



**INTERPUMP
GROUP**



Presentation to Analysts and Investors

2016 First Half Results
August, 2016



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€ mn

	H1 2015	H1 2016	Change
SALES	467.0	472.5	+1.2%
EBITDA	96.6	102.3	+6.0%
% on sales	20.7%	21.7%	
NPAT	80.6*	49.1	-39.1%
% on sales	17.3%	10.4%	
NET DEBT (30/06)			
Net Financial Position	282.5	309.8	+27.3
Valuation of Put Options	42.4	30.9	-11.5
TOTAL DEBT	324.9	340.7	+15.8
TREASURY SHARES (30/06)			
Number of shares	1,510,272	3,923,752	

*Included one-off financial income of € 32 mn arising from put options exercised earlier than expected



€ mn

	SALES			EBITDA				
	H1 2015	H1 2016	Change	H1 2015	% on sales	H1 2016	% on sales	Change
HYDRAULICS	297.8	302.2	+1.4%	53.8	18.1%	59.5	19.7%	+10.5%
WATER JETTING	169.2	170.3	+0.7%	42.7	25.1%	42.9	25.1%	+0.5%
TOTAL	467.0	472.5	+1.2%	96.6	20.7%	102.3	21.7%	+6.0%



€ mn

	FY 2014	FY 2015	Change
SALES	672.0	894.9	+33.2%
EBITDA	136.1	180.3	+32.4%
% on sales	20.3%	20.1%	
NPAT	57.7	118.3*	+104.9%
% on sales	8.6%	13.1%	
NET DEBT (31/12)			
Net Financial Position	152.0	255.0	+103.0
Valuation of Put Options	74.1	23.2	-50.9
TOTAL DEBT	226.1	278.2	+52.1
TREASURY SHARES (31/12)			
Number of shares	5,281,095	1,125,912	

*Included one-off financial income of € 32 mn arising from put options exercised earlier than expected

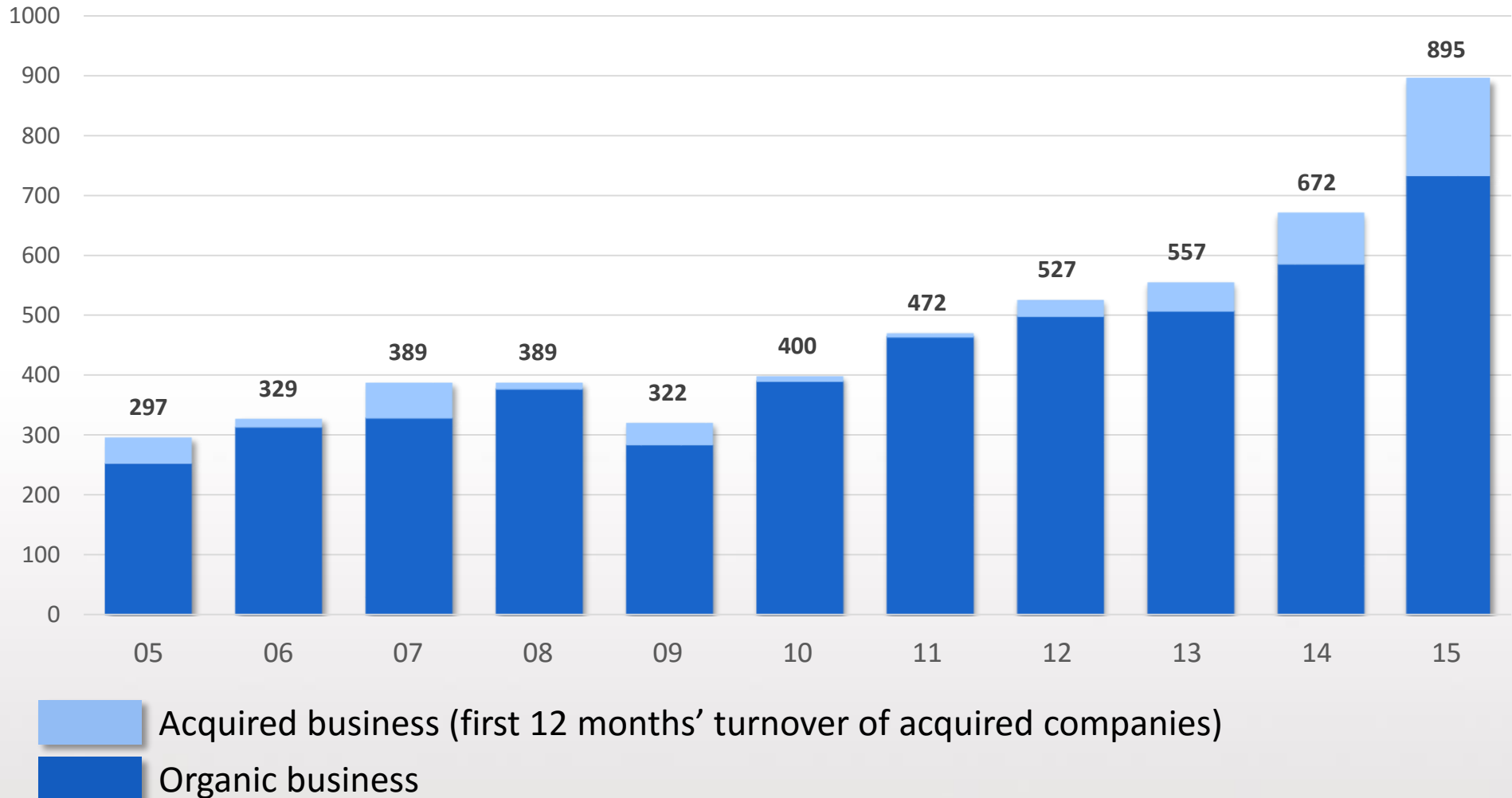


€ mn

	SALES			EBITDA				
	FY 2014	FY 2015	Change	FY 2014	% on sales	FY 2015	% on sales	Change
HYDRAULICS	396.2	560.3	+41.1%	69.4	17.5%	96.6	17.2%	+39.3%
WATER JETTING	275.8	334.7	+21.3%	66.7	24.1%	83.7	24.9%	+25.4%
TOTAL	672.0	895.0	+33.2%	136.1	20.3%	180.3	20.1%	+32.4%



Sales* in € mn



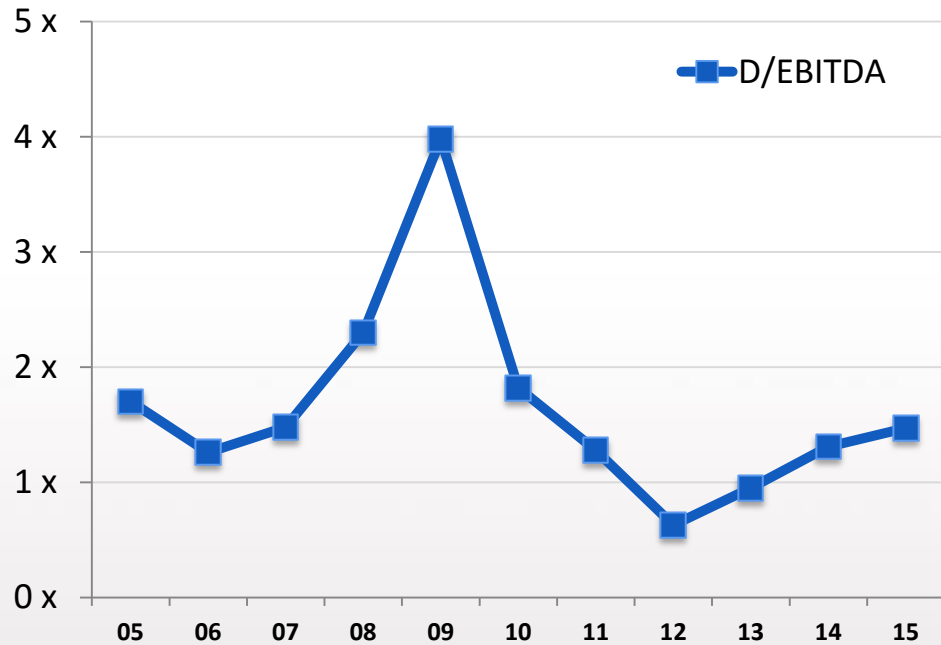
*net of cleaning (dismissed in 2005) and electric motors (2011) for consistency with current business



Prudent debt policy and satisfactory return on capital employed

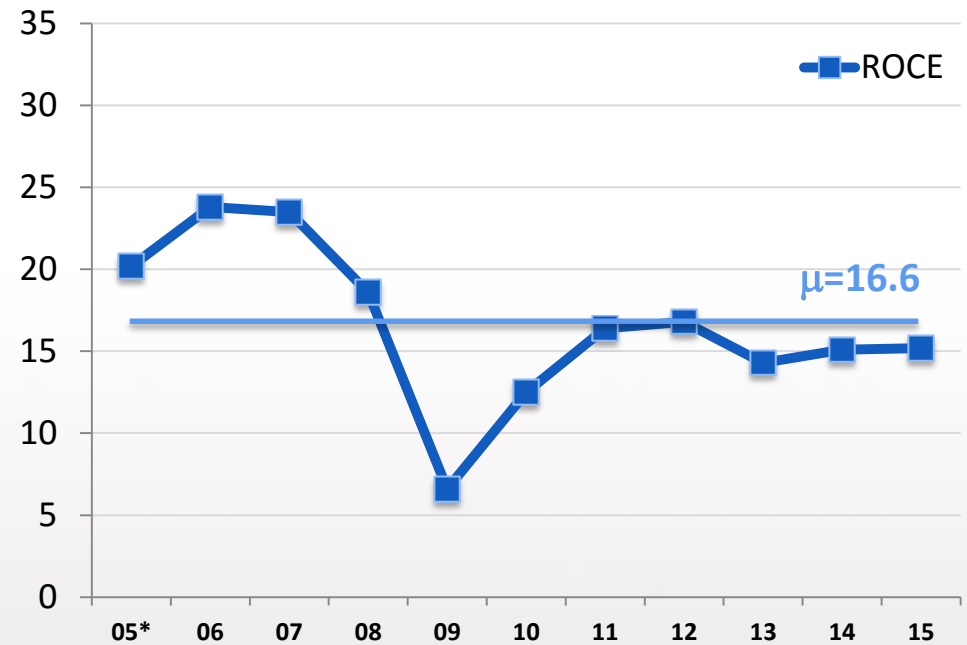
Net Debt / EBITDA (12 M)

Net of treasury stock and including commitments for purchase of investments



Return On Capital Employed (12M)

Operating profit / (consolidated shareholder's equity + net debt)



*without the Cleaning Sector



Interpump Group

- ▶ Public company (~80% free float)
- ▶ Listed at the Milan Stock Exchange since December 1996 (STAR segment)

Water-Jetting

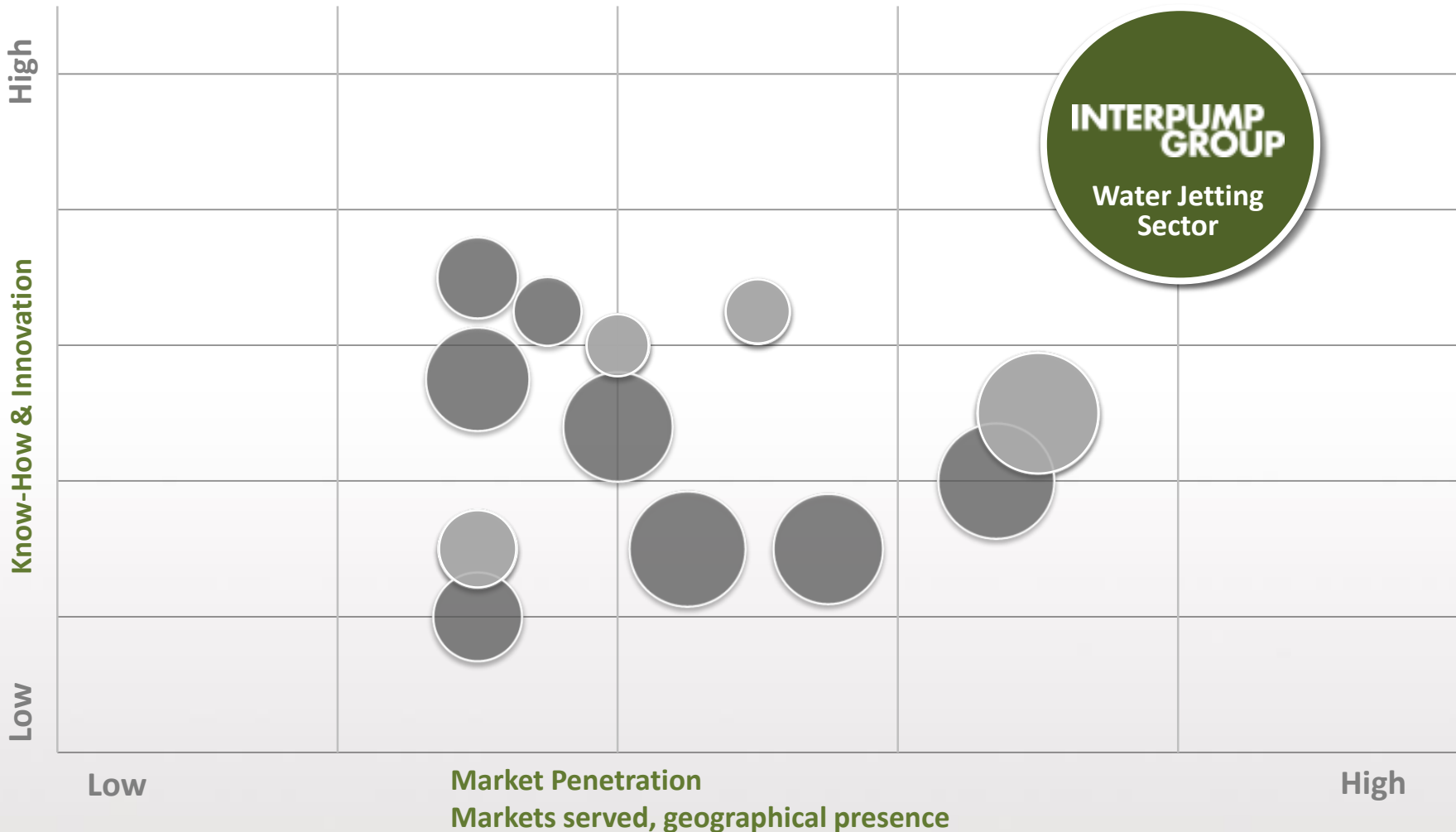
- ▶ World leader in the niche market of high-pressure plunger pumps for water and other fluids. Premium-price, reputable brands.
- ▶ Growing range of applications:
 - Industrial Cleaning
 - Chemical, Food, Pharma, Cosmetic processing
 - Automotive, Marine, Oil&Gas, Tunneling, Mining, Steel Industry

Hydraulics

- ▶ Global supplier of hydraulic parts and complete systems.
- ▶ Co-design and direct sales to all major OEMs, plus an extensive network of distributors.
- ▶ Main applications are Trucks, Industrial Vehicles, Earth-moving, Agriculture, Construction, Lifting, Machine tools, Tunneling



The Largest Player and Worldwide Leader in the Niche Business of Very High Pressure Plunger Pumps (40-50% Market Share)





August 2016

<ul style="list-style-type: none"> ▶ Plunger pumps high flow/ high pressure (1~450 HP) 	<ul style="list-style-type: none"> ▶ High-pressure pumps (up to 1,500 HP - 4,500 bar/65K PSI) ▶ Design and supply of turnkey solutions 	<ul style="list-style-type: none"> ▶ Production and rental of high-pressure pumps and complete systems 	<ul style="list-style-type: none"> ▶ Homogenizers for food, cosmetics, and pharmaceutical industry 	<ul style="list-style-type: none"> ▶ Specialized solutions for steel and mining industry
<p>INTERPUMP Pratisoli</p>	<p>Hammelmann</p>	<p>NLB</p>	<p>Bertoli</p>	<p>Inoxihp (53%)</p>
<p>▶ U.S. Distributor</p>				
<p>General Pump</p>				

International presence (plants and subsidiaries)

<p>Italy, USA, China</p>	<p>Germany, USA, Australia, China, Spain</p>	<p>USA, Poland</p>	<p>Italy</p>	<p>Italy</p>
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Prestigious Brands for Diversified Applications



The 'Prototype' and the Most Versatile in Semi Professional Applications



The Leader in Lightness (a Strategic Feature in Sewer Cleaning)



High Pressure Homogenizers. Innovative Solutions in Dairy, Food and Pharmaceutical Applications. Low cyclicity and high service component.



Leader in Contractor Business in US



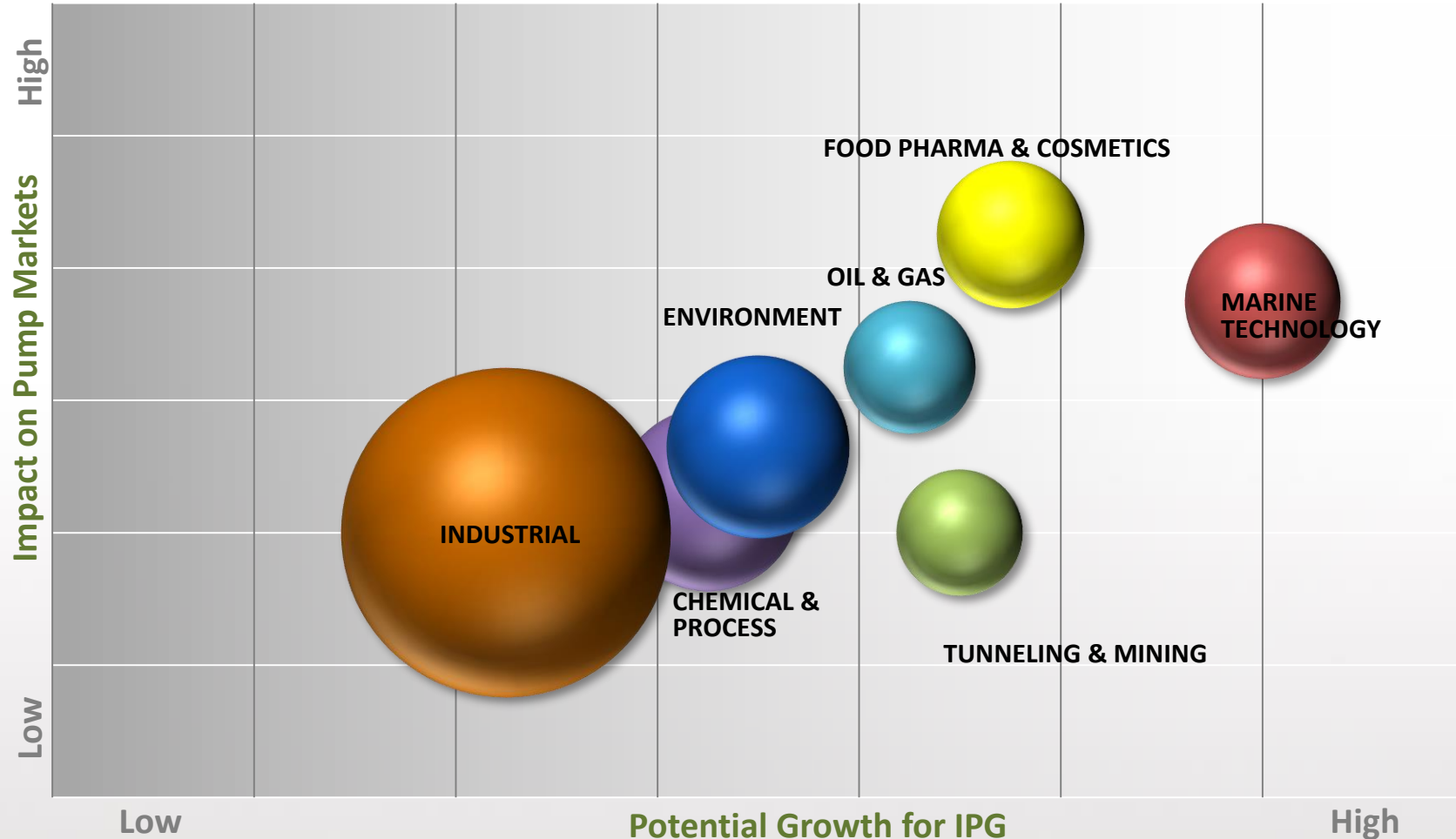
World reference in development of new applications and turnkey systems



Rolling-Mill Applications, Steel Industry

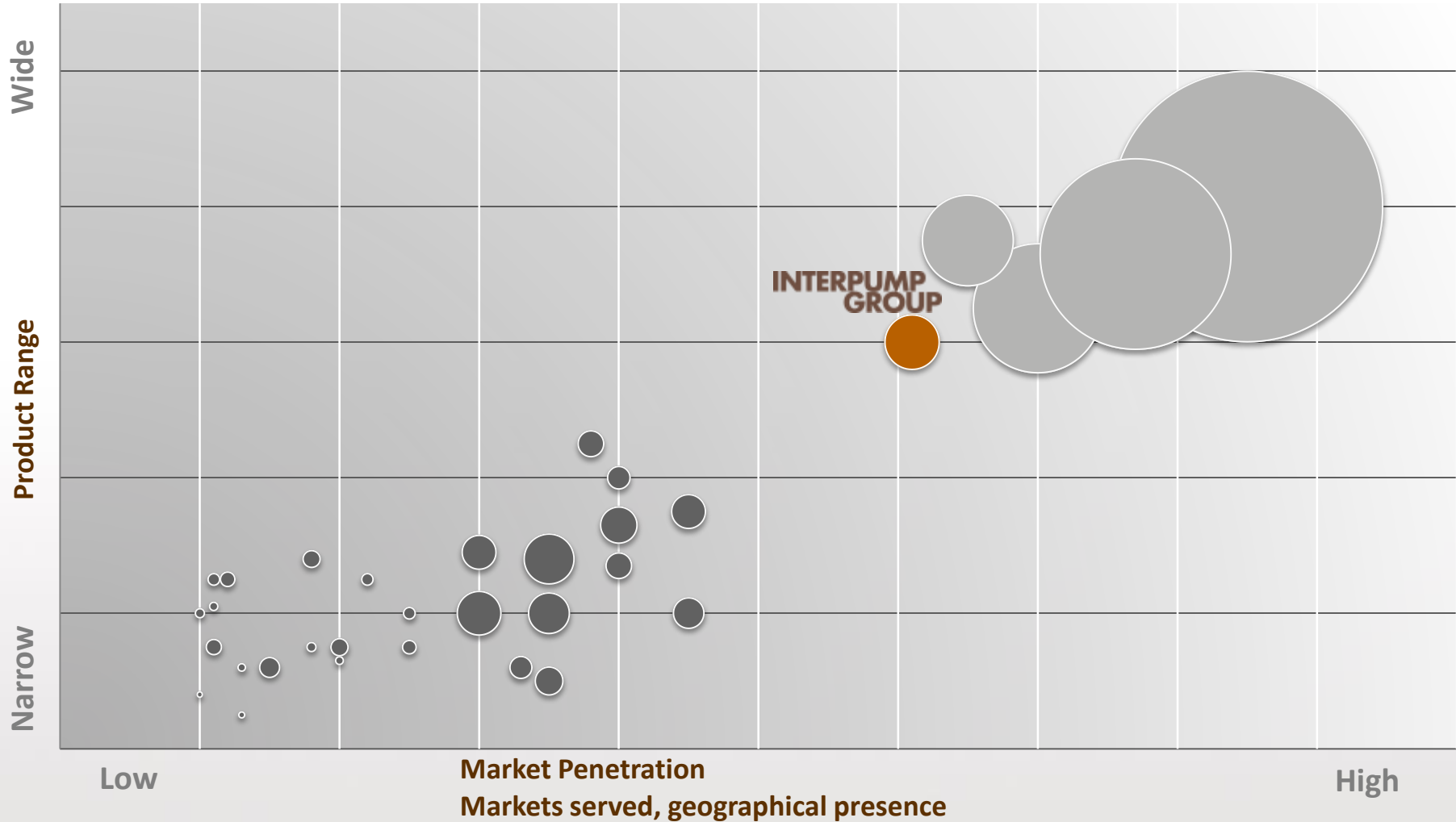


Continuously expanding the scope of high-pressure technology





A fast-growing global player in a huge market with countless opportunities for acquisitions





August 2016

▶ Power Take-Offs



**INTERPUMP HYDRAULICS,
Muncie Power Products,
PZB, Hydrocar, Takarada**

▶ Cylinders



**Panni Oleodinamica
Contarini
Penta, Modenflex**

▶ Oil Tanks



American Mobile Power

▶ Distributor for Oceania



Mega Pacific (65%)

▶ Valves

▶ Directional Control Valves



**WALVOIL
Hydrocontrol
Galtech
M.T.C.**

▶ Rubber hoses

**I.M.M.
Hypress
Interpump Hose**



▶ Metallic flexible hoses

Tubiflex (80%)



▶ Rigid pipes

Tekno Tubi



▶ Hose assembly machines

Endeavour

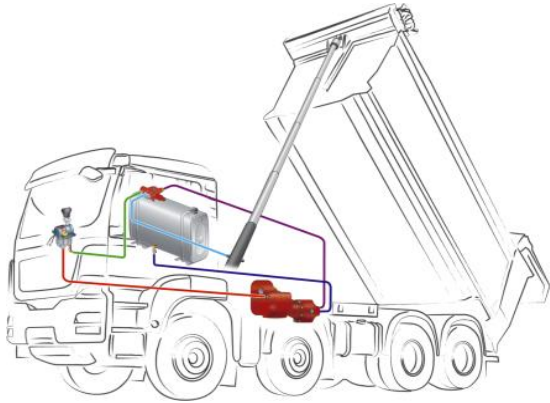


International presence (plants and subsidiaries)

Italy, USA, UK, France, Bulgaria,
Brazil, Chile, Peru,
China, India, Australia, New Zealand,
South Africa, UAE

Italy, USA, Canada, France,
India, China, Korea, Australia

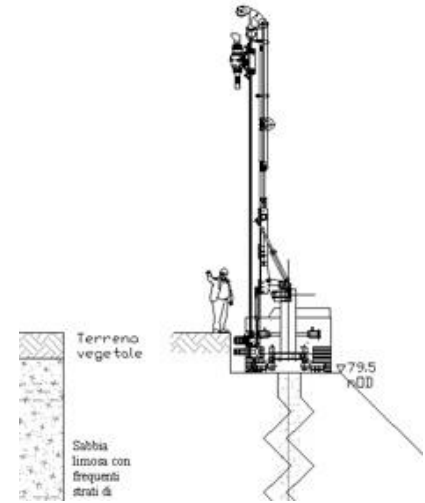
Italy, France, Germany, Romania,
UK, South Africa



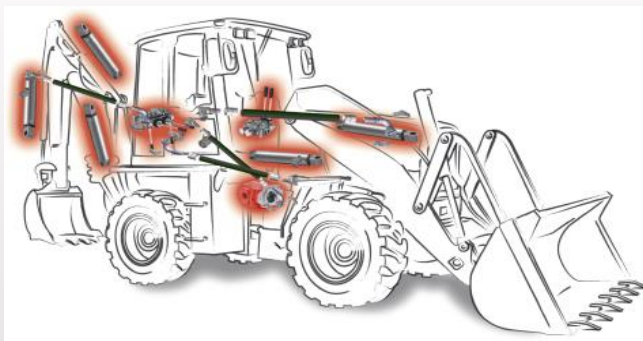
Truck Business
(>50% Market Share in PTO's).



Mobile Agriculture Businesses.



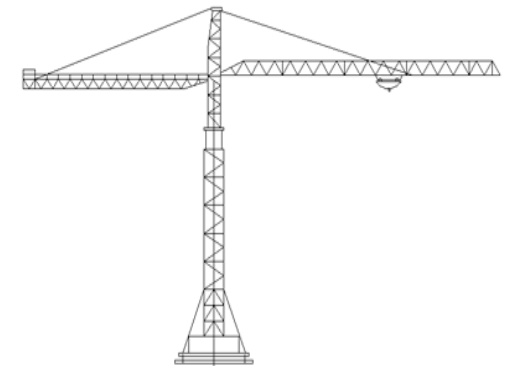
Drilling / Tunnelling



Earth Moving Leader in Mini Excavator Control Valves.



Machine Tools



Lifting / Construction



Expanding our value proposition from single components to pre-assembled kits and tailor-made solutions



Industrial



Construction



Marine



Entertainment



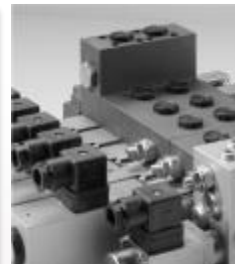
PTO's



Pumps



Cylinders



DCV's



Hoses & Fittings



Valves



Control Systems



Truck



Agriculture



Earth Moving



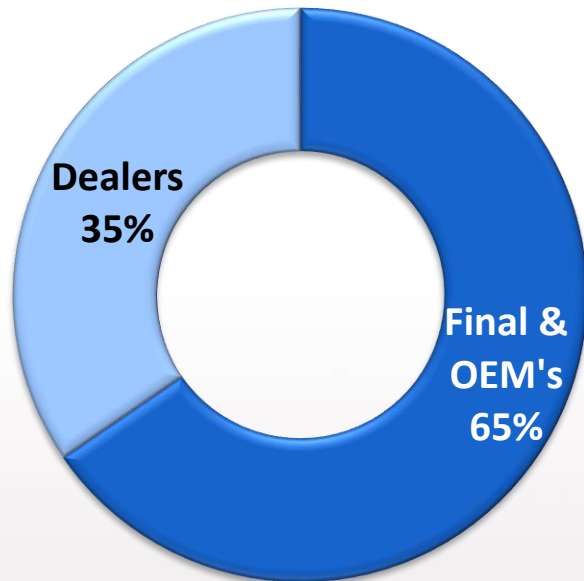
Aerospace



Sales by channel and application field

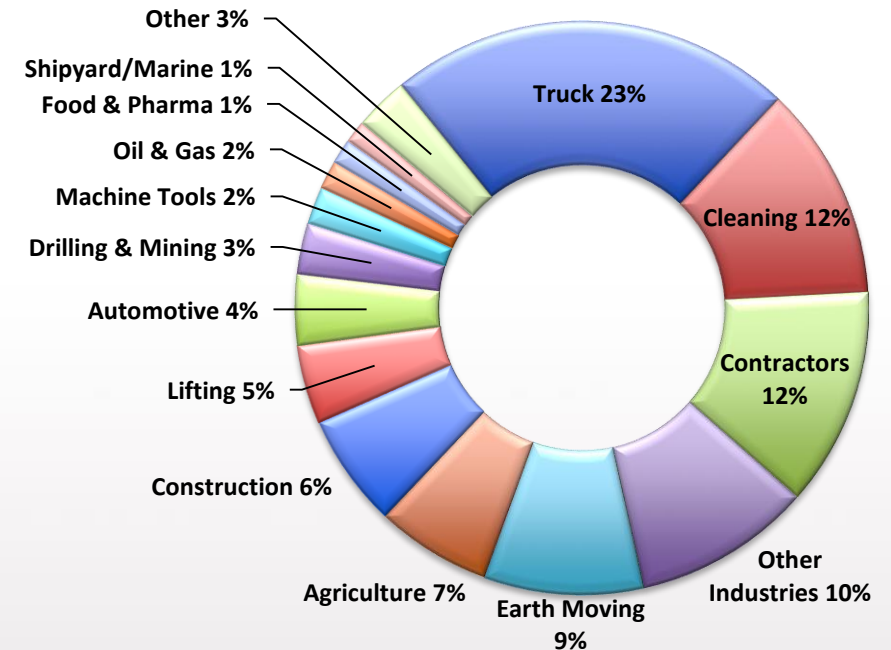
Total sales by channel

2015 Total Turnover: Euro 895 Million



Sales by Application Field

Dealers not included

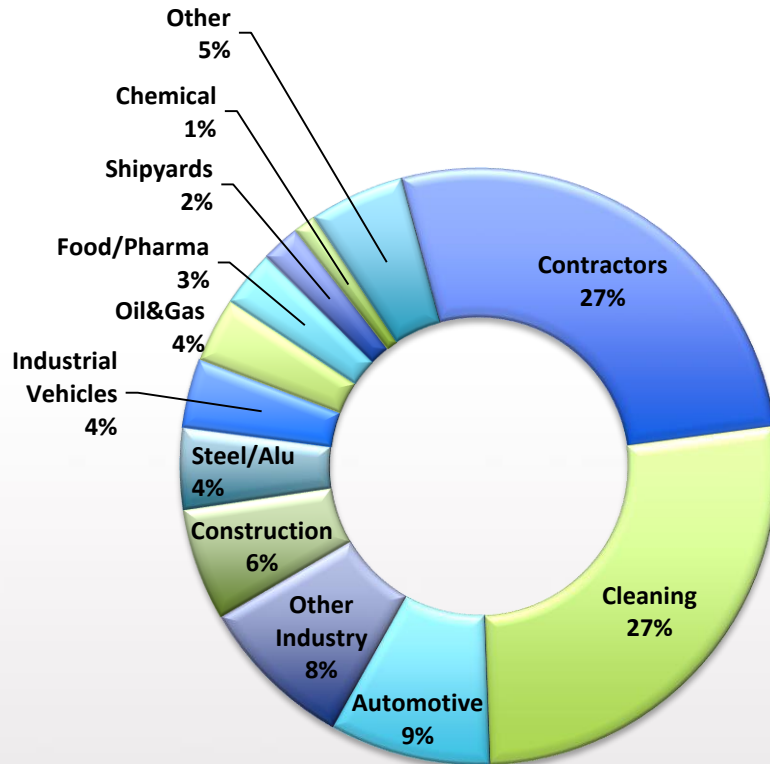


Diversification of our business is the key to our resilience and low overall cyclicality

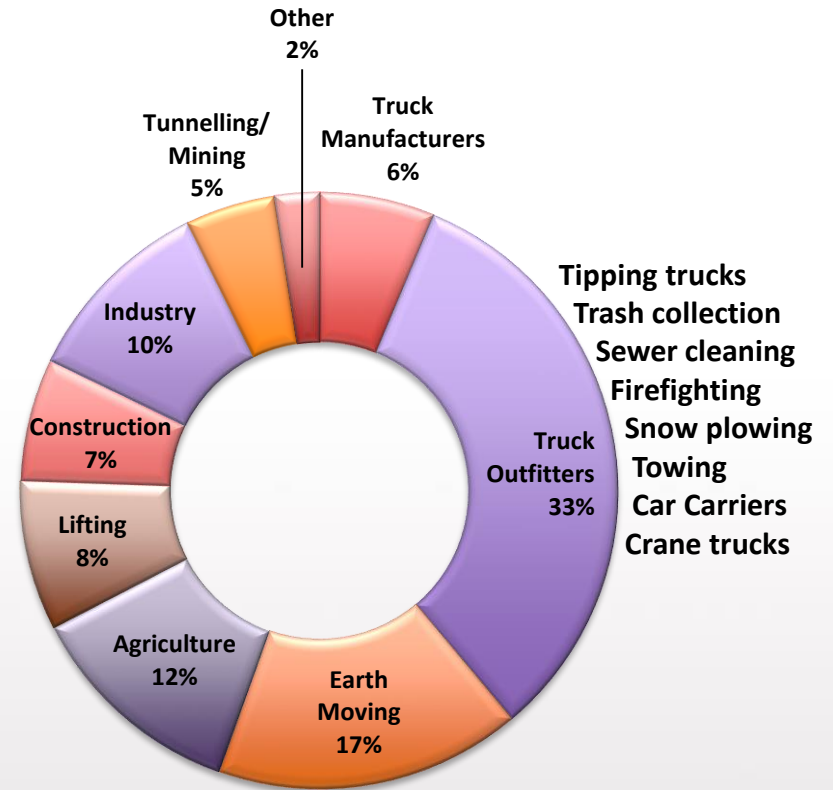


Application fields by sector (dealers not included)

Water Jetting



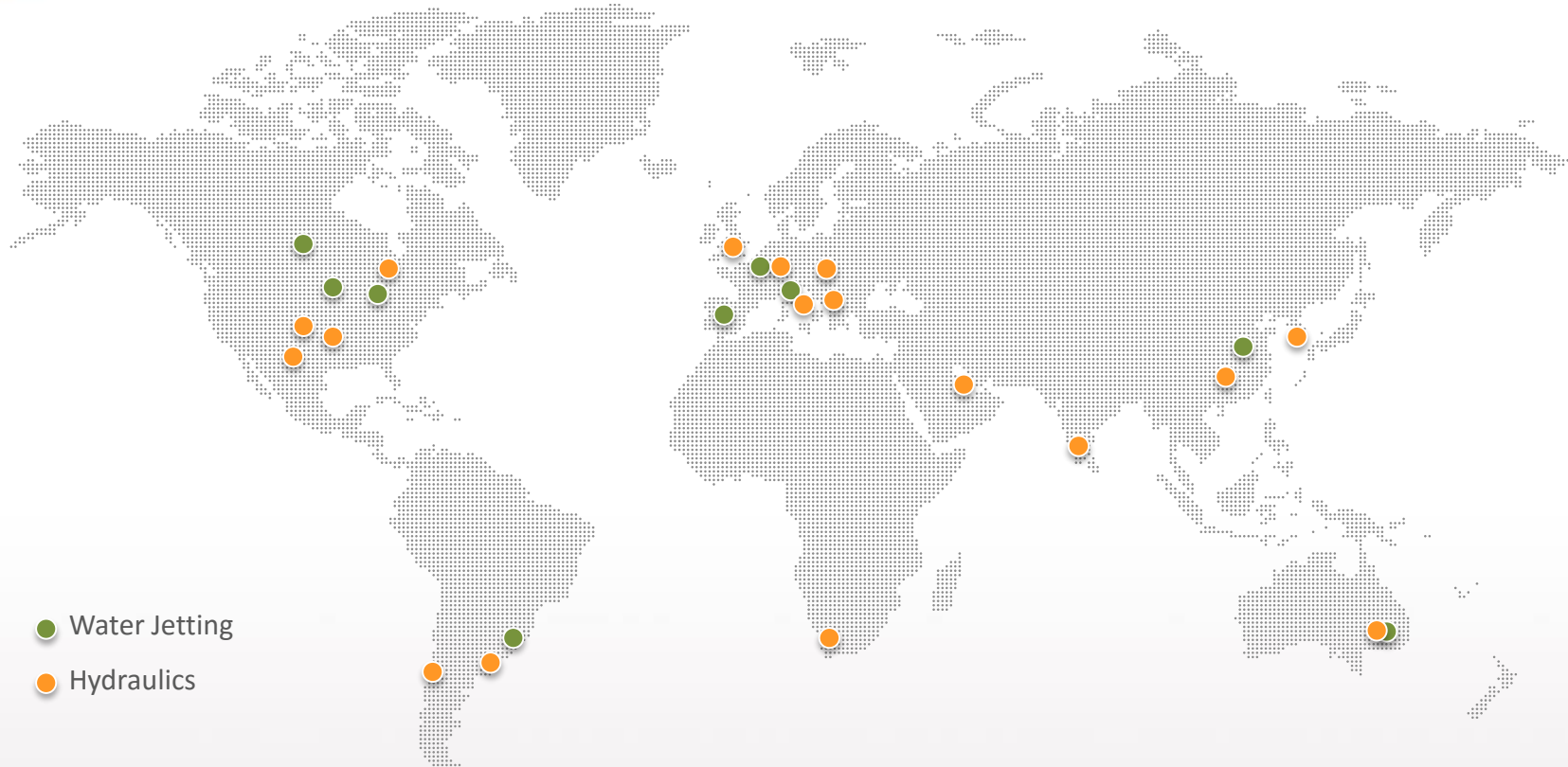
Hydraulics





International Profile

Worldwide Direct Presence



Water Jetting Sector		
AREA	PLANTS	EMPLOYEES
ITALY	3	510
REST OF EUROPE	1	336
NORTH AMERICA	2	323
REST OF THE WORLD	2	42
TOTAL	8	1,211

Hydraulic Sector		
AREA	PLANTS	EMPLOYEES
ITALY	11	2,130
REST OF EUROPE	4	286
NORTH AMERICA	5	472
REST OF THE WORLD	10	813
TOTAL	30	3,701



Focus on emerging markets: a well-balanced presence

BRAZIL



Strong and efficient presence. Restructuring completed.
New Opportunities in water jetting.

INDIA



Leader in hydraulic business.
4 Production Units to serve important OEM customers (JCB, Tata, Ashok Leyland).

CHINA



Competitive products for US market.
Ready to support the development of the local market.

SOUTH KOREA

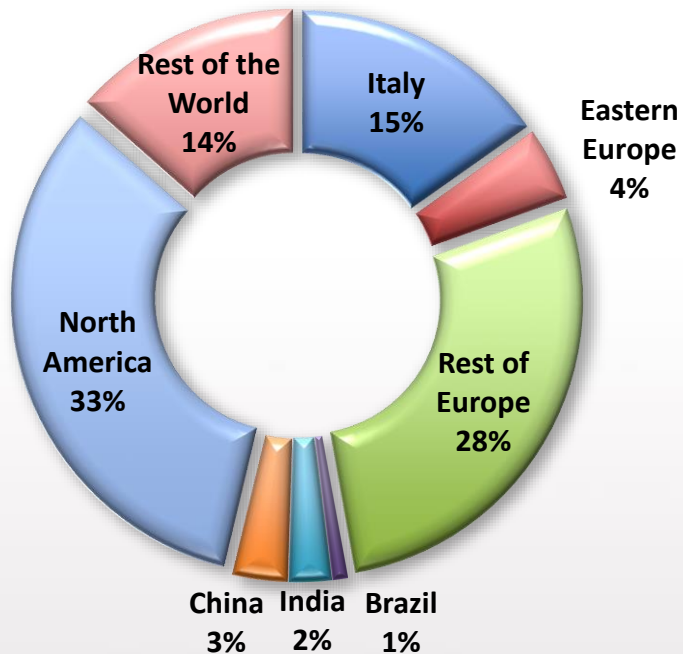


A new opportunity in a fast growing market.

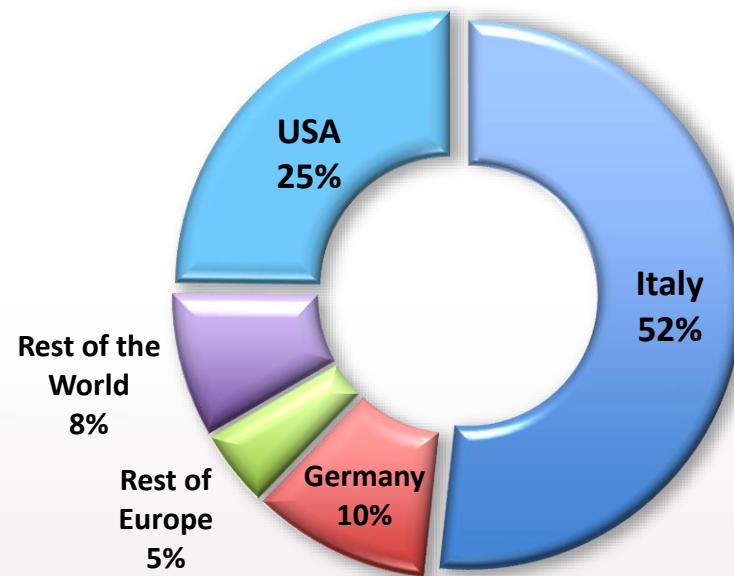


Sales By Region (2015)

Total Turnover: Euro 895 Million



Production By Country (2015)

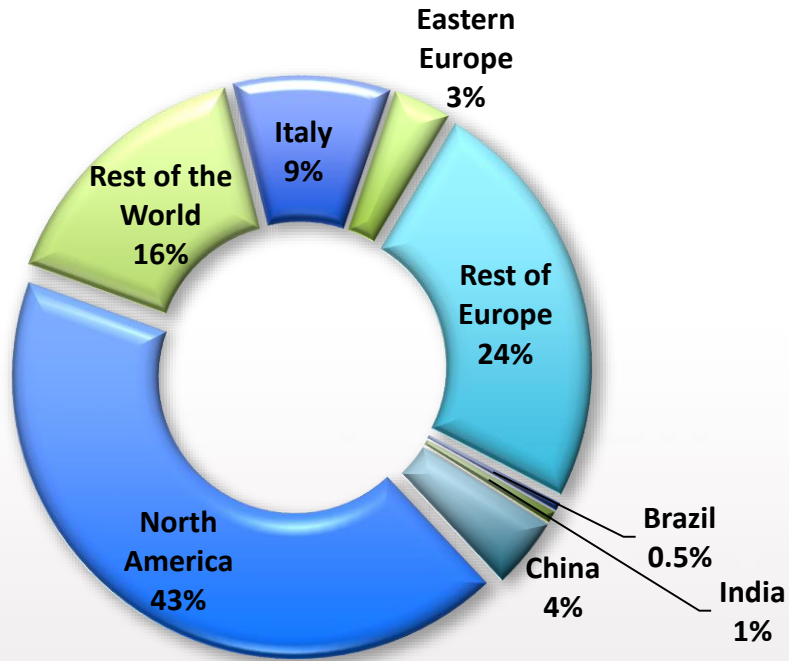




Geographical breakdown of sales by sector

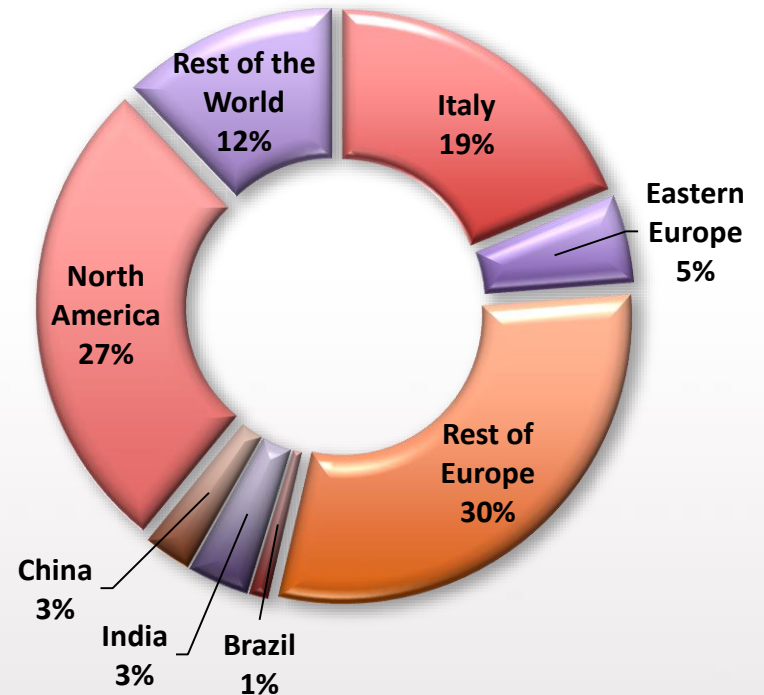
Water Jetting Sector

Total Turnover: Euro 335 Million (2015)



Hydraulic Sector

Total Turnover: Euro 560 Million (2015)





Tubiflex, headquartered near Turin (Italy) is a company manufacturing and selling flexible metal and non-metal hoses, metal expansion joints, metal bellows, corrugated hoses heat exchangers, special products.

Main Figures	2015 (€ mn)	
SALES	22.8	
EBITDA	5.3	23.4%
NET CASH	3.9	

Total acquisition price, for 80%

- ◆ € 26.95 million
- € 5.39 million Payment: through the sale of 449,160 listed shares of Interpump Group S.p.A. and through the payment of € 21.56 million in cash.



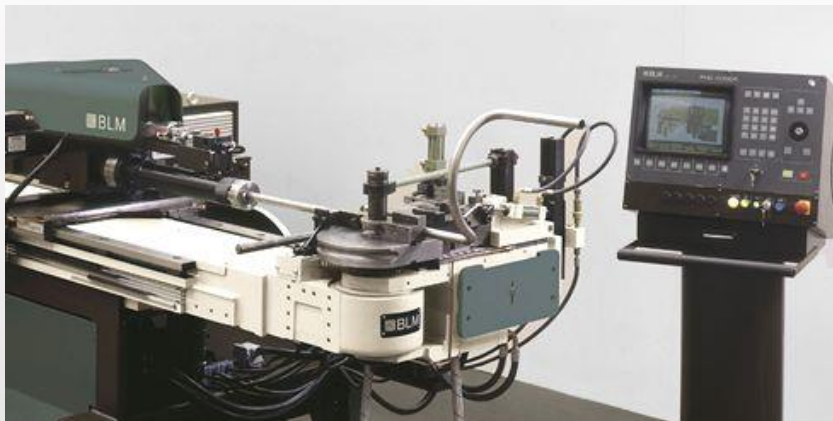


Tekno Tubi, headquartered near Ferrara (Italy) is a company operating in bending and assembly of rigid pipes in steel and other metals, and assembly of fitted flexible hoses in rubber or other plastic materials for hydraulics and automotive

Main Figures	2015 (€ mn)
SALES	11.2
EBITDA	1.4 12.5%
NET FINANCIAL POSITION	4.5

Total acquisition price, for 100%

◆ € 4.1 million (in cash)





Mega Pacific, founded in 1985, is one of the leading distributors of hydraulic products in Oceania, with seven branches across Australia and New Zealand. A giant leap in Interpump's direct presence in the area.

Main Figures (AUD mn) 12 months ended 30/06/2015

SALES	19.0
EBITDA	3.7 19.5%

Total acquisition price, for 65%

◆ 12 million AUD (in cash)

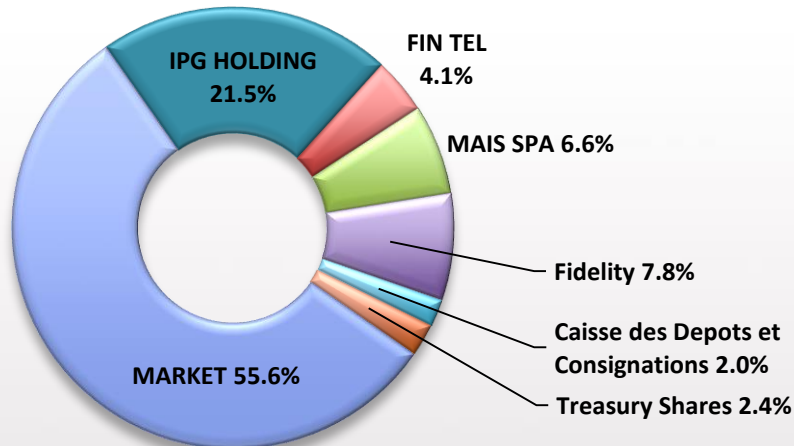




Management Team

Fulvio Montipò	<i>Chairman & CEO</i>
Paolo Marinsek	<i>Deputy Chairman & CEO</i>
Carlo Banci	<i>CFO</i>

Shareholders Structure



Source: CONSOB/Company
July 28, 2016

Interpump Stock Performance

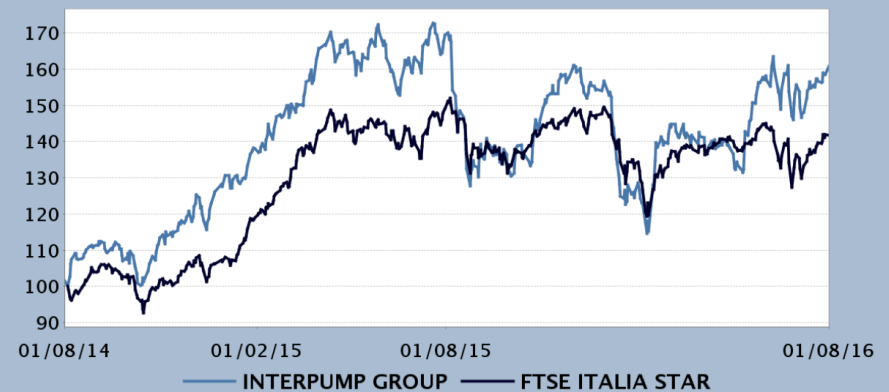
Total return to shareholders since the IPO: 12% per year
(assuming dividend reinvestment and participation to the '09 capital increase)

July 29, 2016

Share price	14.48
Market Capitalization	€ 1,577 mn
Performance 3 M:	+14.90%
Performance 1 Y:	-4.30%
Performance 2 Y:	+51.51%
Average daily Volume (2016)	319,932

Source: Milan Stock Exchange

IP MI Price Trend





Procurement Costs

Purchases as % of Sales		
Year	1st half	12 Mo's
2007	41.0%	40.8%
2008	41.1%	40.1%
2009	41.8%	42.2%
2010	39.7%	39.8%
2011	40.7%	40.7%
2012	39.4%	39.2%
2013	39.0%	39.0%
2014	38.5%	38.3%
2015	38.0%	38.3%
<i>Average</i>	39.9%	39.8%

IPG has an excellent track record in keeping procurement costs well under control.



Free Cash Flow 12 Months							
(euro/million)	2009	2010	2011	2012	2013	2014	2015
Cash Flow from Operations	25.2	54.6	60.8	65.6	65.3	95.8	120.2
Working Capital	44.4	10.1	(21.8)	(12.3)	(1.7)	(23.7)	(6.6)
Capex	(9.2)	(8.7)	(11.8)	(15.8)	(29.8)	(34.1)	(28.9)
Other	2.7	1.0	3.7	3.6	0.5	0.3	0.5
Free Cash Flow	63.1	57.0	30.9	38.6	34.3	38.3	85.2

Return to Shareholders – 1997-2015

From 1st Jan '97 to 31 Dec '15

	Euro/million	
Operating cash flow		971
Capital expenditures		(312)
Net cash flow before acquisitions and dividends		659
Dividends	(317)	
Buy back	(49)	(256)*
Share capital increase	110	
Sub-total		403
Acquisitions		(840)
Disposal of investments		225
Change in net financial position		(212)

* Since listing (Dec. 1996), IPG has returned to shareholders about 105% of the IPO capitalization

Synthesis of results (Twelve months*)

Euro/million	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005 a	2006 b	2007 c	2008 d	2009 e	2010	2011 f	2012	2013 g	2014	2015
Net Sales	199.6	221.3	283.4	319.3	411.7	426.1	492.9	501.7	531.7	331.6	364.9	432.2	424.5	342.9	424.9	472.3	527.2	556.5	672.0	894.9
EBITDA	40.7	46.8	61.1	64.9	79.8	81.4	84.5	75.2	77.3	68.0	79.1	94.3	87.0	46.9	74.1	94.7	105.8	105.2	136.1	180.3
Margin	20.4%	21.2%	21.6%	20.3%	19.4%	19.1%	17.1%	15.0%	14.5%	20.5%	21.7%	21.8%	20.5%	13.7%	17.4%	20.0%	20.1%	18.9%	20.3%	20.1%
EBIT	35.5	40.5	52.4	55.1	67.2	67.6	69.2	59.2	60.5	57.4	69.7	82.2	75.7	29.2	54.7	75.7	84.1	79.2	104.4	136.9
Margin	17.8%	18.3%	18.5%	17.2%	16.3%	15.9%	14.0%	11.8%	11.4%	17.3%	19.1%	19.0%	17.8%	8.5%	12.9%	16.0%	15.9%	14.3%	15.5%	15.3%
Net Profit	7.6	13.8	16.6	22.2	19.0	21.4	21.1	14.3	19.7	27.1	41.6	42.9	40.2	14.0	27.4	42.6	53.2	44.1	57.7	118.3
Margin	3.8%	6.2%	5.9%	6.9%	4.6%	5.0%	4.3%	2.8%	3.7%	8.2%	11.4%	9.9%	9.5%	4.1%	6.4%	9.0%	10.1%	7.9%	8.6%	13.1%
Free Cash flow	8.4	9.2	32.1	26.5	42.1	19.4	17.2	15.9	1.0	52.1	37.9	32.0	22.1	63.1	57.0	30.9	38.6	34.3	38.3	85.2
Net Fin. Debt	43.0	38.8	67.9	139.3	153.2	150.7	145.4	172.3	178.4	115.8	99.9	139.6	200.5	186.5	134.9	121.6	66.1	100.3	178.8	265.1
(net of treasury stock and including commitments for purchase of investments)																				
Shareholder's Equity	133.1	143.7	157.1	177.1	162.0	182.8	193.4	173.8	179.9	156.7	155.9	147.1	178.0	242.8	291.5	315.2	396.9	432.9	466.6	622.6
Debt/Equity	0.32	0.27	0.43	0.79	0.95	0.82	0.75	0.99	0.99	0.74	0.64	0.95	1.13	0.77	0.46	0.39	0.16	0.23	0.38	0.42

* From 2004 to 2015 figures are prepared in accordance with International Financial Reporting Standards (IFRS). From 1996 to 2003 figures are prepared in accordance with Italian Accounting Standards

- a) With Hammelmann 9 months, without Cleaning Sector.
- b) With Hammelmann 12 months, without Cleaning Sector.
- c) With NLB 11 months.
- d) With Modenflex 5 months, Contarini 2 months, IKO 1 month.
- e) With H.S. Penta 6 months.

- f) Without Unielectric and with American Mobile Power 9 Months.
- g) With Hydrocontrol Group 8 months.



The Manager in charge of preparing the company's financial reports, Carlo Banci, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records.

S. Ilario d'Enza, August 4, 2016
The Manager in charge of preparing
the company's financial reports
Carlo Banci