
PRESS RELEASE

WISE SGR AND ALCEDO SGR ACQUIRE 100% OF KIIAN SPA TOGETHER WITH THE MANAGEMENT TEAM

Milan, 12 December 2012: Wise SGR S.p.A. ("Wise") and Alcedo SGR S.p.A. ("Alcedo") respectively on behalf of the closed-end funds Wise Equity III and Alcedo III acquired today 100% of the shares of Kiian S.p.A. from Sofipa SGR ("Sofipa"). Wise and Alcedo co-invested with an equal shareholding while the company's top management will hold a minority stake.

The purchase price is equal to €27,0 million (equity value), subject to an earn-out mechanism based on actual 2012 Kiian's consolidated EBITDA level which might increase the equity value up to a maximum of €29,0 million. Sofipa will grant the acquirers a €4,0 million payment deferral on the price at closing and up to maximum €1,5 million payment deferral on the possible price increase deriving from the earn-out mechanism, both with maturity June 30th, 2015.

Kiian Group mainly focuses its activity on its digital inks business and is pursuing its international expansion through acquisitions and organic growth. In the last few years, the turnover of the group increased from about €30 million (2005) to about €48,8 million (2012 expected), with exports sales which increased from less than 30% to about 74% of total sales.

Valentina Franceschini, partner of Wise, and Maurizio Masetti, managing partner of Alcedo, comment as follows: "Kiian is an excellent example of an Italian SME with an international profile and a strong export orientation. Kiian has all the pre-requisites to exploit the opportunities linked to the evolution of printing technologies on an international level, with particular reference to the textile sector in which Italy is at the forefront. This investment is in line with the strategy of our funds to invest in small and medium sized enterprises with a leadership position in their respective markets and with strong growth potential"

Wise and Alcedo were assisted by Andrea Accornero, Carlotta Robbiano and James Hogg of Simmons&Simmons as legal advisor and by Fausto Rinallo of Ethica Corporate Finance as financial advisor.

ABOUT WISE SGR

Wise SGR SpA (www.wisesgr.it) is specialised in the management of closed-end private equity funds which invest in small and medium sized companies with a focus on Italy. Typically the funds managed by Wise invest in Leverage Buy Out and development capital transactions in companies with a leadership position in their respective niches. Its investments have two objectives: to increase the critical mass (also through "build up" transactions) in order to improve their competitiveness and profitability and to support their international development. Wise is controlled by its management and is participated by Banca Popolare di Milano with a 20% share. Wise manages two funds: Wisequity II, with a size of € 170 million and which is now in its disinvestment phase and Wisequity III with commitments of over € 180 million. With Kiian, Wisequity III will complete its third investment, after the investments in EidosMedia and Alpitour. The investment in Kiian was managed by Valentina Franceschini and Maurizio Moroni

ABOUT ALCEDO SGR

Alcedo SGR SpA (www.alcedo.it) is an independent fund management company controlled by its management with a leadership position in development capital. The investors are Italian banks and foundations, international fund of funds and a group of Italian entrepreneurs. Alcedo's headquarters are located in Treviso, in the heart of the dynamic entrepreneurial fabric of Italy's north eastern regions. Alcedo is a partner whose focus is to develop its portfolio companies from an industrial and organisational perspective by contributing the know how accumulated in over 25 years of investment activity. Alcedo manages three funds: Cardine Impresa and Eptasviluppo with a size of approx. € 110 million are in their disinvestment phase while Alcedo III with commitments of over € 170 million completes its 9th investment with Kiian. The other portfolio companies of Alcedo III are ERA (automotive spare parts), Pixarprinting ("web to print" printing), MCS Italy (professional heaters), Masi Agricola (high

quality wines), Lafert (electric motors) and OCN (machines for ferrous and non-ferrous metals). The investment in Kiiian was managed by Maurizio Tiveron, Michele Gallo and Marco Guidolin

ABOUT KIIAN GROUP

Located in Luisago (Como – Italy), KIIAN is a leader in the development, manufacture and sale, worldwide, of specialty inks used in niches of the screen printing and digital printing industries, especially in textile and industrial applications.

KIIAN operates through 5 production sites (in Italy, China and Spain) and 3 Distribution Centres (Italy, the Netherlands and Spain). Kiiian sells its products both directly to end-users and through an extensive network of distributors. Kiiian's products are sold in over 90 countries worldwide and under three brand names: Manoukian Argon, Visprox and KFG. Based on preliminary 2012 figures Kiiian generated revenues of approx. € 48,8 million with an EBITDA margin of approx. 19%. 74% of revenues were generated outside of Italy. Kiiian is led by an experienced management team who have invested in the transaction alongside Wise and Alcedo. The strategic development of the group over the next years will focus on digital inks for textile applications. Digital printing technology is relatively new to the textile sector and is gaining a fast growing share of the textile printing market thanks to its flexibility and versatility compared to traditional textile printing technologies. Inks used for digital textile printing require very high quality and performance standards and offer attractive margins. Kiiian is well placed to exploit the growth of digital printing in textile thanks to its long experience and reputation in the textile sector. Kiiian will also aim to further grow its presence in emerging markets (both in digital and in screen printing) and in special application niches where screen printing will continue to be the preferred printing technology.