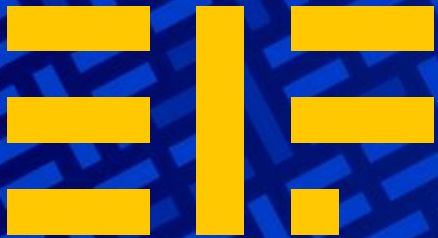


**PERSEGUIRE OBIETTIVI  
INTERNAZIONALI:**

**UNA DIMENSIONE EUROPEA AL PE E VC**



**Itinerari Previdenziali**

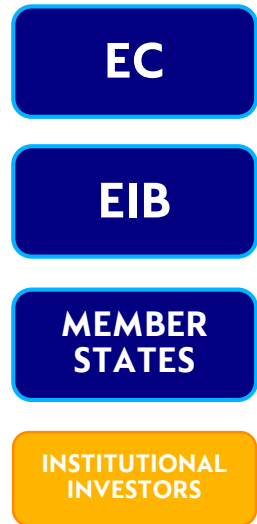
**Alessio Conforti – Institutional Client Relationship**

**Ragusa 28.09.2019**

# EIF's Role in providing SME risk financing across Europe

## 20 YEARS EXPERIENCE PROVIDING SMART MONEY & GENERATING RETURNS

### RESOURCES



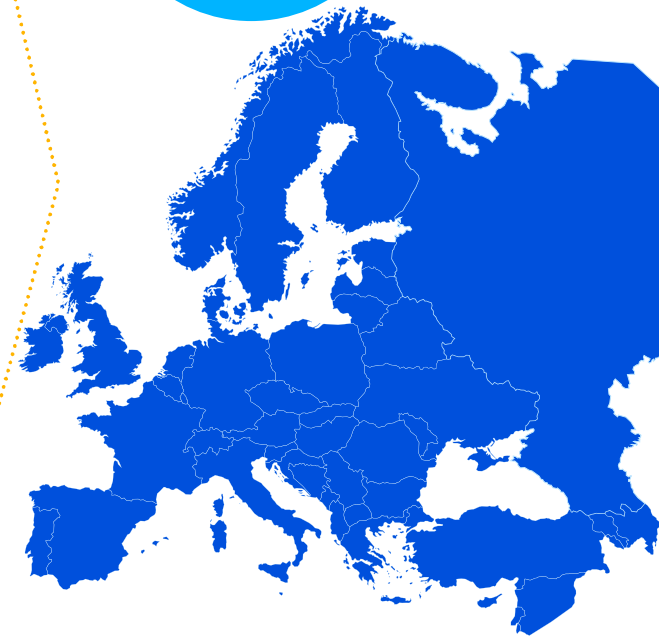
### THE EUROPEAN INVESTMENT FUND



### SOLUTIONS



### SMEs



\* AAA-RATED by three major rating agencies. EIF has a preferred creditor status ("Multilateral Development Bank") allowing a 0% risk weighting to assets guaranteed by EIF.

\*\* 20% paid in.

# EIF's Venture and Growth Capital Activity in Europe

## ONE OF EUROPE'S LARGEST INVESTORS IN EUROPEAN PRIVATE EQUITY

INVESTED  
IN OVER  
**750**  
FUNDS

**8800+**  
PORTFOLIO  
COMPANIES

**450+**  
FUND MANAGER  
RELATIONSHIPS

**99%**  
VISIBILITY ON  
EUROPEAN  
VENTURE  
MARKETS

MORE THAN  
**20 yr**  
TRACK RECORD

HISTORICAL  
SIGNATURES OF  
**€18bn**  
TO MEET  
POLICY AND RETURN  
OBJECTIVES

MORE THAN  
**65**  
DEDICATED INVESTMENT  
PROFESSIONALS  
SCOUTING OUT  
ESTABLISHED AND  
NEW TEAMS

EUROPEAN  
SECONDARIES  
PIPELINE  
**120 FUNDS\*\***  
50 SHORTLISTED  
AS MAIN TARGET

\* All data as at 30.06.2019. All figures relate to EIF's VC ICT, VC Life Sciences and Growth Capital activity and is not a reflection of the EIF's other equity investments in the areas of Social Impact, Technology Transfer and Business Angels with the exception of number of investment professionals.

\*\* Number of primary deals reach the end of their investment period 2017-2021.



In 2018, the EIF put to work EUR 10.1bn of additional EU finance for SMEs, signing more than 340 transactions with its diverse banking, fund and micro finance partners across Europe.

- EUR 6.5bn loan guarantees of which EUR 2.4bn securitisation volume
- EUR 3.5bn equity commitments
- EUR 94.9m inclusive finance investments

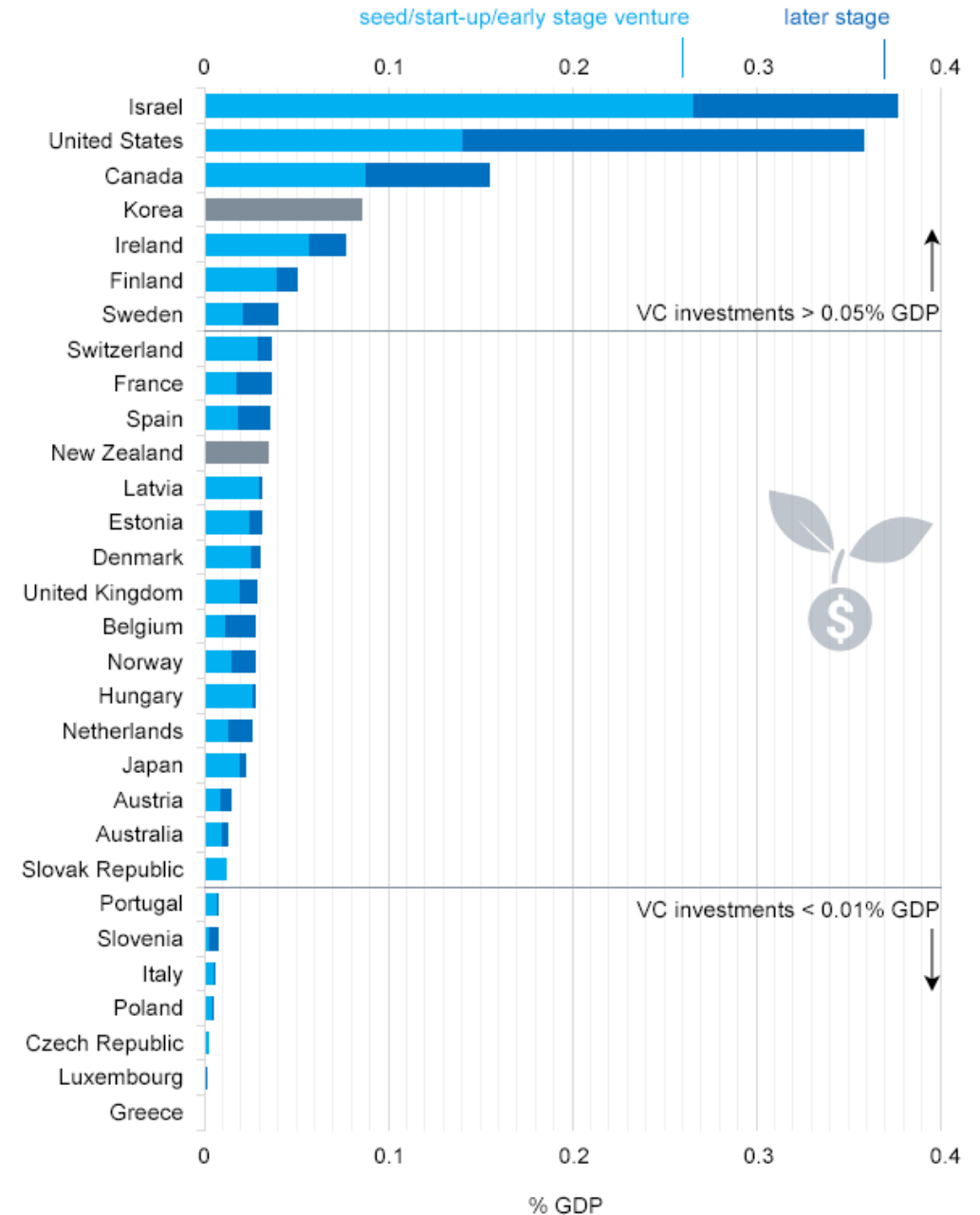
280,000  
SMEs benefitted.

2.8m  
jobs were supported  
in 2018.



## Venture capital investments as a percentage of GDP

**Excluding IRL, FIN, SWE, the rest of Europe is investing in VC less than 0.05% of country's GDP**



# Compelling value creation since 2011

## EIF RETURN PORTFOLIO\* VINTAGES 2006-2014

Net IRR

3y

5y

10y

# of funds

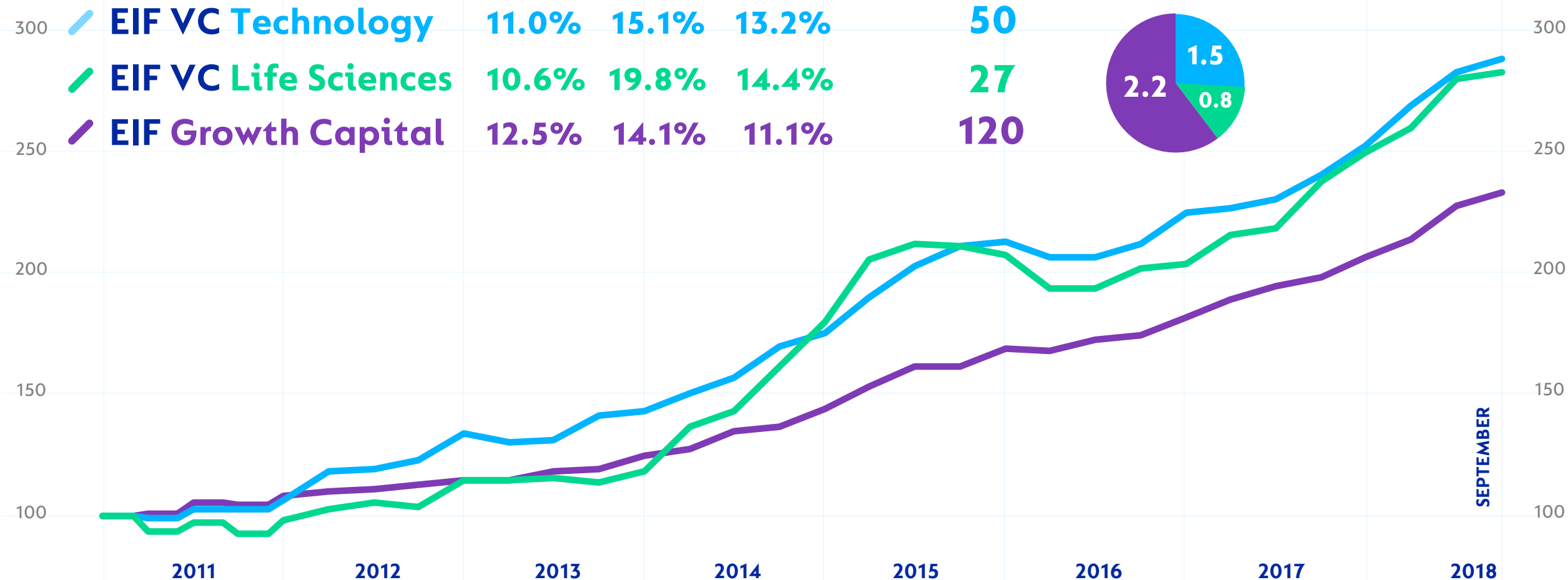
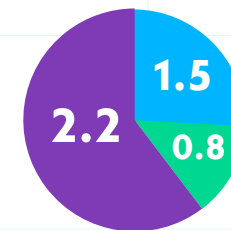
Size (€BN)

EIF VC Technology	11.0%	15.1%	13.2%
EIF VC Life Sciences	10.6%	19.8%	14.4%
EIF Growth Capital	12.5%	14.1%	11.1%

50

27

120



Rebased 100 = December 2010. TR: Total Return. Net IRR: Internal Rate of Return net of fees. As at Q3 2018.  
EIF Return Portfolio is a synthetic portfolio of all funds first graded A and B, vintages 2006-2014.  
Performance since inception available upon request.



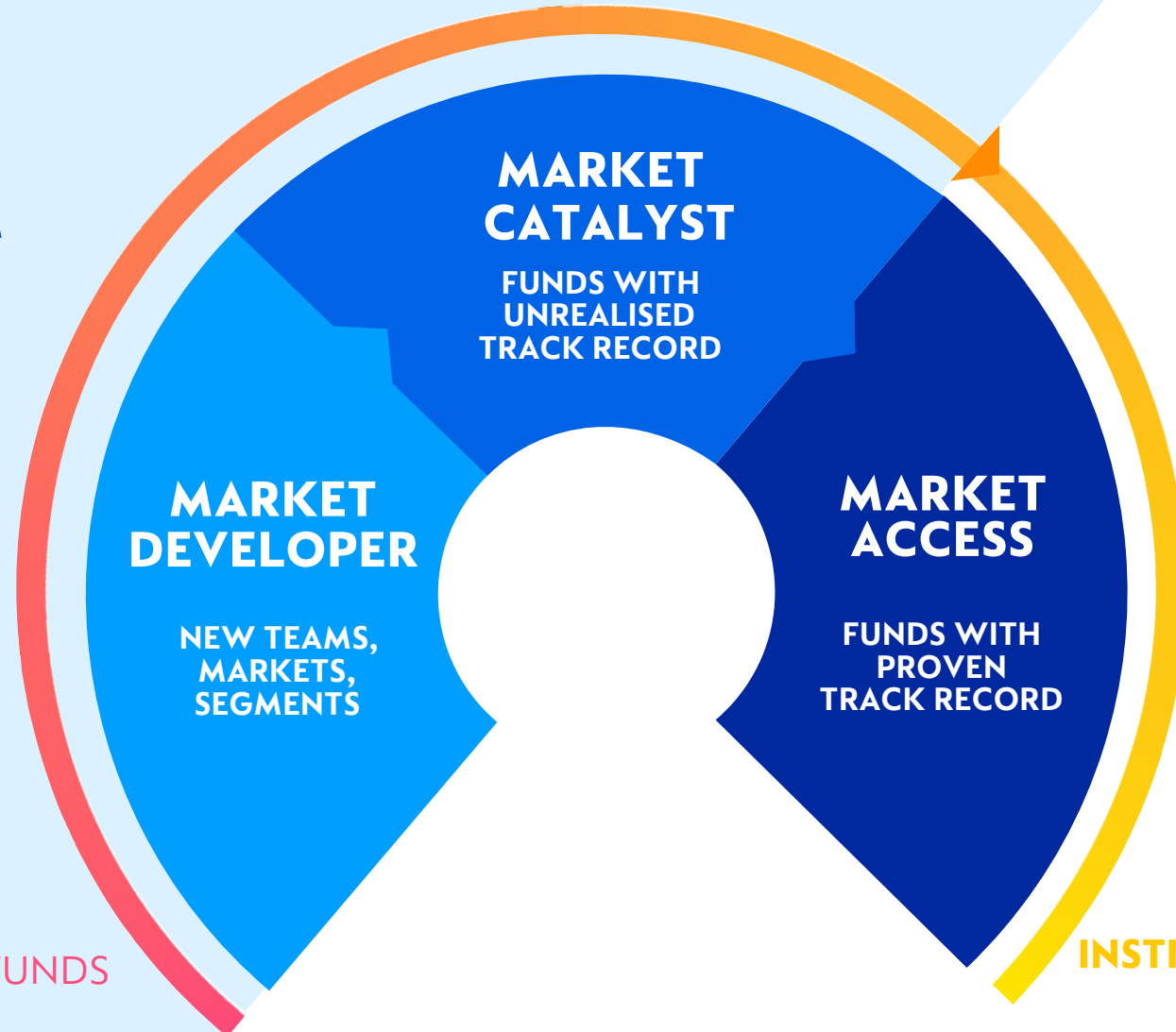
# EIF's unique approach unlocks investment-grade opportunities

**NURTURING THE ECOSYSTEM AND DELIVERING RETURNS**

## BUILDING THE ECOSYSTEM

- Higher risk investments in unproven opportunities
- First mover in emerging markets and sectors
- Structuring input and best practice
- Providing a quality seal

**HIGH RISK FUNDS**

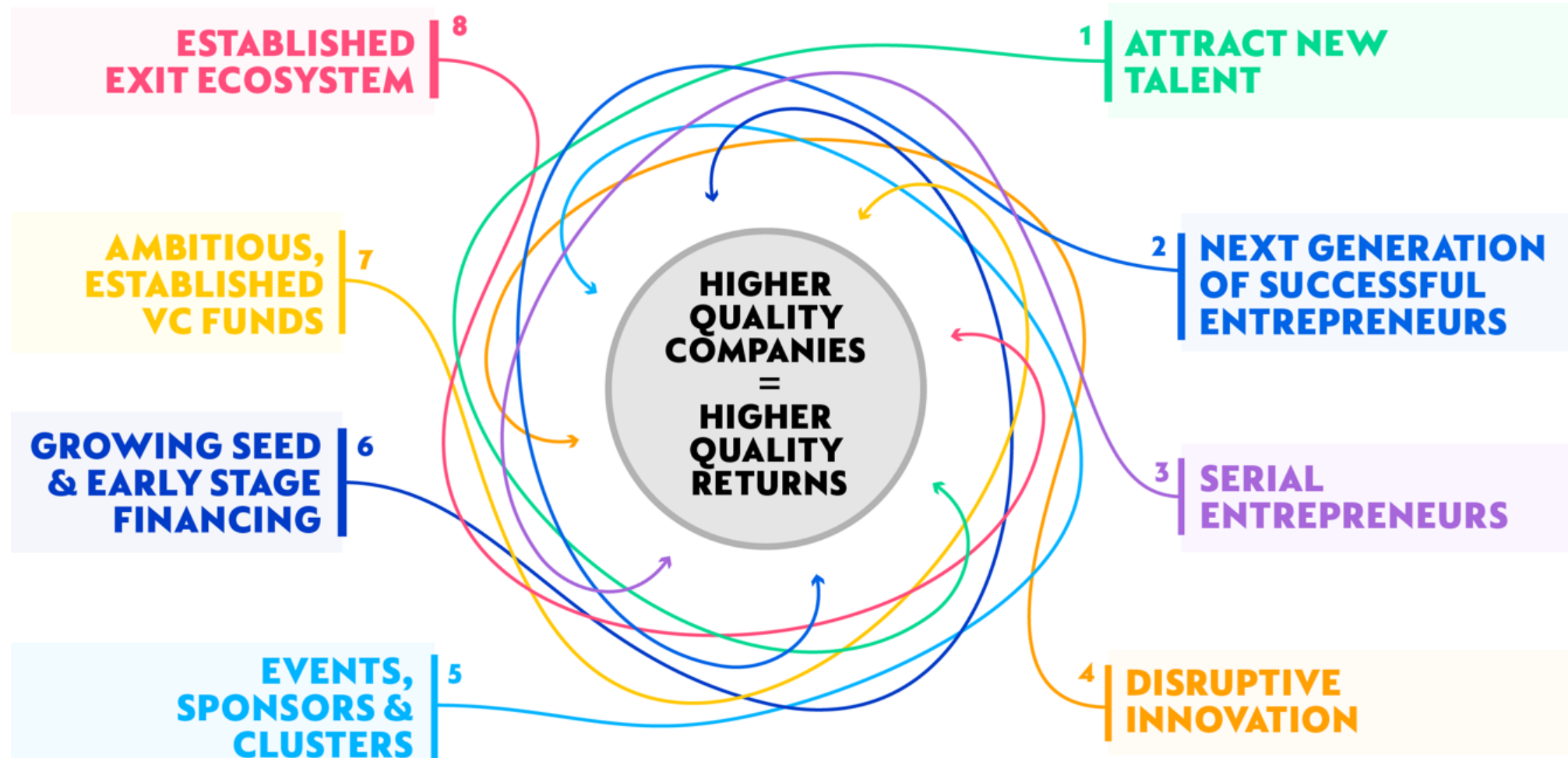


## DELIVERING RETURNS

- Long-standing relationships with managers
- Unrivalled deal visibility
- Enviably access to oversubscribed funds

**INSTITUTIONAL GRADE FUNDS**

# A well functioning VC ecosystem now exists in Europe



# EUROPEAN GROWTH CAPITAL INVESTMENTS



# **EIF's Growth Capital investments**

**DIFFERENT STRATEGIES AIMING AT GROWING PORTFOLIO COMPANIES**

# **GROWTH** **CAPITAL**

## **STRATEGIES**

### **INVESTMENT STRATEGIES**

- Minority equity
- Scale-up expansion capital
- Buy-outs for growth
- Controlling stakes
- Hybrid debt-equity

### **INVESTMENT FOCUS**

- Generalist funds
- Sector-focused funds
- Strategy-focused funds

## **TARGET COMPANIES**

### **ESTABLISHED**

- Proven business model
- Leading market positioning

### **HIGH GROWTH POTENTIAL**

- Growing domestic markets
- Internationalization opportunity
- Add-on acquisitions
- Global niche leader potential

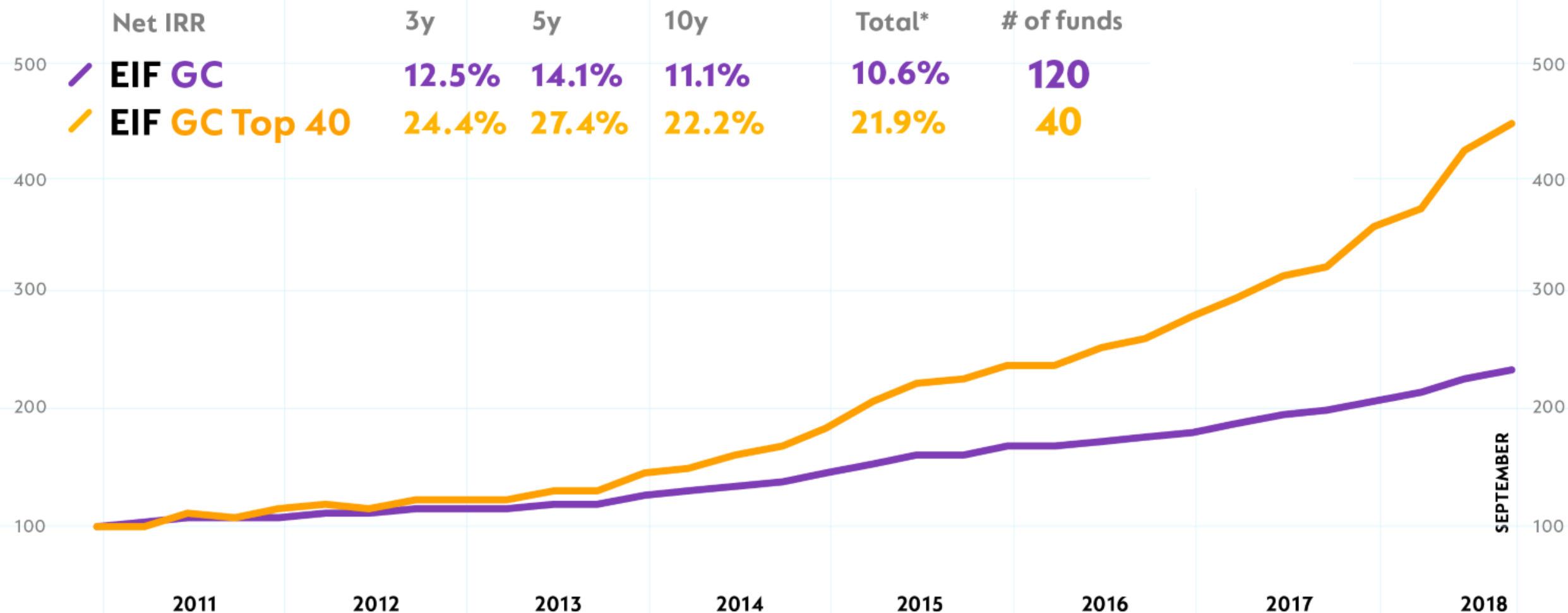
### **SMALL & MID-CAPS**

- EVs: EUR 10-500M



# Growth Capital Value Creation

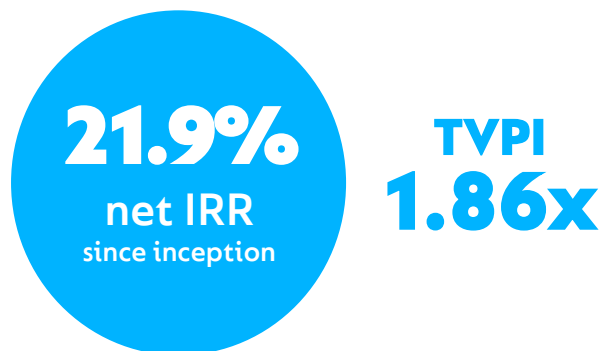
EIF RETURN PORTFOLIO\* VINTAGES 2006-2014



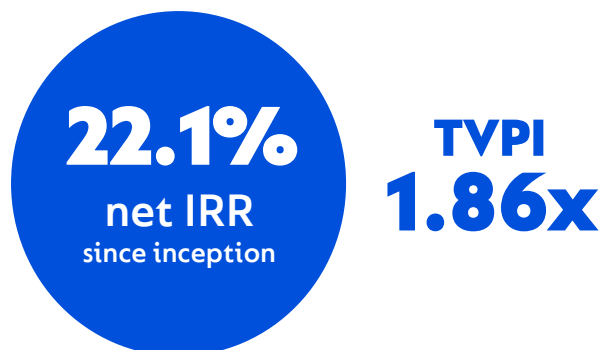
# EIF's Growth Capital portfolio – Top 40 funds

A SELECTION OF TOP-MANAGERS COVERING THE ENTIRE EUROPEAN UNIVERSE

Including UK-focused funds:



Excluding UK-focused funds (#10):



## PAN-EUROPEAN / UK / IRELAND

36 Funds / 24 Managers

## DACH

7 Funds / 6 Managers

## BENELUX

7 Funds / 6 Managers

## FRANCE

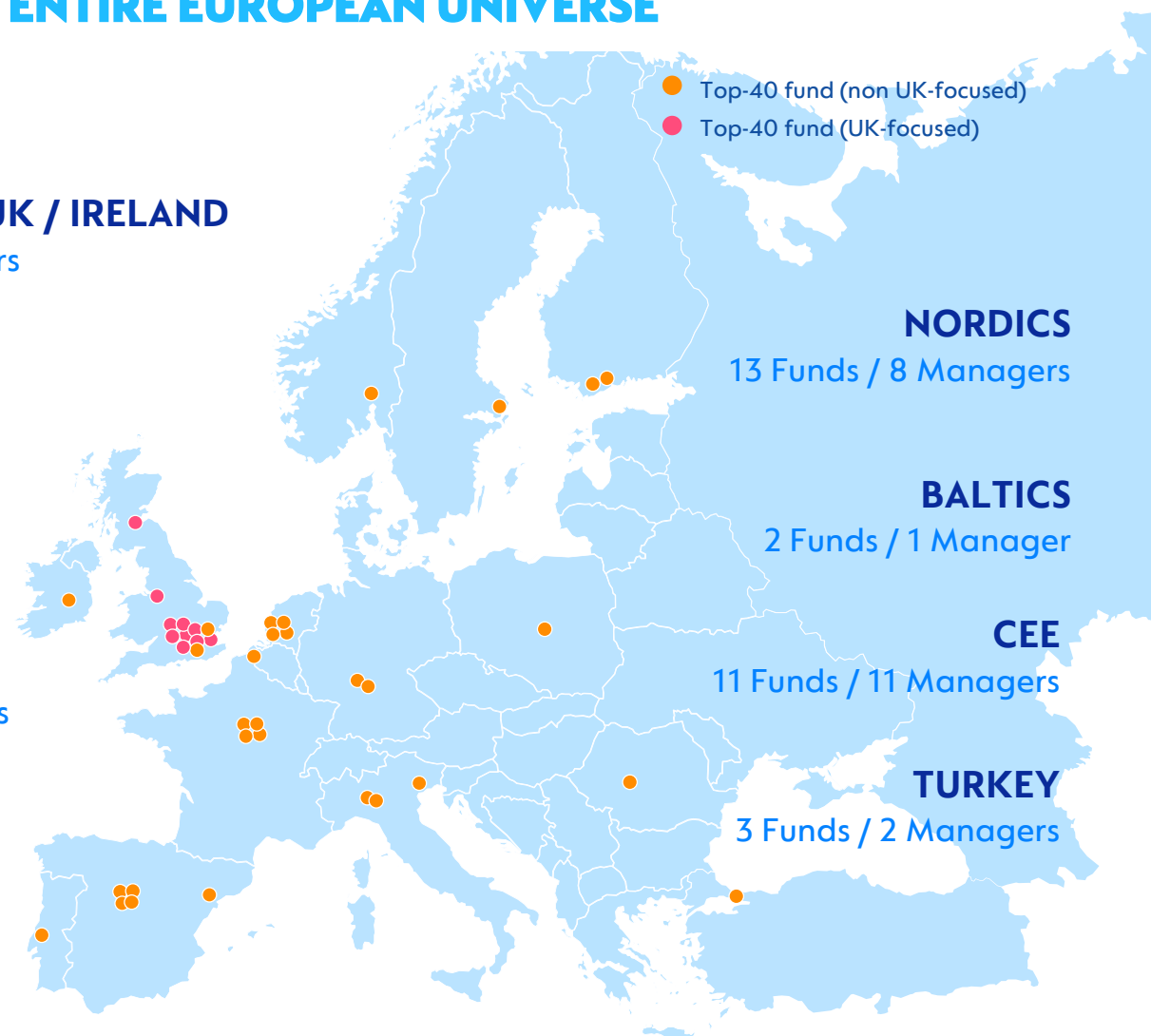
19 Funds / 17 Managers

## IBERIA

12 Funds / 9 Managers

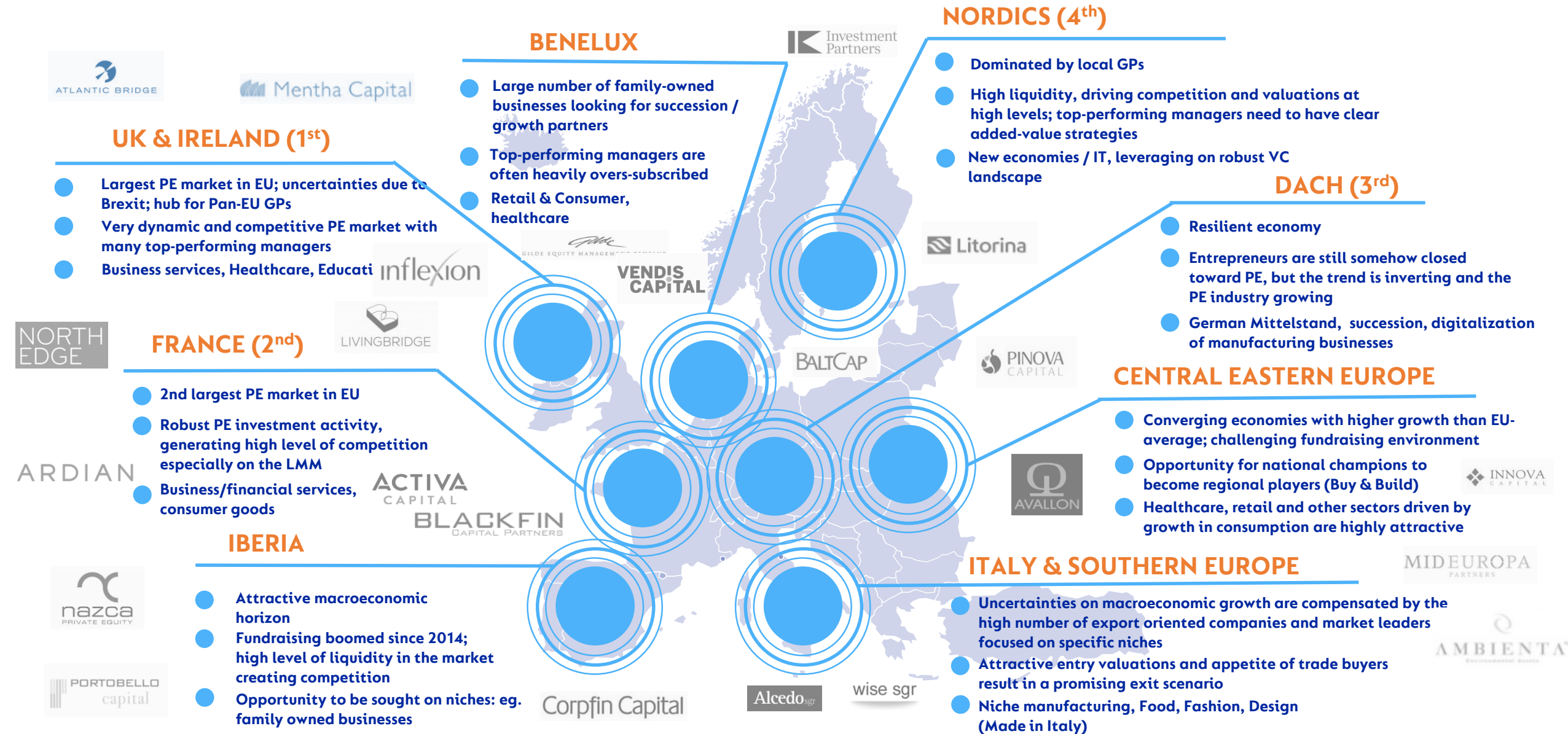
## ITALY

10 Funds / 9 Managers



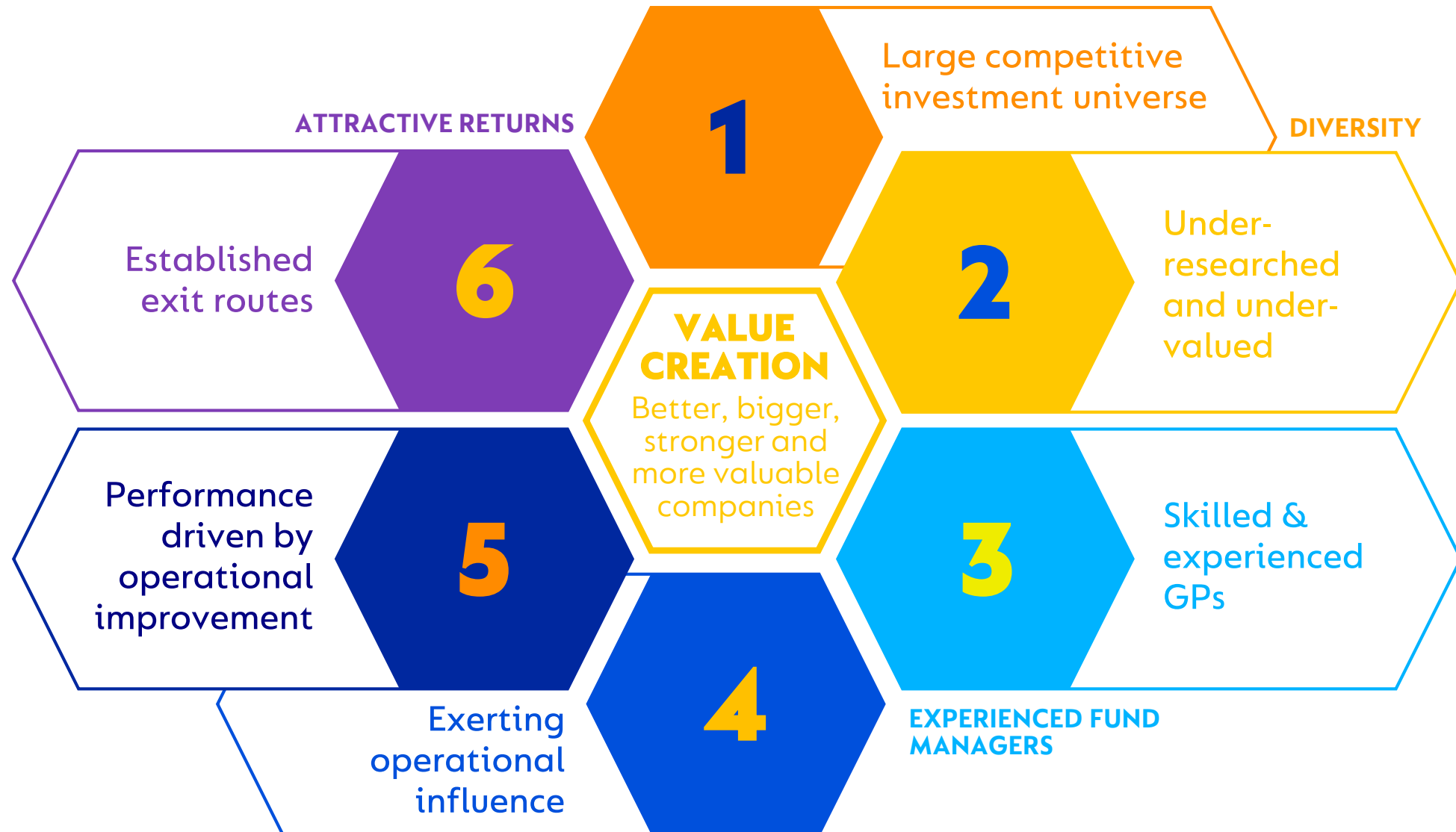
# Landscape of the European Growth Capital

## A HIGHLY FRAGMENTED MARKET WITH NICHE OPPORTUNITIES



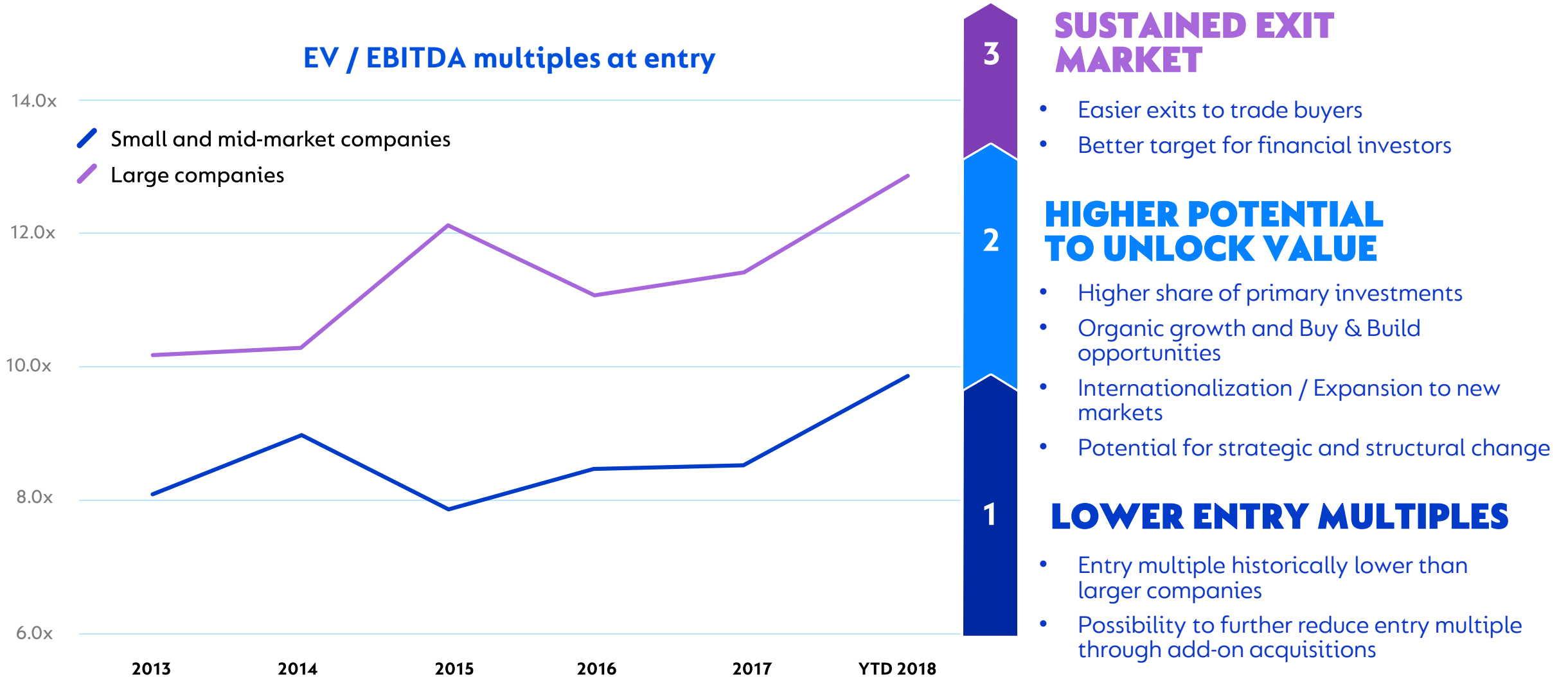
# The European Growth Capital opportunity

## A COMPELLING INVESTMENT THESIS



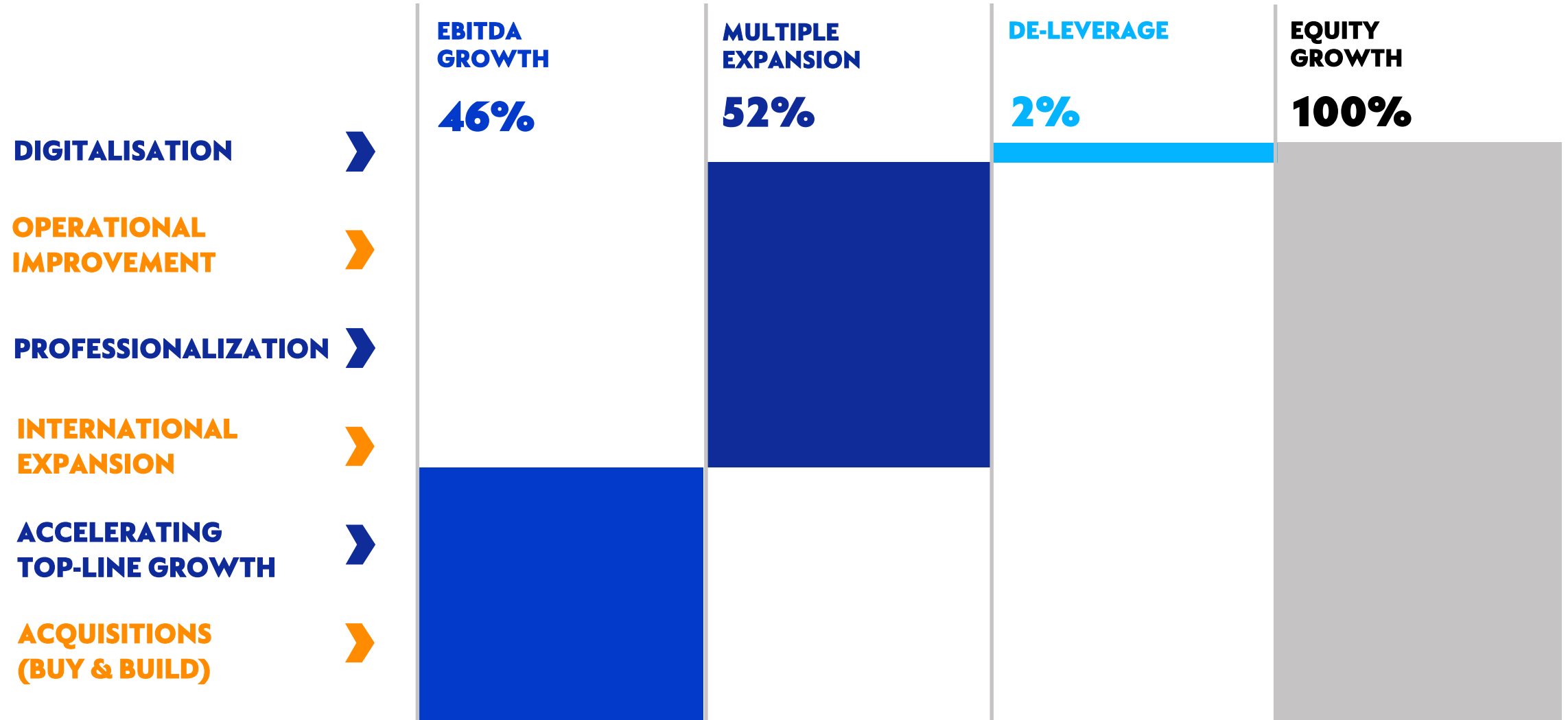
# Focus on Small Caps

## ATTRACTIVE VALUATIONS AND POTENTIAL TO UNLOCK VALUE



# Value creation drivers

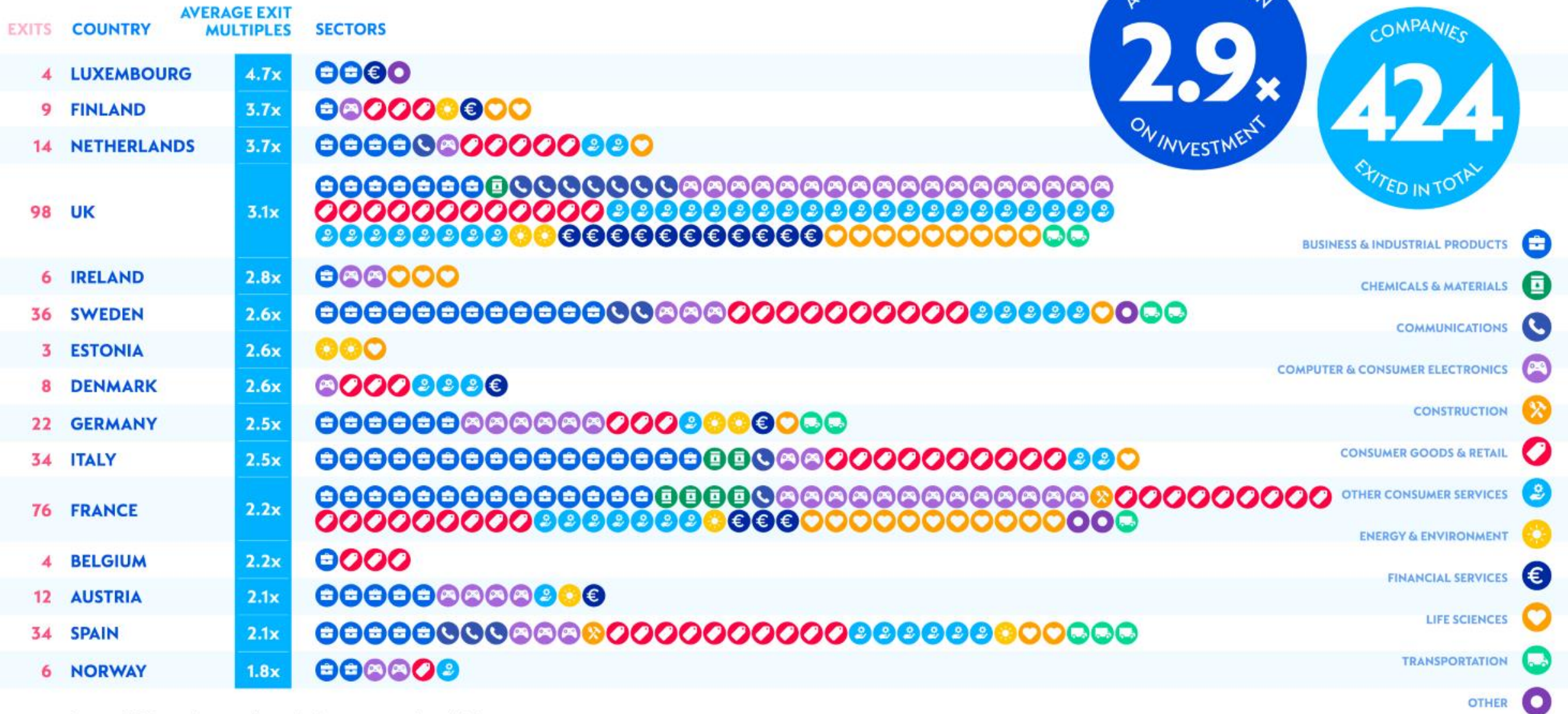
## FOCUS ON GROWING BUSINESSES, NOT FINANCIAL ENGINEERING





# Crystallizing value creation: A favorable exit landscape

## ATTRACTIVE EXITS ACROSS SECTORS AND MARKETS



# EIF Unique European outreach

## SCALE AND STRUCTURE TO MATCH THE DIFFERENT MARKET OPPORTUNITIES

- **Pan-EU / UK** EUR 116.9bn\*  
~ 75 players tracked (37 in portfolio)  
~1% EIF share
- **France** EUR 41.7bn\*  
~ 75 players tracked (31 in portfolio)  
2-5% EIF share
- **Nordics** EUR 22.9bn\*  
~ 75 players tracked (17 in portfolio)  
2-3% EIF share
- **DACH** EUR 14.8bn\*  
100+ players tracked (11 in portfolio)  
2-3% EIF share



- **Benelux** EUR 16.3bn\*  
~ 50 players tracked (18 in portfolio)  
1-3% EIF share
- **Italy** EUR 6.5bn\*  
~ 60 players tracked (11 in portfolio)  
5-8% EIF share
- **CEE** EUR 2.5bn\*  
~ 50 players tracked (33 in portfolio)  
15-20% EIF share
- **Iberia** EUR 6.7bn\*  
~ 30 players tracked (22 in portfolio)  
7-10% EIF share
- **W.Balkans / Greece** <EUR 1bn\*  
~ 15 players tracked (4 in portfolio)  
30-50% EIF share

Number of players\*\*




























● 75-100 ● 50-60 ● 30 ● 15

\* Fundraising activity in the 3-y period 2015-17. Source: Invest Europe

\*\* Fund managers tracked by EIF

# Proven investment expertise

## IDENTIFYING FUTURE TOP-PERFORMERS AMONGST EMERGING MANAGERS

	2012	UK	EIF early identified an <b>emerging manager</b>	  
	2001	NORDICS	EIF early identified an <b>emerging manager</b>	   
	2008	DACH	EIF helped the team to <b>spin-out from 3i</b>	  
	2007	ITALY	EIF supported emerging managers becoming <b>fully independent</b>	  
	2010	ITALY		
	2010	SPAIN	EIF early identified an emerging manager becoming <b>fully independent</b>	  
	2007	CEE	EIF early identified an emerging manager in an <b>underdeveloped PE market</b>	   

# Unparalleled market access

OVER 570 GROWTH CAPITAL PROPOSALS SCREENED IN THE PERIOD 2016-2018

LEADING MARKET POSITIONING IN  
THE EUROPEAN  
LOWER MID-MARKET

*16 years investment experience and market  
developmental role*



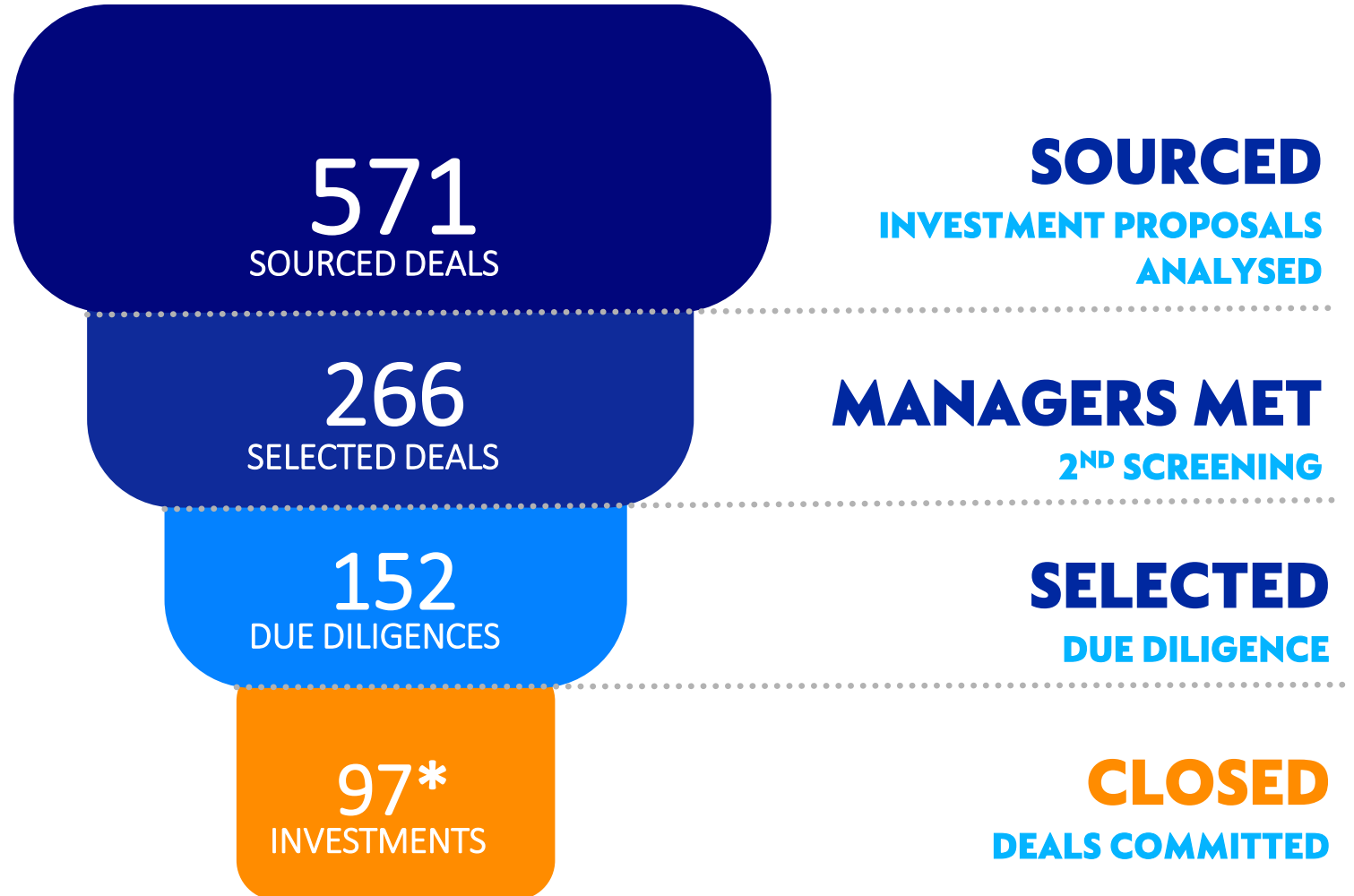
CONTINUOUS MARKET  
MONITORING

*Proactive origination / Market intelligence*



PROVEN DUE DILIGENCE &  
NEGOTIATION PROCESS

*Recognized as best-in-class  
Reference for other co-investing LPs  
Thorough risk assessment*

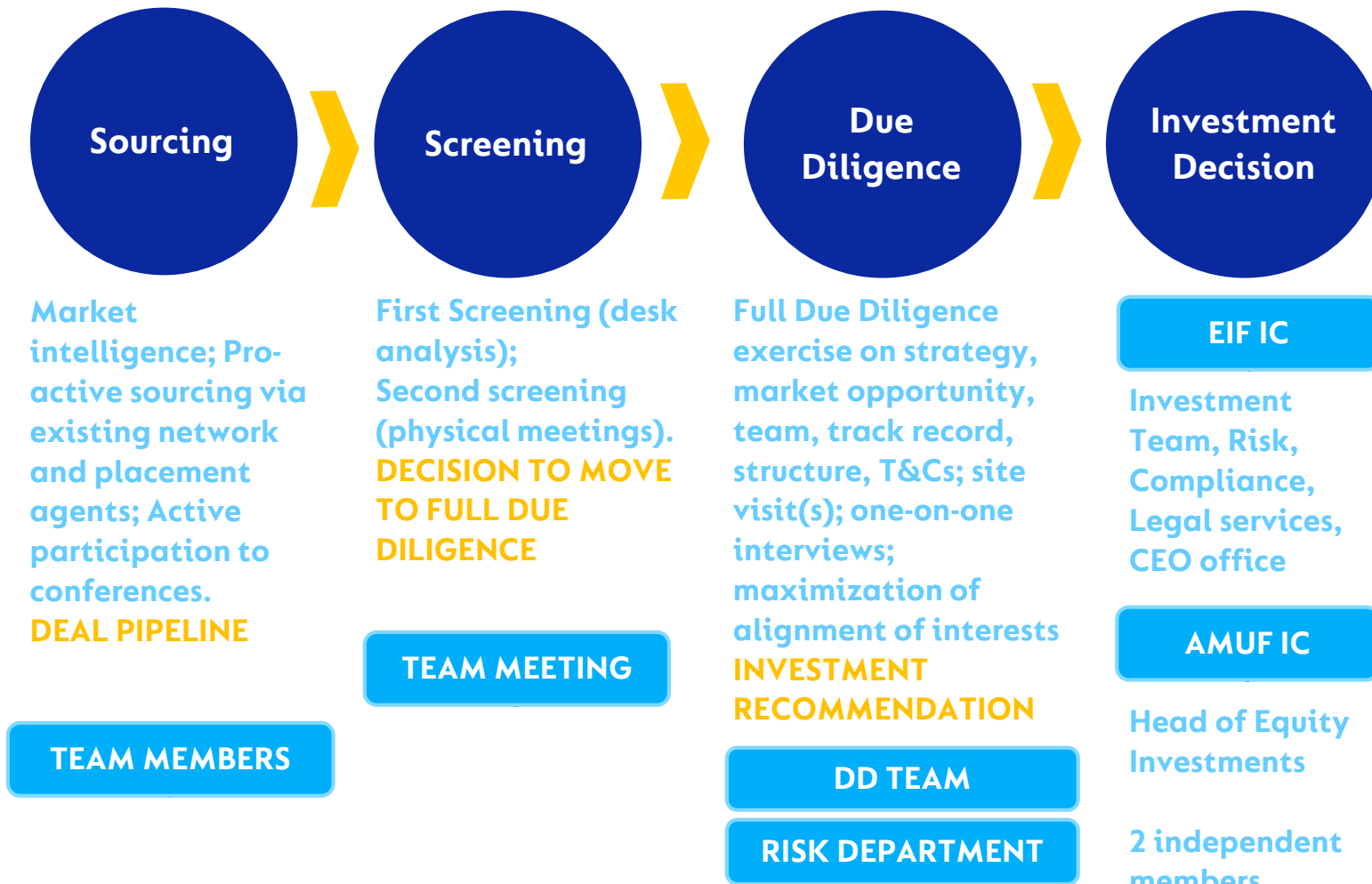


\* Primary fund investments signed as of 31.12.2018, out of deals sourced in the period 2016-2018 (excluding co-investments).  
At the same date, 29 funds were still at various stages of the assessment process (i.e. screening or due diligence).

# Proven investment process

## INVOLVING EIF RISK, COMPLIANCE, LEGAL DEPARTMENTS

### Investment Selection

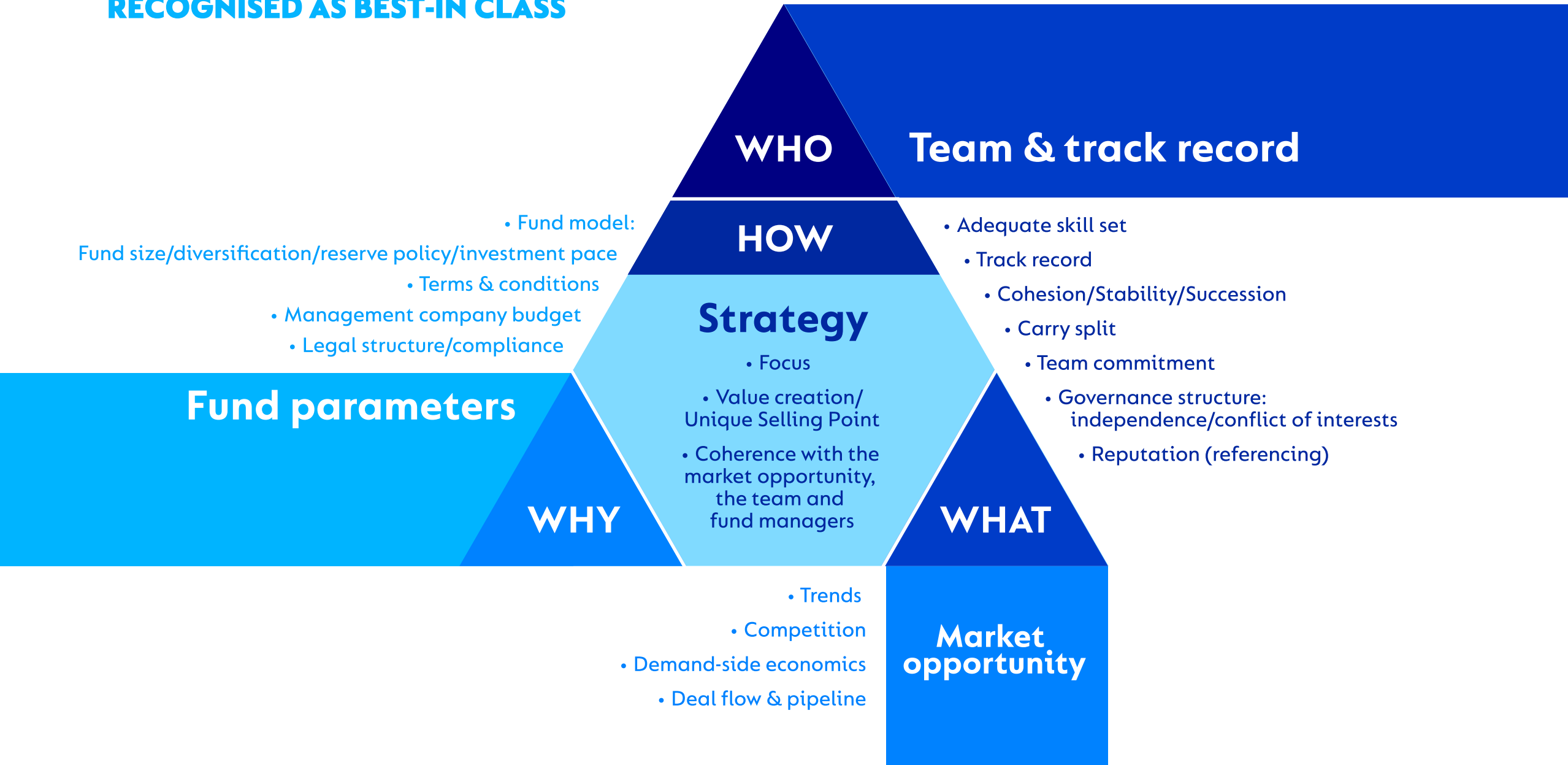


### Investment Management



# Thorough Due Diligence analysis

RECOGNISED AS BEST-IN CLASS





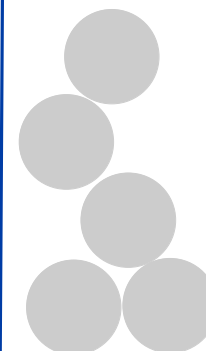
# Case Study: Selection of PE investments since 2018

## PUTTING INVESTORS' MONEY TO WORK

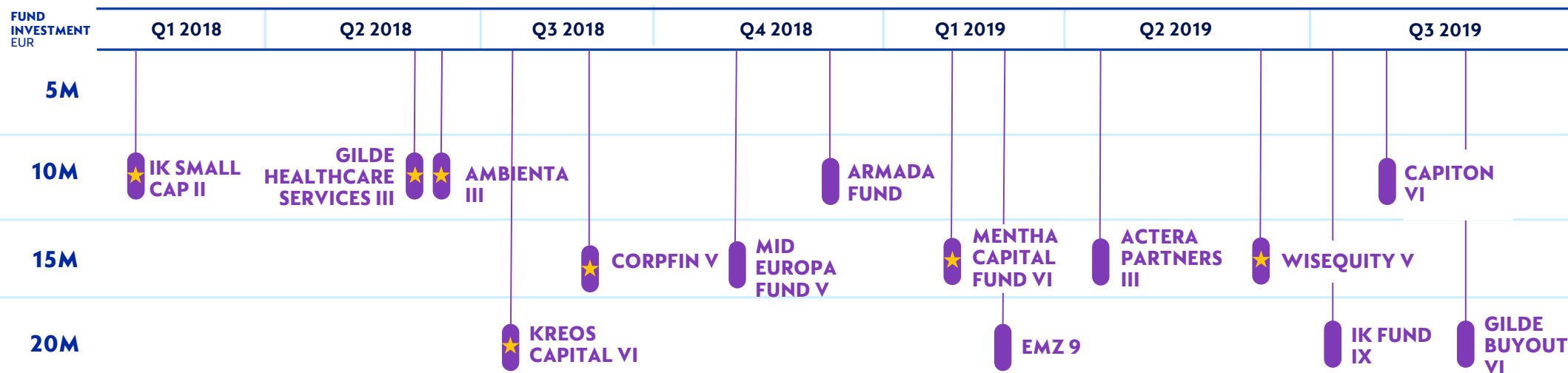
27

UNDERLYING  
INVESTMENTS

STRONG  
PIPELINE



FUND  
INVESTMENT  
EUR

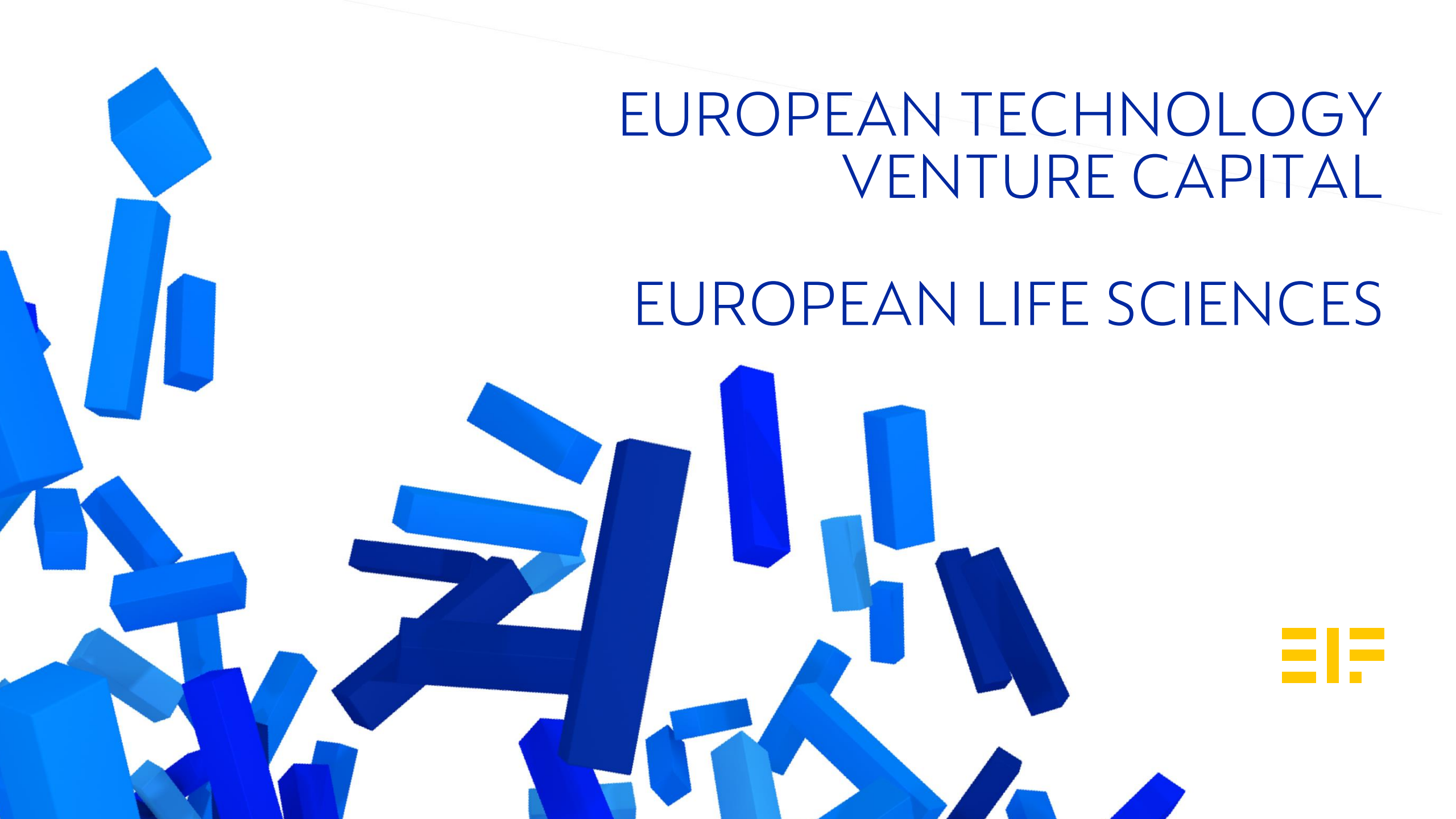


★ OVERSUBSCRIBED  
FUNDS

14 FUND  
INVESTMENTS

207M TOTAL  
COMMITTED

5  
NEW FUNDS

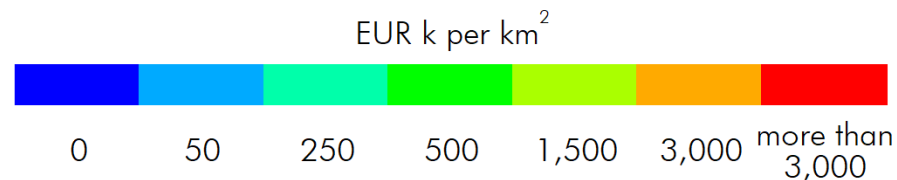
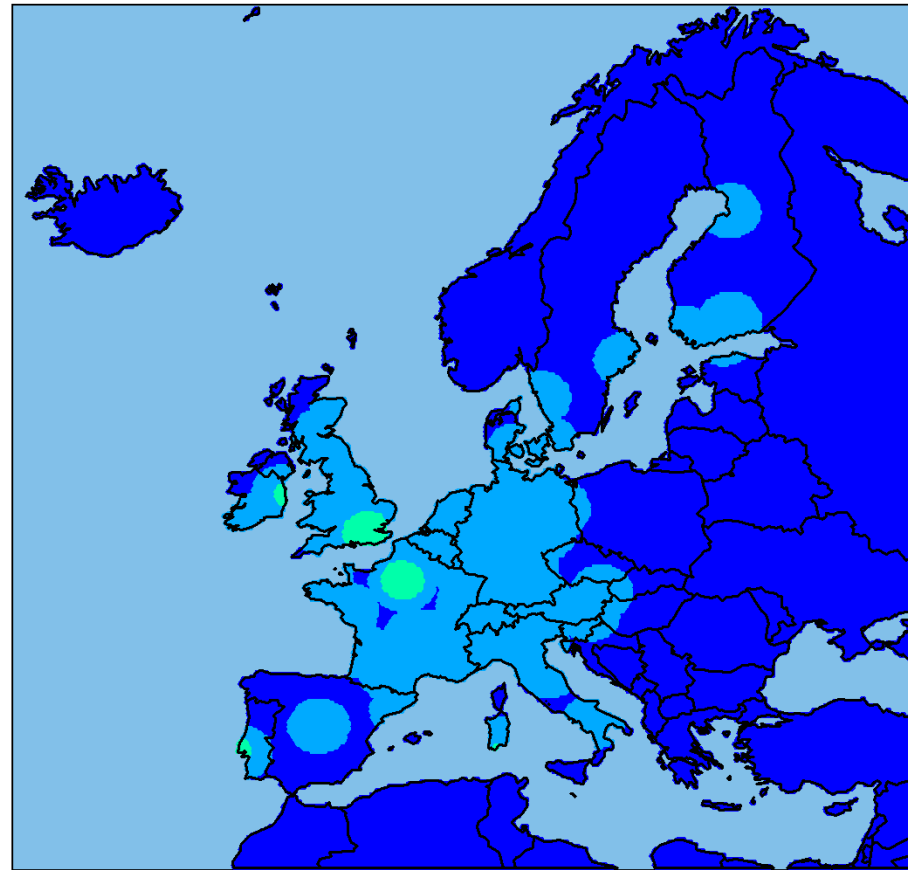
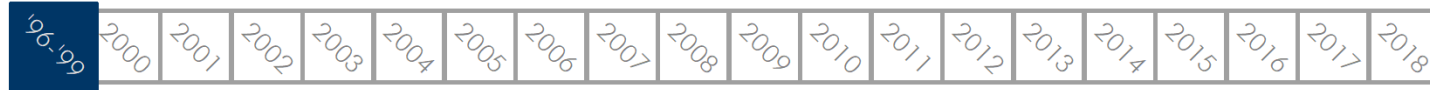


EUROPEAN TECHNOLOGY  
VENTURE CAPITAL

EUROPEAN LIFE SCIENCES

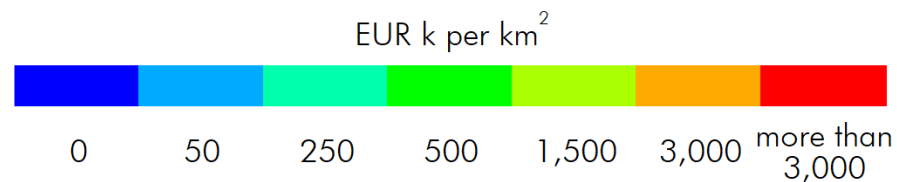
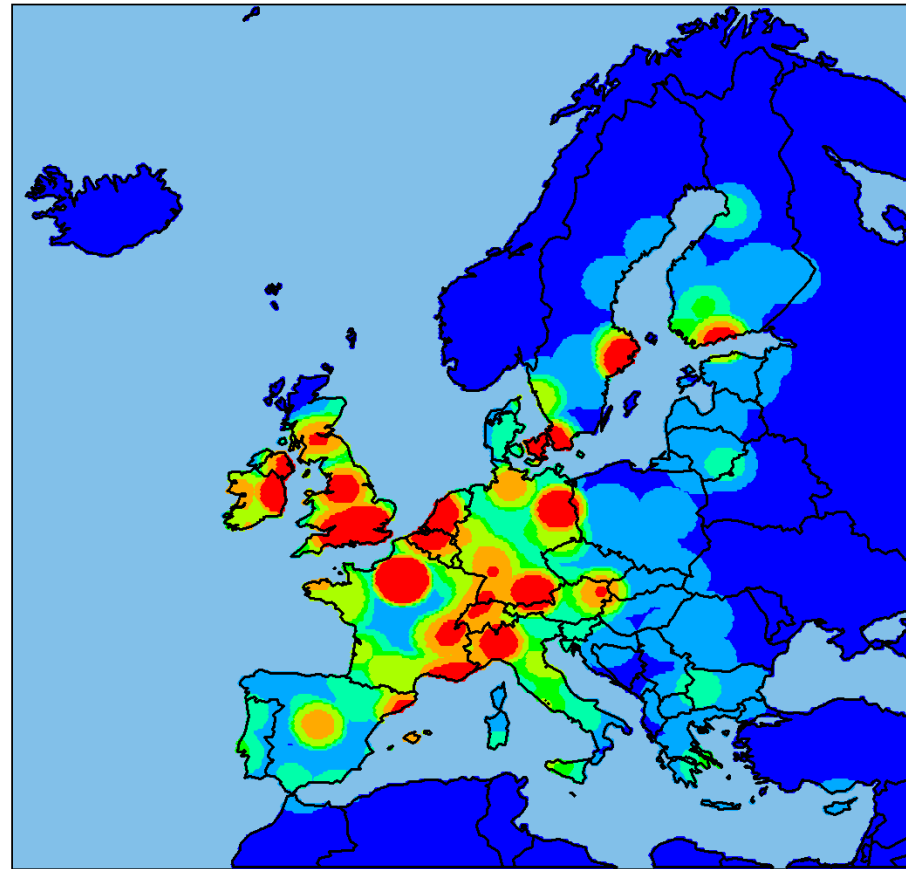


# EIF Contributing to the EU VC ecosystem



Based on EIF Working Paper 2016/34 –  
“The impact of EIF on the Venture Capital ecosystem”,  
updated with 2018 data

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Based on EIF Working Paper 2016/34 –  
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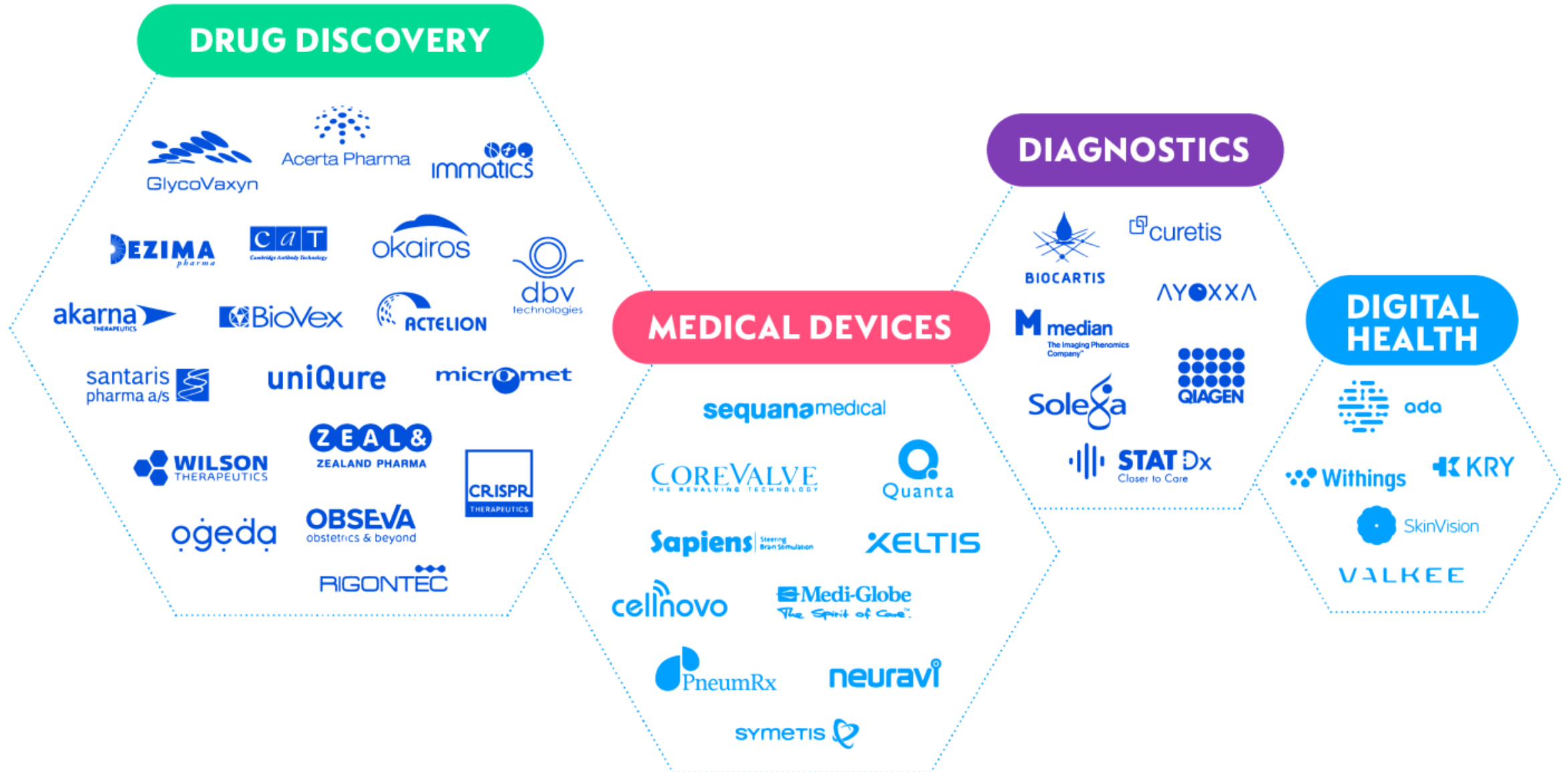
# EIF Growing number of European tech winners

## EIF-BACKED COMPANIES ACROSS MULTIPLE SECTORS



Example companies over multiple years. Unicorns are privately held businesses in Europe valued at over \$1bn. Valuation as at March 2019. Source: EIF.

# High quality European research is developing groundbreaking innovation



# European Unicorns



# European \$100m+ exits in 2018

## M&A



## IPO



# European \$100m+ exits continuing in 2019

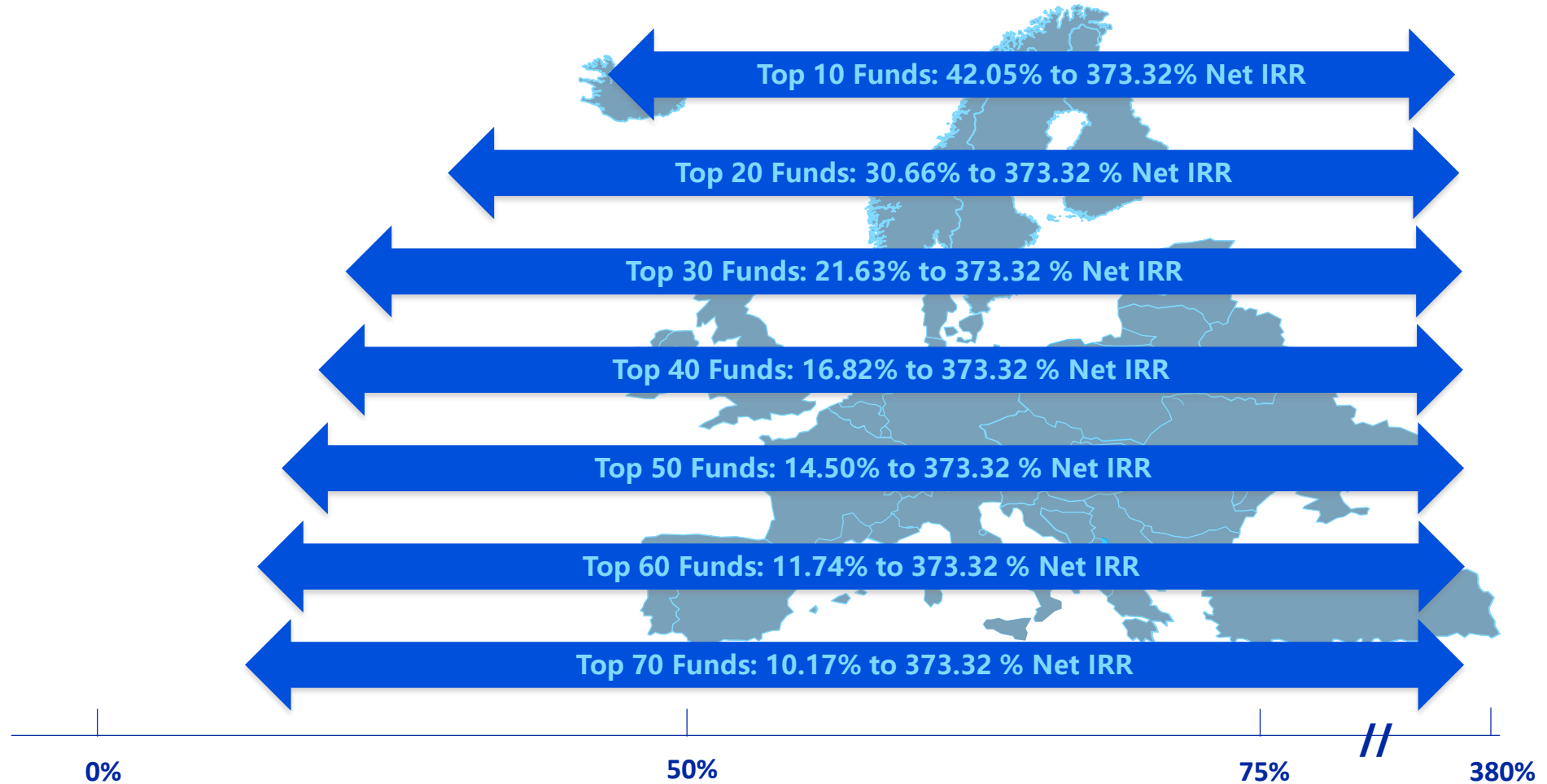
## M&A



## IPO



















# Double digit returns: more than just outliers



# Europe beating US in largest IPOs in 2018

## Largest European and US VC backed companies by value at IPO in 2018

 Spotify®		\$ 25.0bn
 adyen		\$ 8.3bn
 Dropbox		\$ 8.2bn
 FARFETCH		\$ 6.2bn
 DocuSign®		\$ 4.4bn
 avast		\$ 3.2bn
 elastic		\$ 2.5bn
 Funding Circle		\$ 2.4bn



# THE EIF PROPOSITION

ACCESS INNOVATION, TOP PERFORMING MANAGERS & RETURNS

Access to latest  
disruptive  
technologies

AI / MOBILITY / SaaS  
CYBER SECURITY / FINTECH

TOP 20\* VC ICT FUNDS:  
NET IRR RANGE

Delivering  
higher returns

AVG  
NET IRR  
22.4%

Via a portfolio of  
leading, proven,  
added-value  
investors

 Spotify®  
\$25BN\*\*

FARFETCH  
\$6.2BN\*\*

  
Delivery Hero  
\$6.1BN\*\*

13.3%

38.1%

\* Top 20 Funds from EIF Return Portfolio, a synthetic portfolio of all funds first graded A and B, vintages 2006-2014, data as at Q3 2018.

\*\* Current market capitalisation.

The European Investment Fund (EIF) was established in 1994 and has become a leading provider of risk financing for SMEs and mid cap companies across Europe.

It carries out its activities using either its own resources or those provided by the European Investment Bank, the European Commission, by EU Member States or other third parties.

It enhances SME access to finance by developing and offering targeted financial products to intermediaries, such as banks, guarantee and leasing companies, micro-credit providers and private equity funds. In doing so it supports the implementation of European Union policies, notably in the field of entrepreneurship, technology, innovation and regional development.

For further information please visit [www.eif.org](http://www.eif.org)

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