



MEDIOBANCA
Banca di Credito Finanziario S.p.A.

Medium-size industrial companies in North-West Italy

Brescia, 26 February 2007

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Companies selected

- /// **Criteria**: 50-499 staff; €13-290m turnover

- /// **In total**: 2003 data – 3,887 companies in Italy; 1,633 companies in North-West Italy (of which 408 groups); 1,261 in Lombardy (227 in Brescia)

- /// **Published data classified on basis of**
 - /// main operating headquarters (macro-areas and individual regions)

 - /// main business (4-digit Ateco02 codes)

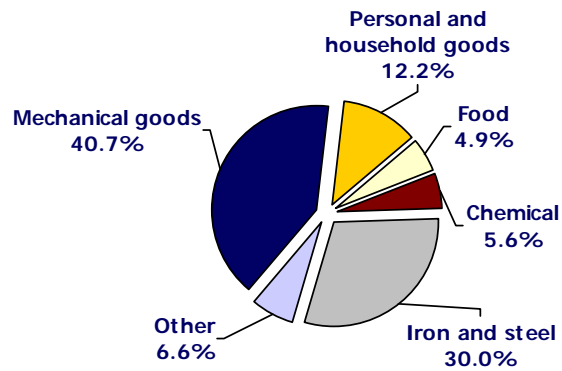
 - /// location in industrial district or other local production system (LPS)

Where are they in 2003?

Medium-size industrial companies in North-West Italy

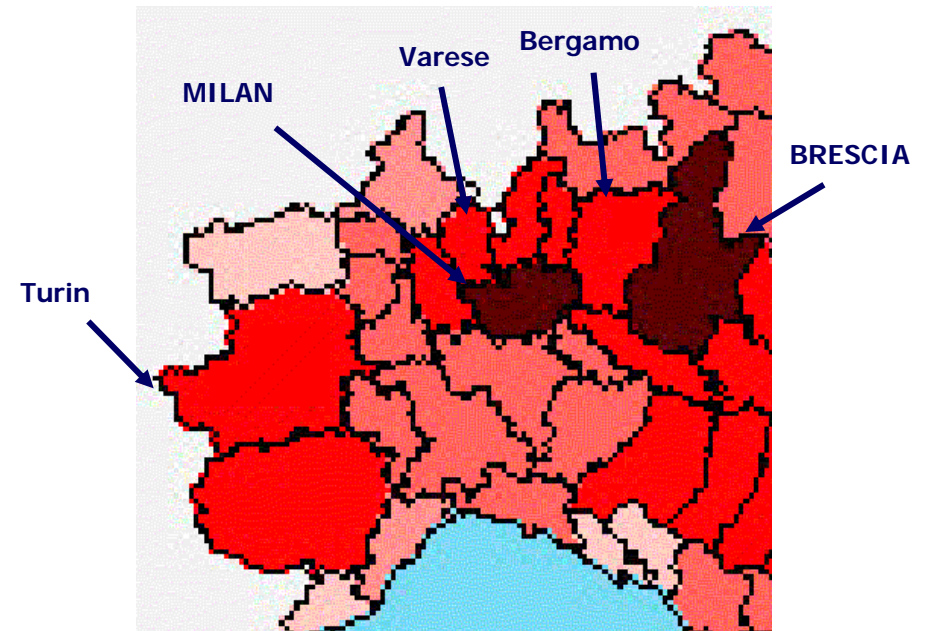
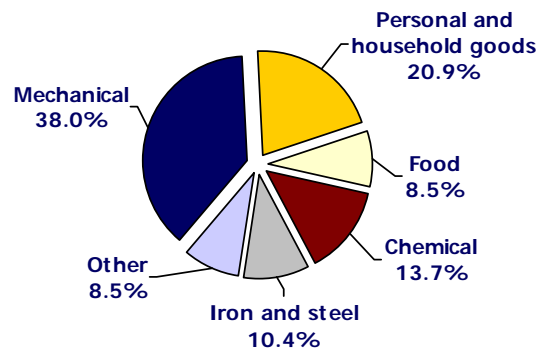
Value added - Brescia

Made in Italy: 46.9%



Value added - North West Italy

Made in Italy: 56.9%



Medium-size industrial
companies in North-West
Italy

Growth in VA from 1996 to 2003

% changes – manufacturing, closed sub-groups, current prices

Medium-size Italian companies	+33.3
- <i>North West Italy</i>	+28.4
- <i>North East Italy</i>	+36.3
Large companies	+11.9
- <i>Italian-controlled</i>	+7.6
- <i>non-Italian-controlled</i>	+18.0
Total ITALY	
- <i>VA, manufacturing industry*</i>	+12.4

* *At factor cost*

Medium-size industrial
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Growth in VA from 1996 to 2003

% changes – manufacturing, closed sub-groups, current prices

Medium-size companies in North West Italy +28.4

Liguria (2% of total) +67.6

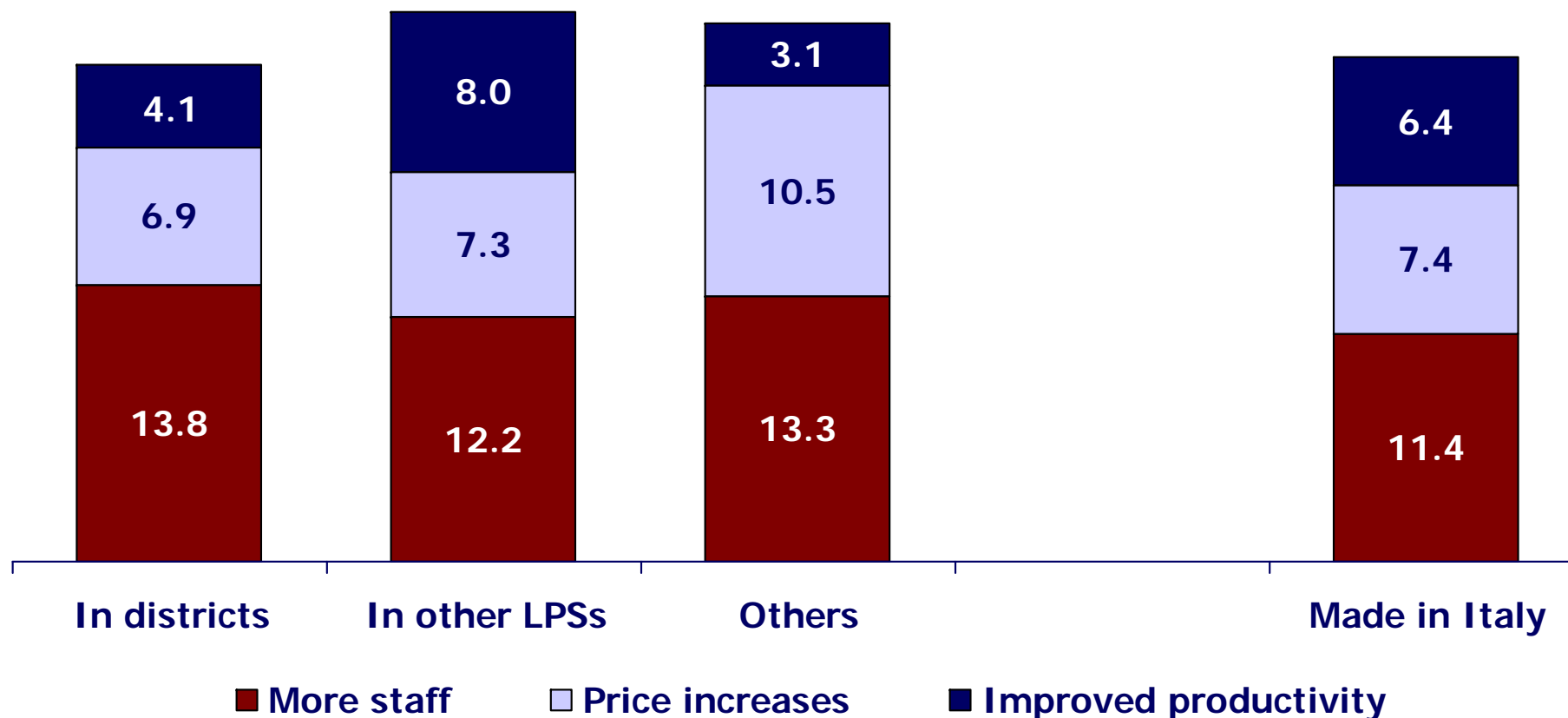
Lombardia (76% of total) +28.1

Piedmont and Valle d'Aosta (22% of total) +26.9

Brescia (14% of total) +39.3

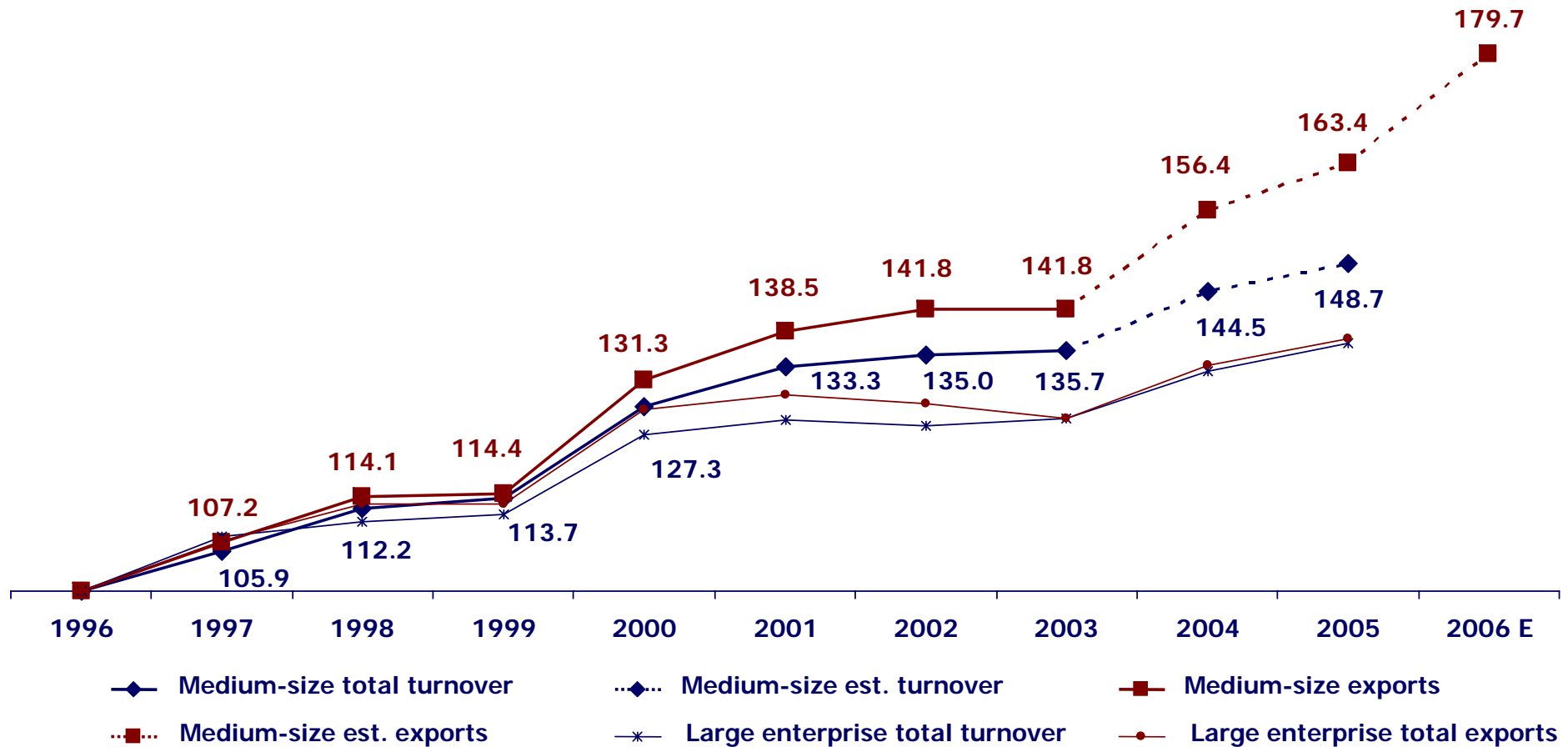
Growth in medium-size companies in North West Italy: employment, prices and productivity

Changes in VA from 1996 to 2003

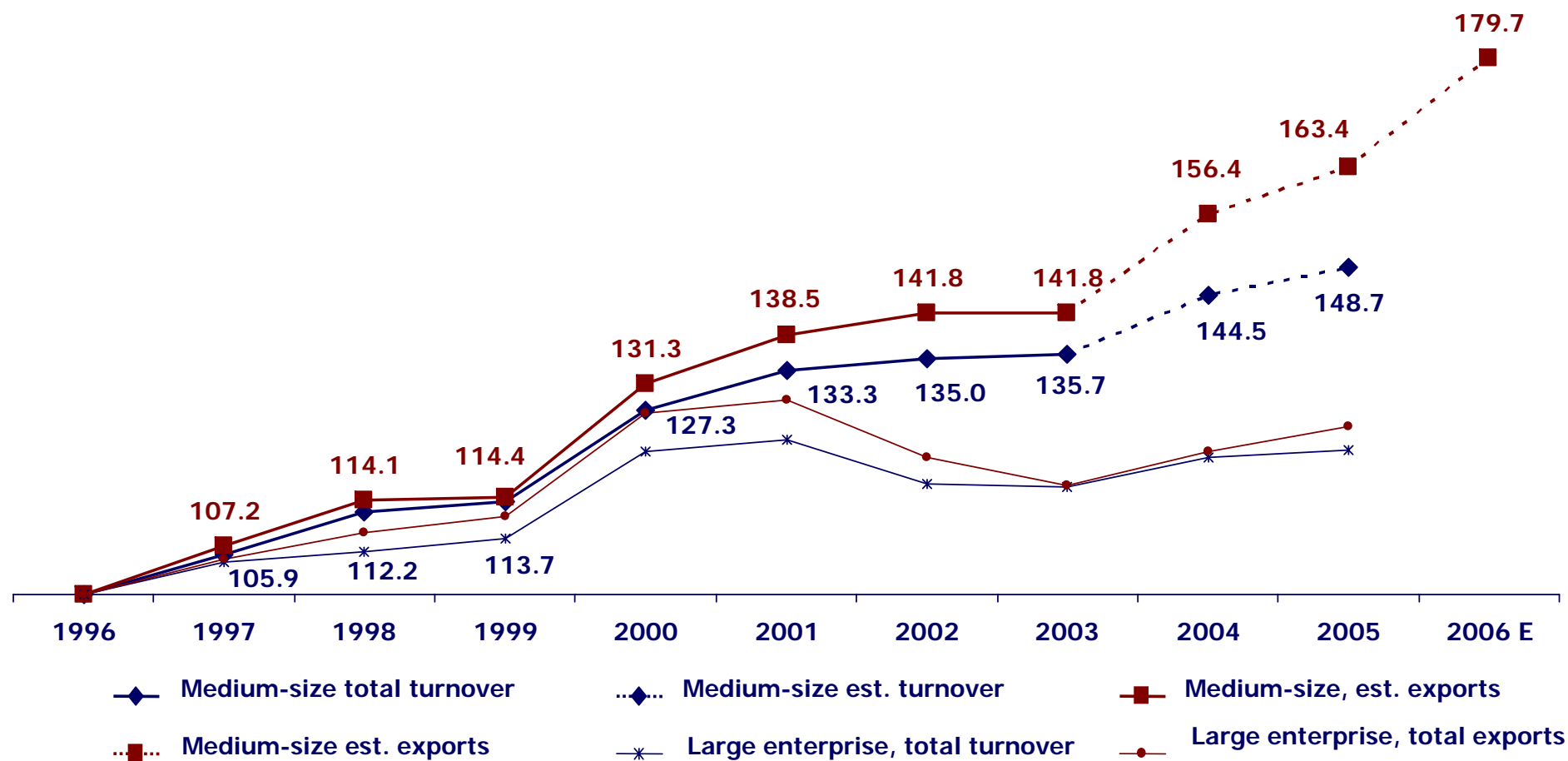


Turnover: medium-size enterprises and Italian-owned large enterprises in North West Italy

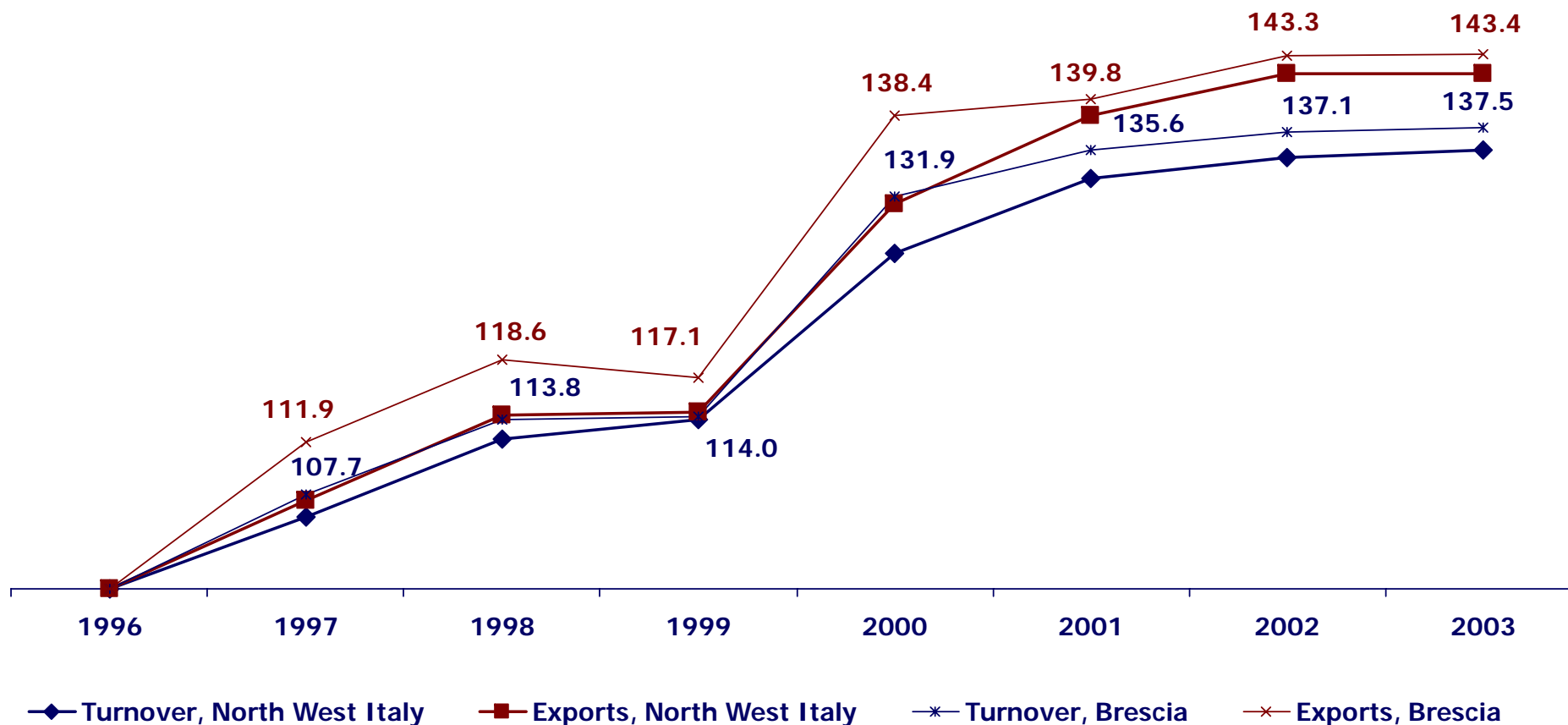
Medium-size industrial companies in North-West Italy



Turnover: medium-size enterprises in North West Italy and Italian-owned large enterprises



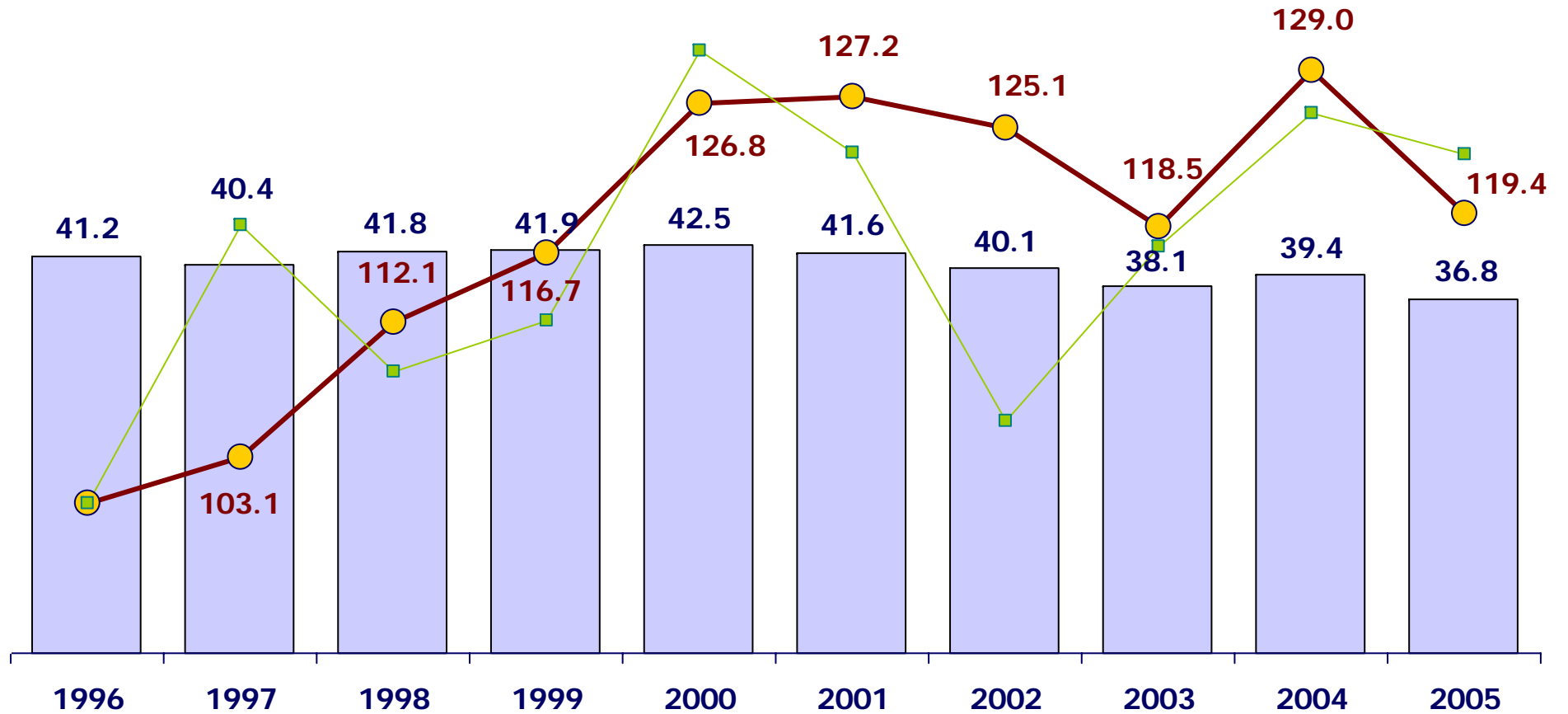
Turnover: medium-size manufacturing companies, Brescia and North West Italy



Medium-size industrial
companies in North-West
Italy

Operating margins

Gross operating margin 1996-2005



GOM as % of VA medium size NW
 GOM index, medium size NW
 GOM index, large NW

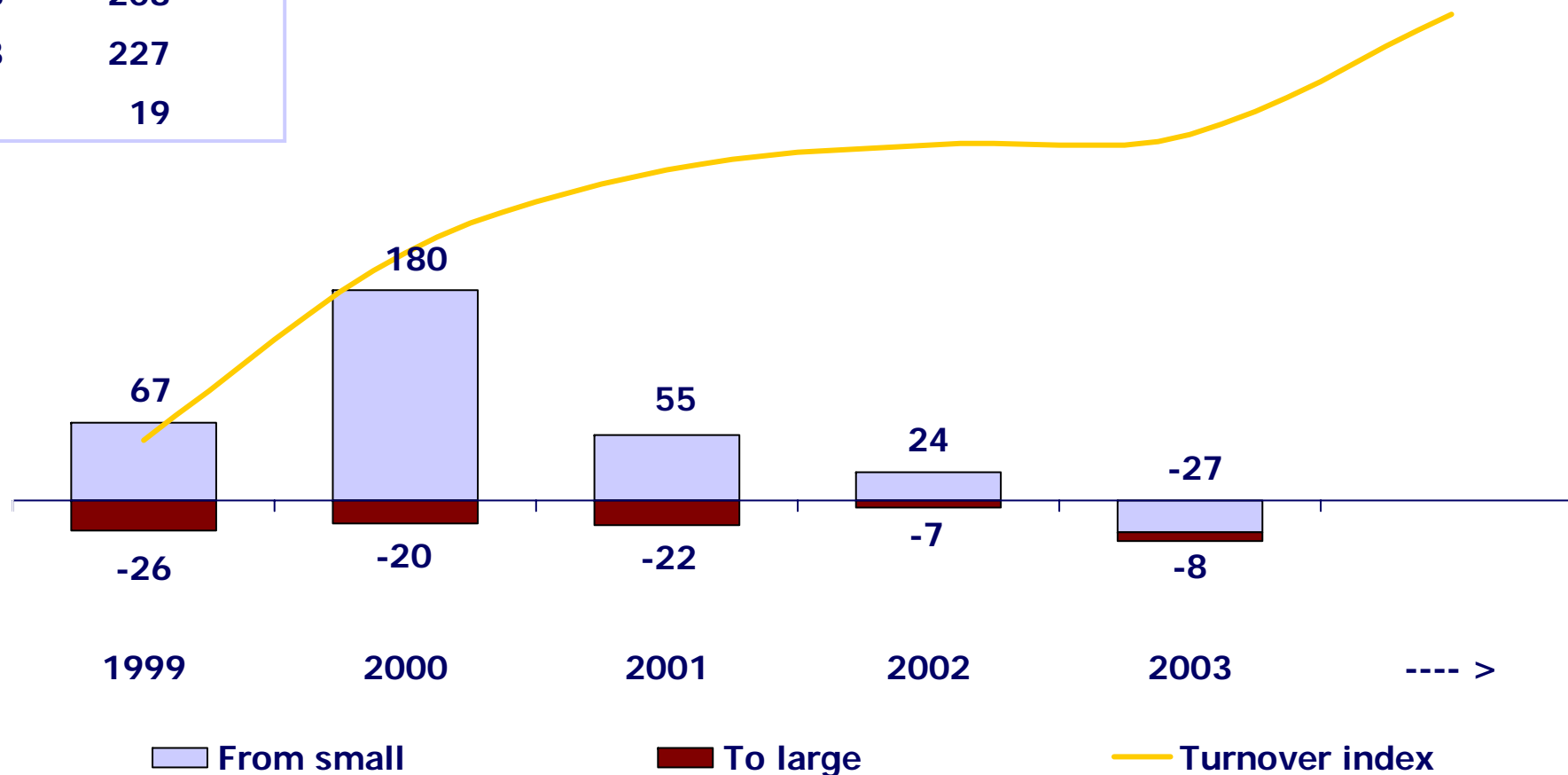
Growth

Net changes in no. of companies, 1998-2003

Medium-size industrial companies in North-West Italy

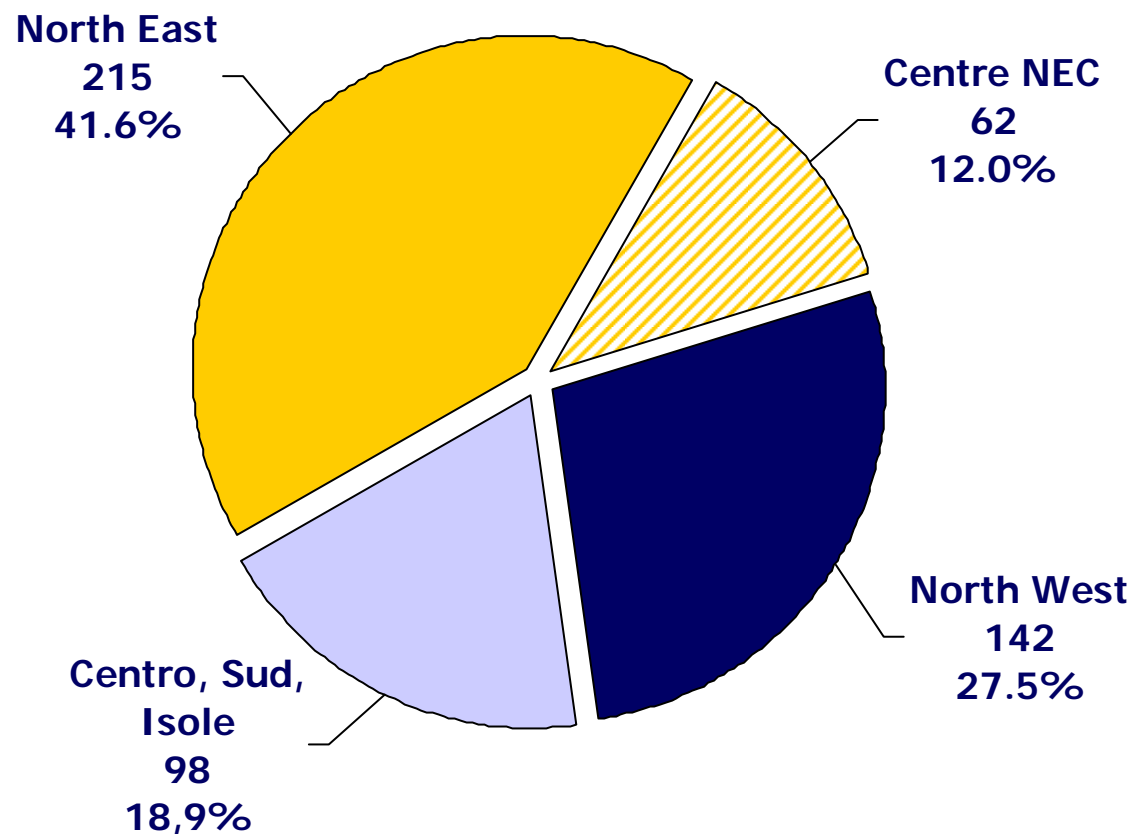
Brescia:

1998	208
2003	227
Chg.	19



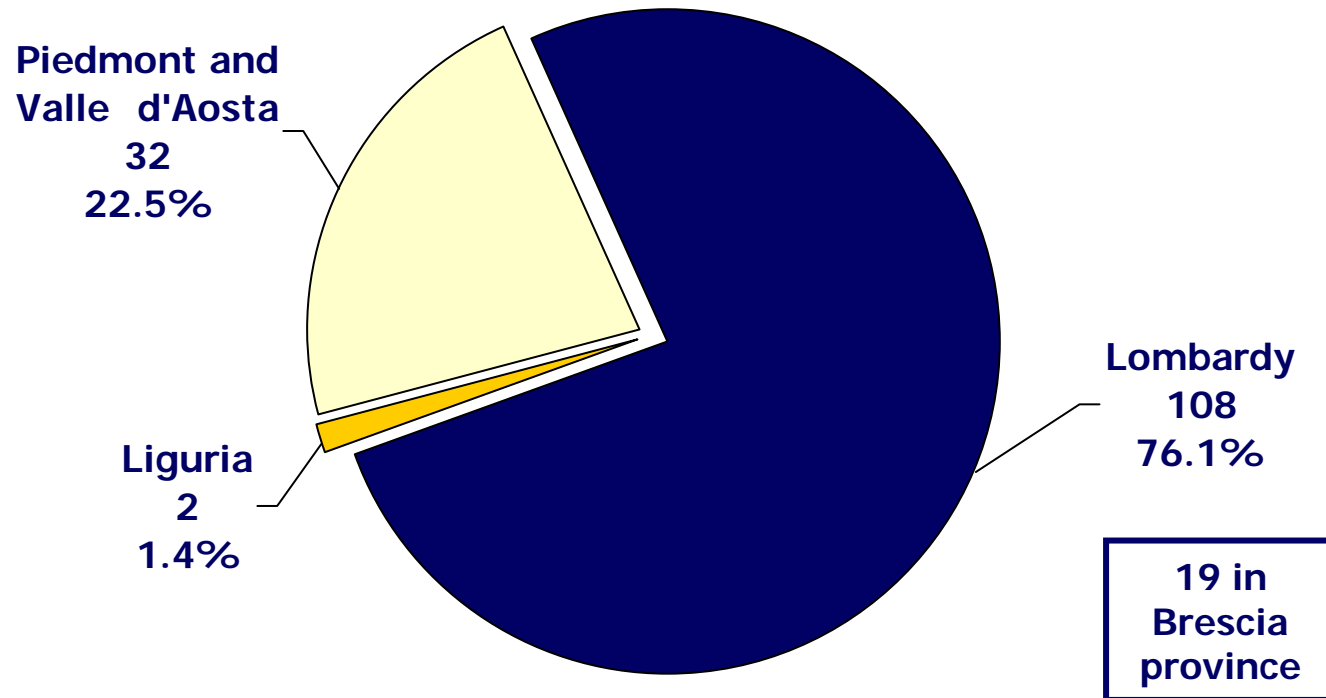
Medium-size business: where are they emerging?

Changes in no. of companies from 1996 to 2003 = +517



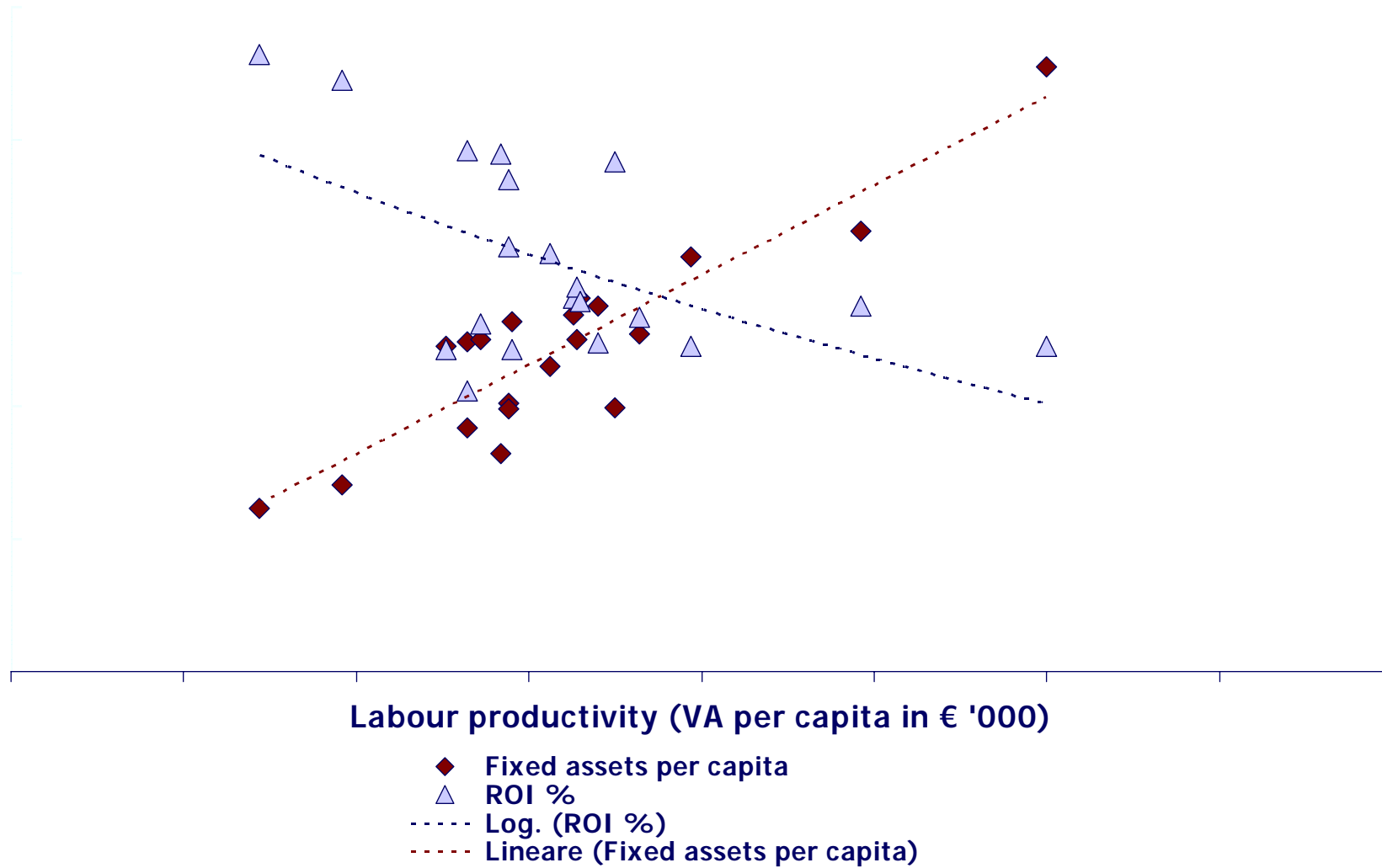
Medium-size companies in North West Italy: where are they emerging?

Changes in no. of companies from 1996 to 2003 = +142



Labour productivity in North West Italy

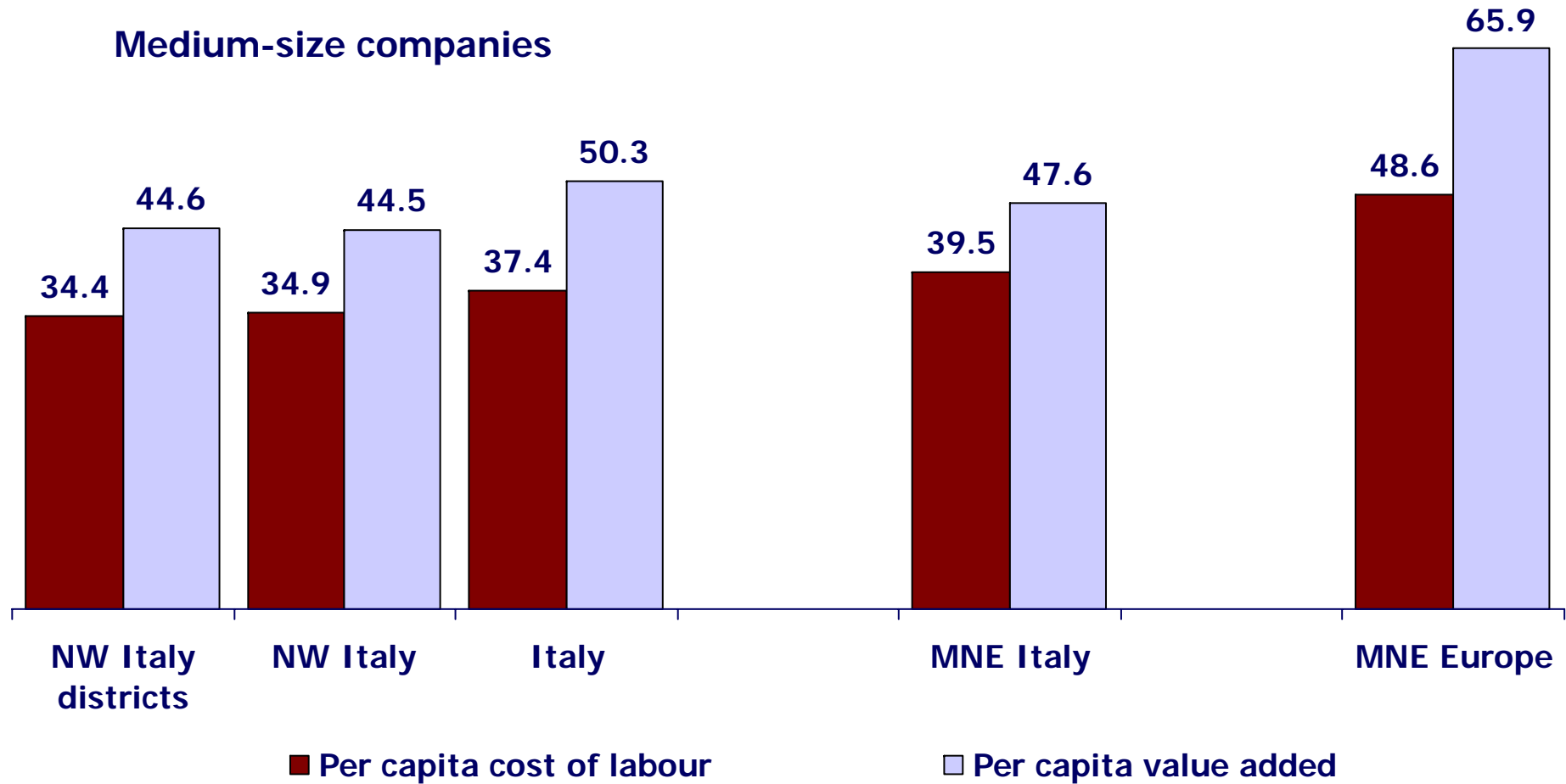
20 classes of capital invested - 2003
Capital intensity increases, ROI declines



Net value added and cost of labour in North West Italy

€ '000 per capita in 2003

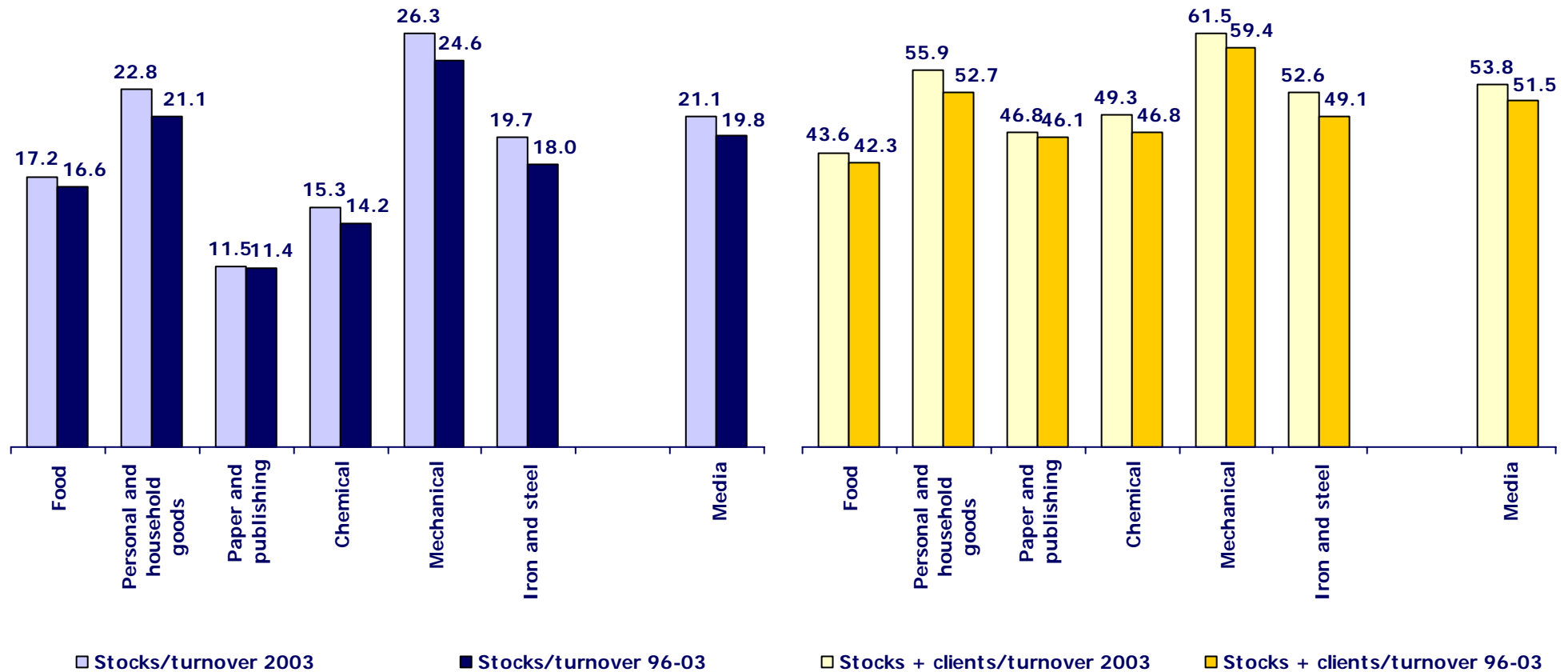
Medium-size companies



2003: the worst year

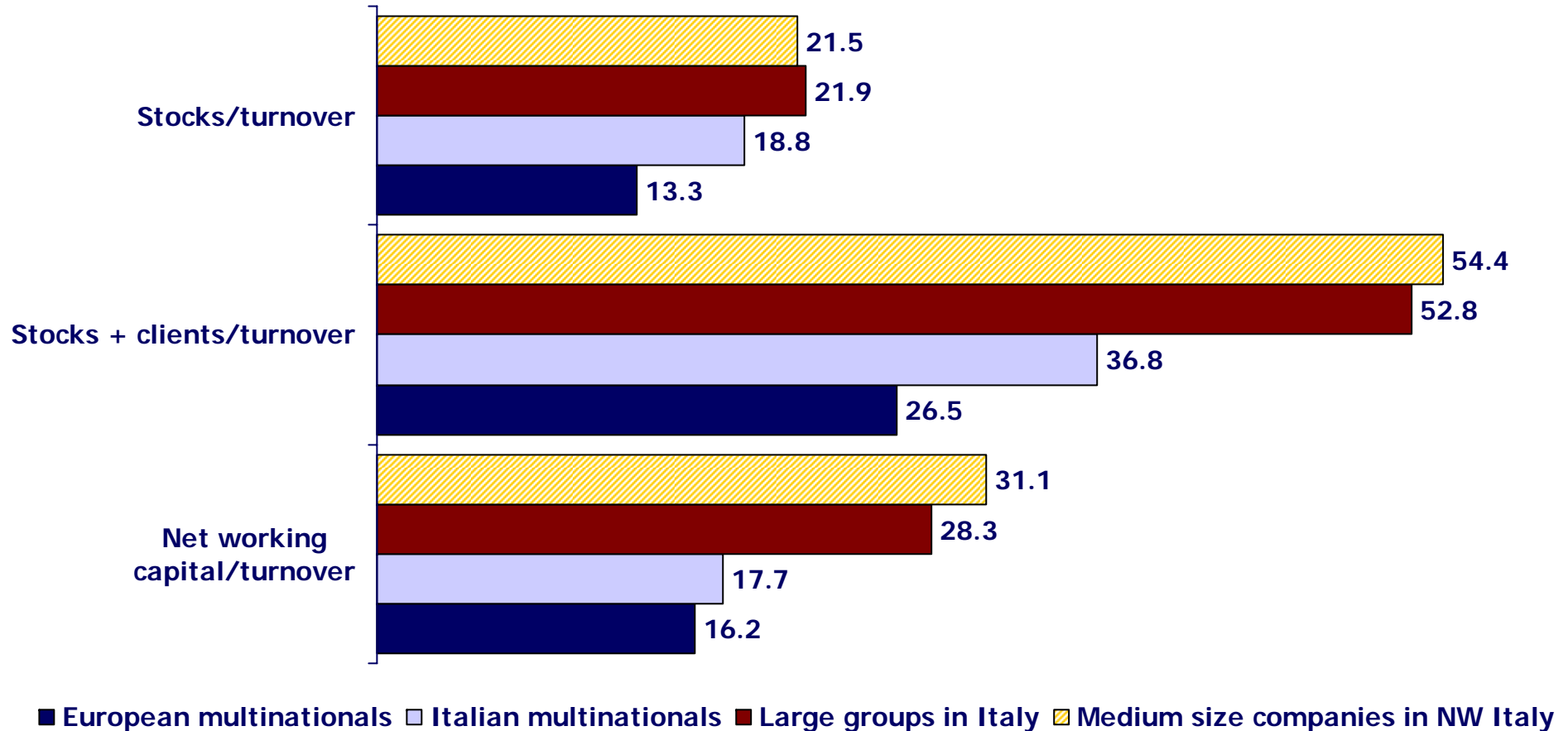
Stocks and customers of medium-size Italian companies as % of turnover

Medium-size industrial companies in North-West Italy



2003: the worst year

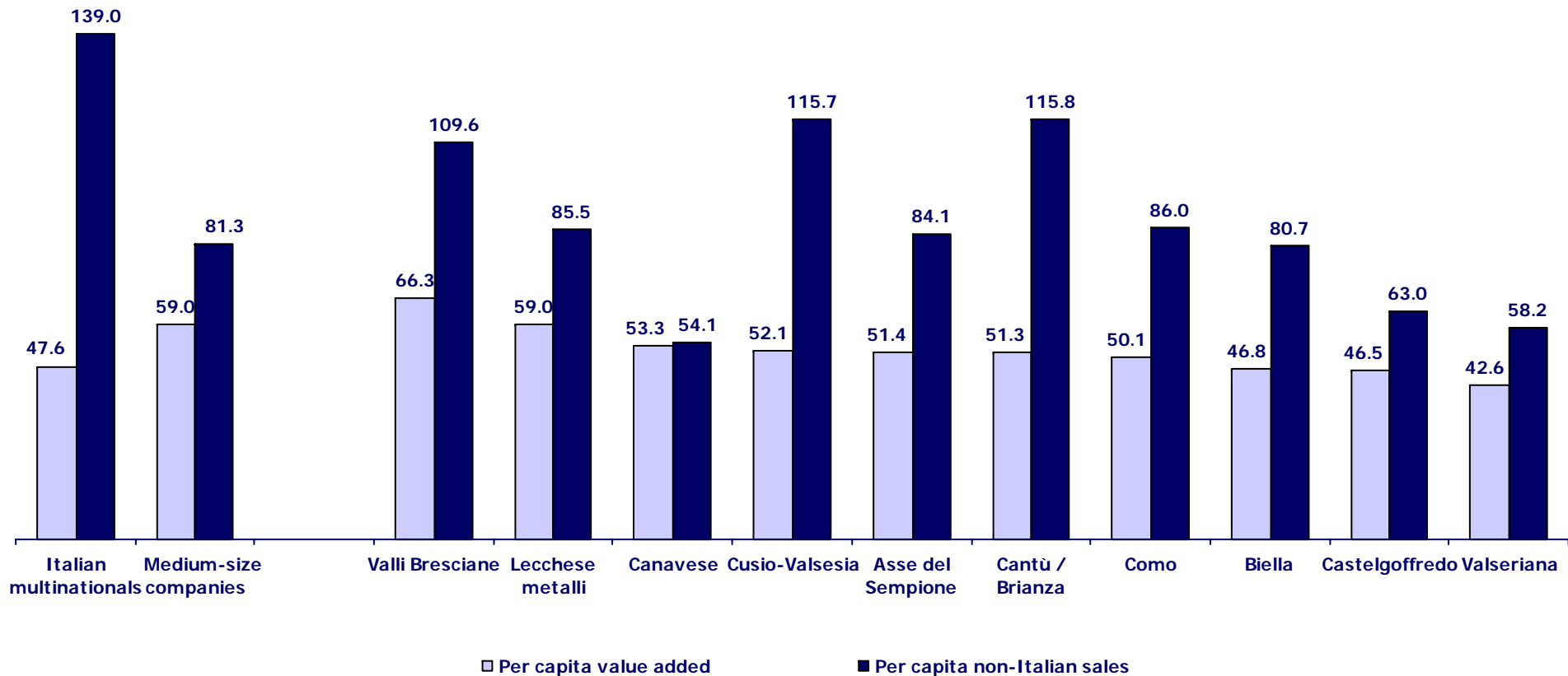
Working capital as % of turnover (constant sector weightings)



NW Italy: earnings data for leading industrial districts

€'000 per capita in 2003

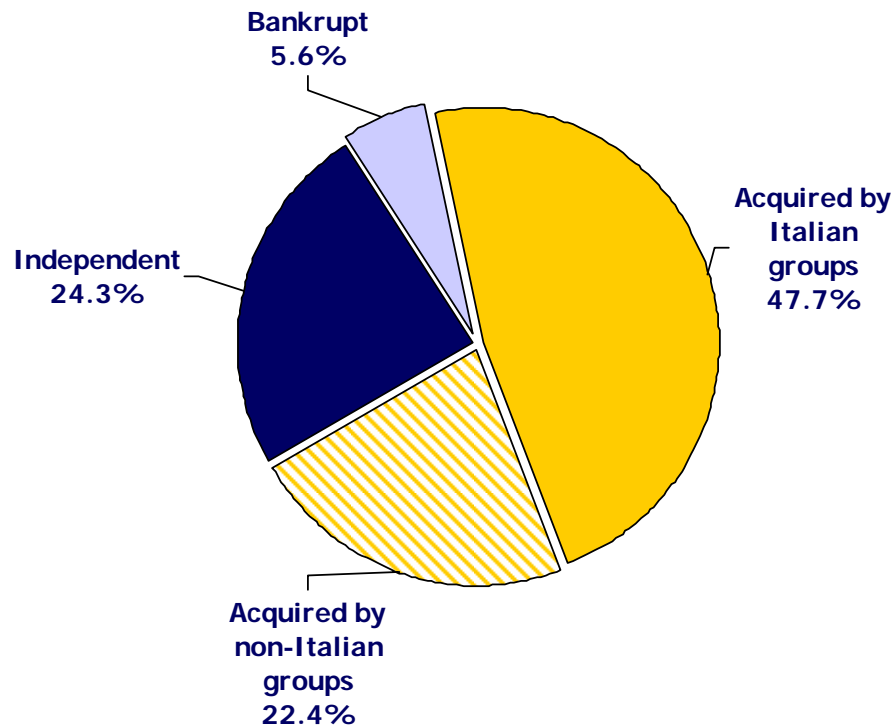
Medium-size industrial companies in North-West Italy



Medium-size companies which have become large groups: where are they now?

Medium-size industrial
companies in North-West
Italy

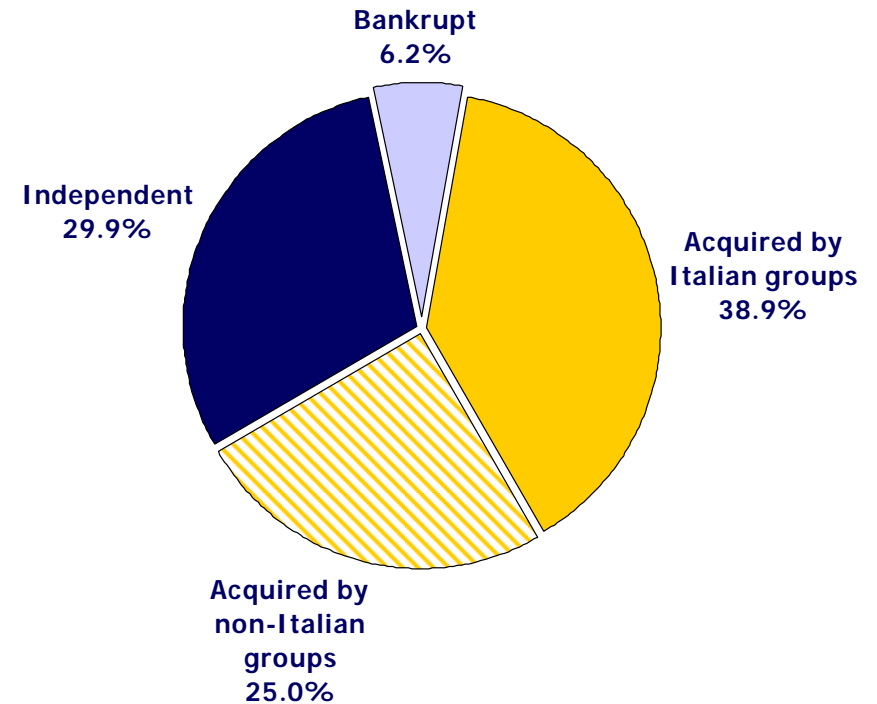
North West Italy - 107 companies



Annual average bankruptcy rate in NW Italy:

1.1%

North East Italy - 144 companies



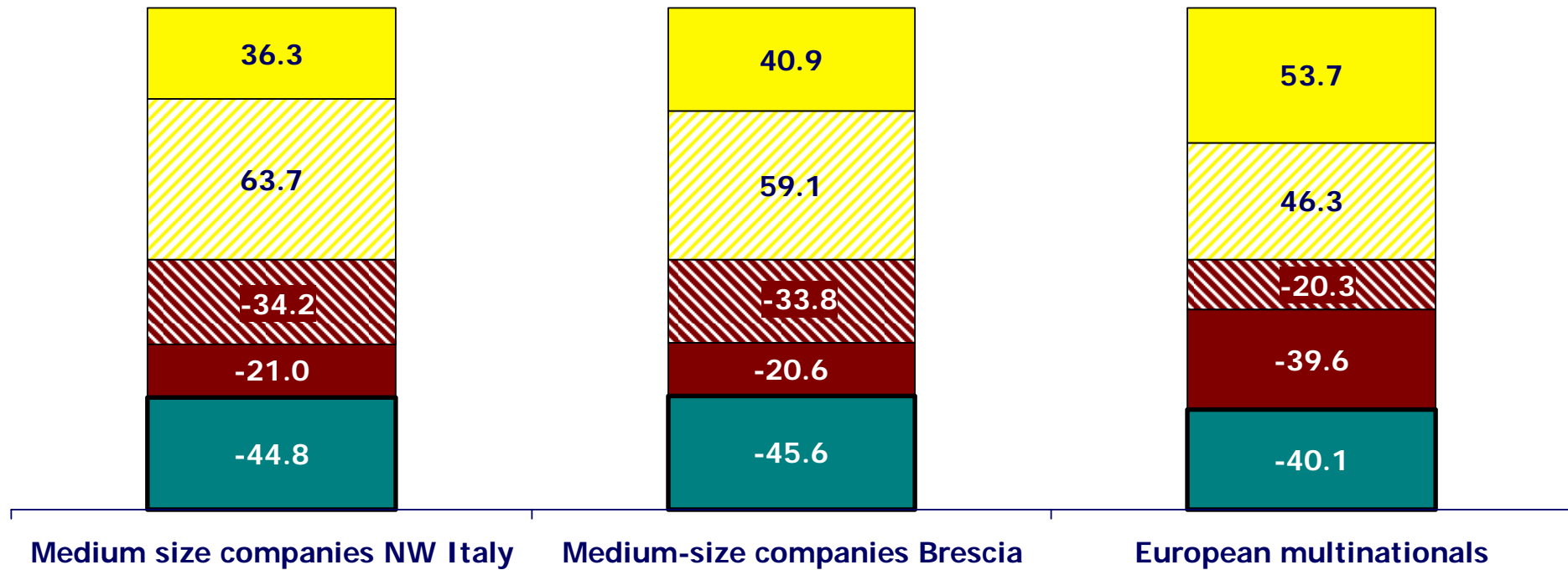
Annual average bankruptcy rate in NE Italy:

1.2%

Medium-size industrial
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Italy

Financial structure in 2003

% of tangible invested capital

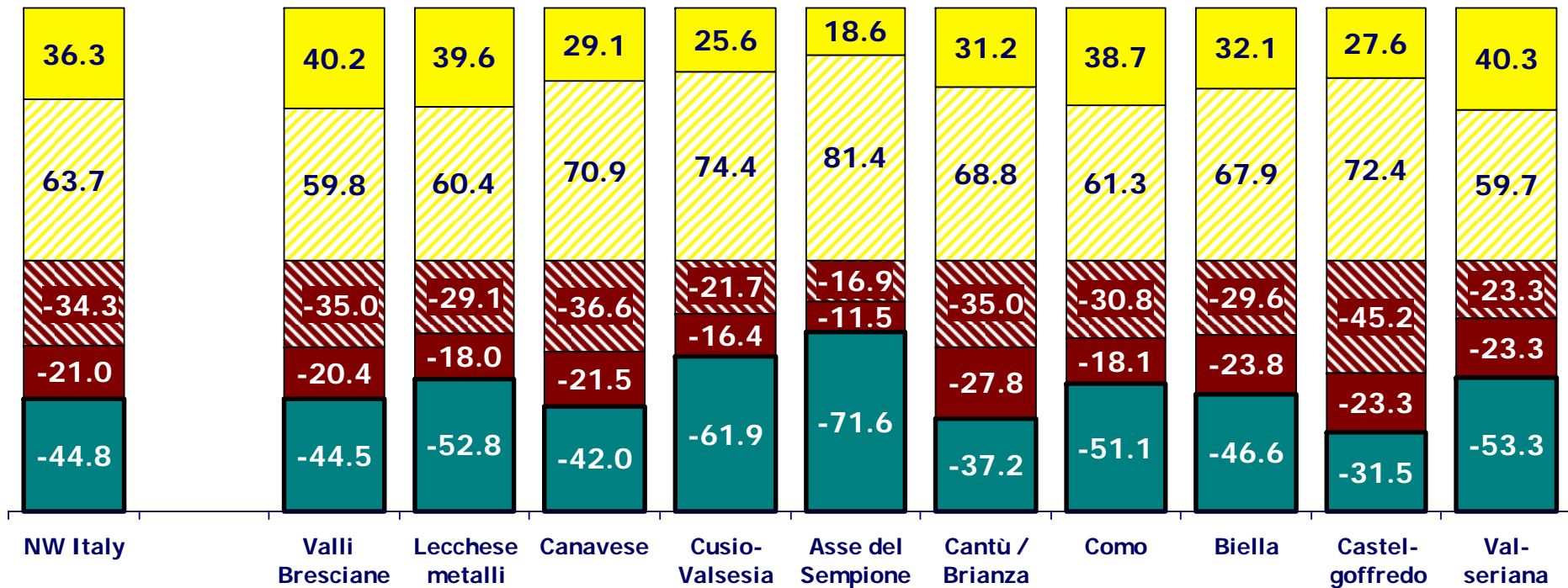


■ Net capital
 ■ Medium-term borrowings
 Short-term borrowings
 Working capital
 Fixed capital

Financial structure in leading industrial districts in NW Italy during 2003

% of tangible invested capital

Medium-size industrial companies in North-West Italy



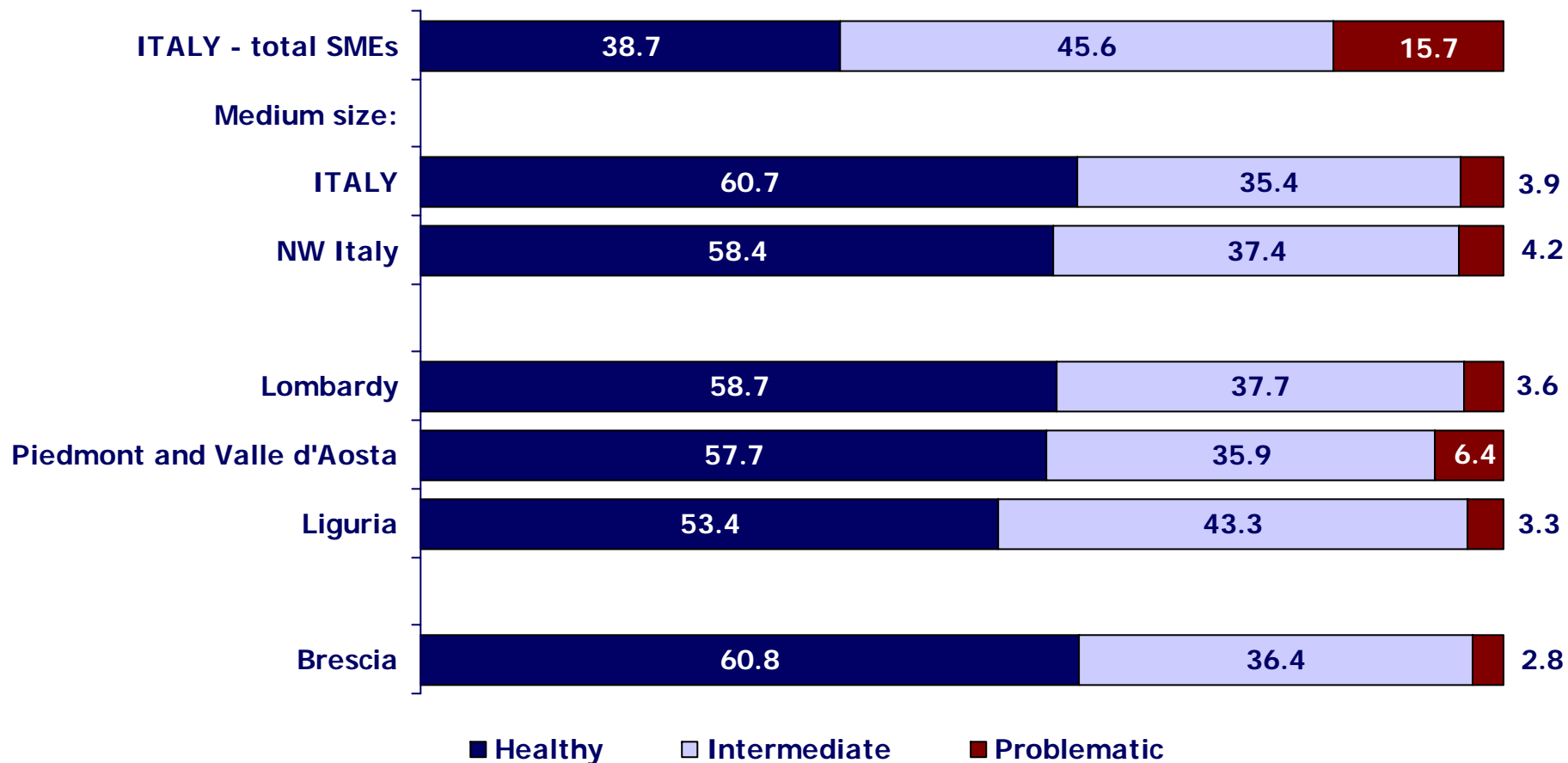
▨ Short-term borrowings
▨ Working capital

■ Medium-term borrowings
■ Fixed assets

■ Net capital

Regional scores in 2003

% of companies - R&S-Unioncamere scoring model



Medium-size companies in summary

Medium-size industrial
companies in North-West
Italy

	Italy	NW Italy	Brescia
Avg. size:			
turnover by company (€m)	36.9	35.9	38.9
Exports (as % of turnover)	33.5	34.6	34.3
% chg. 96-03 (closed groups):			
- turnover	39.8	35.7	37.5
- exports	46.5	41.8	43.4
- value added	33.8	28.2	34.5
- staff	17.3	13.8	12.1
Scoring:			
financially healthy companies	60.7	58.4	60.8

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