

# AIFI

# Newsletter

## # February 2017

**AIFI**

Italian Private Equity, Venture Capital  
and Private Debt Association

### **Pem® : in January 8 new investments from private equity funds**

Private equity market starts 2017 on the "right foot", recording eight new investments in January. Last year, in the same period, the Pem® Observatory LIUC - Cattaneo University, sponsored by EY, EOS Investment Management and King & Wood Mallesons, mapped 6 investments. 2017 seems to be characterized by a great vitality of the industry. The most relevant data are represented by the predominance of capital transactions for development, which make up the majority of the market. It is certainly too early to be too optimistic but it is in any case a good start after the last two-year period of decline. Looking at the deals in details, in this context, we note the acquisition of Stalam carried out by Idea Capital, as well as that of Laser Center conducted by B4 Investments. Moreover, it is worth noting the investment made by EOS Investment Management in Telmo Group, which operates in the renewable energy sector, Idea Capital in Mineral Waters (company that owns the brand Lurisia) and BlackRock in Linkem, a company that is gradually emerging as one of the major player in the telecommunications services sector wireless broadband.

### **AIFI participated to the roundtable on Brexit implications and opportunities for Italy**

AIFI has been invited to take part to the round table «Italy is now and next! Attraction of skills and investments: Milan at the heart of tomorrow's Europe», organized last February 16th by the Ministry of Economic Affairs and Finance, the Ministry of Foreign Affairs, and the Municipality of Milan. During the meeting, tools and proposals to stimulate the attraction of capital and business projects in Italy have been illustrated. Furthermore, the participants stressed the fact that deep changes are currently occurring and reshaping European and global economy. In this new context, Italy is the place to be, because of its improved business environment and recent reforms. Anna Gervasoni, AIFI's Chief Executive, underlined the role of international operators in private equity by stating that, between 2013 and 2015, more than 2 billion euros have been invested in Italy by international investors.

### **MiSE annual report on innovative startups and SMEs**

The Italian Ministry of Economic Development presented to the Italian Parliament the [2016 report](#) on innovative startups and SMEs. The report acknowledged the impact of legislation adopted in favor of innovative startups and SMEs. In Italy startups are almost 7 thousand, their number doubled in two years. This increase is due to a change in the legislation that introduced tax incentives and simplified bureaucratic procedures. Notwithstanding this important improvement, startups still face problems in attracting capitals, in particular due to their limited dimension: only 300 of them have a turnover above 500 thousand euros, while less than half of them register a turnover of 30 thousand euros. With reference to the geographic distribution, 30% of enterprises is based in the North-West, in particular in Lombardy (22,5%) and in the province of Milan (15%). With regard to different sectors, innovative startups represent 25,6% among those operating in R&D and 8% of those active in software production. In relation to the strengthening of capital supply, the group of associations of the startup chain, led by AIFI, asked for a permanent coordination table with the Ministry. Moreover, within the startup framework, MiSE has also underlined that Italy ranked second in [The 2016 Startup Nation Scoreboard](#) that measures how European Union countries are improving policy frameworks and developing powerful ecosystems for entrepreneurs.

### **The tax exemption regime provided for qualified long-term investments made by pension funds**

The recent Italian Law n. 232 dated December 11, 2016 (hereinafter also called "2017 Budget Law") has introduced a tax exemption regime that could potentially push the fundraising of the investments funds and the subsequent financial investments in Italian companies as well as in the Italian economy in general.

The full text by Luca A. Pangrazzi and Angelo R. Bonissoni (CBA Studio Legale e Tributario) is available on our web site:

<http://www.aifi.it/regolamentazione/fiscalita/>