

TRANSACTION ANNOUNCEMENT***Progressio acquires a 100% stake in Giorgetti***

Milan, August 6th, 2015

Filippo Gaggini, Managing Director of Progressio private equity fund, is pleased to announce the completion of the acquisition of 100% of Giorgetti Group, the well-known leading Italian high-end furniture designer and producer.

Established in 1898 in Meda as a small cabinet maker's shop, Giorgetti has established itself throughout the years to become one of the key players in the high-end furniture segment, exporting its products in over 85 countries around the world. The company offering is now able to address both retail and corporate clients and the company has delivered continuous growth in terms of revenue and profitability, achieving sales of Eur 39 million in 2014, of which 87% generated abroad.

Progressio has shared with the founding family – Giorgetti – the growth strategy for the years to come. The key actions will focus on strengthening and consolidating the company positioning in the key international markets, leveraging on the company's unparalleled heritage of tradition and corporate values.

Mr. Carlo Giorgetti, also on behalf of the entire family, has declared: "We are truly happy for the positive outcome of the negotiation with Progressio as we believe that they will be able to implement a positive growth strategy based on the unique tradition and core values that has always been associated with the company and that made the Giorgetti brand an icon of the "Made in Italy" all over the world. I accepted Progressio's request to remain, together with my daughter, involved in the company to ensure a smooth transition to the new management team."

Filippo Gaggini, Managing Director of Progressio, declared: "It's a great honor for Progressio to be the new majority shareholders of Giorgetti Group. It will be a long-term investment aimed at supporting the company strong management team and embracing the company unique capability of bringing the best Italian design all over the world. Our investment will be supported by the Giorgetti family who has shared with us the future growth strategy and business plan; the implementation of the business plan will be led by a new experienced and highly skilled manager with an outstanding track-record in the sector, who will also co-invest along Progressio."

Progressio SGR is an independent private equity firm managing Eur 205 million through the fund Progressio Investimenti II, of which approximately 70% already invested. Our aim is to invest in leading Italian companies with high growth potential in the domestic and international markets and that represent key players in their reference sectors. Our investment in Giorgetti comes after two other investments finalized in the last month of July 2015: the acquisition of a majority stake in branded generics pharma company Italchimici and the acquisition of oleodynamic cylinder manufacturer OCS by Progressio's portfolio company Diplomatic.

In the transaction, the Giorgetti family was advised by Banca IMI, acting as the financial advisor, by KPMG for the vendor due diligence activities and by law firms BonelliErede, Spangaro and Borgonovo Formenti as legal advisors. Progressio was advised by law firm Gitti Raynaud & Partners as legal advisor, by Ernst & Young for the financial due diligence, by Russo De Rosa, by Consulgroup and Essentia Advisory. Banca Popolare di Milano, assisted by Simmons & Simmons, provided the acquisition financing.

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