

MEDIOBANCA

Banca di Credito Finanziario

Medium-size Italian and Southern Italian businesses

Naples, 9 February 2006

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Medium-size businesses selected in Italy

Medium-size Italian and
Southern Italian businesses

/// **In all:** 3,893 medium-size businesses in 2002 in Italy, 279 of which in Southern Italy and 80 in Campania (32 in Naples)

/// **Data classified by:**

/// principal place of operation (macro-areas and regions)

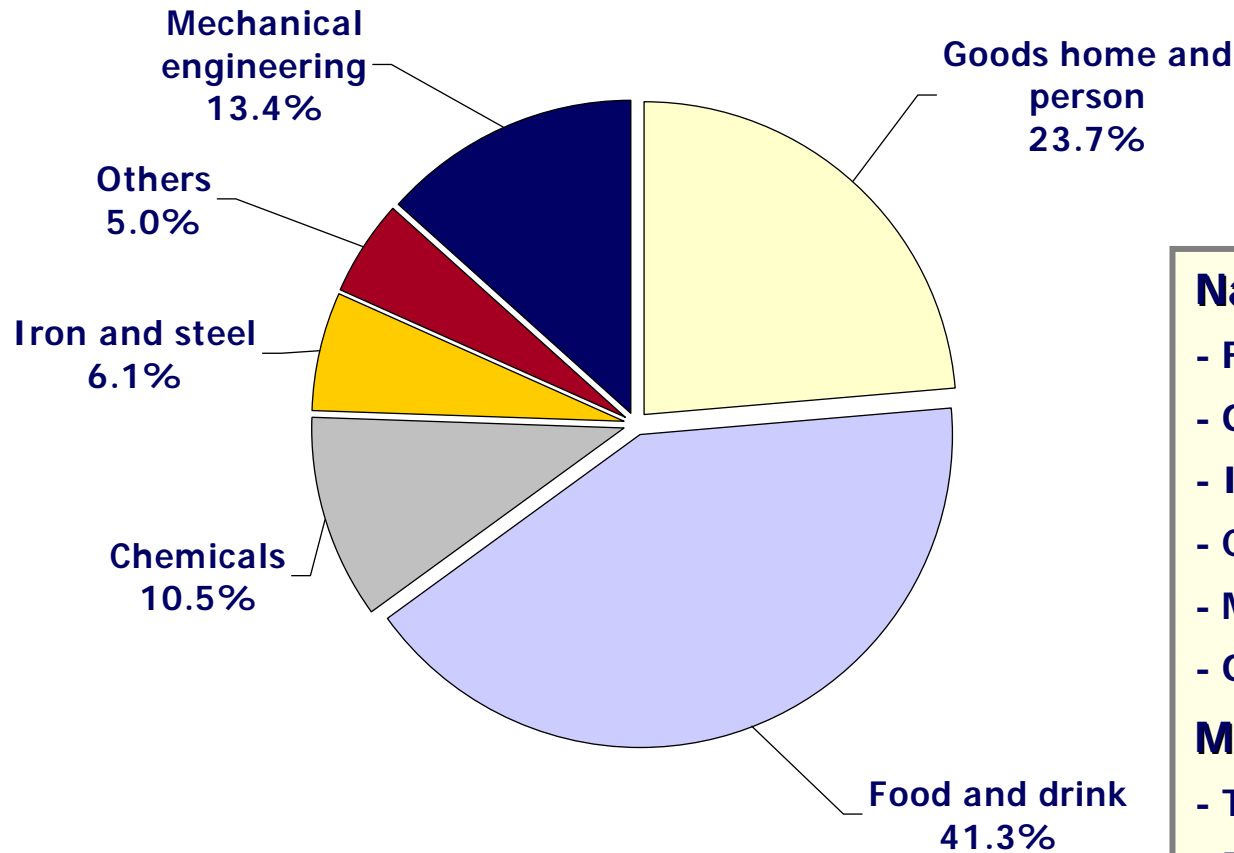
/// main activity (Ateco02's codes by 4 digit)

/// location in an industrial district or some other local productive system (LPS)

Medium-size businesses in North-Eastern Italy

% of turnover in 2002

Medium-size Italian and Southern Italian businesses



Made in Italy

- Turnover	69.6%
- Exports	78.2%

Naples

- Food and drink	44.2%
- Goods for home and person	16.7%
- Iron and steel	17.3%
- Chemicals	12.9%
- Mechanical engineering	6.7%
- Others	2.2%

Made in Italy

- Turnover	57.0%
- Exports	59.0%

Medium-size businesses in Italy

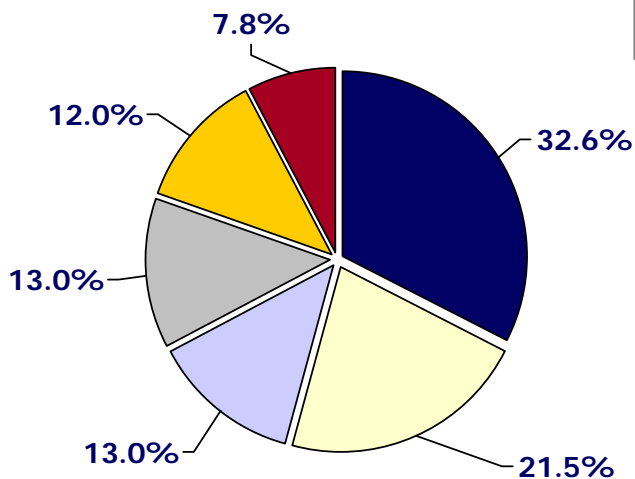
% of turnover in 2002

Medium-size Italian and Southern Italian businesses

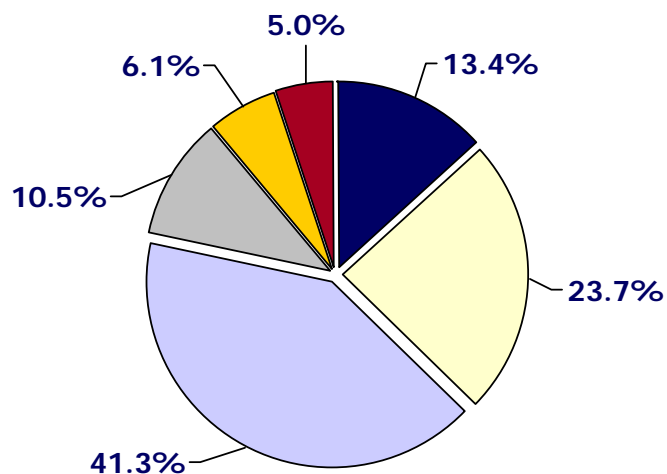
Made in Italy

	<u>Turnover</u>	<u>Exports</u>
North-West	57.5	63.2
NEC (North-East / Central Italy)	69.5	76.7
Southern Italy	69.6	78.2

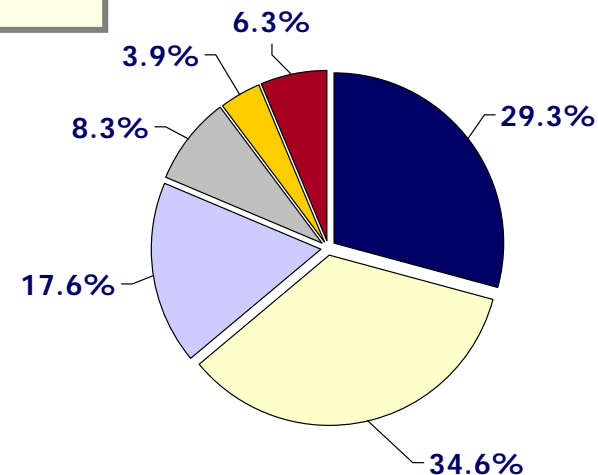
North-West



South Italy



NEC



Growth in value added 1996-2002

% change-manufacturing, closed aggregates, nominal prices

Medium-size Italian and
Southern Italian businesses

Medium-size Italian businesses	32.3
- <i>North-West Italy</i>	<i>28.0</i>
- <i>NEC</i>	<i>36.1</i>
- <i>Southern Italy</i>	<i>40.1</i>
Large firms	9.8
- <i>Italian-owned</i>	<i>4.2</i>
- <i>non-Italian-owned</i>	<i>17.7</i>
Italy	
- <i>Value added by manufacturing industry*</i>	<i>11.7</i>

* *Factor cost*

Growth in value added 1996-2002

% change - manufacturing, closed aggregates, nominal prices

Medium-size Italian and
Southern Italian businesses

	Districts	LPSs	Others
Italy	27.1	31.8	34.3
North-West Italy	27.1	26.5	28.6
NEC	25.7	33.4	40.5
Southern Italy	37.9	n.c.	38.3

Growth in value added 1996-2002

% change-manufacturing, closed aggregates, nominal prices

Medium-size Italian and
Southern Italian businesses

Medium-size businesses in Southern Italy	40.1
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Abruzzo	51.4
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Campania	34.3
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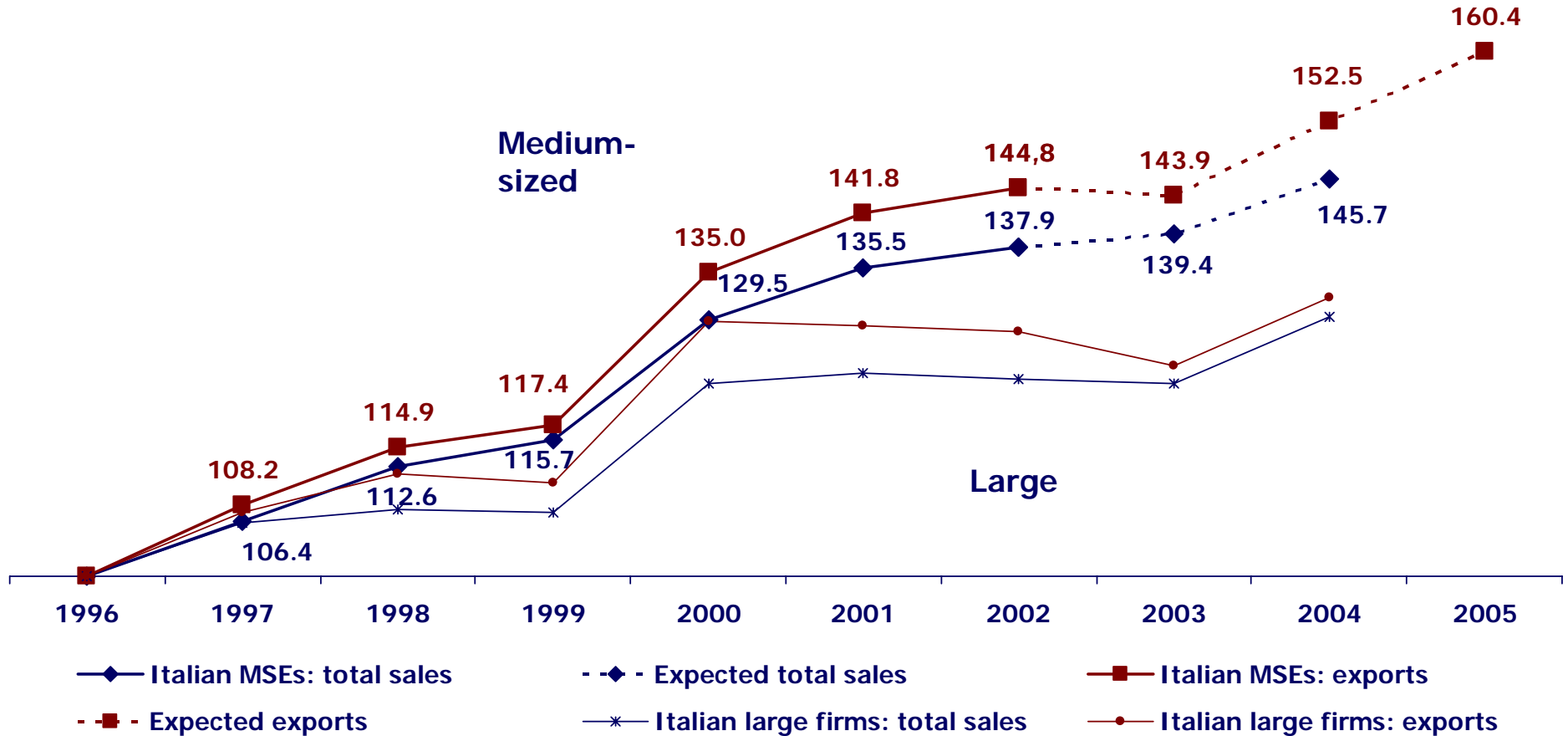
Apulia	32.5
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Other regions in Southern Italy/islands	38.6
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Naples	29.3
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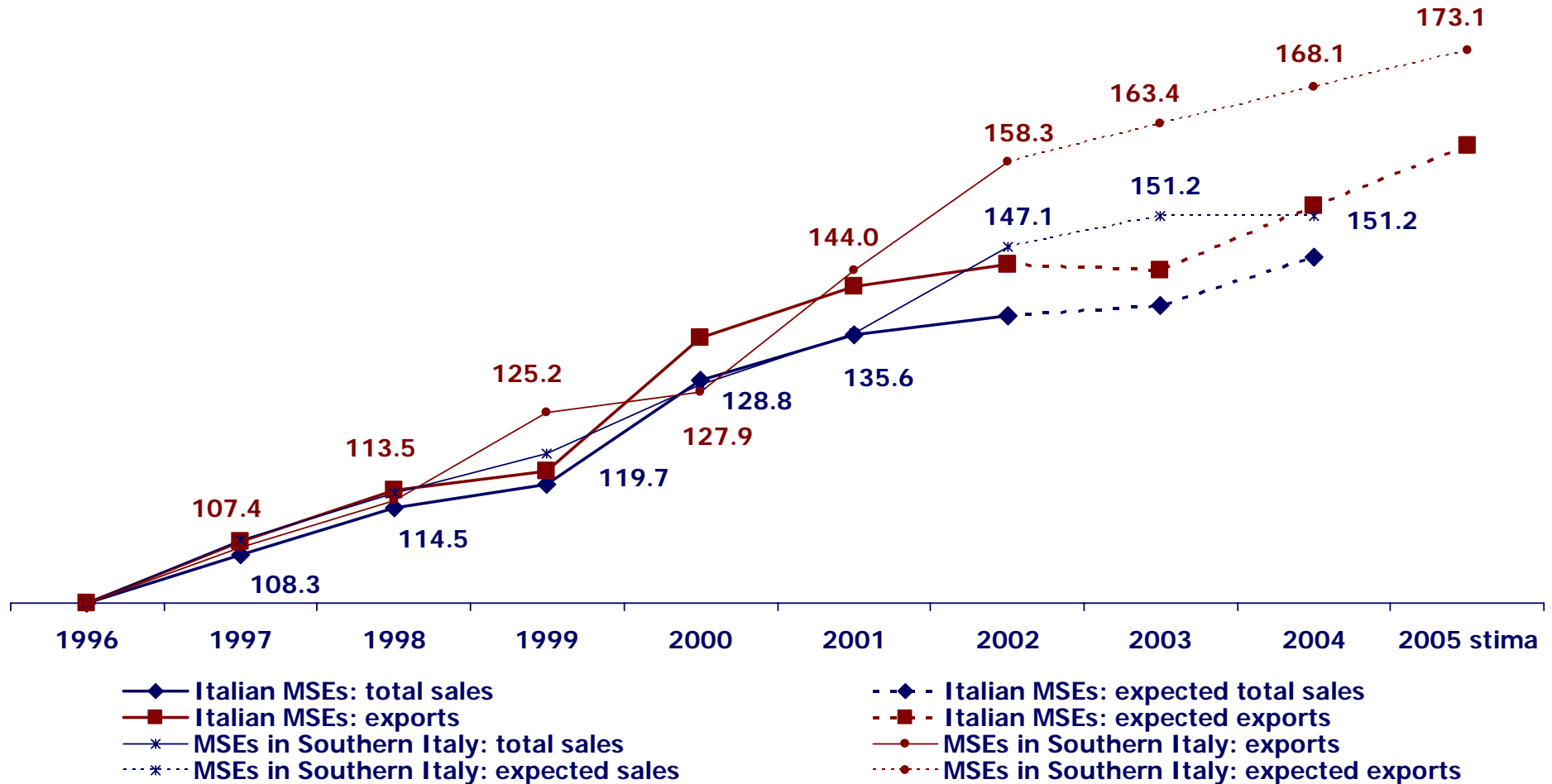
Sales: medium-size and large manufacturing businesses

Medium-size Italian and Southern Italian businesses



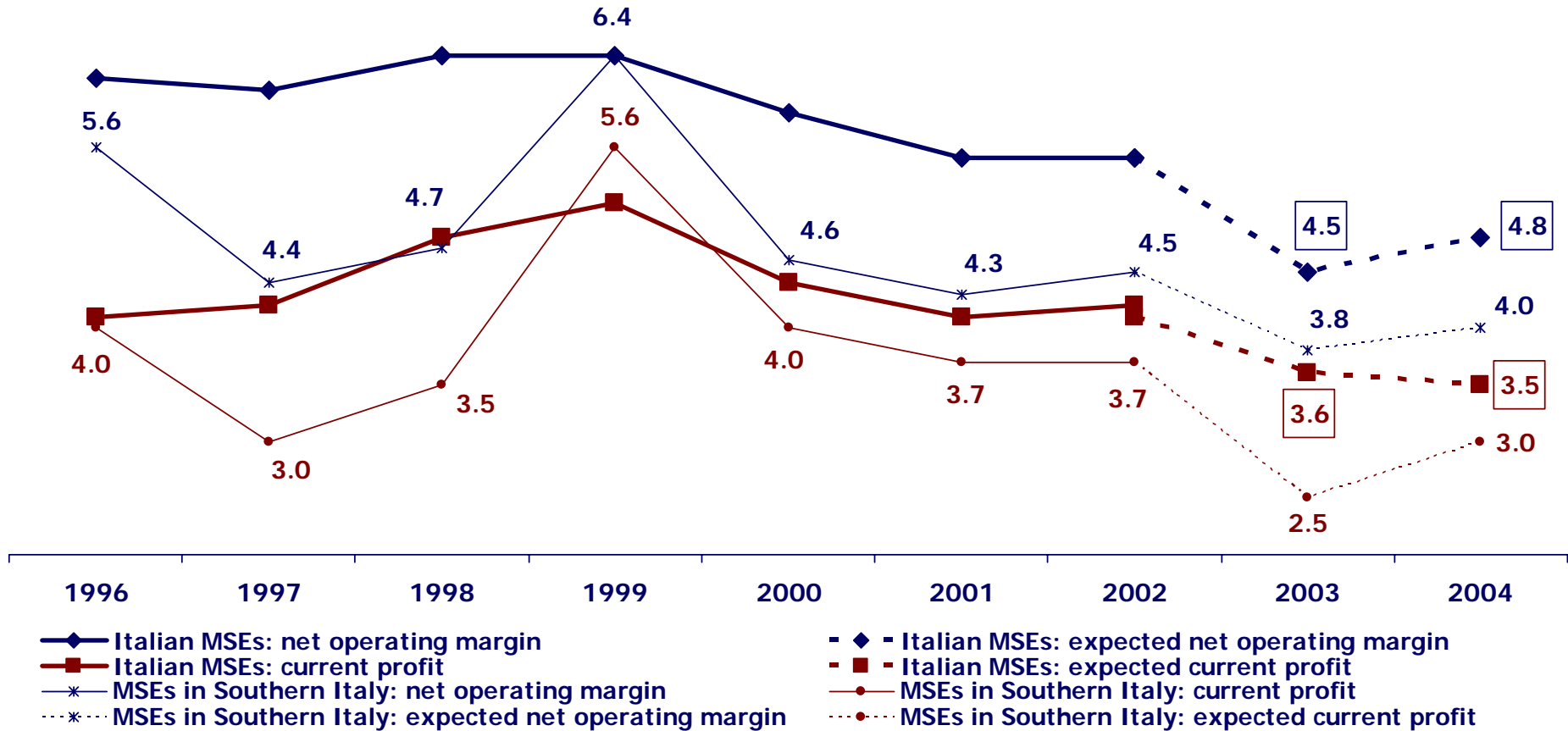
MSEs: Italy and South Italy

Medium-size Italian and Southern Italian businesses



Margins on sales: Italian and Southern Italian medium-size businesses

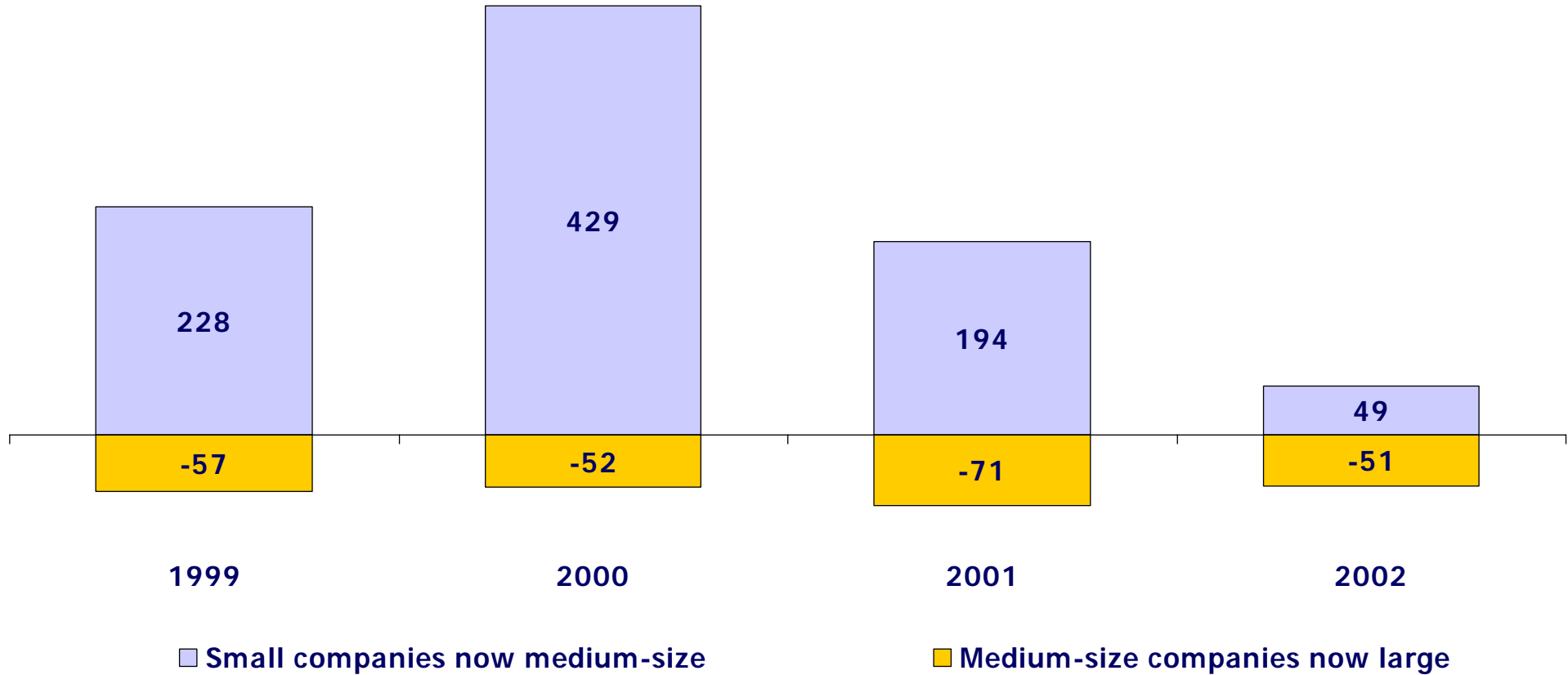
Medium-size Italian and Southern Italian businesses



Growth

Net changes in number of companies

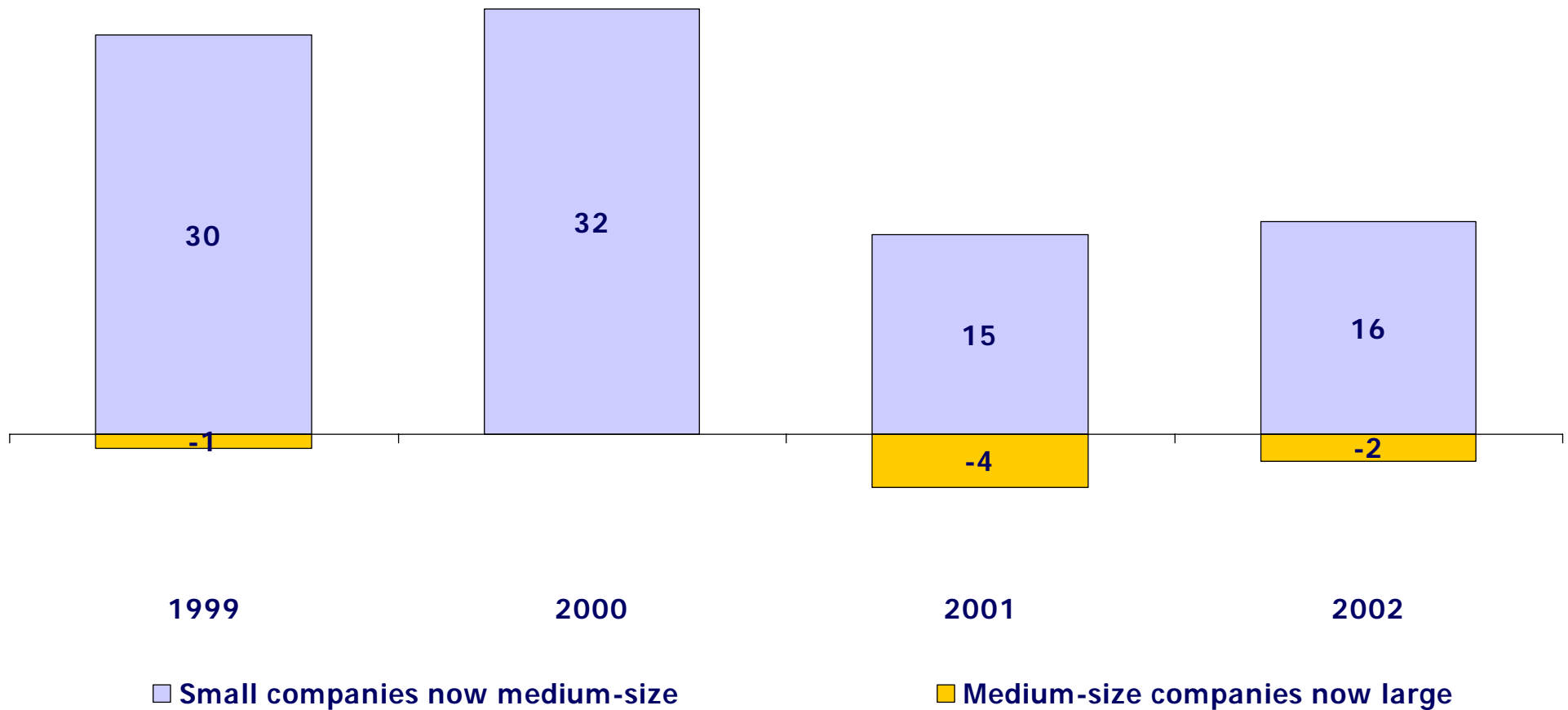
Medium-size Italian and Southern Italian businesses



MSEs in Southern Italy: growth

Net changes in number of companies

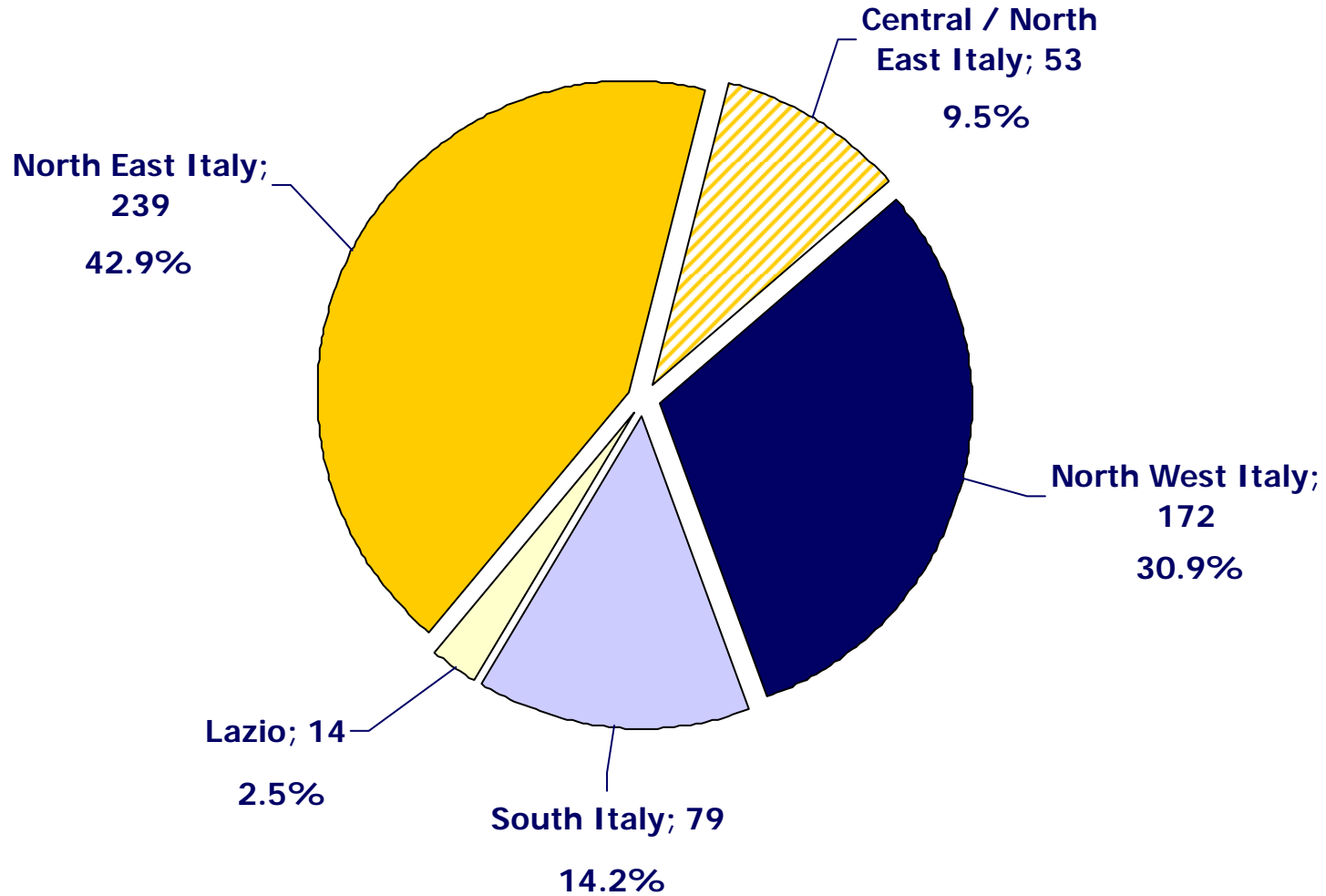
Medium-size Italian and Southern Italian businesses



Medium-size firms: where are they growing?

Net changes in number of businesses in 1996-2002 period=557

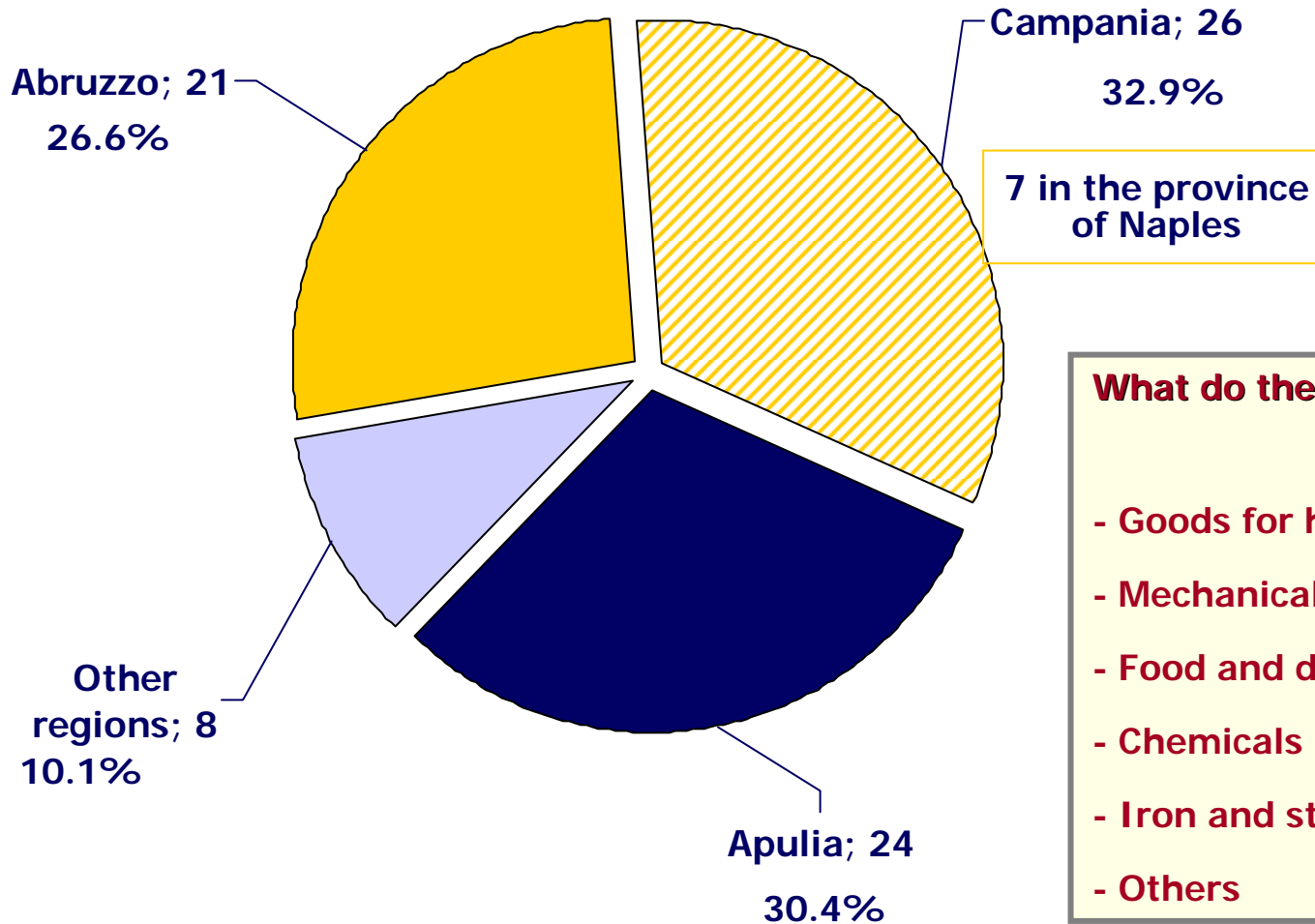
Medium-size Italian and Southern Italian businesses



MSEs South Italian businesses: where are they growing?

Net change in number of businesses in 1996-2002 period=79

Medium-size Italian and Southern Italian businesses



What do the 79 businesses do?

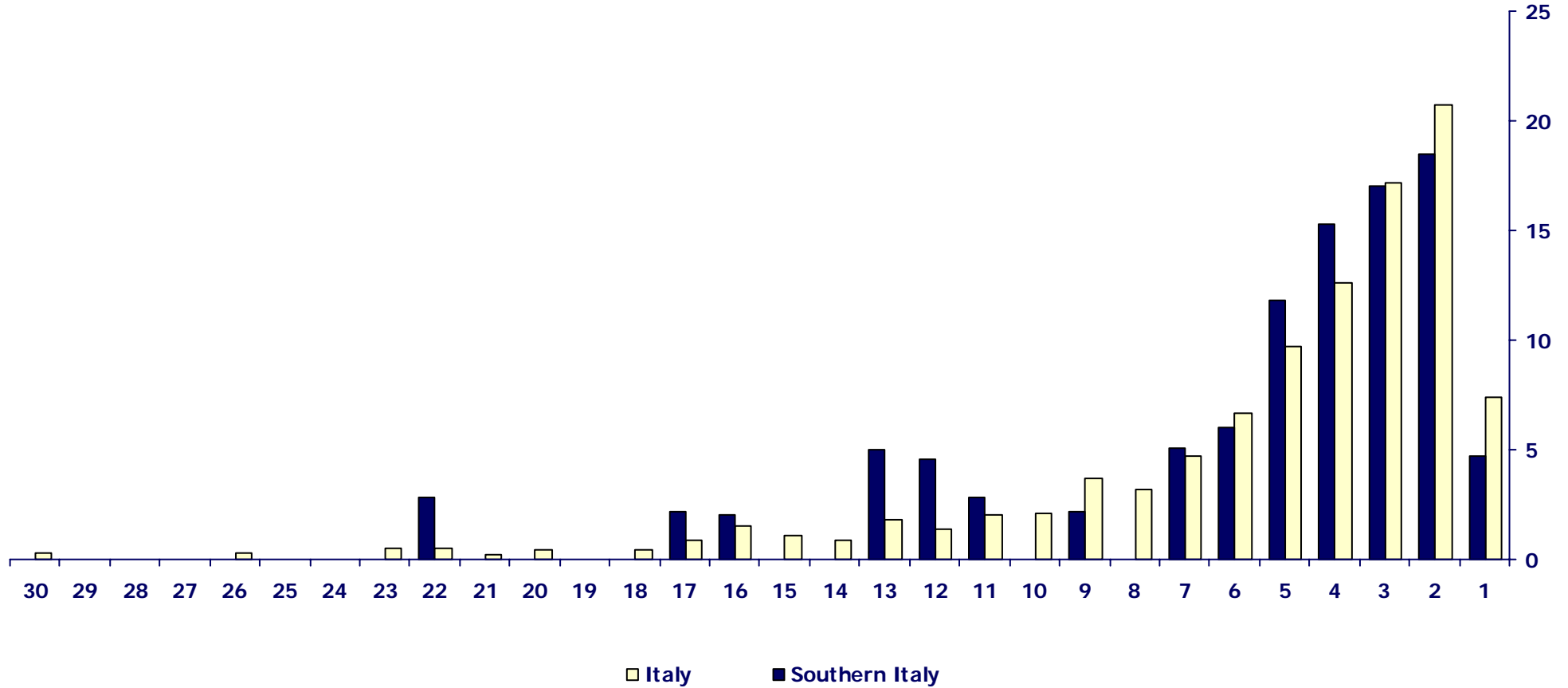
% of turnover

- Goods for home and person	35.1
- Mechanical engineering	23.1
- Food and drink	17.5
- Chemicals	16.5
- Iron and steel	2.2
- Others	5.6

MSEs: capital invested from 1996 to 2002

% distribution over 30 categories

Medium-size Italian and Southern Italian businesses



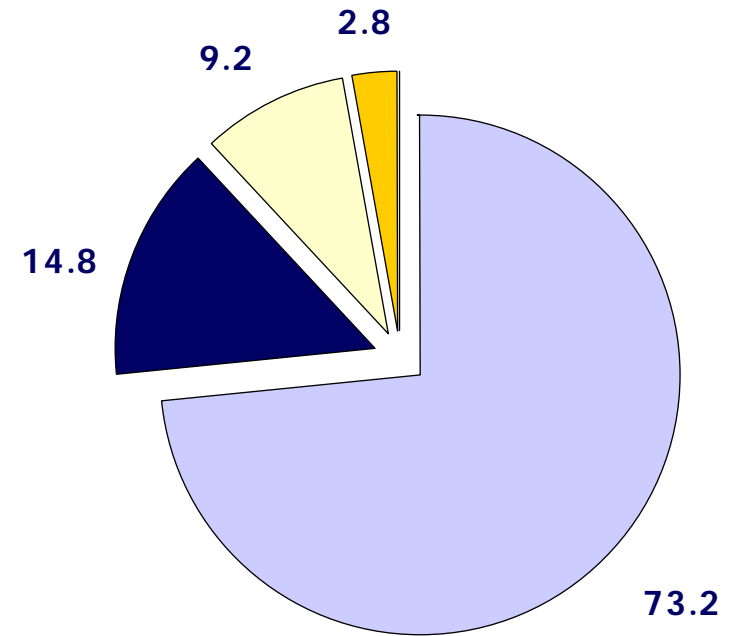
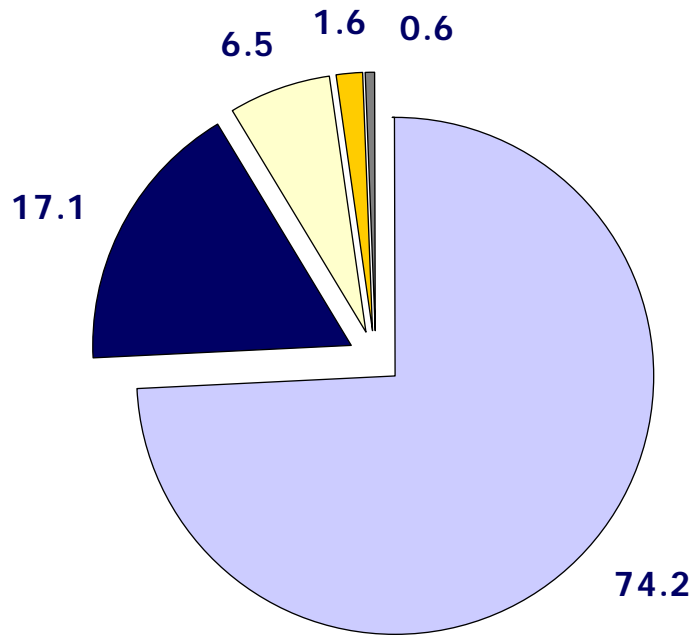
MSEs: capital invested from 1996 to 2002

Cumulative % for group of 6 categories (first category = € 8m; last category > € 240m)

Medium-size Italian and Southern Italian businesses

Italy

Southern Italy



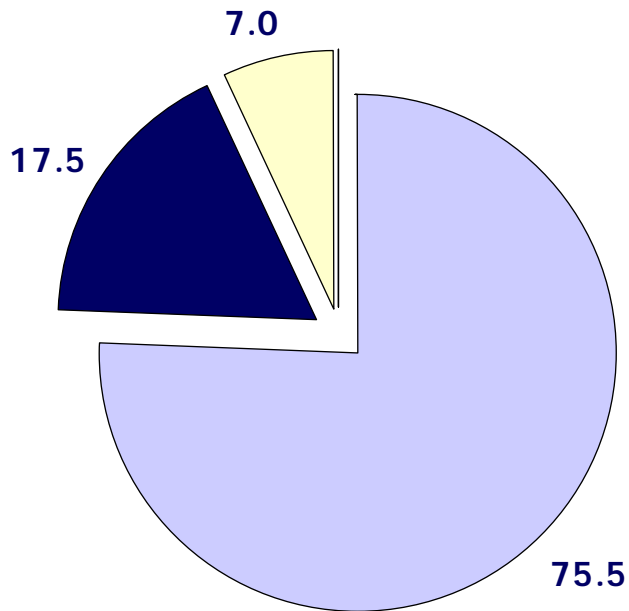
1 - 6 7 - 12 13 - 18 19 - 24 25 - 30

MSEs: capital invested from 1996 to 2002

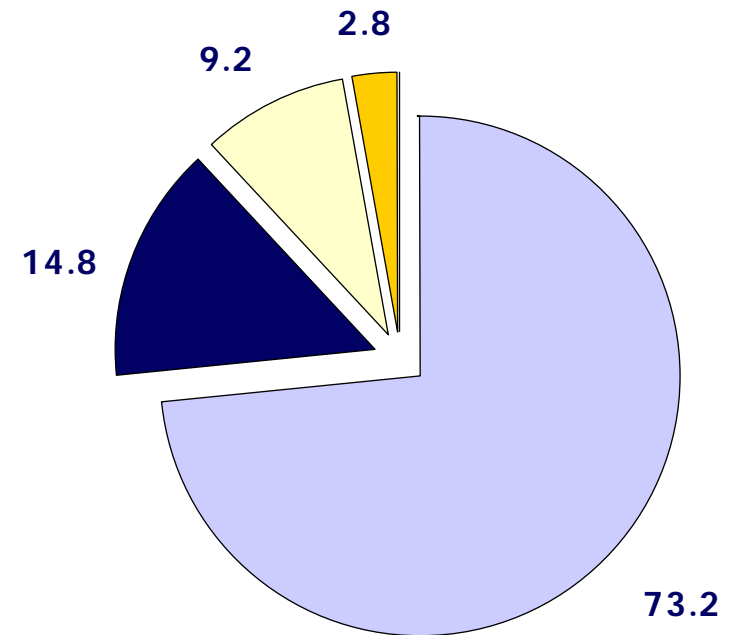
Cumulative % for group of 6 categories (first category = € 8m; last category > € 240m)

Medium-size Italian and Southern Italian businesses

Campania



Southern Italy



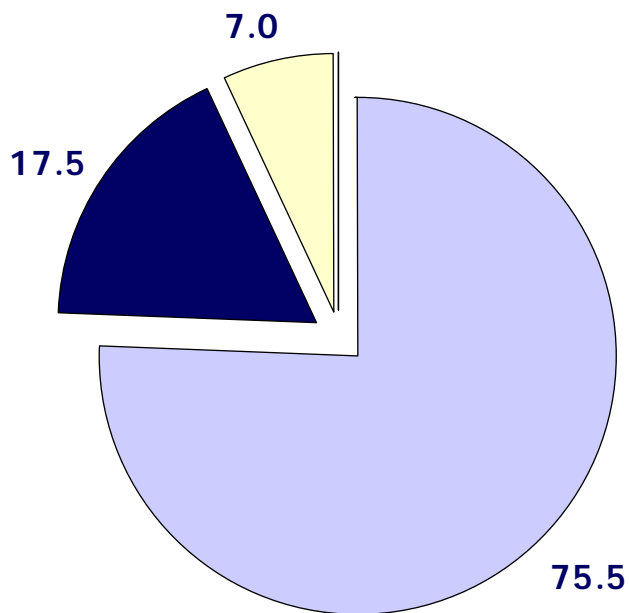
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MSEs: capital invested from 1996 to 2002

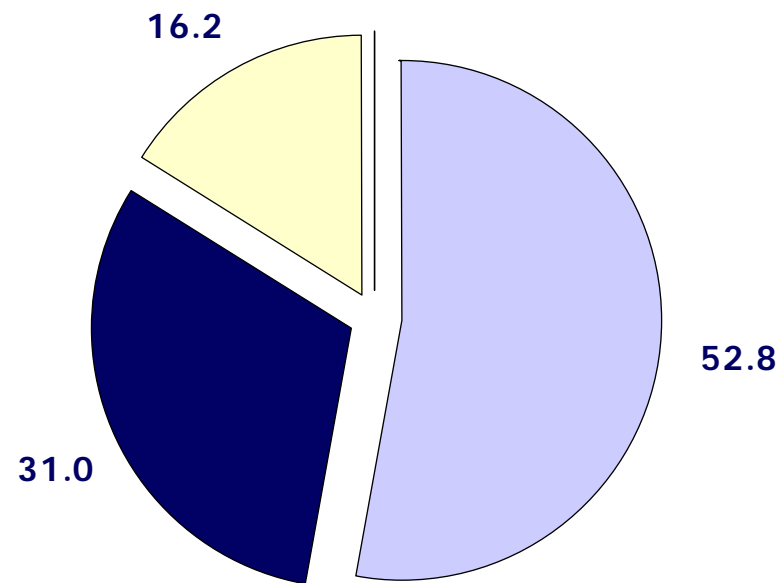
Cumulative % for group of 6 categories (first category = € 8m; last category > € 240m)

Medium-size Italian and Southern Italian businesses

Campania



Naples

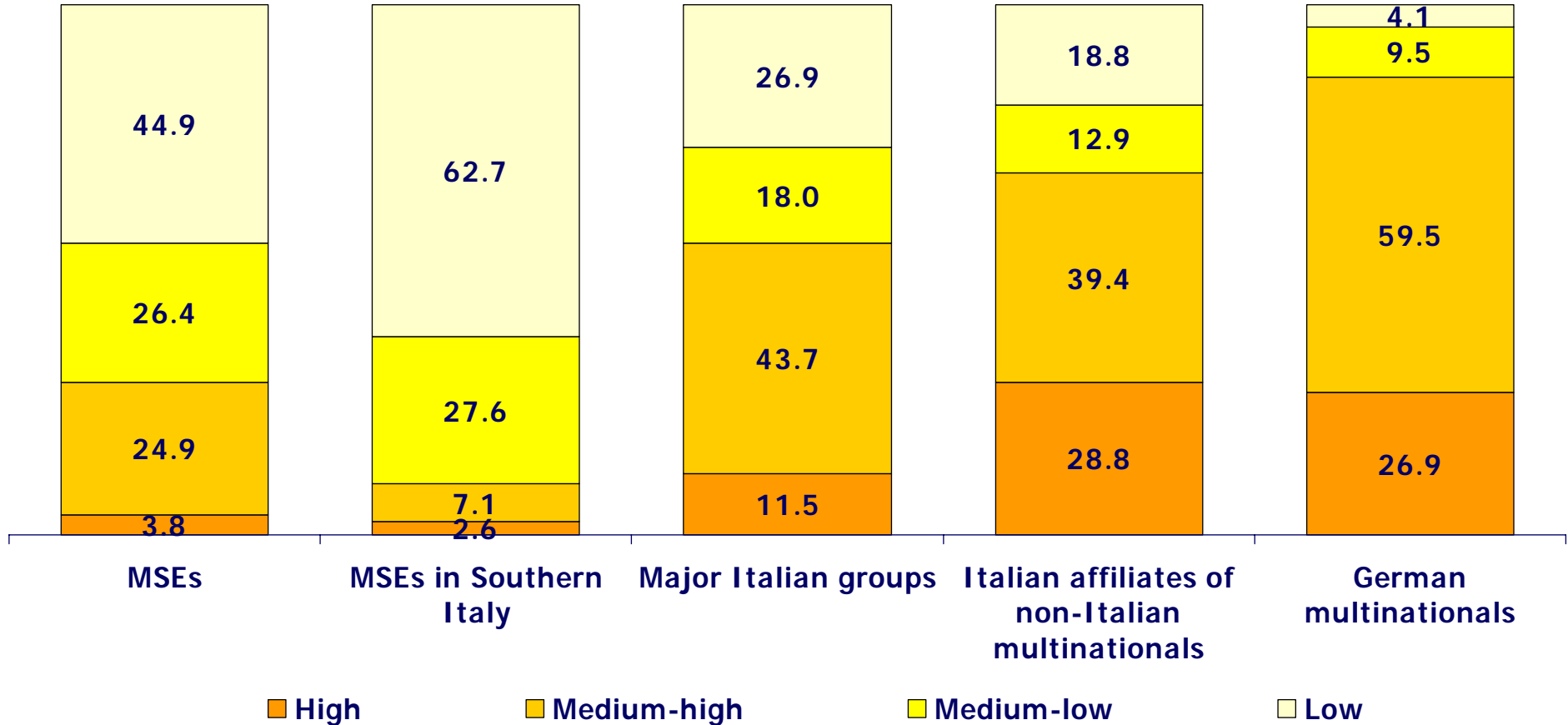


1 - 6 7 - 12 13 - 18 19 - 24 25 - 30

Technology

% of turnover in 2002 (OECD principles)

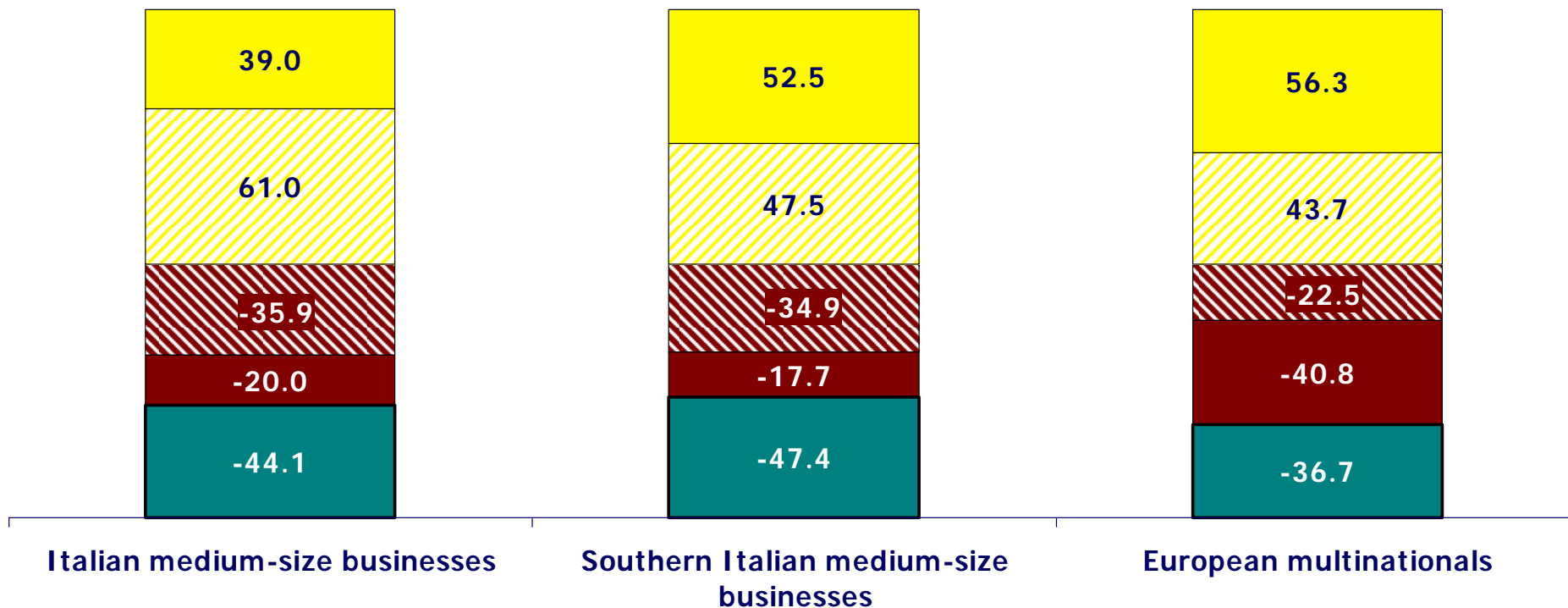
Medium-size Italian and Southern Italian businesses



Financial structure in 2002

% of tangible invested capital

Medium-size Italian and Southern Italian businesses

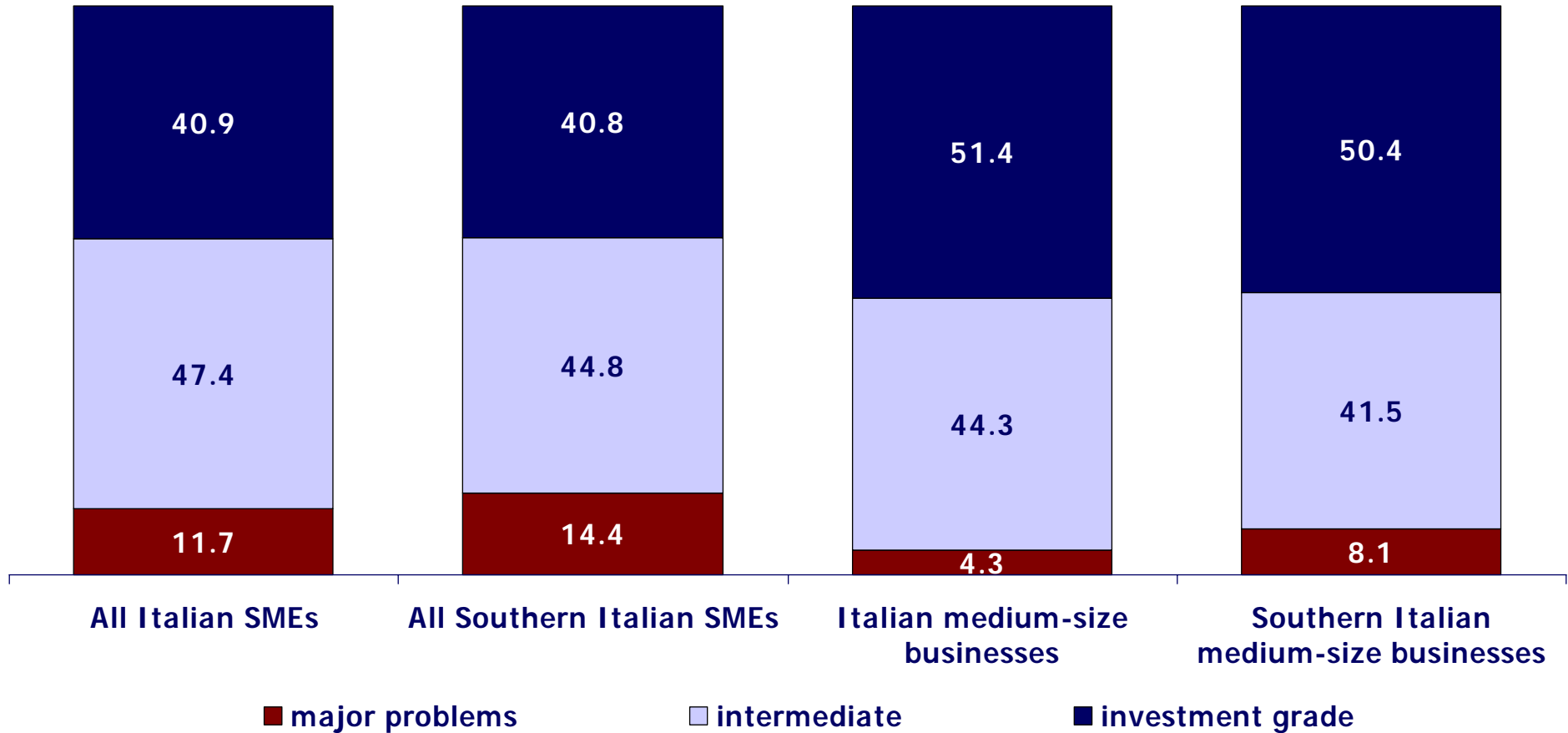


▨ Short-term borrowings
 ■ M/I term borrowings
 ■ Net worth
 ▨ Working capital
 ■ Fixed assets

Financial strength in 2000

R&S-Unioncamere scoring model (%)

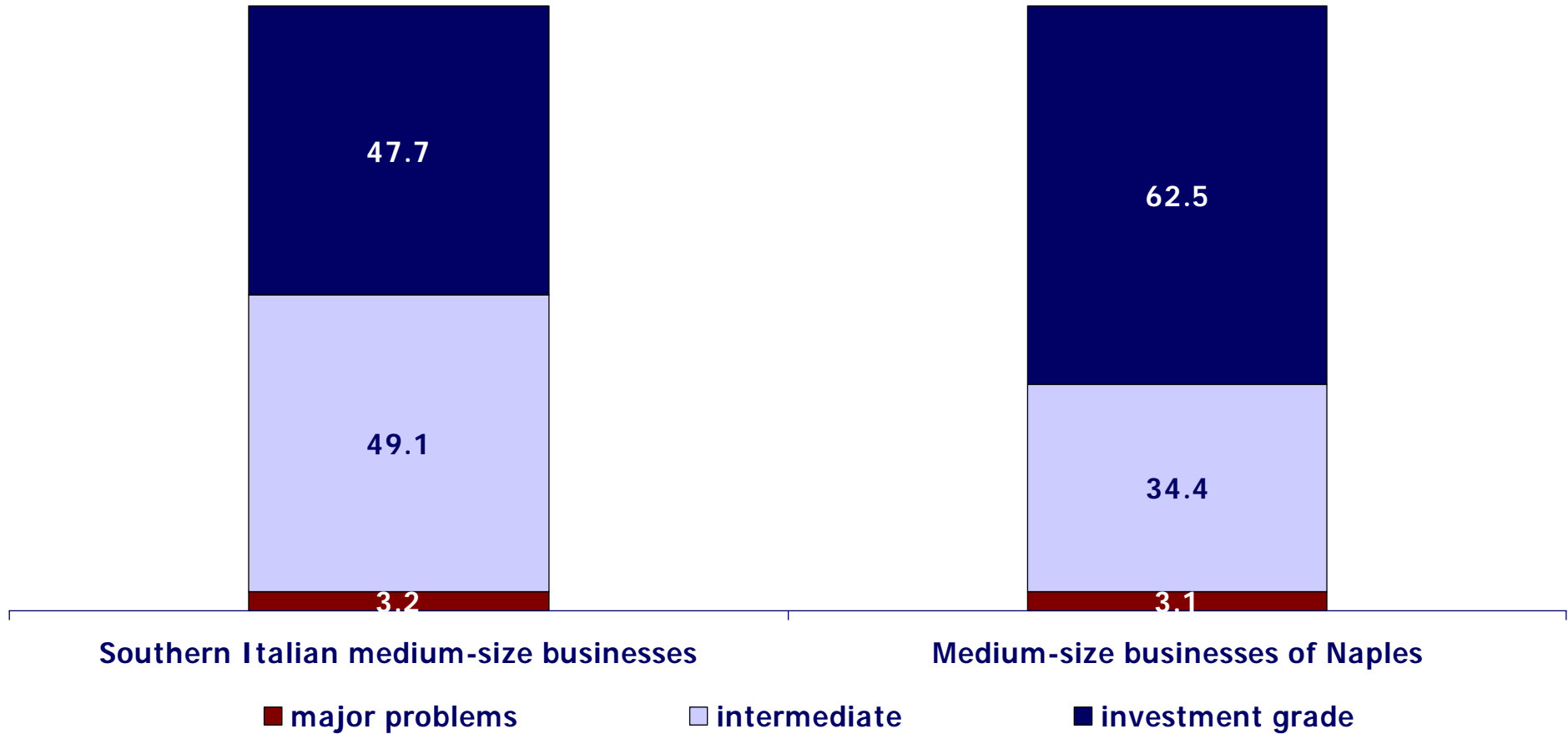
Medium-size Italian and Southern Italian businesses



Financial strength in Southern Italy in 2002

R&S-Unioncamere scoring model (%)

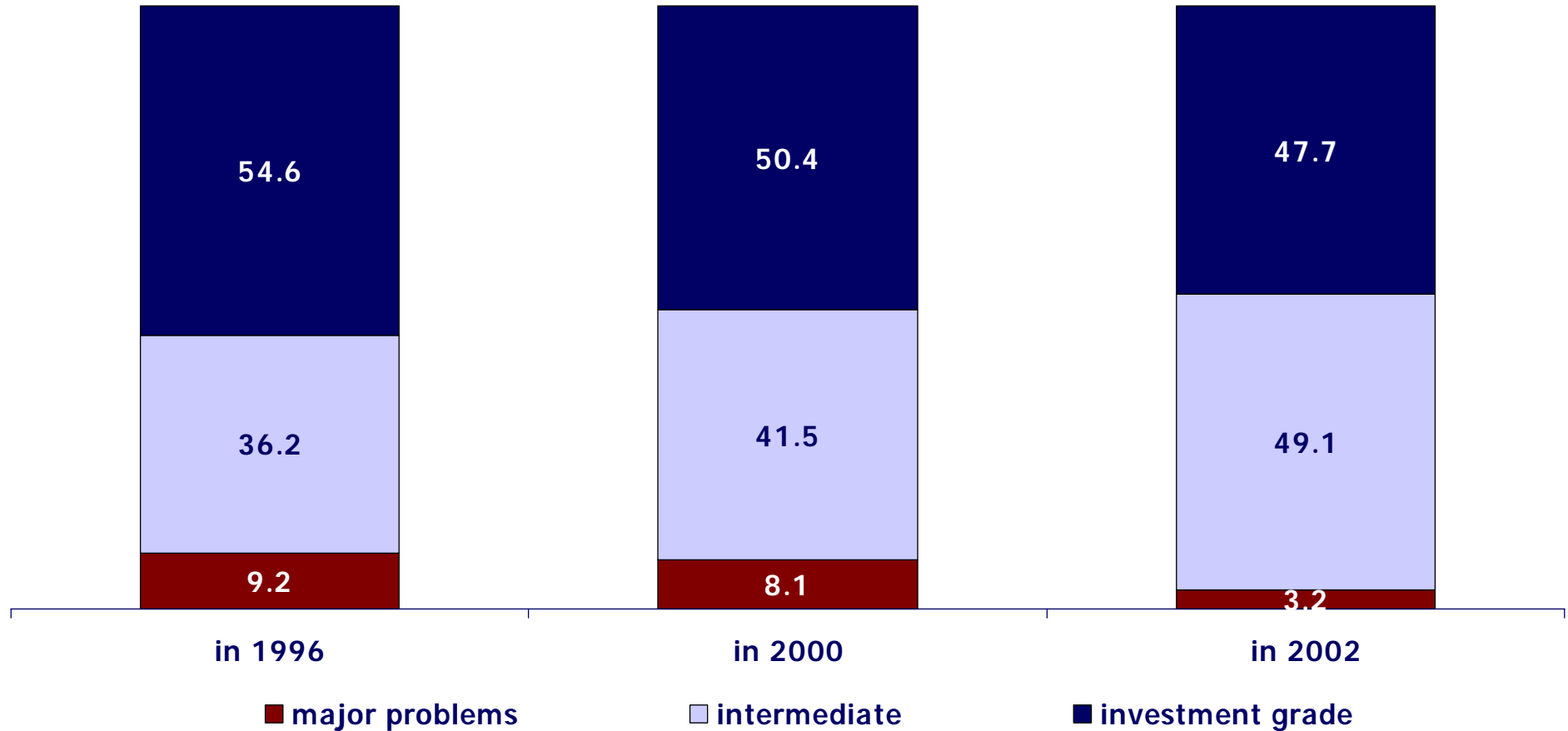
Medium-size Italian and Southern Italian businesses



Financial strength in Southern Italy in 1996-2002

R&S-Unioncamere scoring model (%)

Medium-size Italian and Southern Italian businesses



Annual average default rates 1999-2002

Medium-size Italian and
Southern Italian businesses

Medium-size businesses:

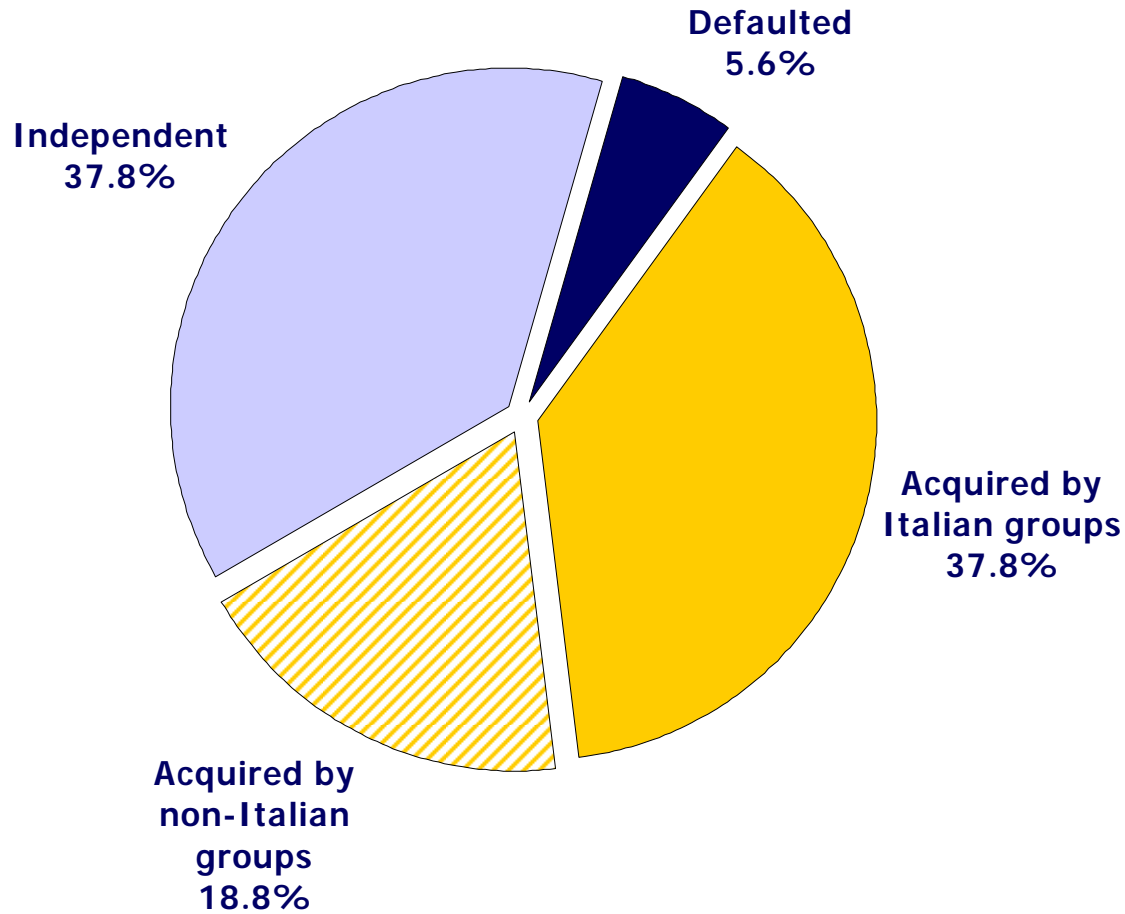
North-East Italy	0.13%
North-West Italy	0.25%
Southern Italy	0.72%
Italy	0.22%

National average of Italian
manufacturing companies

Italy	1.37%
Southern Italy	1.93%

Medium-size businesses which became large: where are they now?

Medium-size Italian and Southern Italian businesses



Annual average default rate in Italy
1.4%

In Southern Italy:

- 4 independent companies
- 4 acquired by Italian groups companies
- 1 acquired by non-Italian groups companies
- 2 defaulted

Medium-size businesses in Naples

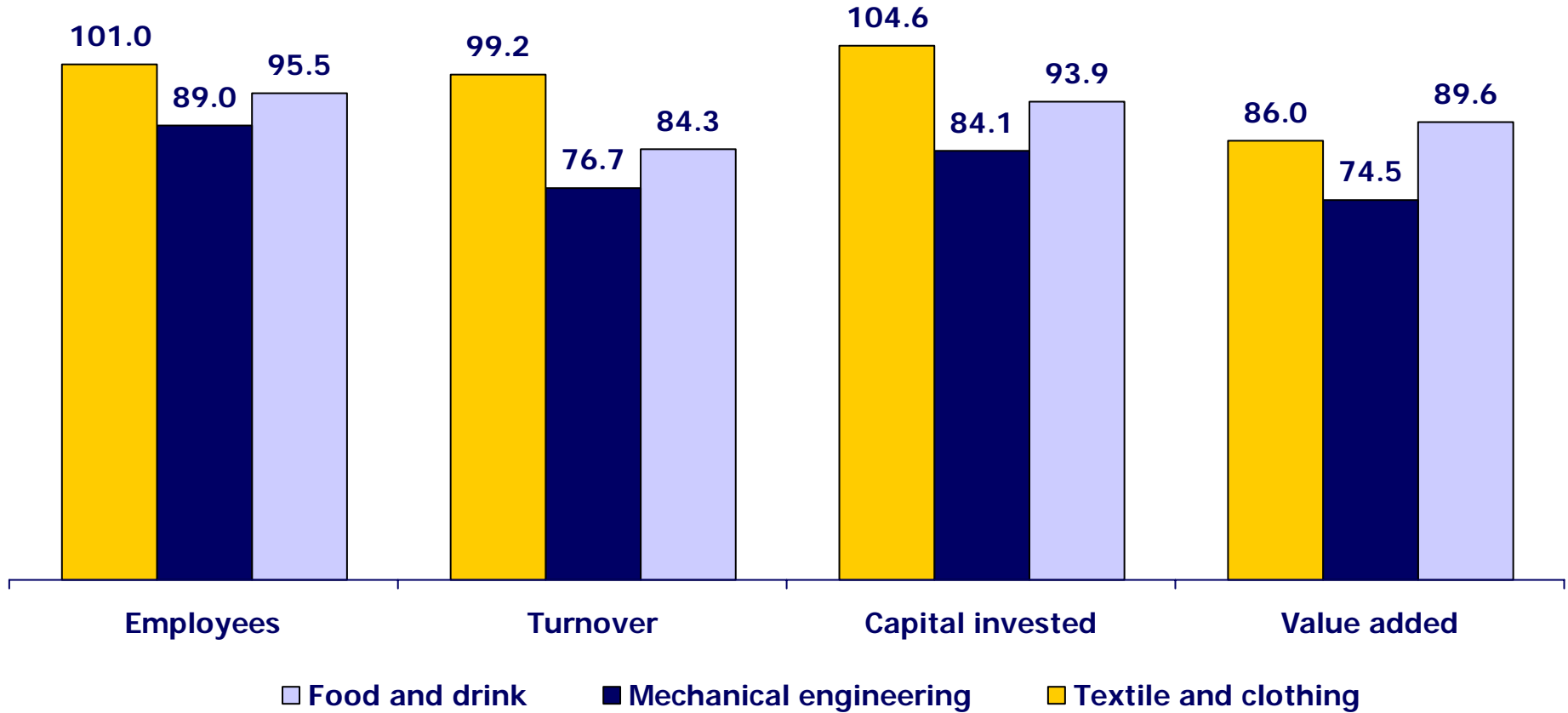
Medium-size Italian and Southern Italian businesses

	MSEs in Italy	MSEs in Southern Italy	MSEs in Naples
Number of businesses in 2002	3,893	279	32
Average size - turnover per firm (€ m)	34.4	33.6	33.9
Exports (in % of turnover)	33.6	24.9	25.5
% variations 96-02:			
turnover	40.1	58.7	27.9
exports	49.0	90.4	39.4
employees	16.2	25.8	20.9
Technology:			
medium-high/high (%)	28.7	9.7	6.2
medium-low/low (%)	71.3	90.3	93.8

Southern Italian MSEs: size

Italian average = 100 (2002)

Medium-size Italian and Southern Italian businesses

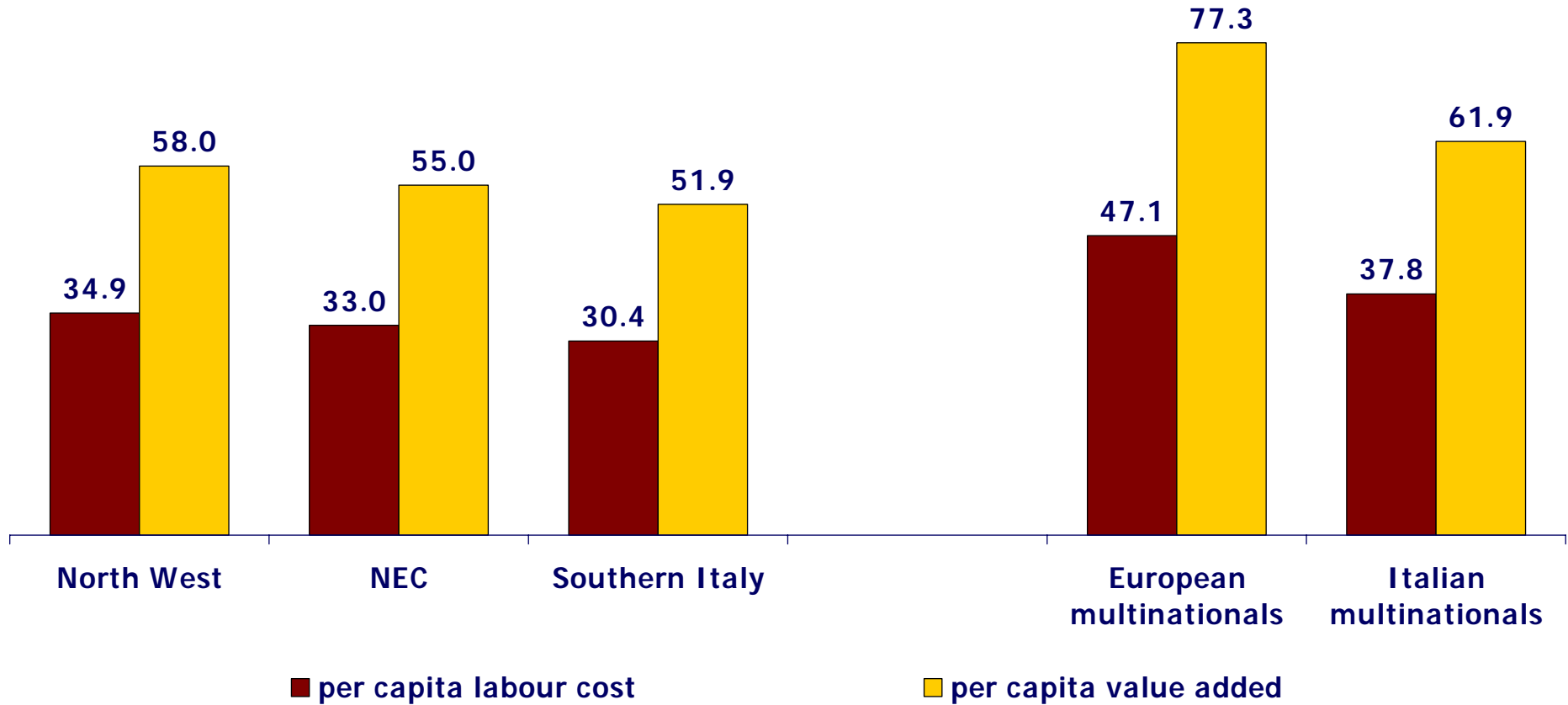


Value added and labour cost

€ '000 per capita in 2002

Medium-size Italian and
Southern Italian businesses

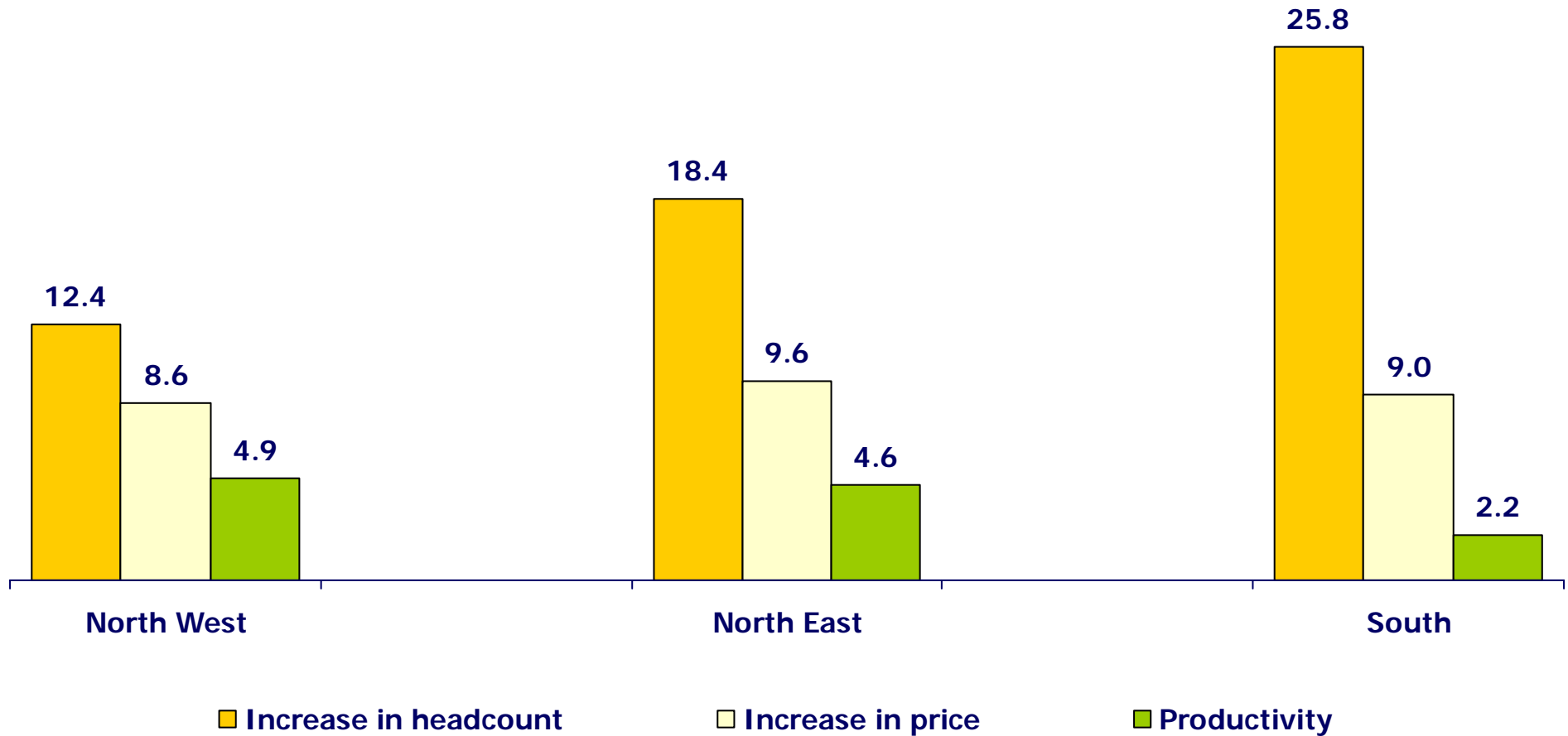
Medium-size businesses



Growth: resources, prices, productivity

% variation in 1996-2002

Medium-size Italian and Southern Italian businesses

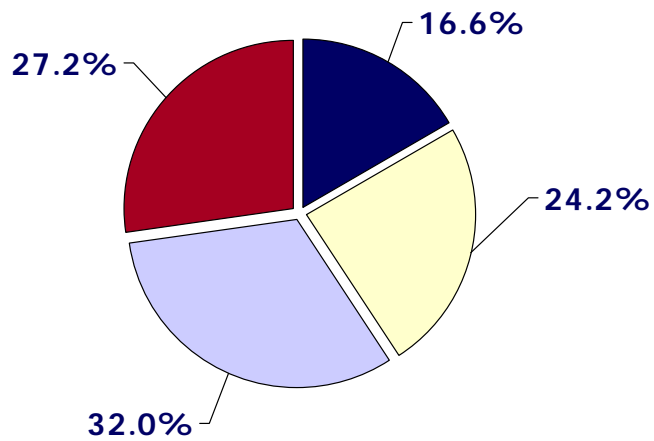


Southern Italian MSEs: value added

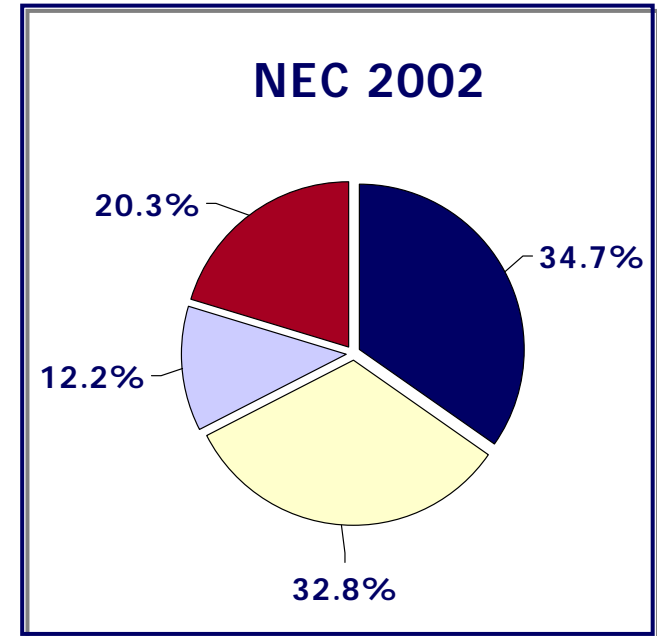
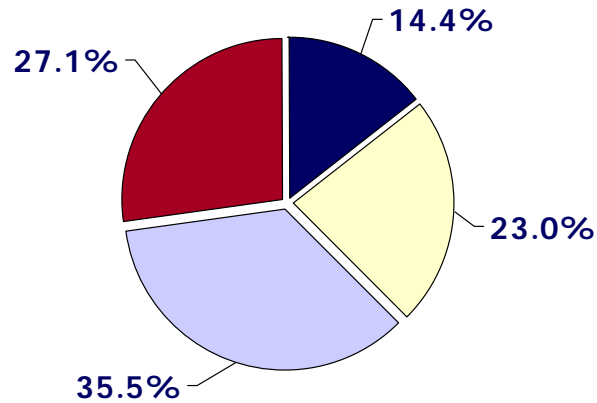
% by sector

Medium-size Italian and Southern Italian businesses

2002

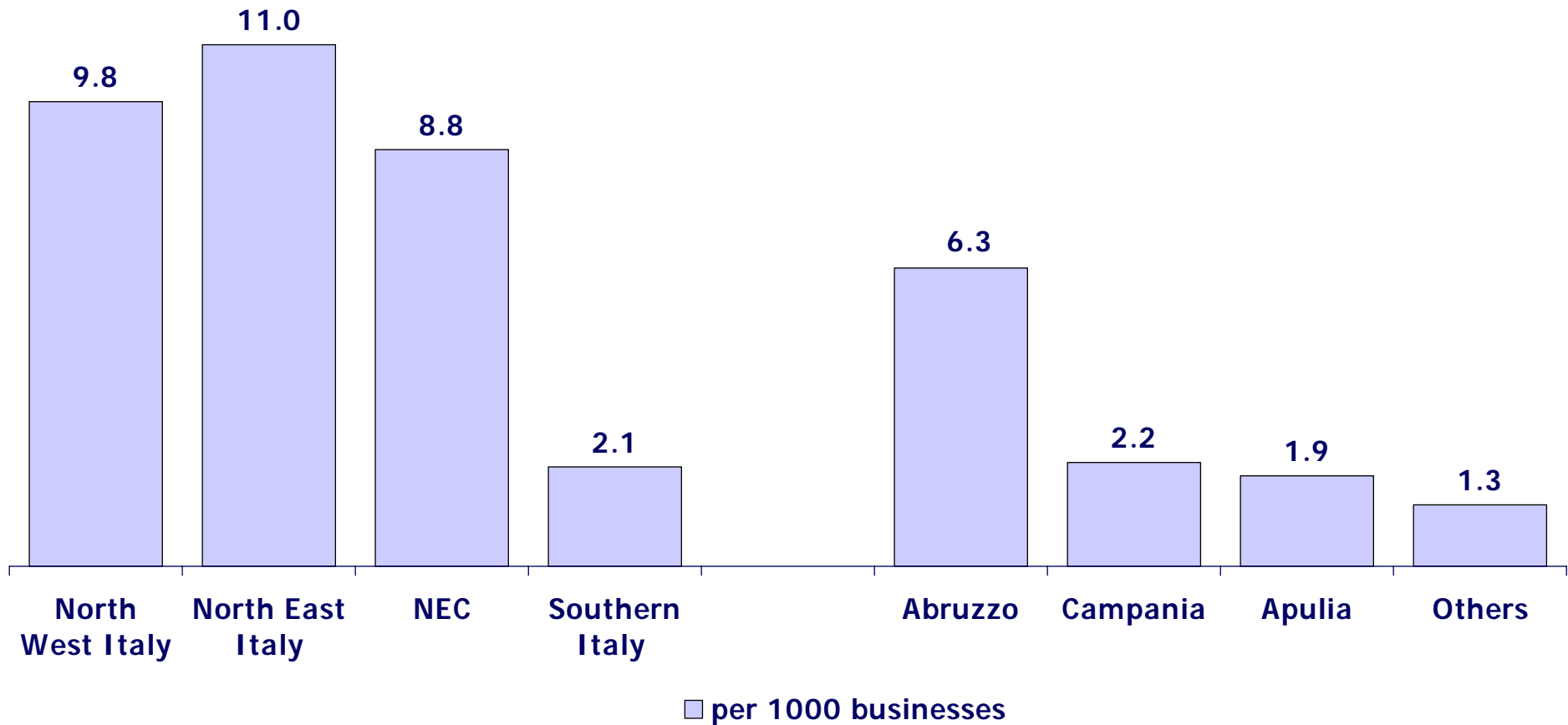


1996



MSE density in 2002, per 1000 manufacturing industries

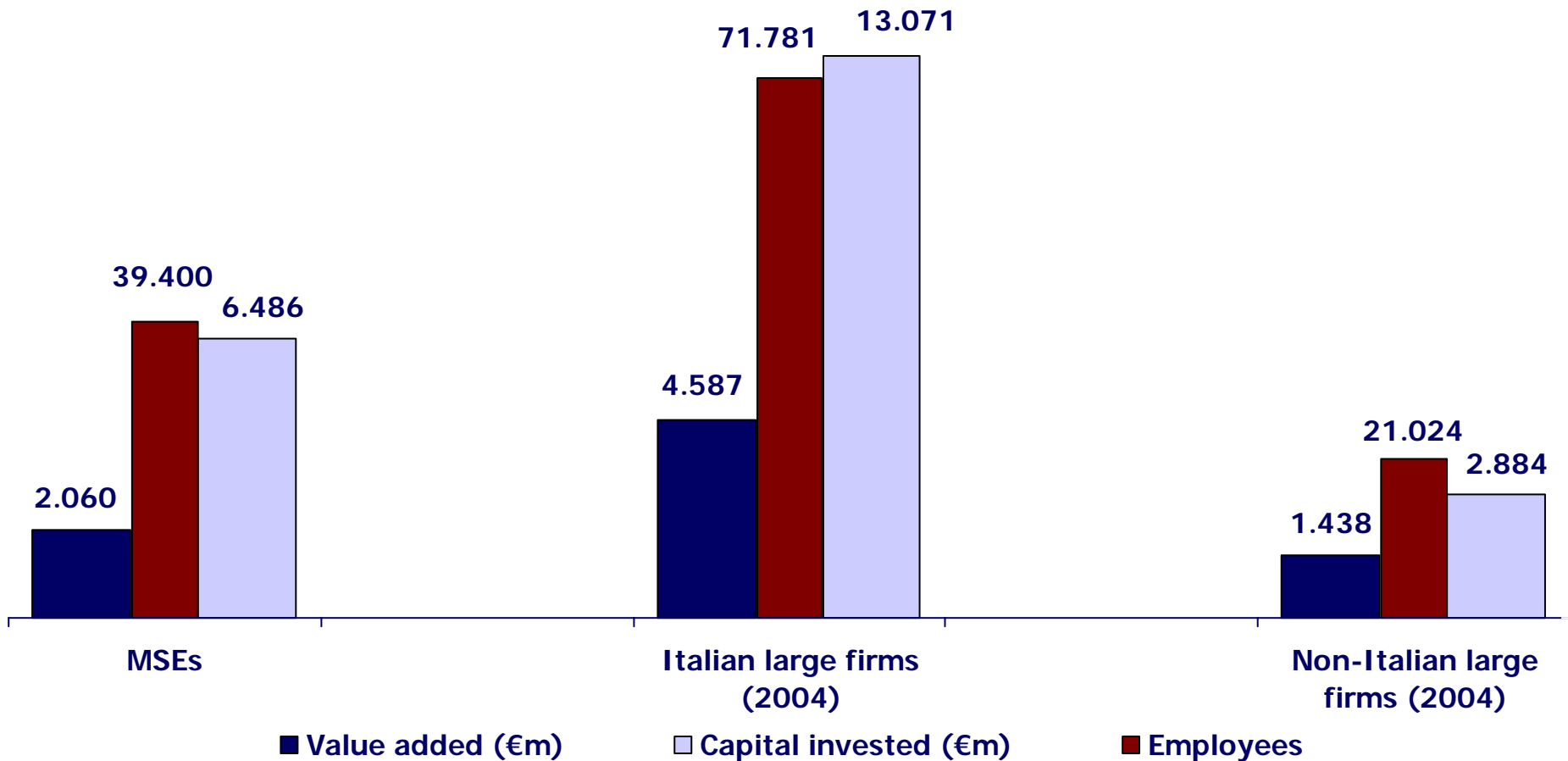
Medium-size Italian and Southern Italian businesses



Medium-size and large firms in Southern Italy

Selected by headquarters

Medium-size Italian and Southern Italian businesses



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