

FY10 Results

HOLD (Unchanged)

Target: € 3.6 (prev. 3.5)

Risk: High

STOCK DATA

Price €	3.1
Bloomberg code	MIT IM
Market Cap. (€ mn)	218
Free Float	31%
Shares Out. (mn)	70.5
52-week range	2.85 - 4.2
Daily Volumes (mn)	0.01

PERFORMANCE

	1M	3M	12M
Absolute	-1.9%	0.2%	-18.6%
Rel. to FTSE all shares	-3.9%	-2.2%	-10.3%

MAIN METRICS

	2009	2010	2011E
EPS - € cents	63	-54	6
DPS ord - € cents	20	10	10

NAV

	2009	2010	2011E
Nav ps ord - €	5.0	4.2	4.2
Listed assets	30%	25%	25%
Controlling	47%	48%	48%

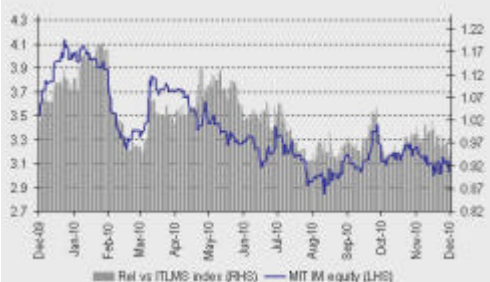
MULTIPLES

	2009	2010	2011E
P/E ord	5.8 x	n.m.	51.4 x
P/E ord Adj	30.7 x	83.8 x	67.4 x
PBV	0.7 x	0.6 x	0.6 x

INDEBTNESS

	2009	2010	2011E
Holding system NFP	7.6	-32.5	-32.5
D/E	n.m.	n.m.	n.m.
Debt to assets ratio	n.m.	0.1	0.1

PRICE ORD LAST 365 DAYS



ANALYSTS

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READY FOR THE NEW CYCLE

After a year featuring major changes in its internal set-up (with the arrival of new managers) and business portfolio, Mittel intends to focus 2011 on growth of lending and advisory business and industrial assets value optimisation. Consistently with these changes and with the aim of cleaning its balance sheet, FY2010 results have been hit by impairment and one-offs. The dividend proposal of €0.10 PS (3.2% div. yield) despite the consolidated loss, is in our view a sign of confidence in FY2011 performance.

■ FY10 results penalised by one-off items. Dividend proposal €0.10ps (3.2% yield)

- **Net interest income: € 5.2mn (-35% YoY) in line (4Q10 +2%).** The YoY decline is due low level of interest rates;
- **Group net loss: -37.8mn (from 44.3mn in FY09) vs -11.1mn exp.** The gap was due to one-off effects. **Adj. Net income € 2.6mn vs 2.8mn exp.**
- **Group net cash: 74.9mn (from 93.5mn at 9M10) vs 95mn exp.,** due to off NFP accounting of the call option on the Tethys participation (8.1mn) and investments;
- **Book Value at €5.0 ps from €5.2 ps at 9M10 (P/BV 0.6x);**
- **Dividend proposed at €0.10 ps (vs 0.15ps exp.), i.e. dividend yield at 3.2%,** despite the consolidated loss. We think this is a sign of confidence in next year's performance.

■ 2011 outlook: simplification of corporate structure and optimization of industrial assets' value

After a year (FY10 ended on 30 September) featuring major changes in its internal set-up (with the arrival of new managers) and business portfolio, Mittel (MIT) has set itself the following objectives for FY2011:

1. Focus on core business of participation holding (30% of NAV)
2. Growth of lending and advisory activities (recurring revenues – 26%)
3. Cost cutting;
4. Optimisation and management of industrial assets (Sorin, Azimut Benetti, Moncler, Fashion District-Alfa Park);
5. A new strategy in the real estate sector (21% of NAV) via the newly founded asset management company Mittel Real Estate SGR (where the first fund should be dedicated to management of Finmeccanica's property assets) and in the investee company Castello SGR.

■ Investment case: HOLD rating confirmed

We maintain our neutral recommendation for MIT based on the following considerations:

- **Sound holding-system financial structure;**
- **Non-prevalence of listed assets** (which account for only 25% of TA);
- **Greater portfolio diversification than the main Italian holding companies;**

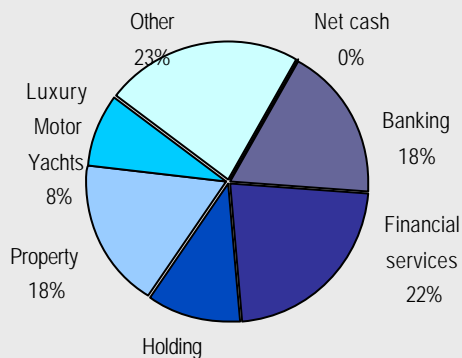
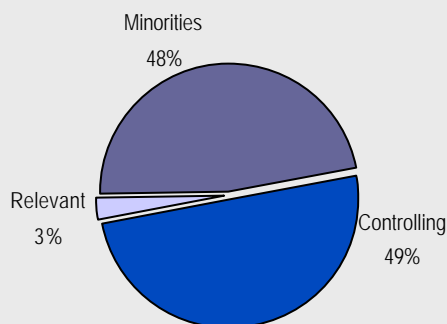
...set against the fact that:

- The stock is trading with a limited discount on NAV (27%) compared with the other listed holding companies (35% ex Premafin), with low liquidity of the stock.
- The Co. has a complex holding structure.

Applying a 15% discount to our NAV of € 4.2 PS, we fix our target price at €3.6 PS.

BUSINESS DESCRIPTION

Mittel (MIT) is an investment/merchant bank that is simultaneously and complementarily active in: i) Private equity as an active shareholder in both listed and unlisted companies; ii) Advisory services for extraordinary finance operations; iii) Operating Finance; iv) Real estate investments

NAV BUSINESS SEGMENTATION - 2010**CONTROLLING STAKE - 2010**

MAIN FIGURES € mn	2007	2008	2009	2010	2011E	2012E
Interest margin	1	6	8	5	6	6
Dividends	23	23	13	6	3	4
Net interest margin	24	29	21	11	9	10
Trading	0	-11	18	-2	1	1
TOTAL INCOME	25	21	50	18	13	15
Results from Real Estate	7	4	3	5	6	4
Growth	-2%	-38%	-34%	69%	29%	-30%
Results from Fin and RE	32	25	53	23	19	19
Growth	-57%	-21%	111%	-57%	-19%	1%
Operating costs	-19	-18	-19	-22	-14	-14
Growth	-56.6%	-20.9%	110.6%	-57.0%	-18.9%	1.4%
Gross operating profit	13	7	35	1	5	5
Profit before tax	23	64	129	-38	4	4
Growth	-65.3%	183.6%	101.2%	n.m.	n.m.	-5.7%
Taxes	-1	-1	-11	0	0	0
Tax rate	6%	2%	8%	1%	1%	1%
Minority interests	-6	-31	-74	0	0	0
Net income reported	15	32	44	-38	4	4
Growth	-74%	106%	40%	n.m.	n.m.	-6%
Margin	63.7%	109.1%	206.7%	-339.2%	49.5%	41.6%
Net income adjusted	4	11	8	3	3	3
Growth	-17%	198%	-24%	-69%	24%	-7%
Margin	15.3%	37.9%	39.0%	23.3%	37.8%	31.1%

STOCK DATA	2007	2008	2009	2010	2011E	2012E
EPS - € cents	23.3	47.9	62.8	-53.6	6.0	5.7
Growth	-73.8%	106%	31%	n.m.	n.m.	-6%
Adj. EPS - € cents	5.6	16.6	11.8	3.7	4.6	4.2
Growth	-17.0%	198%	-29%	-69%	24%	-7%
DPS ord - € cents	15.0	15.0	20.0	10.0	10.0	10.0
Nav ps ord - €	5.0	4.5	5.0	4.2	4.2	4.2

VARIOUS - € mn	2007	2008	2009	2010	2011E	2012E
Capital employed	393	366	296	283	286	286

INDEBTNESS	2007	2008	2009	2010	2011E	2012E
NFP	29	49	126	75	69	66
D/E	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Interests cov	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

MARKET RATIOS	2007	2008	2009	2010	2011E	2012E
PNAV ord	1.1 x	0.5 x	0.7 x	0.7 x	0.7 x	0.7 x
PBV	0.8 x	0.4 x	0.7 x	0.6 x	0.6 x	0.6 x
P/E ord	22.6 x	4.8 x	5.8 x	n.m.	51.4 x	54.5 x
P/E ord Adj	94.2 x	13.8 x	30.7 x	83.8 x	67.4 x	72.8 x
P/CF	22.2 x	4.8 x	5.6 x	n.m.	49.1 x	51.9 x

REMUNERATION	2007	2008	2009	2010	2011E	2012E
Div. Yield ord	2.9%	6.5%	5.5%	3.2%	3.2%	3.2%
Roe	3.7%	7.6%	10.6%	-9.7%	1.2%	1.1%
ROCE	3.9%	8.6%	15.0%	-13.3%	1.5%	1.4%

Source: EQUITA SIM estimates & company data

FY10 results penalised by one-off items. Dividend proposal €0.10ps (3.2% yield)

MITTEL: CONSOLIDATED P&L (€ mn)								
Group/€ mn	Sep-08	Sep-09	Sep-10E Exp.	Sep-10E Curr.	Change	Sep-11E Prev	Sep-11E Curr	Change
Interest margin	6.1	7.9	5.2	5.2	0%	5.4	5.5	2%
y/y change		29%	-35%	-35%		5%	7%	
Dividends	22.9	13.5	5.1	6.0	18%	5.1	3.0	-41%
Net Interest Income	29.0	21.4	10.2	11.1	9%	10.6	8.5	-19%
Trading	-10.7	18.3	1.0	(1.5)	n.m.	1.0	1.0	0%
Net commissions	2.7	10.8	10.2	8.6	-16%	15.5	3.0	-81%
Other non interest income (costs)	0.1	0.0	0.0	0.0	0%	0.0	0.0	0%
Total Income	21.1	50.5	21.4	18.2	-15%	27.1	12.5	-54%
y/y change		139%	-58%	-64%		26%	-31%	
Net results from real estate activities	4.1	2.7	4.0	4.7	16%	4.0	6.0	50%
y/y change		-34%	45%	69%		0%	29%	
Operating costs	-18.4	-18.5	-18.9	-21.7	15%	-20.8	-13.5	-35%
y/y change		1%	2.2%	17.2%		9.8%	-37.8%	
Operating profits	6.7	33.5	5.5	0.1	-99%	9.3	4.8	-48%
y/y change		402%	-84%	-100%		68%	n.m.	
LLPs	0.0	-3.6	-1.2	-0.9		-1.2	-0.6	
Investments write-off	0.0	-32.0	-16.5	-17.0		0.0	0.0	
Extraordinary items and others	57.1	130.6	1.6	-20.4		0.0	0.0	
Pre tax income	63.9	128.5	-10.6	-38.3	n.m.	8.1	4.3	-48%
y/y change		101%	0%	0%		0%	0%	
Net income	63.9	128.5	-11.1	-37.8	n.m.	5.8	4.2	-28%
y/y change		101%	-125%	-185%		-159%	-111%	
Adj Net income	11.0	8.4	2.8	2.6	-8%	4.8	3.2	-33%
y/y change		-24%	-66%	0%		21%	24%	
Client loans	173	294	294	292	0%	294	292	0%
y/y change		69.5%	0.0%	-0.4%		0.0%	-0.4%	
Ratio Analysis:								
NIM	3.93%	3.39%	1.76%	1.76%		1.85%	1.89%	
LLPs (bps)	0	124	40	31		40	20	
Tax rate	2%	8%	28%	1%		28%	1%	

Source: EQUITA SIM estimates

- **Net interest income: € 5.2mn (-35% YoY) in line (4Q10 +2%)**. The YoY decline is due low level of interest rates ;
- **Net fees: €8.6 mn vs. €10.2 mn exp.**, due to the lower top-line contribution of the indexes division (down from €8.6 mn to €6.7 mn), which contributed to consolidated accounts only for 11 months as it has been sold
- **Trading income: €-1.5 mn vs. €1 mn exp.**, mainly due to the €2.5-mn decrease in the fair value of the call option in Tethys (the parent company of Hopa)
- **Gross real estate income: €4.7 mn vs. €4 mn exp.**
- **Operating costs: €-21.7 mn vs. €-18.9 mn exp.**, also because of a one-off cost of € 0.9 mn relating to a transactional agreement with Mr. De Vivo for early termination of a project initiated in 2007. This agreement will lead to savings of €0.3-0.4 mn in FY2011.
- **Group net loss: -37.8mn (from 44.3mn in FY09, impacted by the capital gain on Moncler) vs. -11,1mn exp.** The gap was due to one-off effects. **Adj. Net income €2.6mn vs 2.8mn exp.**
- **Group net cash: 74.9mn (from 93.5mn at 9M10) vs 95mn exp.**, due to off NFP accounting of the call option on the Tethys participation (8.1mn) and investments;
- **Book Value at €5.0 ps from €5.2 ps at 9M10 (P/BV 0.6x);**
- **Dividend proposed at €0.10 ps (vs 0.15ps exp.), i.e. dividend yield at 3.2%**, despite the consolidated loss. We think this is a sign of confidence in next year's performance.

ADJ. NET INCOME CALCULATION

	2010
Reported Net Income	-37.8
Impairment of Greenholding investment and MCF	18.2
tethys	9.1
Transaction with Mr. De Vivo	0.9
Provisions	2.8
Loss on EC PI participation	9.4
Adj. Net Income	2.6

Source: EQUITA SIM estimates

Creating of an Executive Committee as a means of greater operating flexibility

On 23 November 2010 Mittel set up an Executive Committee - headed by Massimo Tononi (until May this year Managing Partner & Director of Goldman Sachs and formerly Undersecretary, in 2006-2008, at the Italian Economy Ministry) - that will remain in office until the present BoD lapses (Sept-2011).

The Executive Committee has been vested with full powers of ordinary and extraordinary administration and, as a rule, will meet once a fortnight. Committee meetings are attended by the General Manager, Mario Spongano, who regularly dialogues with Committee members as regards the operations forming part of his functions. **With creation of the Executive Committee, Mittel has endowed the group with a streamlined decision-making body, able to act fast, supporting management and aiming to achieve greater operating flexibility.**

We also believe that, with the arrival of Mr. Tononi and Rovati, **Mittel's origination power has been significantly strengthened**, thus increasing visibility as regards sustainable growth of Mittel's recurring revenues.

2011 outlook: simplification of corporate structure and optimization of industrial assets' value

The General Manager, Mario Spongano, has set Mittel's accounts in order. It has cost a consolidated loss of € -37.8 mn but Mittel can now initiate a new cycle in an assured manner. In summary, for 2011 Mittel has set itself the following objectives:

1. Focus on the core business of participation holding (31% of NAV)
2. Simplification of the corporate structure, which today features numerous subsidiaries, and cost cutting
3. Strengthening of lending and advisory activities (26% of NAV): today loans to businesses total some € 240 mn and could grow significantly, given that the subsidiary has capital of about € 120 mn and can handle much higher amounts
4. Strengthening of strategic advisory services for Italian SMEs (starting from the city of Brescia, considered a particularly important location due to its strong business fabric)
5. For Hopa (11% of NAV), concentration on operating companies following financial reorganization – in particular Sorin (where there is full support for the CEO, André-Michel Ballester, who wants to grow in the USA) and Fashion District-Alfa Park (where there is not always agreement with the other partners, meaning that reorganization is possible)
6. A new strategy in the real estate sector (21% of NAV) via the newly founded asset management company Mittel Real Estate SGR (where the first fund should be dedicated to management of Finmeccanica's property assets) and in the investee company Castello SGR

VALUATION AND PERFORMANCE

MITTEL - NAV							
Asset	Sector	Stake %	# share	€ PS	€ mn	%	Valuation method
Intesa Sanpaolo	Banking	0.13%	15.0	2.2	32	11%	Market Value
UBI Banca ScpA	Banking	0.68%	4.3	6.8	30	10%	Market Value
RCS Media Group SpA	Media	1.3%	9.3	1.0	10	3%	Market Value
Sorin (Tower 6 Bis)	Biomedical	3.3%		1.7	17	6%	Net equity (Market Value)
TOTAL LISTED SHAREHOLDINGS (1)					88	31%	
Mittel Generale Investimenti	Financial Services	100%			77	26%	Adj 2009 P/BV 0.7x
Property Assets	Real Estate	100%			61	20%	Cost + incremental exp as Set 10
Azimut-Benetti	Lux ury Motor Yachts	5.5%			29	10%	BV as Sept-10 (EV/EBITDA 10E 12x)
Tethys (Hopa)	Holding	34.0%			34	11%	BV as Sept-10
Moncler (Brands Partners 2)	Retail	3.4%			22	7%	P/E 2010E = 21x
Funds (Progressio I/II, Cosimo, Augusto, Equinox II)	PE and RE Funds	n.m.			26	9%	BV as Sept-10
Ghea (45,5% pref sh in Bios with 19,2% of Sorin)	SubHolding	51.0%			12	4%	Net equity (Market Value)
Istituto Atesino di Sviluppo S.p.A.	Holding	1.8%			3	1%	BV as June-10 (P/BV 07 1.2x)
Hopa	Holding	1.7%			3	1%	Book Value Sept-10
Mittel Corporate Finance (ECPI)	Financial Services	100%			1	1%	Book Value Sept-10
SIA-SSB	IT Services	0.3%			1	0%	BV as June-10 (EV/EBITDA 07 6.5 x)
Vimercati	Automotive	7.0%			1	0%	BV as Sept-10
TOTAL UNLISTED SHAREHOLDINGS (2)					270	91%	
ATTRIBUTABLE NFP (3)					-32	-11%	Adj. NFP as today
HOLDING COSTS (4)					-29	-10%	Normalised cash costs net of taxes capitalised @ 10%
TAXES ON POTENTIAL CAPITAL GAINS (5)					0	0%	
STOCK OPTIONS DILUTION (6)					0	0%	
TOTAL NET ASSET VALUE (1+2+3+4+5+6)					298	100%	
Nr. of Shares (mn)					71		
NAV per Ord share €					4.2		
Current discount (premium)					27%		
P/NAV					0.73		

Source: EQUITA SIM estimates

MITTEL: NAV - CHANGE IN VALUATION				
Asset	Previous € mn	Current € mn	Change %	Change abs
Intesa Sanpaolo	35	32	-8%	-3
UBI Banca ScpA	30	30	-1%	0
RCS Media Group SpA	9	10	2%	0
Sorin (Tower 6 Bis)	17	17	-4%	-1
TOTAL LISTED SHAREHOLDINGS (1)	92	88	-4%	-4
Mittel Corporate Finance (ECPI)	5	2	-71%	-4
Property Assets	62	61	-1%	0
Mittel Generale Investimenti	77	77	0%	0
Azimut-Benetti	29	29	0%	0
Tethys (Hopa)	31	34	7%	2
Moncler (Brands Partners 2)	10	22	115%	12
Funds (Progressio I/II, Cosimo, Augusto, Equinox II)	17	26	51%	9
Ghea (45,5% pref sh in Bios with 19,2% of Sorin)	12	12	0%	0
Istituto Atesino di Sviluppo S.p.A.	3	3	0%	0
SIA-SSB	1	1	0%	0
Vimercati	1	1	0%	0
Hopa	2	3	42%	1
TOTAL UNLISTED SHAREHOLDINGS (2)	252	271	8%	19
ATTRIBUTABLE NFP (3)	-22	-32	45%	-10
HOLDING COSTS (4)	-29	-29	-1%	0
TAXES ON POTENTIAL CAPITAL GAINS (5)	0	0		
STOCK OPTIONS DILUTION (6)	0	0		
TOTAL NET ASSET VALUE (1+2+3+4+5+6)	292	298	2%	6
Nr. of Shares (mn)	71	71		
NAV per Ord share €	4.2	4.2		
Current discount (premium)	27%	27%		
P/NAV	0.73	0.73		

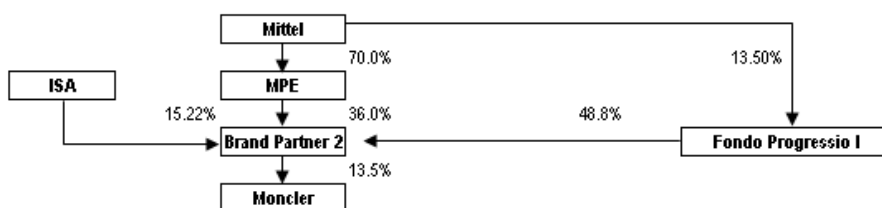
Source: EQUITA SIM estimates

NAV updating listed assets and increasing the pro-quota valuation of Moncler from €10.2 mn (P/E 2010E 13x) to €22mn (P/E 2010E 21x) is 4.2 PS. In fixing out target price we apply a 15% discount to NAV. As a consequence, starting from a NAV of €4.2 PS our target price is €3.6 PS.

MITTEL NAV: SENSITIVITY TO DIFFERENT MONCLER EQUITY VALUE					
Moncler P/E 2010 (x)	Moncler 100% Equity Value (€ mn)	Moncler Mittel stake value (€ mn)	NAV (€ PS)	Change NAV	Discount ord.
17	748	16	4.2	-2%	26%
19	836	19	4.2	-1%	26%
21	924	22	4.2	0%	27%
23	1012	25	4.3	1%	28%
25	1100	28	4.3	2%	29%
27	1188	31	4.4	3%	29%
29	1276	34	4.4	4%	30%
31	1364	37	4.4	5%	31%
33	1452	40	4.5	6%	31%
35	1540	43	4.5	7%	32%
37	1628	46	4.6	8%	33%
39	1716	49	4.6	9%	33%

Source: EQUITA SIM estimates

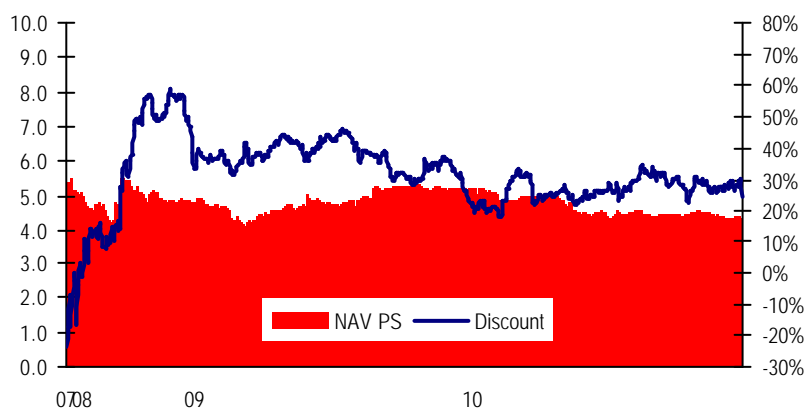
MONCLER CONTROLLING STRUCTURE



Source: EQUITA SIM estimates

The table below shows the trend in Mittel's NAV and MIT's discount vs. NAV since January 2007. In the last 3 years MIT has traded at an average discount vs. NAV of about 24%.

MITTEL: DISCOUNT TO NAV SINCE JAN 07



Source: EQUITA SIM estimates

ITALIAN HOLDING COMPANIES: CURRENT AND HISTORICAL NAV AND DISCOUNTS

Company	Val. method listed assets	NAV (€ PS) *								Disc. / (Prem.) to NAV						
		2004	2005	2006	2007	2008	2009	2010	2004	2005	2006	2007	2008	2009	Avg.**	2010
ASTM	market price	n.a.	n.a.	n.a.	20.9	10.7	14.0	14.5	n.a.	n.a.	n.a.	28%	47%	29%	35%	32%
CIR	market price	2.66	2.91	3.05	3.28	2.15	2.50	2.19	22%	22%	18%	24%	65%	30%	30%	36%
COFIDE	see through	1.32	1.47	1.52	1.64	1.03	1.21	1.06	36%	30%	28%	35%	68%	48%	41%	37%
DEA CAPITAL	market price	n.a.	n.a.	2.61	2.40	1.64	2.00	2.00	n.a.	n.a.	-8%	22%	50%	53%	29%	43%
EXOR ord. (1)	market price	4.6	5.2	8.2	9.2	15.9	25.2	36.9	34%	31%	25%	28%	50%	48%	36%	35%
IMMSI	market price	n.a.	n.a.	2.88	2.12	1.21	1.57	1.84	n.a.	n.a.	25%	35%	43%	47%	38%	55%
ITALMOBILIARE (2)	market price	77.1	97.4	122.3	93.1	53.1	56.4	43.2	37%	42%	36%	32%	49%	47%	41%	42%
MEDIOBANCA (3)	market price	12.8	16.4	17.4	16.4	14.3	11.1	10.4	21%	12%	13%	10%	40%	36%	22%	33%
MITTEL	market price	n.a.	n.a.	n.a.	5.0	4.52	5.00	4.2	n.a.	n.a.	n.a.	-5%	49%	27%	24%	27%
CAMFIN	see through	2.39	33.67	1.79	2.37	0.49	0.65	0.57	24%	95%	20%	40%	40%	54%	45%	36%
PREMAFIN	market price	1.72	2.26	3.29	2.67	0.71	0.07	-0.06	28%	11%	28%	26%	-81%	-1419%	-235%	1328%
AVERAGE									27%	32%	19%	25%	38%	-81%	10%	143%
AVERAGE excluding PREMAFIN (trading at very high premium)													49%	41%	30%	35%

(1) IFIL ord. until 2007 (assuming total n. shares ord+sav), EXOR ord. (IFIL+IFI) since merger announcement (Sep-08), assuming 30% pref. discount vs ord.

(2) adj. number shares: before Nov-07 based on market discount; after Nov-07 applying avg. between 3-month and market discounts

(3) year-end: June

(4) using total n. of shares (ord. + sav.)

* based on estimated year-end net debt and listed assets valued at December avg. market price

** historical 6-year arithmetical average (2004-09 where available)

Source: EQUITA SIM estimates

ITALIAN HOLDING COMPANIES PERFORMANCE

Company	Currency	DESCRIPTION			PERFORMANCE				YTD
		Price	Mkt cap (€ mn)	1 m	3 m	6 m	1 y		
AUTOSTRADA TO-MI	EUR	9.9	871	1.4	-0.8	-4.0	-0.8	-2.8	
CIR	EUR	1.4	1,114	-5.9	-1.4	-7.0	-20.6	-22.5	
COFIDE	EUR	0.6	467	5.7	1.8	-4.5	-0.4	-1.5	
DEA CAPITAL	EUR	1.1	347	-7.7	-13.1	-6.0	-8.6	-10.8	
EXOR	EUR	24.9	5,559	13.9	52.0	73.3	89.3	83.2	
IMMSI	EUR	0.8	280	-3.2	-2.0	6.5	0.1	-2.4	
ITALMOBILIARE	EUR	25.0	831	6.9	-2.9	1.8	-17.7	-19.2	
MEDIOBANCA	EUR	6.9	5,898	-3.7	-0.3	4.1	-16.8	-17.6	
CAM FINANZIARA	EUR	0.4	242	-5.0	-2.2	36.5	20.5	17.8	
TAMBURI INVESTME	EUR	1.4	155	1.9	6.1	19.2	14.4	12.6	
MITTEL	EUR	3.1	217	-2.1	0.0	-8.3	-18.7	-22.6	
Average				0.2	3.4	10.1	3.7	1.3	
Median				-2.1	-0.8	1.8	-0.8	-2.8	

Source: Bloomberg prices

SENSITIVITY

		MITTEL NAV: SENSITIVITY (€ PS)							
MGI	AZIMUT BENETTI	-25.0%	-15.0%	-10.0%	TODAY	10.0%	15.0%	25.0%	
		22	25	26	29	32	34	36	
-25.0%	57	3.9	3.9	3.9	4.0	4.0	4.0	4.1	
-15.0%	65	4.0	4.0	4.0	4.1	4.1	4.1	4.2	
-10.0%	69	4.0	4.1	4.1	4.1	4.2	4.2	4.2	
TODAY	77	4.1	4.2	4.2	4.2	4.3	4.3	4.3	
10.0%	84	4.2	4.3	4.3	4.3	4.4	4.4	4.4	
15.0%	88	4.3	4.3	4.4	4.4	4.4	4.5	4.5	
25.0%	96	4.4	4.4	4.5	4.5	4.5	4.6	4.6	

Source: EQUITA SIM estimates

STATEMENT OF RISK

The primary elements that **could positively impact MITTEL include:**

- Significant improvement in the main assets reference macroeconomic scenario
- Significant increase in short term interest rates
- Increase in valuation for property development projects
- Upward revision risk for fee-based ECPI business
- Positive share price performance of Intesa Sanpaolo, UBI Banca and RCS
- Significant improvement of luxury motor yachts market conditions affected Azimut Benetti

The primary elements that **could negatively impact MITTEL include:**

- Significant deterioration in the main assets reference macroeconomic scenario
- Decrease in short term interest rates
- Valuation risk for property development projects
- Downward revision risk for fee-based ECPI business
- Negative share price performance of Intesa Sanpaolo, UBI Banca and RCS
- Potential write-downs on loans following a difficult market environment
- Significant deterioration of luxury motor yachts market conditions affected Azimut Benetti

INFORMATION PURSUANT TO ARTICLE 69 ET SEQ. OF CONSOB (Italian securities & exchange commission) REGULATION no. 11971/1999

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RECOMMENDATION/RATING	Low Risk	Medium Risk	High Risk
BUY	ETR >= 7.5%	ETR >= 10%	ETR >= 15%
HOLD	-5% <ETR< 7.5%	-5% <ETR< 10%	0% <ETR< 15%
REDUCE	ETR <= -5%	ETR <= -5%	ETR <= 0%

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Date	Rec.	Target Price (€)	Risk	Comment
26 May 2010	HOLD (HOLD)	3.8 (4.3)	High	change in estimates/valuation
14 January 2010	HOLD (BUY)	4.3 (4.2)	High	change in upside/downside potential because of stock performance

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	COMPANIES COVERED	COMPANIES COVERED WITH BANKING RELATIONSHIP
BUY	51.8%	56.4%
HOLD	40.4%	33.3%
REDUCE	6.0%	5.1%
NOT RATED	1.8%	5.1%