful Ducati turnaround and its industrially-driven approach, Investindustrial is an ideal partner for Aston Martin during its next development phase.



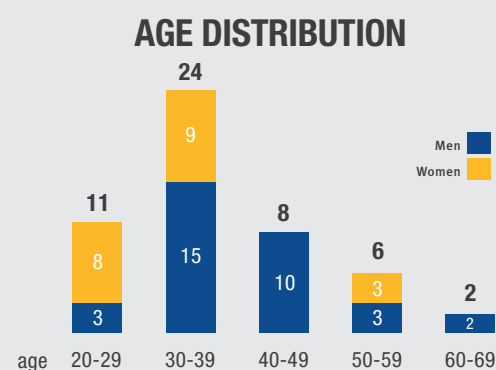
The new Vanquish voted Best Car 2013 in the category Sports Car
Imported by the German automotive magazine Auto Motor und Sport

A LEADING INVESTMENT TEAM IN EUROPE

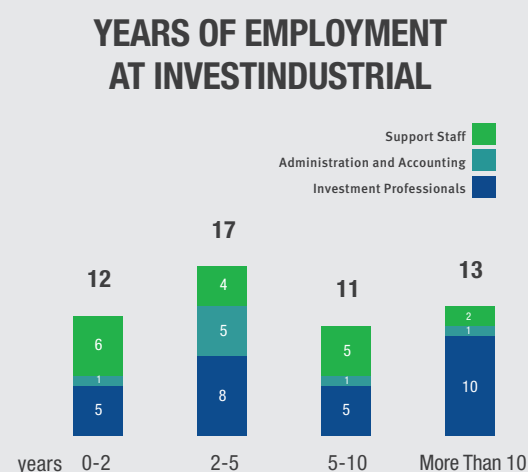
Investindustrial has the largest and one of the most experienced groups of investment professionals focused on Europe.

Talent management is a key strategic asset at Investindustrial. Founded in 1990 and with a team of more than 50 people, the Group carries out central functions such as investment decisions, strategy, business development, monitoring and accounting from offices and companies based in Luxembourg, Switzerland, the UK, China and USA. Further advisory support is provided from offices situated in London and Barcelona. Having the right people at the right place at the right time is critical to building successful companies.

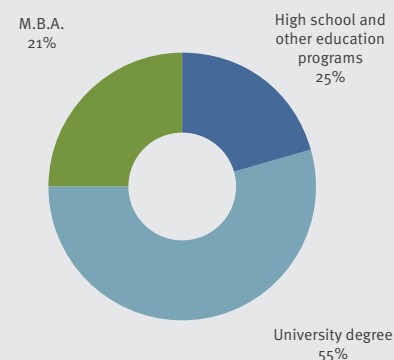
To recruit and retain talented people with the highest ethical standard and to create an attractive workplace for them to develop in is vital for Investindustrial. The Investindustrial professionals have demonstrated major achievements in their professional and academic past and typically remain with the firm for many years. Investindustrial professionals represent thirteen nationalities, reflecting the importance we place on being a transparent and dynamic organisation with a global views and capabilities.



6 OFFICES
12 LANGUAGES
13 NATIONALITIES



EMPLOYEES BY EDUCATION PROGRAMMES



AN ORGANISATION TAILOR-MADE FOR ACTIVE OWNERSHIP

Investindustrial is passionate about providing hands-on support to its companies which is fully reflected in the team's depth and wealth of expertise.

The team's experience combines strong local investment insight with a global perspective, and the firm's broad and deep resource base is designed to ensure the suc-

cessful execution of the industrially-driven approach. As active investors we work closely with experienced key management throughout the ownership phase.

A SUCCESSFUL REPOSITIONING STRATEGY

During 2012 the Group further reinforced its business development group in Switzerland, which is focused on supporting the portfolio companies to identify and implement value creation strategies with par-

ticular focus on internationalization and add-on acquisitions. The business development group has significant experience in general management, consulting, financing and long-term direct investments.



GLOBAL REACH WITH A COMMON CORPORATE GOAL

For a leading mid-sized European company, penetrating new markets is often on top of the strategic agenda and a key value driver for a successful investment. With its offices in New York and Shanghai, Investindustrial is organised to provide active support

throughout that process and to maximise the chances of success. Whether it be the developed markets in Europe or North America, or the emerging markets in Asia, the Group's office network and local teams are available to meet the specific company's needs.



John C. Mowinckel (Special Principal at Investindustrial) during an operational meeting in the New York office

The Investindustrial internationalization model is driven both by add-on acquisitions and organic growth. During the last two years, sixteen add-on acquisitions were completed across Europe, North America and Asia-Pacific for a total value of more than €600 million. The three main transactions are the acquisition of Bond Aviation in the UK by Avincis, Polynt Group's acquisition in USA of Momentive Specialty Chemicals Inc's composites and coating resins business (PCCR), and the acquisition of Velosi by Applus in Malaysia.

With regards to organic growth several initiatives have been developed by the portfolio companies in the Asian and Latin American regions. Stroili Oro is continuing the roll-out of jewellery stores in Russia while Perfume Holding established a joint venture with LuxAsia, the largest Asian independent distributor. Avincis has further expanded its activities in Latin America starting to penetrate the Peruvian market in addition to Chile. PortAventura signed agreements with Chinese tour operators to promote the park to Asian tourists.



Andrea C. Bonomi (Senior Principal at Investindustrial) during a meeting in the Shanghai office

A UNIQUE NETWORK OF INDUSTRIAL PARTNERS

To help its portfolio companies achieve their full potential, Investindustrial can count on the valuable commitment of its Industrial Partners. These seasoned executives bring valuable industrial expertise in a wide range of sectors and are closely linked to the Group's industrially-driven operational model. The Industrial Partners form members of the extended Investindustrial organization to assist with maintaining best practice corporate governance, pressure testing industrial plans and identifying global value creation opportunities. Recently two new executives joined the Industrial Partners network:

Luca Garavoglia is Chairman of Gruppo Campari, the sixth largest player in the global wine & spirits industry with sales of € 1.2 billion. Mr. Garavoglia is also Chairman of the technical committee for fiscal affairs and corporate governance of Confindustria and is a member of the board of several companies and institutions including FIAT, RCS, Assonime, Federvini and FAI.

Gabriele Del Torchio is Chairman and CEO of Ducati Motor Holding. Prior to that he held CEO positions in several companies including Ferretti Group, Carraro Group, APS, CIFA, Fai Komatsu and Ford New Holland.



Gabriele Del Torchio (CEO of Ducati) and Rupert Stadler (CEO of Audi)

INVESTINDUSTRIAL'S BUSINESS FOCUS

INVESTINDUSTRIAL'S CURRENT PORTFOLIO COMPRISES 16 INVESTMENTS
AND IS WELL BALANCED ACROSS THREE SELECTED SECTORS



Headquarters of Banca Popolare di
Milano in Piazza Meda, Milan (Italy)

CONSUMER RETAIL AND LEISURE

Leading companies which operate in markets with long-term growth underpinned by positive trends in demographics and consumption patterns. The underlying industries need to be mature but are often still fragmented, giving the company an attractive opportunity to consolidate the market. Growth is typically scalable on an international level.

SERVICES AND CONCESSIONS

Leading providers of critical or high value-added services. The companies are typically beneficiaries of a growing global outsourcing trend. Their asset-light capital structures gives them a high cash conversion rate and an ability to expand internationally without undertaking major capital investments. The client base can be made up of larger corporations and government entities, or have a focus on small and medium-sized enterprises.

INDUSTRIAL MANUFACTURING

Global leaders in the design and manufacturing of specialty products. The underlying markets are mature and often consolidated with high barriers to entry for new competition. Developing economies are key in offering future growth opportunities and possibilities for operational improvement.

GLOBAL DRIVERS AND INDUSTRIAL OPPORTUNITIES

The current economic environment presents a unique opportunity for our investments to strengthen their long-term value creation strategy.

CONSUMER, RETAIL AND LEISURE

Globalisation of consumer trends
Aging population
Changing consumer purchasing behaviour

Add-on acquisitions
Capturing growth opportunities in new markets
Improving the market-ing mix

SERVICES AND CONCESSIONS

Economies of scale
Outsourcing
Increased need for information and communication technology
Global need for infrastructure investments

Expanding service offering into adjacent fields
Synergistic add-on acquisitions
Capturing growth in developing markets
High visibility on concessions

INDUSTRIAL MANUFACTURING

Globalisation
Growth of Asian markets
Cost efficiency

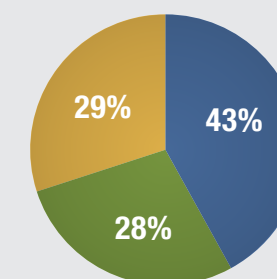
Improving operational efficiency of mid-market companies
Relocation of manufacturing to Asia
Add-on acquisitions

GLOBAL DRIVERS

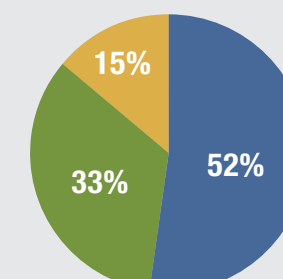
INDUSTRIAL OPPORTUNITIES

INVESTINDUSTRIAL'S CURRENT PORTFOLIO COMPRISES 16 INVESTMENTS AND IS WELL BALANCED ACROSS THE THREE SELECTED INDUSTRIES.

SALES (%)



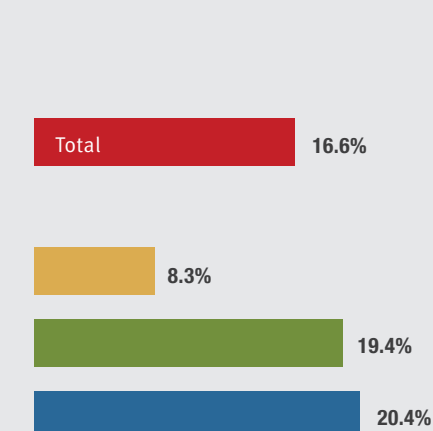
EBITDA (%)



Note: in this section sales and EBITDA are considered weighted by Investindustrial's shareholding

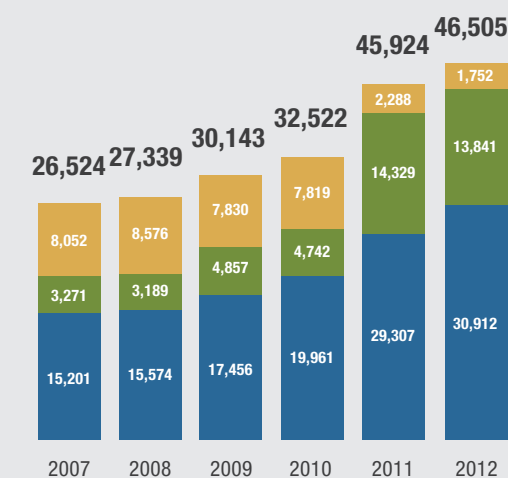
Consumer, Retail and Leisure Services and Concessions Industrial Manufacturing

EBITDA MARGIN (%)



16.6% overall EBITDA margin

NUMBER OF EMPLOYEES

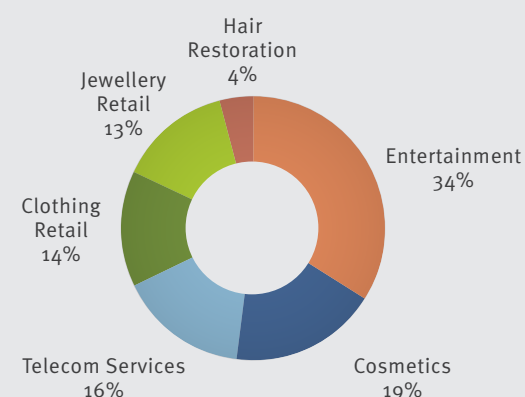


Double-digit employee growth in service-oriented sectors

CONSUMER, RETAIL AND LEISURE

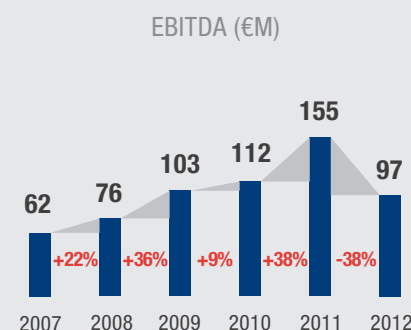
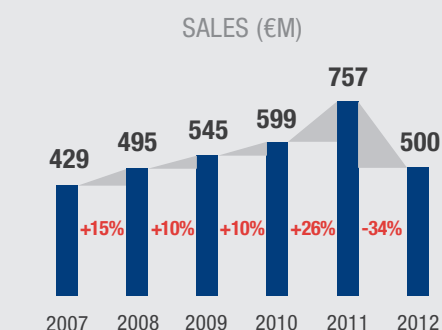
Investindustrial's Consumer, Retail and Leisure Sector currently comprises the following companies: Gruppo Coin (leading clothing retailer), Euskaltel (leading telecom cable operator), Perfume Holding (leading producer and marketer of perfumes and cosmetics), PortAventura (leading European theme park), Stroili Oro (leading Italian retail chain for jewellery, watches and other gold and silver products)

and Svenson (leading European provider of hair restoration treatments and services). At the beginning of 2013 Investindustrial completed the investment in Aston Martin, the leading luxury car manufacturer. The successful exit of Ducati to the German car manufacturer Audi (Volkswagen Group) was the most significant event in the sector during 2012 and explains the decrease in sales and earnings.

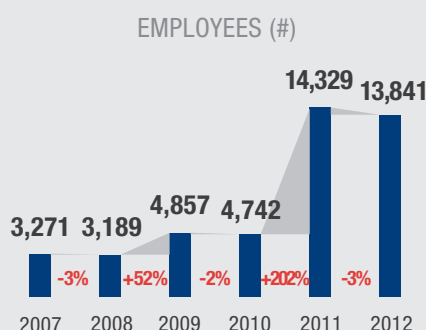
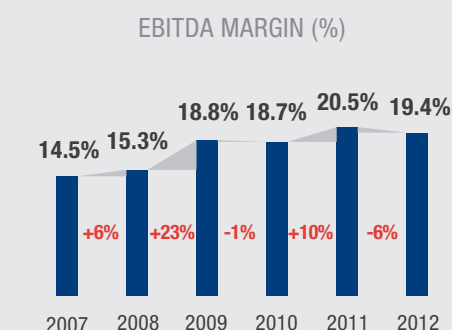


SALES BY SEGMENT (%)

Six segments are present in Consumer, Retail and Leisure Sector



In 2012 sales decreased by **34%** and earnings decreased by **38%**



Earnings margin decreased by **6%** reaching the level of **19.4%** and total employees decreased by **3%**

2012 MAIN EVENTS IN CONSUMER, RETAIL AND LEISURE



ASTON MARTIN

Aston Martin (www.astonmartin.com) is the leading luxury car manufacturer and one of the most exclusive sports car brands in the world. Aston Martin's iconic status and global footprint has been built through its performance and elegant design, successfully marketed by featuring as James Bond's car in many 007 movies over the last 50 years. After having achieved an agreement with the former shareholders, Investindustrial completed the investment in the company

in the first quarter of 2013. Aston Martin is currently underperforming its peers in terms of sales and profitability and is in need of an industrial repositioning similar to what Investindustrial was able to achieve with Ducati. Based on its significant experience in the automotive sector and luxury products, recently refined during the successful Ducati turnaround, Investindustrial is an ideal partner to help Aston Martin through its next development phase.



Euskaltel (www.euskaltel.com) is the leading telecommunications provider and sole cable operator in the Basque Region, Spain's richest and most economically stable region with fiscal autonomy and fiscal surplus. Euskaltel provides fixed-line, broadband and pay TV services to consumers and corporates, and also provides mobile services as a Mobile Virtual Network Operator ("MVNO"). The Company has a proprietary state-of-the-art network with over 330k km of fiber optic lines fully upgraded to latest standard EuroDOCSIS 3.0. Investindustrial invested in the com-

pany at the end of 2012 and considers the asset an attractive opportunity to develop a long-term value creation strategy and interesting returns for its investors. The company has 300,000 customers from the cable business and 200,000 customers from the mobile business. Euskaltel covers 80% of the Basque Region's households and has a penetration of approximately 45% of its network. The penetration in the Basque Region is in line with the rest of Spain (25% for broadband and 12% for pay TV) but below the European average of 34% and 29% respectively.



Gruppo Coin (www.gruppocoin.com) is Italy's leading apparel retail group successfully operating a network of approximately 850 stores in Italy and 86 abroad under three different brand names: OVS Industry (the largest Italian apparel retailer), Coin (the largest Italian department store operator) and UPIM (acquired in 2010 and in the process of being converted into OVS Industry or

a younger format named UPIM POP). Gruppo Coin is a quality company with an excellent management team and commands approximately a 6% market share in Italy ahead of Benetton, Calzedonia, Max Mara and Zara. During the last year, Gruppo Coin completed the acquisition of Lana Bimbi (a large children's apparel retailer) and Bernardi (an Italian specialist clothing retailer).



Coin store in Piazza Cinque Giornate, Milan (Italy)

PERFUME HOLDING

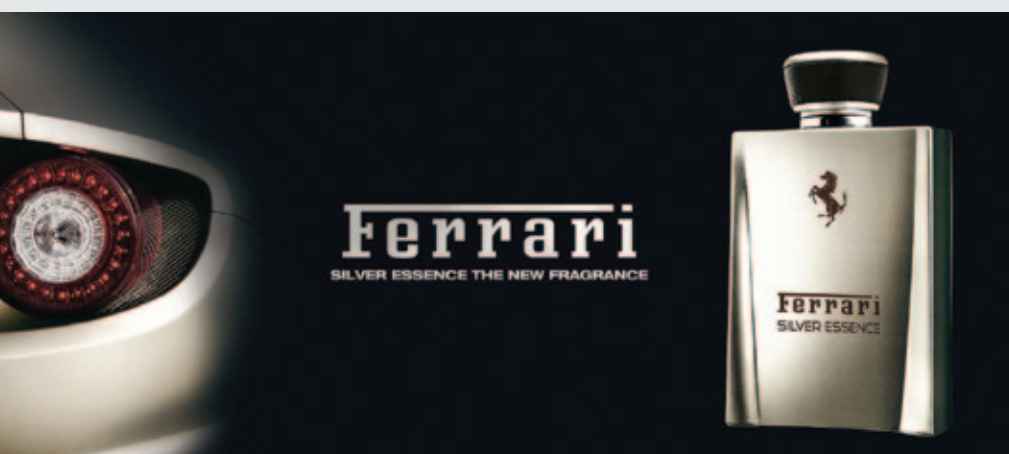
Perfume Holding (www.perfumeholding.com) produces and markets perfumes for a number of well-known brands. The license portfolio includes Benetton, Ducati, Ferrari, Grigio Perla, Iceberg, John Galiano, La Perla and Sergio Tacchini. In addition the group owns the Atkinsons and I Coloniali brands and distributes Burberry in Italy. The company is consolidating its strategy of creating the first alternative to multinational perfumes companies through the acquisition of small-medium size brands and companies. The build-up strategy has allowed the group to reach a more flexible and integrated

structure with a stronger management team able to oversee and direct the entire process. The group is developing its international distribution through selected partnerships with key distributors in order to capture market opportunities in the emerging markets. After having established a joint venture with the leading player in Asia, LuxAsia, to better serve the Asian markets, the company signed a master distribution agreement with a local service provider (Lys Blue LLC) to better serve the Middle-East area. During 2012 Perfume Holding continued to strengthen its organisational and costs structures.

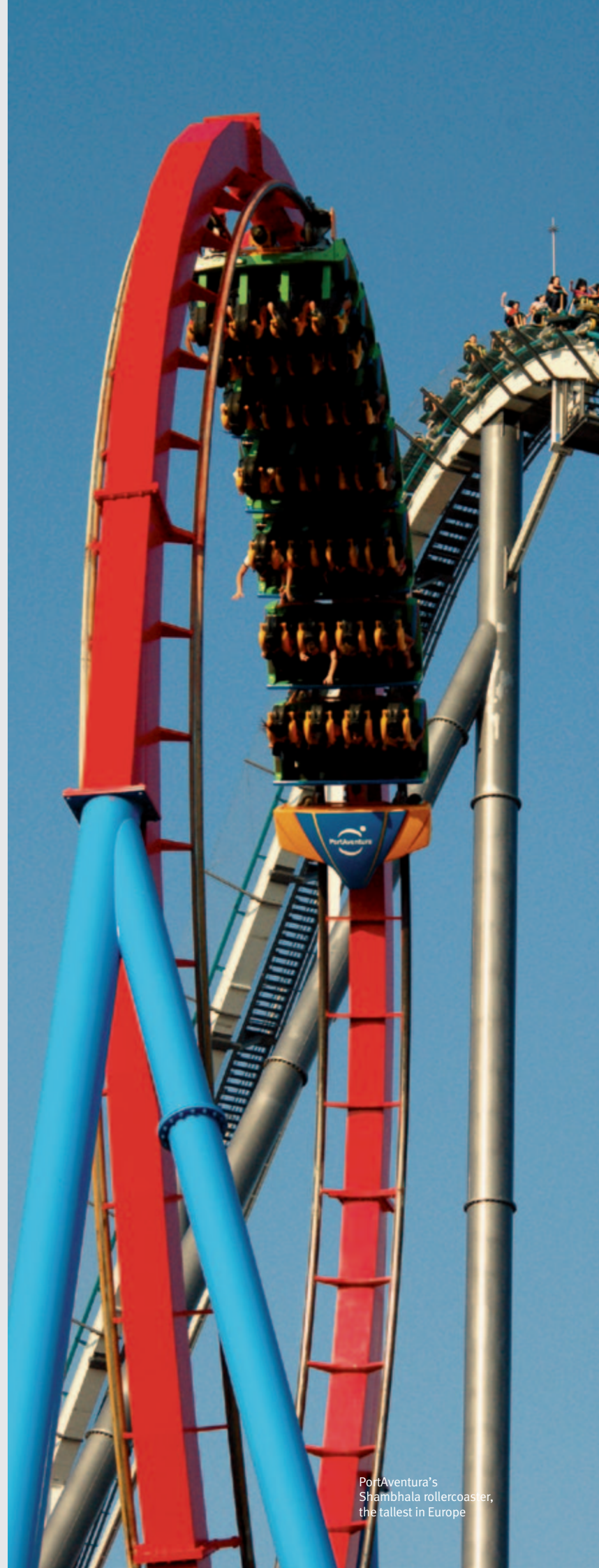


PortAventura (www.portaventura.es) is the leading theme park in Spain, the largest in Southern Europe and the number three in Europe in terms of visits. Building on the previous successful Investindustrial investment in Gardaland, Investindustrial invested in PortAventura at the end of 2009 and offered the support of the former managers of Gardaland, who now work closely with the company. Over the last three years the company has implemented a development strategy based on product innovation

(the new kids area Sesamo Adventure and Shambhala the tallest rollercoaster in Europe), a new marketing strategy focused on traditional values, entertainment and family and improvement of efficiency. Excellent business results have been achieved since Investindustrial's entry at the end of 2009 with significant increase in profitability, in numbers of visitors and in hotel occupancy. After having completed a recapitalisation in 2011, during 2012 Investindustrial acquired the remaining 50% of the company



Perfume Holding, Ferrari recently launched perfume



PortAventura's Shambhala rollercoaster, the tallest in Europe



Stroili Oro (www.stroilioro.com), after having completed its expansion phase through the opening of new points of sale in the shipping centers of the domestic market, is currently consolidating its international development plan to capture expansion opportunities abroad and has started an implementation plan to penetrate the high street shops segment. Stroili Oro is actively expanding its retail concept into other markets and has opened up the first of a series of stores in Moscow,

Russia. The company is continuing its process of cost optimization and profitability improvement by rationalizing the central functions and logistics processes. Furthermore, the company strengthened its management team and implemented significant training programmes to improve the commercial skills of its sales force. Stroili launched a national TV media campaign to heighten store recognition, support private labels and improve overall customer experience.



The new Stroili Oro flagship store on Corso Vittorio Emanuele, Milan



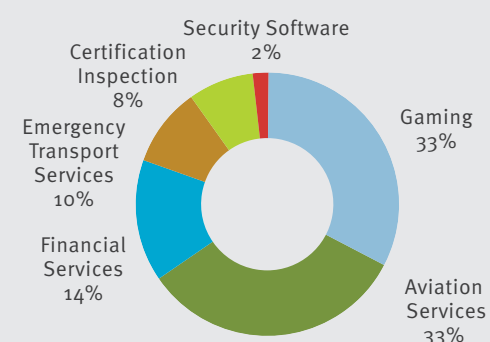
Svenson (www.svenson.es) is reinforcing its leadership position in the pan-European hair care industry by increasing the depth of its operations in the different markets. In 2012 Svenson continued to adjust of its operations to the new economic environment, with special emphasis on cost reduction, including a more efficient use of human resources, the monitoring of workload per individual, the closing of non-profitable centres and the optimization of the acquisition cost per new client.

The company is operating under difficult economic conditions with consumer spending down significantly. Nevertheless, it is continuing to diversify its product offering towards a more profitable mix: growth in the medical division based in micrographs and dermatology treatments. Svenson's challenge is to be able to adapt its business model and value proposition to a market environment marked by decreasing spending capacity.

SERVICES AND CONCESSIONS

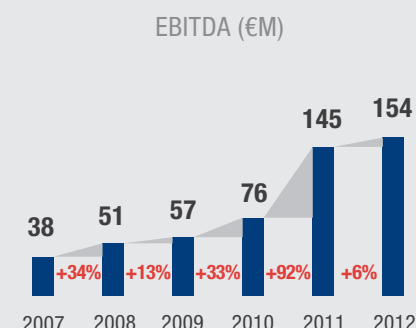
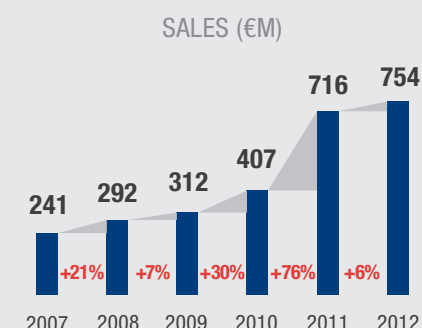
Investindustrial's Services and Concessions Sector currently comprises the following companies: Applus (leading world-wide inspection, certification and technological services), Banca Popolare di Milano (leading Italian financial institution) Cogetech (leading Italian technology producer and concession

operator in the gaming sector), Avincis (leading European provider of on-shore helicopter services), Panda Security (global integrated security software provider), SNAI (leading Italian operator in the gaming industry) and Transport Sanitari de Catalunya (Spanish leading ambulance services company).

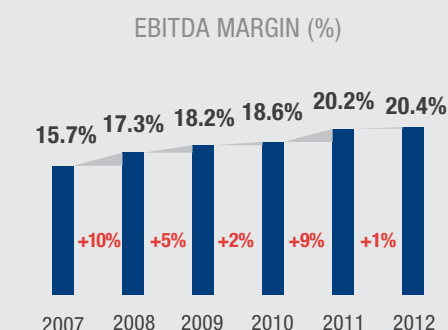


SALES BY SEGMENT (%)

Six segments are present in the Services and Concessions Sector



In 2012 sales increased by **5%** and earnings by **6%**



Earnings margin increased by **1%** reaching the level of **20.4%** while total employees grew by **5%**

2012 MAIN EVENTS IN SERVICES AND CONCESSIONS



Applus (www.applus.com) is one of the largest leading testing, inspection, certification and technological services company in the world. The company is continuing to reinforce its presence in emerging markets, broadening its service portfolio to the energy industry and further diversifying its geographical footprint. During 2012 Applus successfully completed the consolidation of several

acquisitions made in 2011 including the public tender cash offer for Velosi, a leading provider of inspection, quality assurance, certification and testing services to the oil and gas industry listed on the London AIM and with a presence in Asia, the Middle East, Africa, Europe and North America. In addition the company is continuing to shift towards higher margin business areas.



Avincis (www.avincisgroup.com) is consolidating its global leadership in the emergency and mission critical helicopter services market both by reinforcing organic growth in the domestic market and by implementing selective international bolt-on acquisitions. During 2012, Avincis consolidated the acquisition of Bond Aviation (UK), the leading independent UK mission-critical helicopter operator. During the past months the group has re-

inforced its presence in the very attractive Latin America market by starting operations in Peru and establishing an operational presence in Norway. The company operates a non-cyclical business with strong visibility and into a highly resilient-revenue base. Avincis's concession-based revenue profile is primarily characterised by medium to long-term contracts (4 to 20 years) with public administrations with over 95% historical renewal rate.



Avincis' rescue operations in Northern Italy



Applus, Bellaterra technological center (Spain)

BPM BANCA POPOLARE DI MILANO

Banca Popolare di Milano (www.bpm.it) is a multi-regional Northern Italian retail bank established in 1865 and serving 1.4 million customers through a network of 770 retail branches and 57 financial centers. BPM is the second largest bank in Milan in terms of branches and is the sixth largest bank in Northern Italy. BPM offers retail and corporate banking products and services,

brokerage services, investment banking, insurance and wealth management products. During 2012 the management of the bank has been significantly strengthened and a new 2012-2015 strategic plan has been developed focusing mainly on increasing efficiency, offering more competitive services and maintaining tight internal controls and risk management policies.



Cogetech (www.cogetech.it) is one of the leading technology providers and concession operators in the fast growing Italian gaming sector and operates one of ten gaming concessions in Italy. The company's primary business is the operation and management of a network of amusement machines, which allow the possibility to win cash prizes and are typically located in bars and betting shops across Italy. Cogetech is a solid platform

to implement a growth strategy in a fragmented market with strong potential for consolidation. Together has successfully completed the turnaround of Ladbrokes Italia, acquired to diversify into the physical sport and horse betting segments and to build critical mass to further grow the existing online platform. Cogetech is continuing the implementation plan of the Video Lotteries Terminals.



TSC operations in Barcelona (Spain)



Headquarters of Banca Popolare di Milano, Milan (Italy)

PANDA SECURITY

Panda Security (www.pandasecurity.com) is being transformed from a local operator into a multinational company by repositioning its product offering towards a more focused yet global customer base and through an improved geographical presence. The management has been focusing on repositioning the company as a multinational IT cloud security services provider, by leveraging its strong proprietary product portfolio and acquiring

franchisees to further control the end client. Panda is well positioned to expand its cloud offering based on its track record in end-point security and its proven ability to serve clients from the cloud. In 2012 several new security-related features have been added to its security offering (partner centre, disinfection tool and management console). In addition, the company has started to develop customised cloud security services with key clients.

SNAI

SNAI (www.snai.it) Snai is the Italian leader in horse and sport betting. The company has the largest Italian network of almost 600 shops and owns the rights for 2,500 betting corners and the concession to operate 5,052 video lottery terminals. The gaming industry has high

barriers to entry arising from its concession nature and hence provides good revenue visibility. During the past months a new management team was appointed and the company is now well positioned to capture value from the introduction of new games.



Transport Sanitari de Catalunya - TSC (www.tscambulancias.com) with almost 500 ambulances is the leading provider of outsourced emergency transportation services in Spain and one of the largest in Europe. TSC operates a non-cyclical business with 70% of the market already structured as medium-long term concessions (2 to 8 years). After having invested at the end of 2010, Investindustrial is supporting

the company towards its main opportunity for growth represented by developing a national and international strategy of consolidation in the fragmented outsourced emergency services sector, and to diversify the revenue stream by providing a variety of outsourced emergency services. During 2012 add-on acquisitions have been completed in the UK, Canary Islands and Balearic Islands.

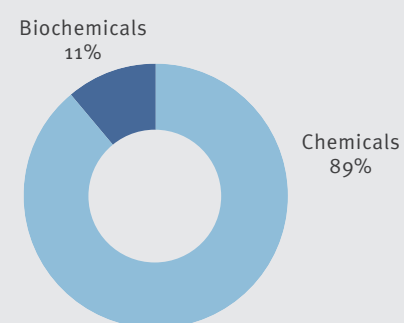


Panda Security, product offering

INDUSTRIAL MANUFACTURING

The Industrial Manufacturing Sector comprises the following companies: AEB Group (leading global biochemical producer of food and drink additives) and Polynt (European leader in the production

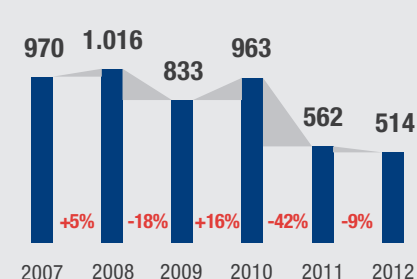
of specific polymer intermediates and derivatives). The successful exit of Contenur to two financial buyers was a significant event in the sector during 2012 and explains the decrease in sales and earnings.



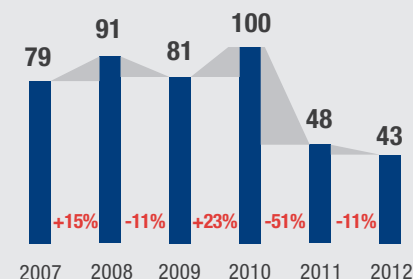
SALES BY SEGMENT (%)

Two segments are present in the Industrial Manufacturing Sector

SALES (€M)

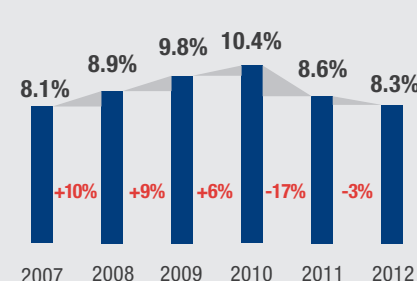


EBITDA (€M)

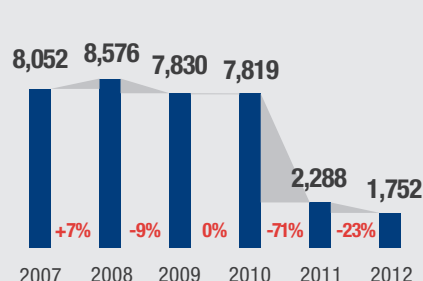


In 2012 sales decreased by **9%** and earnings by **11%**, excluding extraordinary events sales remained stable and EBITDA decreased by **1%**

EBITDA MARGIN (%)



EMPLOYEES (#)



Earnings margin decreased by **3%** to a level of **8.3%** while total employees decreased to 1,752

2012 MAIN EVENTS IN INDUSTRIAL MANUFACTURING



AEB Group (www.aeb-group.com) is continuing its strategy of becoming a leading worldwide provider of value added services and biotechnologies to the beverage and agro-alimentary industries. After having established a direct presence in Australia, Chile and USA, AEB Group is continuing its international growth and product diversification. AEB has been able to expand outside its traditional European markets (Italy, France and Spain), entering new geographies such as South Africa, China, North and South America. The company initiated sales of bacteria

in the dairy and cheese segment in Chile and France and introduced new filtration systems and cartridges for the oenology market and new products for small breweries (new anti-foam products and new detergents). In 2012 initiatives were undertaken to further consolidate the company's geographical diversification including establishing a direct presence in Australia, commencing operations in Germany to target the local wine market and establishing a joint venture in Spain, aimed at developing filtration aids.



AEB Group, Internal Laboratory in Brescia, Italy

Polynt operations in the manufacturing plant in Scanzorosciate (Italy)



Polynt (www.polynt.it) continues to strengthen its leadership position in Western markets, further expanding into new geographies and also successfully recovering volume sales and profitability in this difficult market environment. Following the acquisition of PCCR, the North American coatings and composites resins business of Momentive Specialty Chemicals, Polynt became a truly global player with manufacturing presence in Europe, Asia and North America and a critical mass from which to further consolidate the market. The North American acquisition is further evidence of portfolio companies' ability to implement international expansion plans, both organically and through acquisitions. Today Polynt has been re-positioned to be a global spe-

cialty player with a worldwide footprint and business presence.

During 2012 PCCR increased EBITDA by 193% versus prior year and registered a significant increase in the average margin per ton (GVA) sold. Furthermore the company successfully achieved a strategy cost reduction and introduced in the US new formulations from the European business and is evaluating the introduction in Europe of 100% of the coating business. 2012 was also a very successful year for the Polynt Group Chinese business with an increase of EBITDA of 56% compared to 2011. Polynt is currently valuing several value-accretive acquisition opportunities in specialty niches in the US and in Europe.



Polynt operations in the manufacturing plant in Niepolomice (Poland)



With the recent acquisition of PCCR, Polynt is now able to provide a comprehensive product offering in the compounds and resins business

SOCIAL RESPONSIBILITY

WE CARE ABOUT HELPING PEOPLE TO ACHIEVE A BETTER QUALITY OF LIFE BY OFFERING TANGIBLE OPPORTUNITIES!

The six interconnected Principles aim to act a framework for global best practices in responsible investment

Incorporating ESG matters into the investment analysis and decision-making processes.

Being active owners and incorporating ESG matters into our ownership policies and practices.

Seeking appropriate disclosure on ESG matters by the entities in which we invest.

Promoting acceptance and implementation of the Principles within the investment industry.

Working together to enhance our effectiveness in implementing the Principles.

Reporting on our activities and progress towards implementing the Principles.

PART OF A GLOBAL SUSTAINABILITY NETWORK

Investindustrial firmly believes that managing environmental, social and governance issues (ESG) is an increasingly important part of its value proposition. As a result, in 2008 the Group joined the UN Global Compact by adhering to its ten principles. These principles are key guidelines in making business decisions for Investindustrial and include respect for human rights, ensuring appropriate labour conditions, respect for the environment and the application of anti-corruption measures. Investindus-

trial has also supported the adoption of these values by its portfolio companies and all the companies have successfully subscribed to the initiative.

In accordance with this belief, Investindustrial has also subscribed to the Principles for Responsible Investment (PRI), an initiative launched in April 2006 at the New York Stock Exchange by the UN Secretary-General and coordinated by the United Nations Environment Programme (UNEP) and the UN Global Compact.



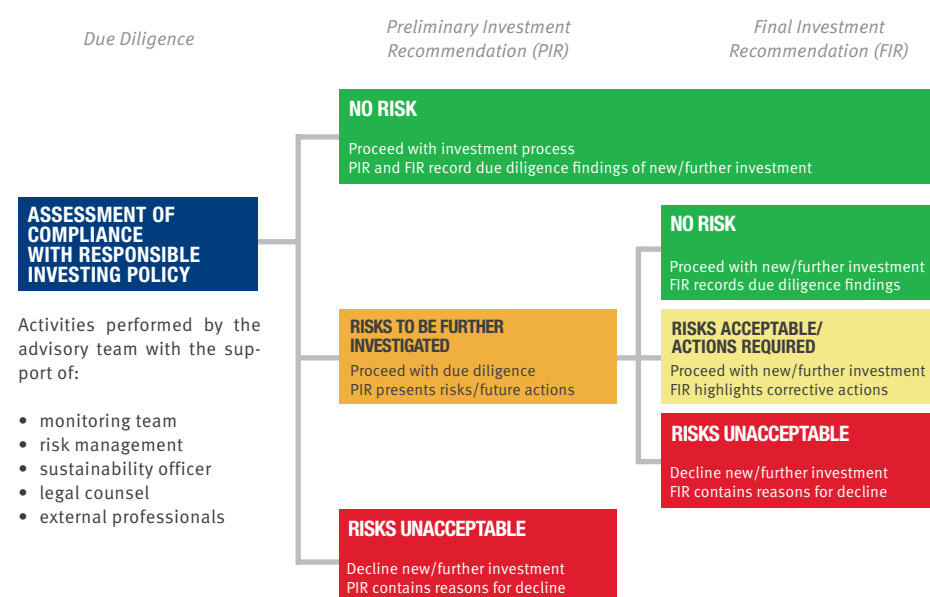
ENGAGING IN CORPORATE SOCIAL RESPONSIBILITY

With a vision to create enduring value for its portfolio companies, its stakeholders and its investors, Investindustrial works closely with management to build a more sustainable future.

Investindustrial is strongly committed to promoting a culture of sustainable development both with initiatives within the Group and with external stakeholders. In particular, Investindustrial has

recently strengthened its corporate social responsibility footprint by developing two policies on Environmental, Social and Corporate Governance issues and on Responsible Investing.

CORPORATE RESPONSIBILITY MAP FOR NEW INVESTMENTS & ADD-ONS



In 2008 Investindustrial subscribed to the UN Global Compact Ten Principles (www.unglobalcompact.org) program and in 2009 it also subscribed to the Principle for Responsible Investments (www.unpri.org) initiative. Through these policies, Investindustrial is also developing tools and

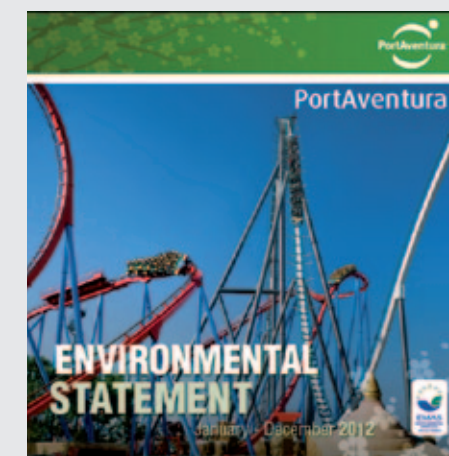
processes to strengthen the engagement of its portfolio companies towards ESG matters and is expecting even stronger involvement in the future. Investindustrial management has been also actively involved as speakers on sustainability at industry-leading events.



Investindustrial's Lugano office (Switzerland), one of its six certified carbon neutral offices

SIGNIFICANT COMMITMENT FROM PORTFOLIO COMPANIES

Investindustrial promoted the creation of a corporate foundation within Port-Aventura to support differently-abled children and young adults to achieve a better quality of living. Each year Port-Aventura donates 0.7% of its net profits to the foundation. Port-Aventura operates in all the facilities that it manages with maximum respect for the environment and produces an environmental report of its activities on a yearly basis.



During 2012, several portfolio companies worked to improve their ESG approach. Avincis for example released both a code of ethics and an anticorruption policy.

BPM has adopted a dual governance system while SNAI has published a new social responsibility report.

In June 2012 TSC launched a new project to improve its carbon footprint by reducing the fuel consumption. The project is involving all vehicles (both PTS and Blue Light) and consists in a weekly monitoring of consumption by vehicle and by cruise. On a monthly basis the management identify the best performer and after one year the winning cruise will obtain a special recognition. As of the end of 2012 after only few months, the reduction in fuel consumption was of 4% in PTS and 1% in Blue Light vehicles.

Snai and the Department of social communications and research of the University of Rome have entered into an agreement for the realization of a research project aimed at analyzing the modalities through which a social and cultural activity, such as gaming, can turn into pathological behavior on the part of certain persons, capable of producing social and economic damages. The objective of this research is to prepare a series of guidelines for fair communications on betting and gaming.

INVESTINDUSTRIAL A CARBONNEUTRAL® COMPANY

Investindustrial places significant importance on reducing its carbon footprint and has worked with the CarbonNeutral Company, a world leading provider of carbon reduction solutions, to measure its Greenhouse Gas (GHG) emissions footprint. The

Group has supported a renewable energy project to offset the emissions and achieve carbon neutrality for its emissions. Furthermore, Investindustrial has undertaken a series of actions to reduce its overall emissions per employee.



CO₂ emissions reduced to net zero in accordance with The CarbonNeutral Protocol

PROMOTING ACCEPTANCE AND IMPLEMENTATION OF RESPONSIBLE INVESTING WITHIN THE INDUSTRY

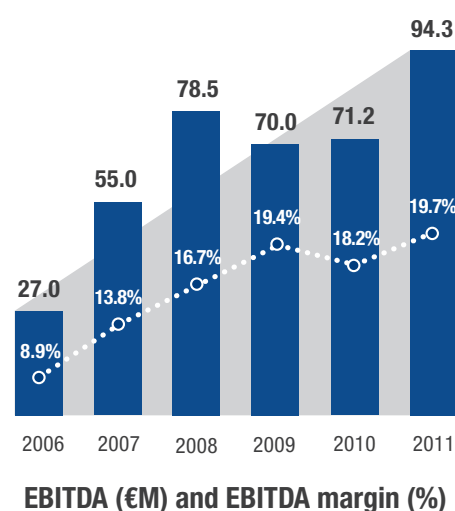
Following the successful sale of Ducati, the European venture Capital Association (EVCA), approached Investindustrial to showcase the investment as an example of sustainable investing. Highlights of the Investindustrial investment thesis and actions include:

- Development of a company with a strong and sustainable business model, high quality products and strong R&D.
- Significant expansion in new markets such as Asia and Latin America.
- Strengthening of management team and corporate governance.
- Product range innovation as key success factor to support growth in challenging economic conditions.
- Strengthening of manufacturing footprint and work force increase. Investindustrial promoted Ducati to adhere to the UN Global

Compact initiative and to report on progress.

- Ducati was sold to a solid and reputable industrial partner.

SUSTAINABLE GROWTH



"Investindustrial does an exemplary job of promoting the transparent and value-added operations of its firm and the industry. Private equity in Europe plays an increasingly important role in creating jobs and raising companies' global competitiveness".

Dörte Höppner, Secretary-General
European Venture Capital Association



"The long-term partnership with Investindustrial has allowed Ducati to implement a successful long-term value creation strategy with a focus on product innovation and international expansion. Ducati today is ready to capture global growth opportunities with a particular focus on the emerging markets".

Gabriele Del Torchio, CEO
Ducati



The Ducati Panigale
1199 launched in 2012

ENGAGING WITH LEADING ACADEMIC INSTITUTIONS

Andrea C. Bonomi (Senior Principal at Investindustrial) gave a keynote speech at the Stern Private Equity Conference at the New York University (USA), his alma mater. Mr. Bonomi discussed strategies for private equity in the current economic climate in Europe and worldwide, and illustrated recent investments done by Investindustrial during 2012.

In December 2012 the Collier Institute of Private Equity at the London Business School hosted a roundtable on "The Defence of

Europe: Strategies to Survive and Thrive in an Uncertain Market." Carlo Umberto Bonomi (Senior Principal at Investindustrial) discussed with professors, business school students and institutional investors the prevailing economic situation in Europe and strategies for investors to take advantage of such market conditions. Investindustrial interacted with several leading universities in 2012, including Harvard and London Business School, to develop case studies on prominent portfolio companies.



Andrea C. Bonomi (Senior Principal at Investindustrial) presenting at the 2013 Stern Private Equity Conference at the New York University (USA)



Carlo Umberto Bonomi (Senior Principal at Investindustrial) presenting at the yearly private equity roundtable of the Collier Institute at the London Business School (UK)



A TANGIBLE SUPPORT TO FACILITATE THE SOCIAL INTEGRATION OF DIFFERENTLY-ABLED PEOPLE



Ruben is working for PortAventura and is one of the many differently-abled people who have been employed by leading

corporations in Spain thanks also to the support of Invest for Children.

INVEST FOR CHILDREN, AN ACTIVE CORPORATE FOUNDATION

IN 2000 INVESTINDUSTRIAL ESTABLISHED INVEST FOR CHILDREN, A CORPORATE FOUNDATION WHOSE MISSION IS TO HELP DIFFERENTLY ABLED PEOPLE AND UNDERPRIVILEGED CHILDREN ACHIEVE A BETTER QUALITY OF LIFE

Invest for Children operates in Europe with a special focus on Southern Europe (Spain, Italy, Portugal and Switzerland) and is a full member of EVPA (European Venture Philanthropy Association), Private Equity Foundation and is audited by KPMG.

Investindustrial believes that financial and industrial investors should have a major role in making the world a better place to live in. Invest for Children aims

to understand diversity and work towards integration and represents a useful vehicle to help disabled people to achieve a better quality of living.

Invest for Children has sponsored several projects in a series of different fields (sport, work, education, medical, community and other); some of these projects are summarized in next pages.

www.investforchildren.org



The President of Invest for Children (Investindustrial's corporate foundation) Carlo Umberto Bonomi is donating La Caixa savings plan to a worker with Down's syndrome

INVEST FOR CHILDREN'S AURA FOUNDATION MARKED A MILESTONE FOR THE FOUNDATION



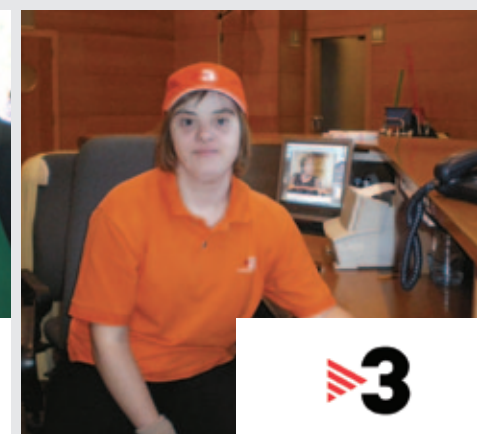
During 2012, Aura Foundation became a part of i4c to double the size of the foundation over the next five years. The project aims to significantly increase the number of differently-abled people who are able to enter work in the coming years. Invest for Children is committed to financially Supporting the foundation and to offering managerial and strategic consulting skills to allow the foundation to achieve its mission. Leading companies have already joined the Project Aura initiatives to facilitate the integration of differently abled people in a working contest.

The Project Aura (www.projectaura.org) was established in Barcelona in October 1989, by an initiative of professionals from the area of integration education. The Project Aura is

the first program of Supported Employment in Spain, a pioneer in the implementation and development of this methodology. The aim of this program is to integrate people with special needs, mostly with Down's Syndrome, to the ordinary labour market via the Supported Employment methodology. Since 1989 more than 100 young people have joined the ordinary working world. More than 80% of the workers maintain their job positions and have indefinite term contracts. The Project Aura is a founding member of AESE (Spanish Association of Employment), ACTAS (Catalan Association of Supported Employment), a member of FEISD (Spanish of Down's Syndrome) and APPS (Catalan Federation for protection of people with mental retardation).



Maria Vicente and Urbano Gropello
(Invest for Children)



SOME EXAMPLES OF INVEST FOR CHILDREN ACTIVITIES



EDUCATION

Invest for Children has created “Los Peces no se mojan” the first short animation created by children both with and without disabilities. The shortfilm is already being delivered at all the Spanish schools to create awareness and improve inclusion of children with Down’s Syndrome. This project has taken place thanks to the cooperation with Down España.

MEDICAL

Invest for Children initiated a collaboration with the Hospital Sant Joan de Déu in Barcelona to develop the program “Non Invasive Ventilation (NIV) at the reach of everyone” whose main objective is to increase the level of scientific knowledge and to promote the use of NIV in Pediatrics. The project is under the leadership of Dr. Martí Pons.

SPORT

Invest for Children in co-operation with Fundació FC Barcelona has organised a video contest for DownTv regarding sport and intellectual disability. Aim of the initiative is to show how sport is vital for personal and social development in particular for people with intellectual disabilities.

COMMUNITY

Down TV (www.downtv.org) is the first worldwide online interactive video library fully dedicated to people with Down’s syndrome. Videos are classified in different areas and cover all aspects of living with Down’s syndrome. In this interactive platform, users can upload their videos and documents related to Down’s syndrome and share their experience. Down TV aims to increase interaction between people with this disability. Investindustrial portfolio companies Avincis, Panda Security and Ducati were among the companies sponsoring the initiative.

SOCIAL SUPPORT

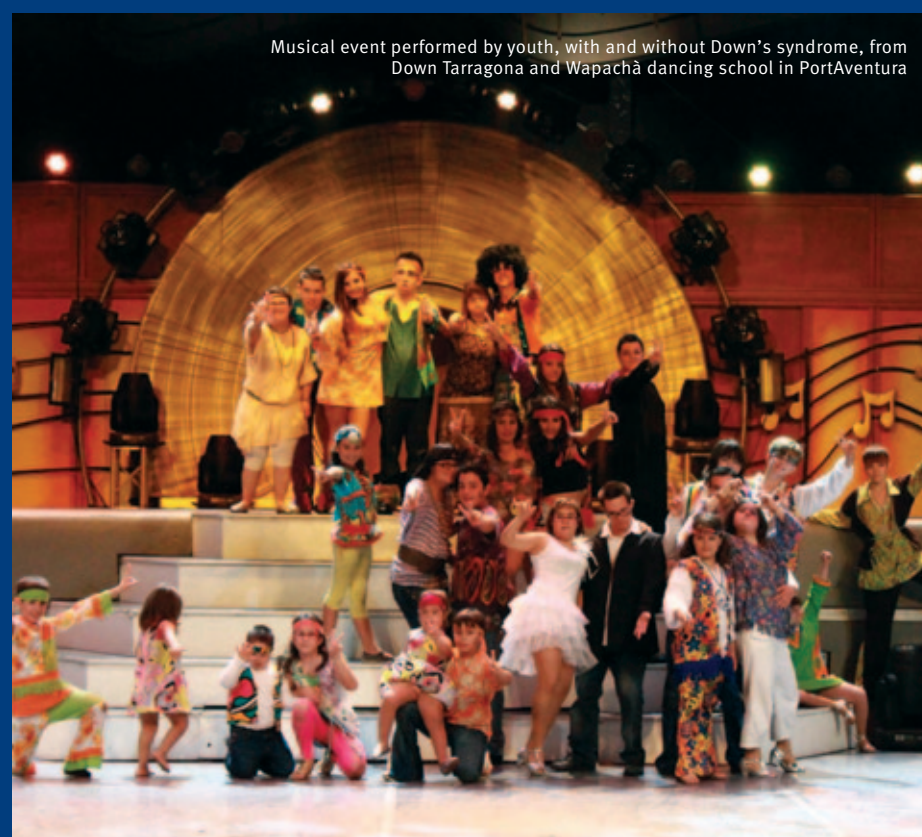
The mission of Foundation Theodora is to give hospitalized children an opportunity to forget for a while their hospital environment, allowing them to go back to their world of color, music, magic and humor by means of laughter. During 2011 i4c has organized a parallel event in Barcelona and Madrid to raise money to support the mission of the Theodora foundation. The event registered the presence of more than 700 people.

OTHER

Invest for Children is a full member of the Private Equity Foundation whose mission is to empower young people to reach their full potential. The foundation invests both money and expertise from the private equity community, to help excellent charities achieve a step-change in their impact.

INTEGRATING YOUNG PEOPLE INTO SOCIETY

For the fourth consecutive year Invest for children, together with Down Catalunya and PortAventura Foundation, organized the youth event “Making Friends” with the participation of more than 4,000 people in the PortAventura theme park in Tarragona. Children and youth from Down Catalunya, together with their relatives and friends, enjoyed the facilities of PortAventura and participated to the shows at the Imperial Theater of China in PortAventura. Scope of the event was to promote a stronger aware of this chromosomal condition which affect thousands of children all around the world.



A STRONG PARTNERSHIP WITH THE MEMORIAL SLOAN-KETTERING CANCER CENTER

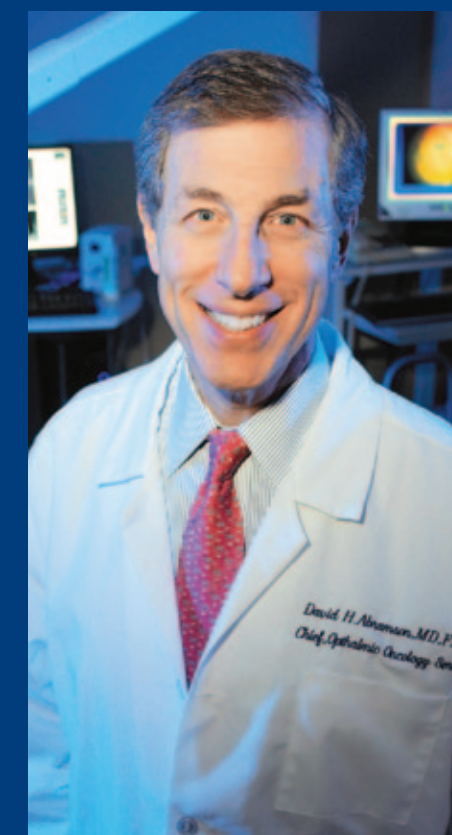
Invest for Children is co-operating with the Memorial Sloan-Kettering Cancer Center (www.mskcc.org) to support innovative treatments for retinoblastoma, a tumor that occurs in the retina. The program is under the direction of Mr. David H. Abramson MD which introduced many new treatments for the disease that have been adopted by other centers worldwide, including the novel use of chemotherapy delivered around the eye to prevent systemic toxicity to intravenous medication. The Center with 470

beds, is located in New York City and is the oldest and largest private institution committed to exceptional patient care, leading-edge research, and superb educational programs. Invest for Children is supporting the Center by:

- offering optical coherence tomography equipment,
- developing online educational resources for retinoblastoma patients,
- financing the artificial eye fund
- supporting the patient free care program.



Mr. David H. Abramson MD coordinator of the retinoblastoma program



SUMMARY GROUP INFORMATION ⁽¹⁾

During 2012, Group sales grew by 2% mainly due to the growth in the Services and Concessions sector impacted by the acquisition of Euskaltel.

On a like-for-like basis, excluding extraordinary transactions, the Group registered an increase in sales by 5%.

In 2012 Group EBITDA increased by 14% while the see-through senior debt/EBITDA ratio slightly increased reaching 3.8x.

The number of employees increased by 1% reaching approximately 46,500, due to the growth in investments in the Services and Concessions sector.

¹⁾ Aggregate numbers considering 100% of the companies present in the portfolio at the end of each year

Sales by Sector (€M)

			Variance	
	2011	2012	€M	%
Consumer Retail and Leisure	2,517	2,327	(190)	-8%
Industrial Manufacturing	1,017	938	(79)	-8%
Services and Concessions	3,980	4,404	424	11%
TOTAL	7,514	7,670	156	2%

EBITDA by Sector (€M)

			Variance	
	2011	2012	€M	%
Consumer Retail and Leisure	390	416	26	7%
Industrial Manufacturing	83	74	(9)	-10%
Services and Concessions	766	927	161	21%
TOTAL	1,238	1,417	179	14%

See-through Net Debt Ratios ⁽¹⁾

			Variance	
	2011	2012	X	%
Senior Debt/EBITDA	3.5x	3.8x	0.3x	7%
Mezzanine/EBITDA	0.3x	0.3x	0.0x	-14%

Employees by Sector

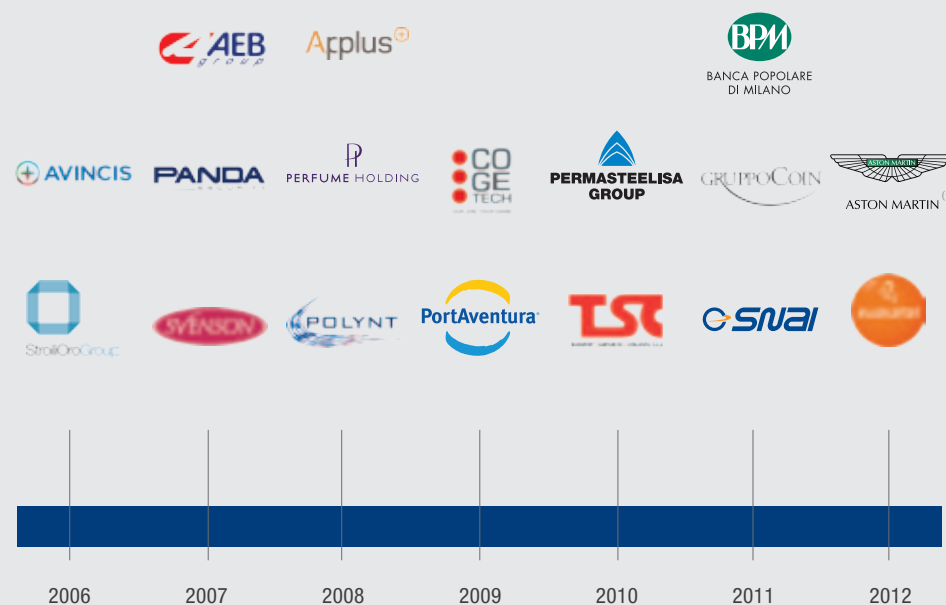
			Variance	
	2011	2012	Employees	%
Consumer Retail and Leisure	14,329	13,841	(488)	-3%
Industrial Manufacturing	2,288	1,752	(536)	-23%
Services and Concessions	29,307	30,912	1,605	5%
TOTAL	45,924	46,505	581	1%



¹⁾ Excluding Banca Popolare di Milano

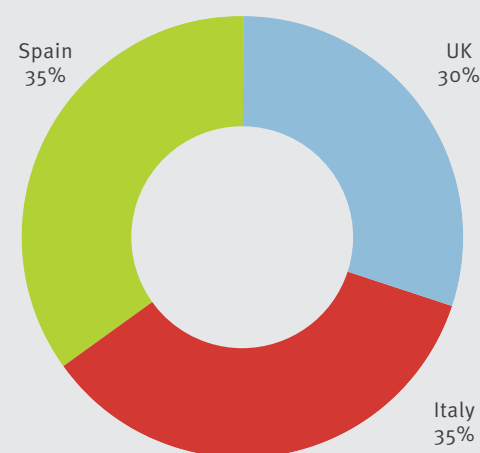
Avincis' maintenance operations in Alicante (Spain)

INVESTMENTS BY DATE



1) Invested at the beginning of 2013

INVESTMENTS BY REGION (%)



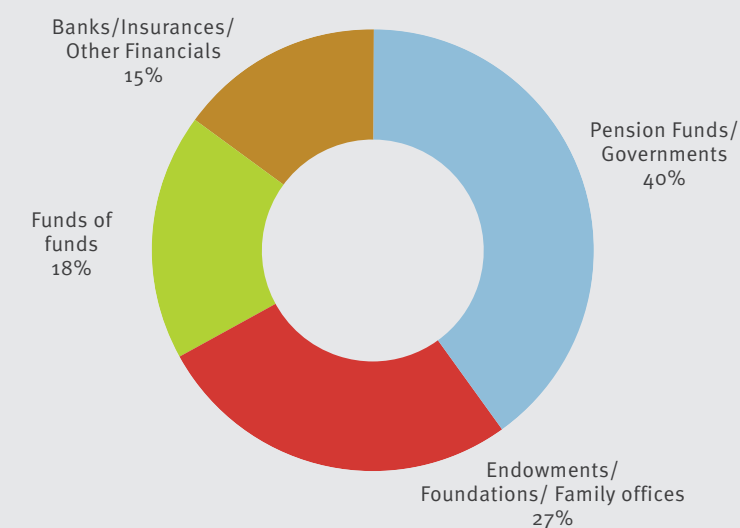
AS OF THE END OF 2012 INVESTINDUSTRIAL'S INVESTMENTS WERE WELL BALANCED ACROSS THREE MAIN COUNTRIES: UK, ITALY AND SPAIN.

OUR INVESTORS

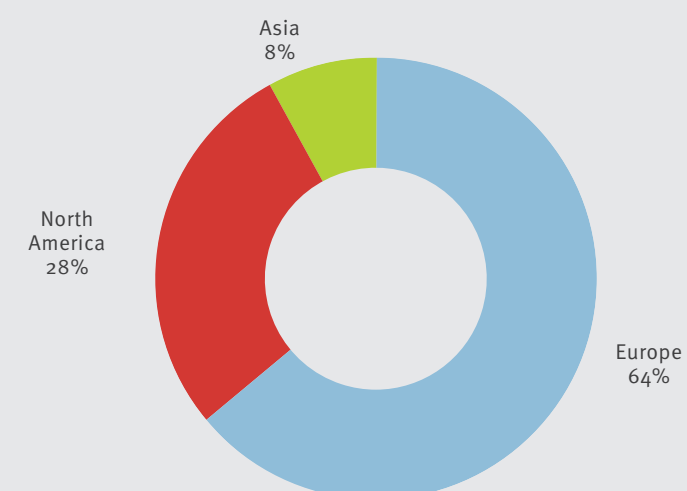
While Investindustrial itself is the single largest provider of capital, more than 50 institutional investors from around the world form the capital and client base of the Group. Investindustrial started 2012 with €800 million available for investments and used approximately 25% of this capital to acquire a new quality company, to reinforce its posi-

tion in an existing company and to make new add-on acquisitions. The firm's view is that difficult economic times are key moments to remain active and improve its competitive positioning. Since we believe that we will continue to operate in a fragile market, we significantly increased our capital available for investments to €1.3 billion.

BREAKDOWN OF INVESTORS BY TYPE



BREAKDOWN OF INVESTORS BY REGION



The partially post-consumer recycled paper used for printing this document has resulted in CO₂ emissions of approximately 6.0 tonnes. Since 2009 Investindustrial reviewed its overall carbon footprint and invested in renewable energy projects to offset the emissions and achieve carbon neutrality.



**FOR MORE INFORMATION
PLEASE CONTACT US AT**

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