



# ***Minibond Scorecard***

## ***Market trends***

***Main indicators as of March 31<sup>st</sup> 2019***

Epic is the new fintech financing platform that directly connects private capital and SMEs

MiniBondItaly.it is the first informational web portal and news aggregator overlooking the Italian minibond market. MiniBondItaly.it is developed and updated on a daily basis by Business Support, a financial advisory and management consulting firm

Source: Epic and Business Support calculations on Borsa Italiana data and corporate web-sites.

# Minibond market developments: main trends

as of 1Q2019 <sup>(1)</sup>

- **356 bonds issued** on the ExtraMOT Pro market since 2014, with a corresponding face value of **€ 20,799M**. Minibonds (i.e. securities with face value not exceeding € 50M) reach **297** issues, with a corresponding face value of **€ 2,081M**.
- Minibonds still outstanding at the end of 1Q2019 are **166**, accounting for a face value at issue of **€ 1,491M** (**€ 1,343M** the current size, given early repayments and amortizing structures). 33 minibonds will expire in the next months of 2019, for an original face value of € 236M (€ 213M the current size).
- In the 1Q2019 the number of **new issues decreased** q/q (9 vs 15), whereas their corresponding face **value increased** (€ 61M vs € 37M).
- **Average size** (€ 6.96M) and **average coupon** (5,06%) further reduced, confirming an ongoing trend.
- From an industry point of view, the quarter is characterized by an increase in **Industrial** and **Natural Resources** firms, (countervalue of approx. **€ 44M**). We register also new issues from firms having already recurred to minibonds (**Werther International, IMI Fabi, TSW Industries**).
- Of special interest is the case of **IMI Fabi**, one of the most important company active in the extraction and production of mineral talc. After two previous issues in 2016 and 2014, in this quarter the company listed two new minibonds on the ExtraMOT Pro, collecting € 30M in total.

# Minibond market developments: main indicators

## 1Q2019

	As of 31.12.2018		01.01.2019 – 31.03.2019		As of March 31.03.2019	
	Issues (no.)	Face Value (M €)	Issues (no.)	Face Value (M €)	Issues (no.)	Face Value (M €)
<b>Total market</b>	<b>345</b>	<b>18,988</b>	<b>11</b>	<b>1,812</b>	<b>356</b>	<b>20,799</b>
<i>of which: &gt; 150 M €</i>	44	15,800	2	1,750	46	17,550
<i>of which: 50 – 150 M €</i>	13	1,168	-	-	13	1,168
<i>of which: 0 – 50 M €</i>	<b>288</b>	<b>2.020</b>	<b>9</b>	<b>61*</b>	<b>297</b>	<b>2.081</b>
<i>Average issuer turnover (M)</i>	84.4		88.4		87.3	
<i>Average size (M)</i>	7.02		4.97		6.96	
<i>Average annual coupon (%)</i>	5.07%		4.98%		5.06%	
<i>Average maturity (Y)</i>	4.8		5.4		4.9	

\* Of which € 17M due to size increase

# Minibond market developments: outstanding issues as of 1Q2019

Total issues as of 31.03.2019	
Issued (no.)	Face Value (M €)
<b>297</b>	<b>2,081</b>

Outstanding as of 31.03.2019			Expiring between 01.04.2019 – 31.12.2019			Expiring in 2020		
Issued (no.)	Size at issue (M €)	Current size* (M €)	Issued (no.)	Size at issue (M €)	Current size* (M €)	Issued (no.)	Size at issue (M €)	Current size* (M €)
<b>166</b>	<b>1,491</b>	<b>1,343</b>	<b>33</b>	<b>236</b>	<b>213</b>	<b>20</b>	<b>256</b>	<b>223</b>
Average size at issue (M)		<b>8.9</b>	Average size at issue (M)		<b>7.1</b>	Average size at issue (M)		<b>12.8</b>
Average coupon (%)		<b>5.17%</b>	Average coupon (%)		<b>5.02%</b>	Average coupon (%)		<b>5.72%</b>
Average maturity at issue (Y)		<b>6.8</b>	Average maturity at issue (Y)		<b>2.9</b>	Average maturity at issue (Y)		<b>5.1</b>

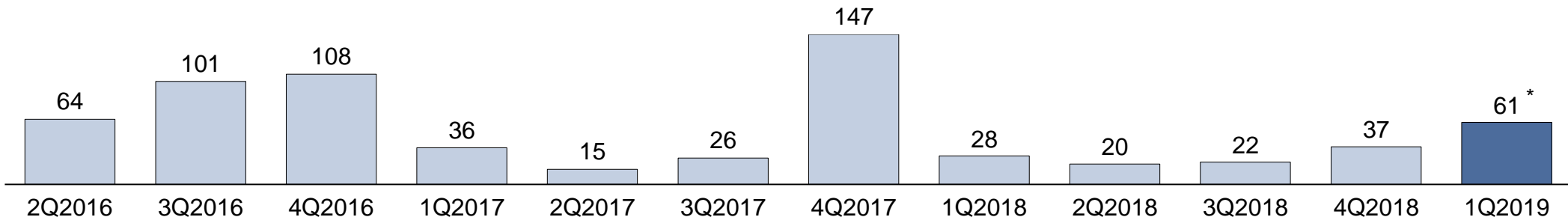
In 1Q2019 5 minibonds expired, for a countervalue at issue of € 5.7M.

\* Given early repayments and amortizing structures.

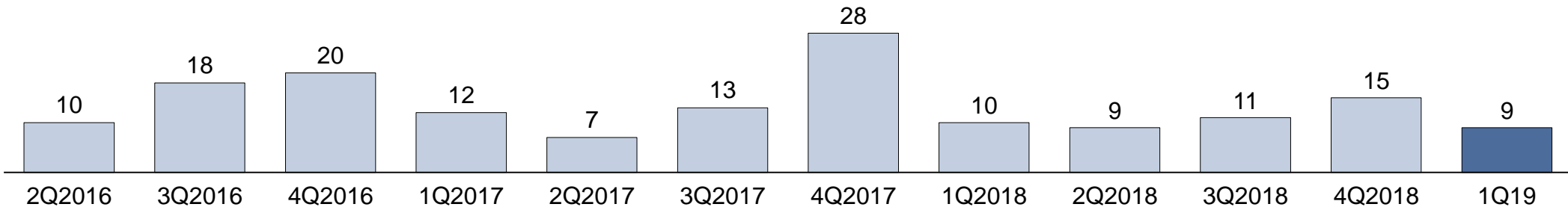
\*\* 113 securities expiring between 01.01.2021 and 31.12.2038 (last expiring date of current issues), for a corresponding face value of € 999,3M

# Minibond market developments: quarterly data as of 1Q2019

Minibond Market - Value (M €) 2016 - 2019



Minibond Market - Issues (no.) 2016 - 2019



In the 1Q2019 the number of of new issues decreased compared to the previous quarter (9 vs 15), but remained in line with the corresponding quarter of 2018. In both cases, total amount issued increased.

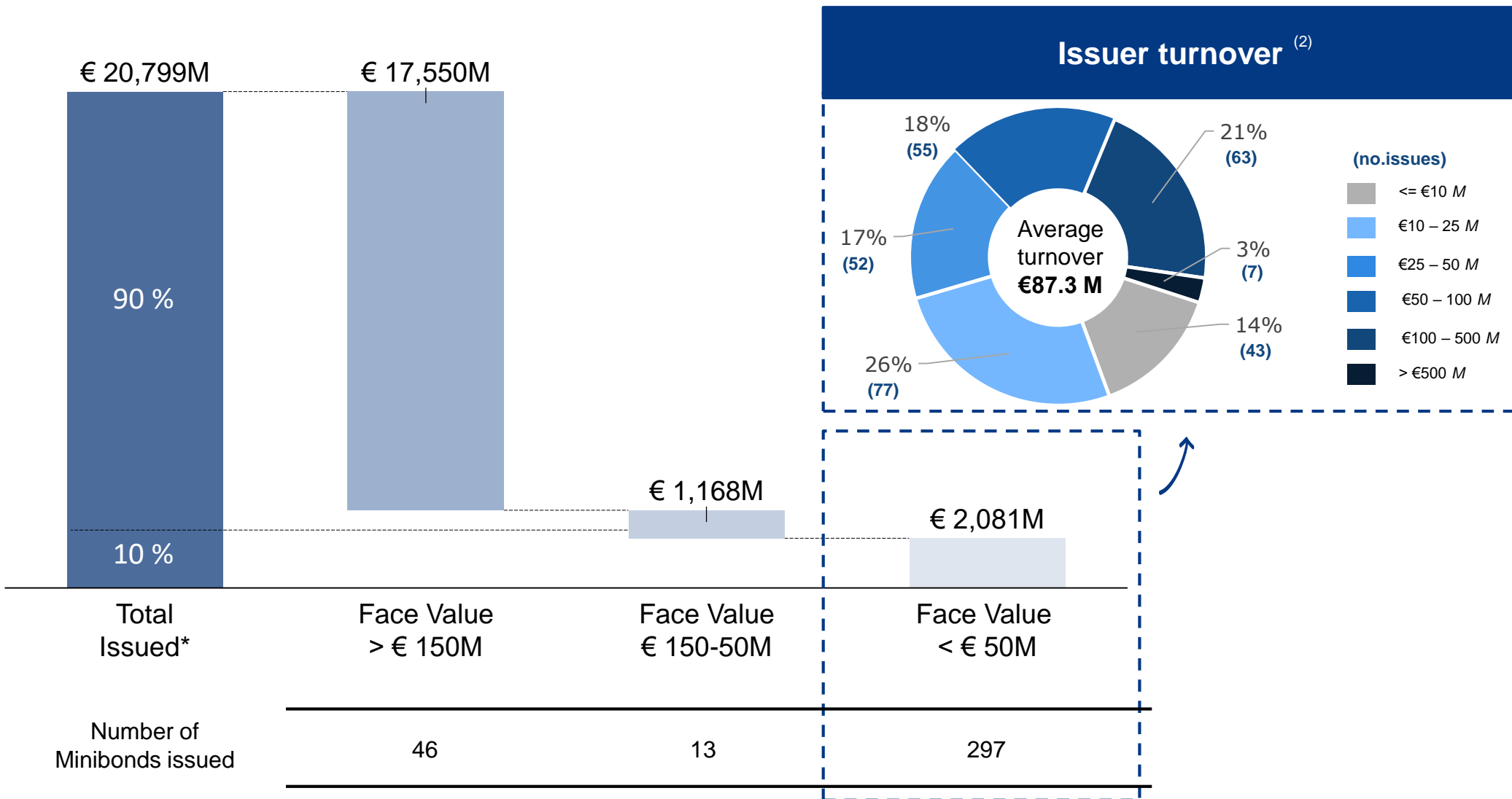
# Minibond market as of March 31<sup>st</sup> 2019

## Snapshot

- Issues with face value not exceeding **€ 50M** represents approximately **10% of the total amount issued** on the ExtraMOT Pro
- Size ranging from **€ 50M to € 150M** represent approximately **5.6% of the total amount issued**

Minibonds ID	
Average size	€6.96 M
Average maturity	4.9 Years
Structure	47% Bullet / 53% Amortizing
Average coupon	5.06%
Secured / Rating	18% / 13% of cases
Issuer average turnover	€ 87.3M

# Total issues listed on ExtraMOT PRO by size class as of 1Q2019

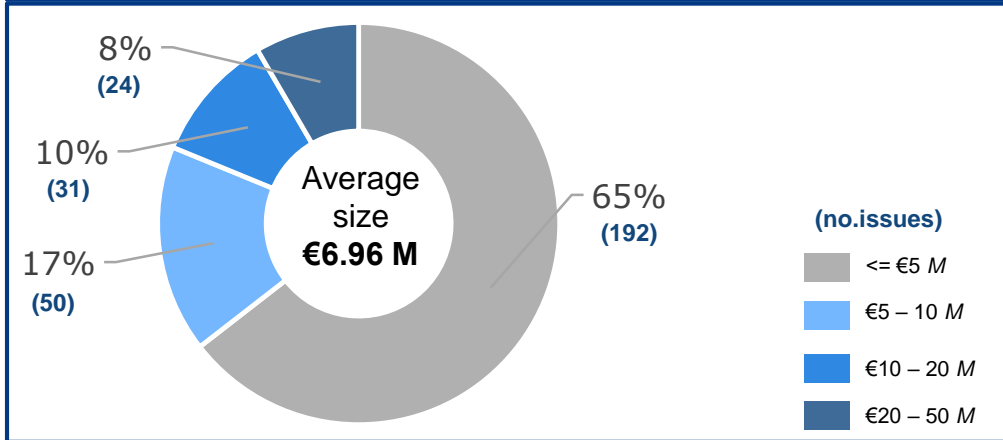


\* Excluding Asset-backed securities (ABS)

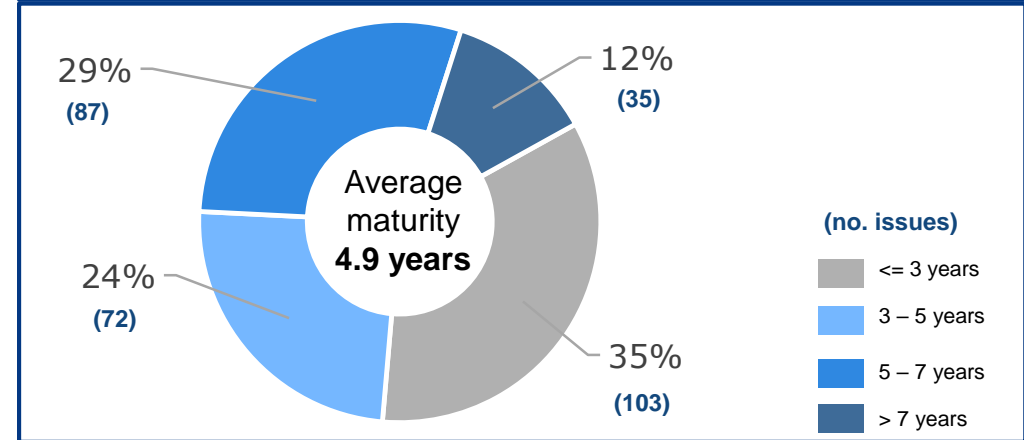
# Minibond market snapshot: main indicators as of 1Q2019

As of 1Q2019: 297 Minibonds issued, with a countevalue of € 2,081M

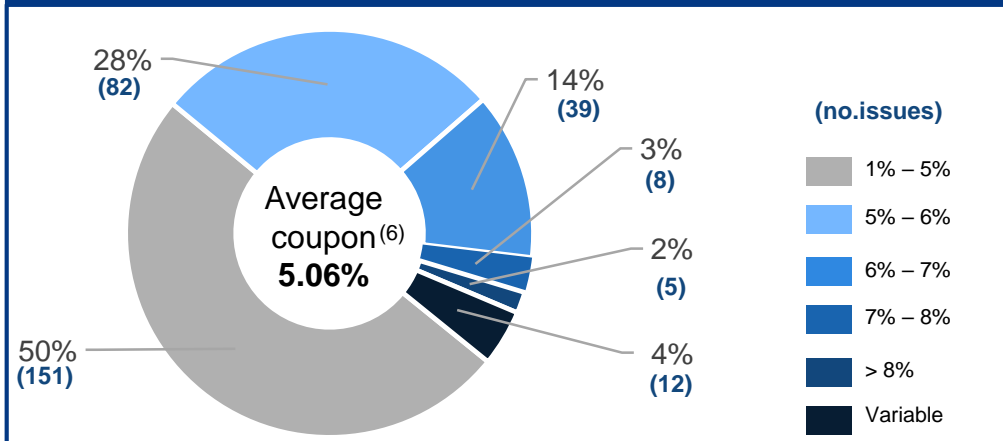
## Size <sup>(3)</sup>



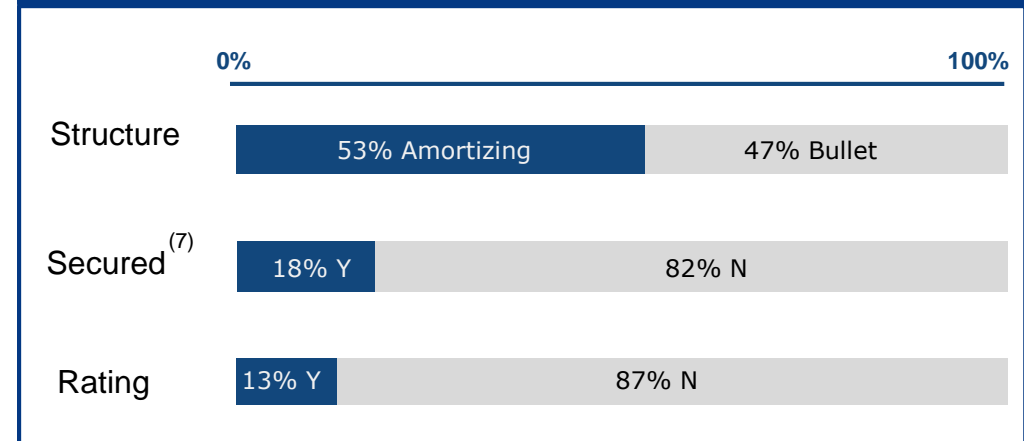
## Maturity <sup>(4)</sup>



## Annual coupon <sup>(5)</sup>



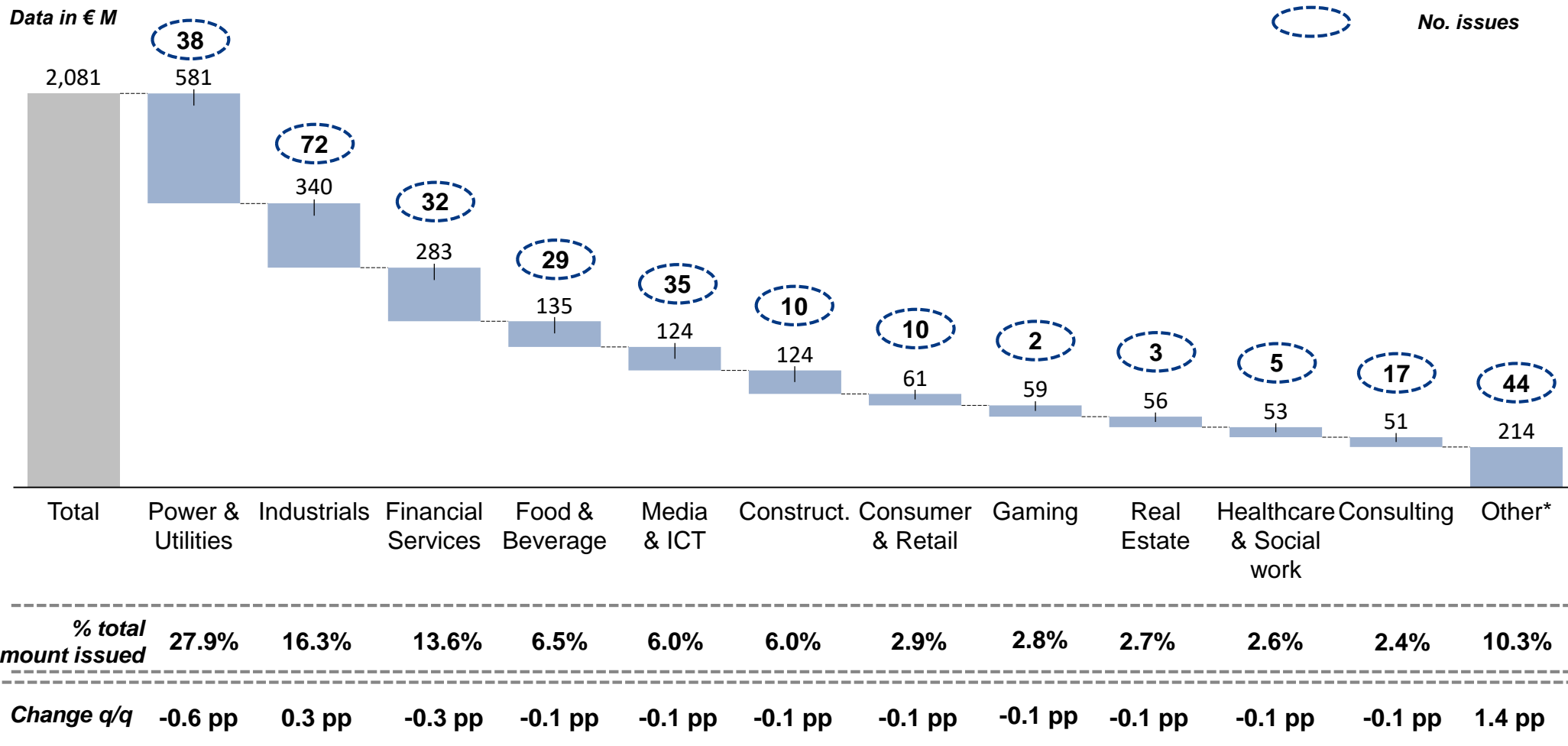
## Main features





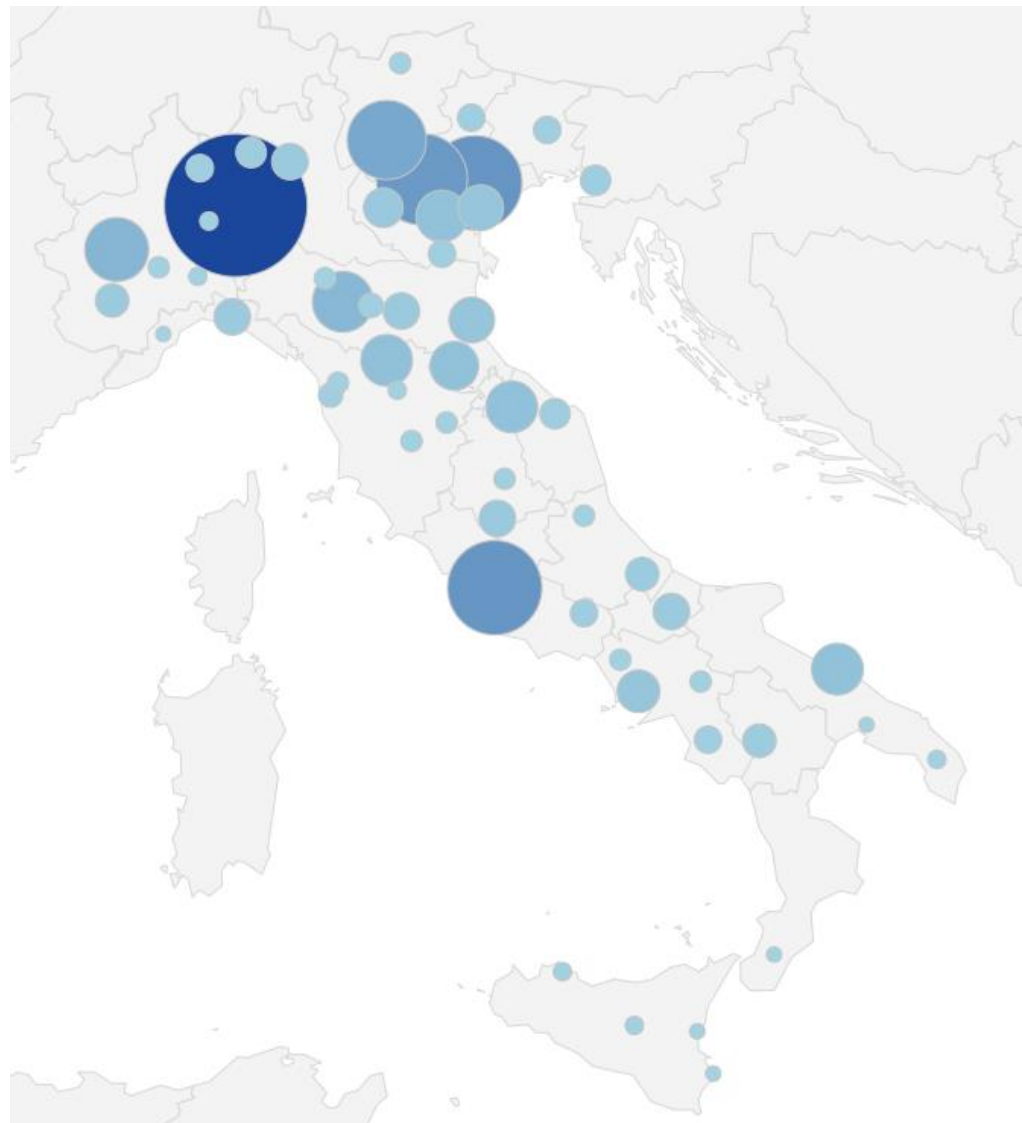
# Minibond market snapshot: industry breackdown as of 1Q2019

## Industry breakdown



\* «Other» includes: Natural Resources, Hospitality, Textile & Fashion, Automotive, Paper & Printing, Oil Chemical & Plastics, Furniture, Logistics, Sport & Leisure, Environmental.

# Minibond market snapshot: geography breackdown as of 1Q2019



4 regions account for approx. 67.6% of total issues:

- **Lombardy:** € 502M, corresponding to 24% of total value issued
- **Veneto:** € 500M, corresponding to 24% of total value issued
- **Emilia Romagna:** € 207M, corresponding to 9.9% of total value issued
- **Lazio:** € 197M, corresponding to 9.5% of total value issued

€0.5 M  €450 M

# Minibonds market snapshot: new issues

## 1Q2019

Minibonds issued on ExtraMOT Pro between 01.01.2019 – 31.03.2019

no.	Issue date	Issuer	Industry
1	January-19	Werther International S.p.A.	Industrial
2	January-19	Microcast S.p.A.	Industrial
3	January-19	P&A Public Lighting S.p.A.	Industrial
4	February-19	Brandini S.p.A.	Automotive
5	February-19	Berti Group S.p.A.	Food & Beverage
6	March-19	IMI Fabi S.p.A.	Natural Resources
7	March-19	IMI Fabi S.p.A.	Natural Resources
8	March-19	TSW Industries S.r.l.	Industrial
9	March-19	TSW Industries S.r.l.	Industrial

# Note metodologiche

1. Issues listed on the ExtraMOT PRO, segment of Borsa Italiana (Italian Stock Exchange), not exceeding the 50 million EUR size
2. Issuer revenues: the total revenues of the issuer during the fiscal year preceding the issue
3. Face Value: the nominal value of each Minibond issued, as indicated by the official data of Borsa Italiana, accounting for later size increase occurred after the listing of the security
4. Maturity: the period of time (in years) for which the Minibond remains outstanding, before the remaining portion of the invested capital is paid back to the holder of the instrument
5. Coupon: interest periodically paid to the Minibond holder. The coupon is typically cashed quarterly, semi-annually or annually and may be fixed or variable
6. The average coupon is calculated as the arithmetic mean of those Minibonds with fixed coupon rate (243 of 254 Minibond issued)
7. The collaterals are defined as mortgages on properties, stock pledges or guarantees provided by qualified third parties
8. Some discrepancies occurred compared to previous version due to different tranches consolidation.. Tranches with lower face value than €50M are merged with tranches with face value higher than €50M issued by medium-large size companies (ISIN ex 144)