

Recomm. ord: **BUY**

Target €: **3,15**

Upside:

12%

Share Type	Ticker	Price €	Shares (mn)	Mkt Cap (€ mn)	Main Shareholder	Free float
Ordinary:	TIP IM Equity	2,81	129,2	363	d'Amico (11%), mgmt (8%)	100,0%

Performances	1m	3m	6m	12m	Ytd	1m	3m	6m	12m	Ytd	
Absolute	7,1%	19,4%	17,5%	29,2%	7,0%	Relative	-0,5%	10,1%	19,0%	21,7%	-2,2%



Volatility and volumes	52 wk min €	52 wk max €	Avg vol (000)
	2,10	2,85	192,9

MAIN FIGURES € mn	2009	2010	2011	2012	2013	2014E
Rev from Sales&Serv.	3,2	5,8	5,5	4,7	4,3	6,5
Growth	-48%	79%	-5%	-14%	-10%	52%
EBITDA	-0,7	0,4	0,7	-0,9	-7,6	-3,0
Growth	n.m.	n.m.	56%	n.m.	n.m.	n.m.
Margin	-18,4%	6,9%	11,6%	-19,2%	-171,7%	-44,5%
Adjusted EBITDA	-0,7	0,4	0,7	-0,9	-7,6	-3,0
Growth	n.m.	n.m.	56%	n.m.	n.m.	n.m.
Margin	-18,4%	6,9%	11,6%	-19,2%	-171,7%	-44,5%
EBIT	-0,7	0,4	0,6	-1,0	-7,6	-3,0
Growth	n.m.	n.m.	59%	n.m.	n.m.	n.m.
Margin	-21,0%	6,3%	10,8%	-20,8%	-173,2%	-45,5%
Profit before tax	1,5	11,2	3,4	10,1	31,7	24,1
Growth	n.m.	626%	-70%	199%	214%	-24%
Margin	43,2%	182,8%	59,6%	208,5%	718,1%	362,5%
Net income	1,0	10,2	2,6	9,3	31,9	23,9
Growth	n.m.	898%	-74%	251%	245%	-25%
Margin	28,8%	167,3%	46,4%	190,9%	723,6%	360,0%
Adj. net income	1,0	7,9	2,6	9,3	31,9	23,9
Growth	n.m.	669%	-67%	251%	245%	-25%
Margin	28,8%	128,9%	46,4%	190,9%	723,6%	360,0%
Cash flow	1,0	7,9	2,6	9,3	31,9	23,9
Growth	-105%	669%	-67%	251%	245%	-25%
Margin	28,8%	128,9%	46,4%	190,9%	723,6%	360,0%

COMPANY VALUATION

ASSET	€ mn	%	METHOD
Direct listed shareholdings	94	22%	market prices
Indirect listed shareholdings	243	56%	NAV @ mkt prices
unlisted assets held for sale	91	21%	book value
Tamburi & Associati (advisory)	34	8%	15x Adj PE 14E
other core unlisted assets	9	2%	book value
net cash/(debt)	-83	-19%	
financial assets (liabilities)	0	0%	
capitalised holding costs	-8	-2%	
taxes/tax credits	-1	0%	
TOTAL NET ASSET VALUE	379	88%	
Estimated upside (downside) on listed assets	52	14%	
TOTAL ADJ NET ASSET VALUE	431	100%	
FD NAV PER SHARE (€)	2,77		
FD ADJ NAV PER SHARE (€)	3,15		

SHARE DATA	2009	2010	2011	2012	2013	2014E
EPS - € cents	1,0	8,8	2,0	6,9	24,7	17,7
Growth	n.m.	n.m.	-78%	255%	256%	-28%
Adj. EPS - € cents	1,0	6,8	2,0	6,9	24,7	17,7
Growth	n.m.	n.m.	-71%	255%	256%	-28%
DPS ord - € cents	3,0	3,5	3,5	4,1	8,3	6,0
Nav ps Adj - €	1,35	1,75	1,89	1,87	2,30	3,15
Growth	-12%	30%	8%	-1%	23%	37%
BVPS - €	1,39	1,47	1,30	1,59	2,25	2,25
Growth	-1%	6%	-12%	22%	42%	0%

MARKET RATIOS	2009	2010	2011	2012	2013	2014E
PNAV Adj.	0,91 x	0,79 x	0,76 x	0,80 x	1,02 x	0,89 x
PBV	0,89 x	0,94 x	1,10 x	0,94 x	1,05 x	1,25 x
P/E	n.m.	15,8 x	73,6 x	21,5 x	9,5 x	15,9 x
P/E adj	n.m.	20,5 x	73,6 x	21,5 x	9,5 x	15,9 x
P/CF	n.m.	23,6 x	73,5 x	21,5 x	9,5 x	15,9 x

VARIOUS - € mn	2009	2010	2011	2012	2013	2014E
Capital employed	112	156	178	209	399	442
FCF	-	-	-	-	-	-
Capex	-	-	-	-	-	-
Working capital	-	-	-	-	-	-

EV FIGURES	2009	2010	2011	2012	2013	2014E
EV/Sales rep	-	-	-	-	-	-
EV/EBITDA rep	-	-	-	-	-	-
EV/EBIT	-	-	-	-	-	-
EV/CE	-	-	-	-	-	-

INDEBTNESS	2009	2010	2011	2012	2013	2014E
NFP	38	42	-3	2	-39	-68
D/E	n.m.	n.m.	0,02	n.m.	0,13	0,22

REMUNERATION	2009	2010	2011	2012	2013	2014E
Div. Yield ord	2,4%	2,5%	2,4%	2,8%	3,5%	2,1%
ROE	0,7%	5,9%	1,4%	4,8%	12,7%	8,1%

TIP: VALUATION

Asset	Stake	# shares mn	Price (€ PS)	Value (€ mn)	% of NAV	since	Valuation method
Amplifon	4,3%	9.538.036	5,3	51	12%	2010	market prices
Be (through Data Holding)	46,7%	5.240.550	0,5	11	3%	2007	NAV @ BET mkt price (incl. shareholder loan)
FCA	0,2%	1.920.000	11,9	23	5%	2014	market prices
Interpump (through IPG Holding)	25,1%	67.348	12,6	83	19%	2003	NAV @ IP mkt prices (incl. shareholder loan)
Moncler (through Clubsette)	52,5%	52.500	13,3	89	21%	2013	NAV @ MONC mkt prices (based on 12% stake in RRP)
Prysmian (through ClubTre)	35,0%	42.000	16,3	59	14%	2010	NAV @ PRY mkt prices
MAIN LISTED SHAREHOLDINGS				317	73%		
Dafe4000 (Intercos)	17,9%	956.205		26	6%	2011	mkt multiples (9x T12M EBITDA)
Furn-Invest (Roche Bobois)	38,3%	37.857.626		31	7%	2013	mkt multiples (8x T12M EBITDA)
Eataly (through ClubItaly)	27,5%	n.a.		33	8%	2014	book value
MAIN UNLISTED SHAREHOLDINGS HELD FOR SALE				90	21%		
Other direct listed shareholdings	n.m.	n.m.	n.m.	20	5%	n.m.	market prices
Other unlisted shareholdings held for sale	n.m.	n.m.	n.m.	1	0%	n.m.	book value
OTHER LISTED/UNLISTED SHAREHOLDINGS				22	5%		
Tamburi & Associati (advisory)	100,0%	n.m.		34	8%	2000	15x Adj PE 14E
Palazzari	30,0%	90.000		0	0%	2006	book value
Gatti & Co	30,0%	10.700		0	0%	2012	book value
TIPO	28,6%	342.856		8	2%	2014	book value
TOTAL OTHER UNLISTED SHAREHOLDINGS (4)				42	10%		
ATTRIBUTABLE NET CASH / (DEBT) (5)*				-83	-19%		
FINANCIAL ASSETS / (LIABILITIES) (6)				0	0%		
CAPITALISED HOLDING COSTS (7)				-8	-2%		
TAXES / TAX CREDITS (7)				-1	0%		
TOTAL NET ASSET VALUE (8) = (1+2+3+4+5+6+7)				379	88%		
Adjusted value of PRY stake (our valuation)				14	3%		
Adjusted value of AMP stake (our valuation)				6	1%		
Adjusted value of IP stake (our valuation)				13	3%		
Adjusted value of BET stake (= 7x ebitda 14)				2	1%		
Adjusted value of Moncler stake (our valuation)				17	4%		
Taxes/Tax credits on Adj fair value				-1	0%		
TOTAL ADJ NET ASSET VALUE				431	100%		
Fully diluted nr. shares outstanding (mn)				137			assuming warrant exercise in June 2015 @ € 2.00
Fully Diluted NAV per ordinary share €				2,77			
Fully Diluted Adj NAV per ordinary share €				3,15			
Current price (€)				2,81			
Current premium (discount) to NAV				2%			
Current premium (discount) to Adj NAV				-11%			

*adjusted for disclosed acquisitions/disposals after September 30, 2014

Source: Equita SIM estimates