



**INTERPUMP
GROUP**



Presentation to Analysts and Investors

Nine Months 2016 Results

November 2016



Disclaimer

This document has been prepared by Interpump Group S.p.A for use during meetings with investors and financial analysts and is solely for information purposes. The information set out herein has not been verified by an independent audit company. Neither the Company nor any of its subsidiaries, affiliates, branches, representative offices (the “Group”), as well as any of their directors, officers, employees, advisers or agents (the “Group Representatives”) accepts any responsibility for/or makes any representation or warranty, express or implied, as to the accuracy, timeliness or completeness of the information set out herein or any other related information regarding the Group, whether written, oral or in visual or electronic form, transmitted or made available.

This document may contain forward-looking statements about the Company and/or the Group based on current expectations and opinions developed by the Company, as well as based on current plans, estimates, projections and projects of the Group. These forward-looking statements are subject to significant risks and uncertainties (many of which are outside the control of the Company and/or the Group) which could cause a material difference between forward-looking information and actual future results.

The information set out in this document is provided as of the date indicated herein. Except as required by applicable laws and regulations, the Company assumes no obligation to provide updates of any of the aforesaid forward-looking statements. Under no circumstances shall the Group and/or any of the Group Representatives be held liable (for negligence or otherwise) for any loss or damage howsoever arising from any use of this document or its contents or otherwise in connection with the document or the aforesaid forward-looking statements. This document does not constitute an offer to sell or a solicitation to buy or subscribe to Company shares and neither this entire document or a portion of it may constitute a recommendation to effect any transaction or to conclude any legal act of any kind whatsoever.

This document may not be reproduced or distributed, in whole or in part, by any person other than the Company. By viewing and/or accepting a copy of this document, you agree to be bound by the foregoing limitations.



Table of Contents

9M 2016 & FY 2015 Highlights	3
Who We Are	9
International Profile	19
2016 Acquisitions	23
Appendix: History in Numbers	26



€ mn

	9M 2015	9M 2016	Change
SALES	681.9	693.0	+1.6%
EBITDA	141.3	151.6	+7.3%
% on sales	20.7%	21.9%	
NPAT	101.3*	73.6	-27.4%
% on sales	14.9%	10.6%	
NET DEBT (30/09)			
Net Financial Position	283.1	286.3	+3.3 mn
Valuation of Put Options	25.0	39.8	+14.8 mn
TOTAL DEBT	308.1	326.1	+18.1 mn
TREASURY SHARES (30/09)			
Number of shares	2,007,606	2,380,752	

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



€ mn

	SALES			EBITDA				
	9M 2015	9M 2016	Change	9M 2015	% on sales	9M 2016	% on sales	Change
HYDRAULICS	430.0	446.2	+3.8%	77.4	18.0%	87.9	19.7%	+13.5%
WATER JETTING	251.9	246.8	-2.0%	63.9	25.2%	63.7	25.7%	-0.2%
TOTAL	681.9	693.0	+1.6%	141.3	20.7%	151.6	21.9%	+7.3%



€ 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 mn
Valuation of Put Options	74.1	23.2	-50.9 mn
TOTAL DEBT	226.1	278.2	+52.1 mn
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

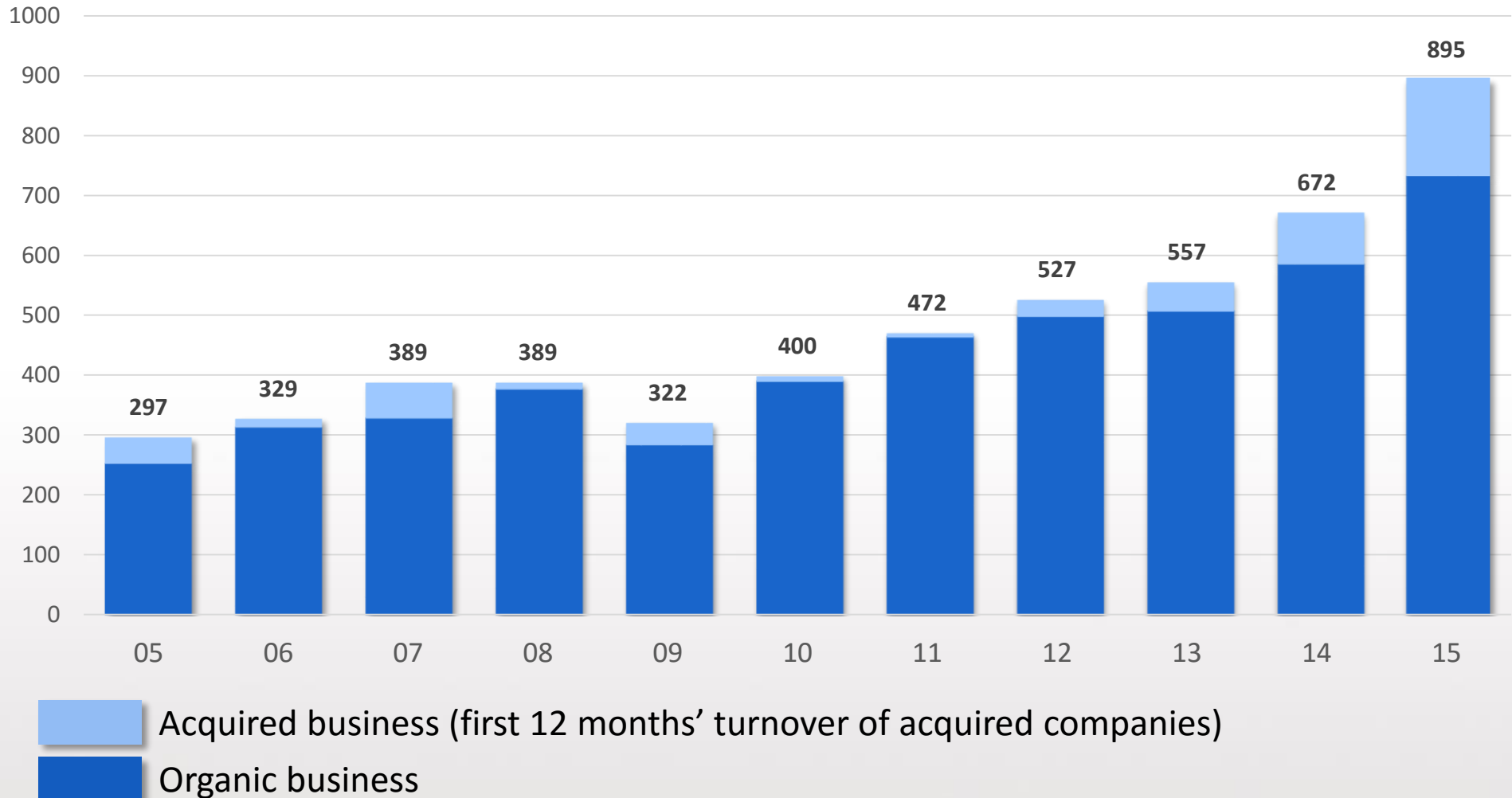


€ mn

	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



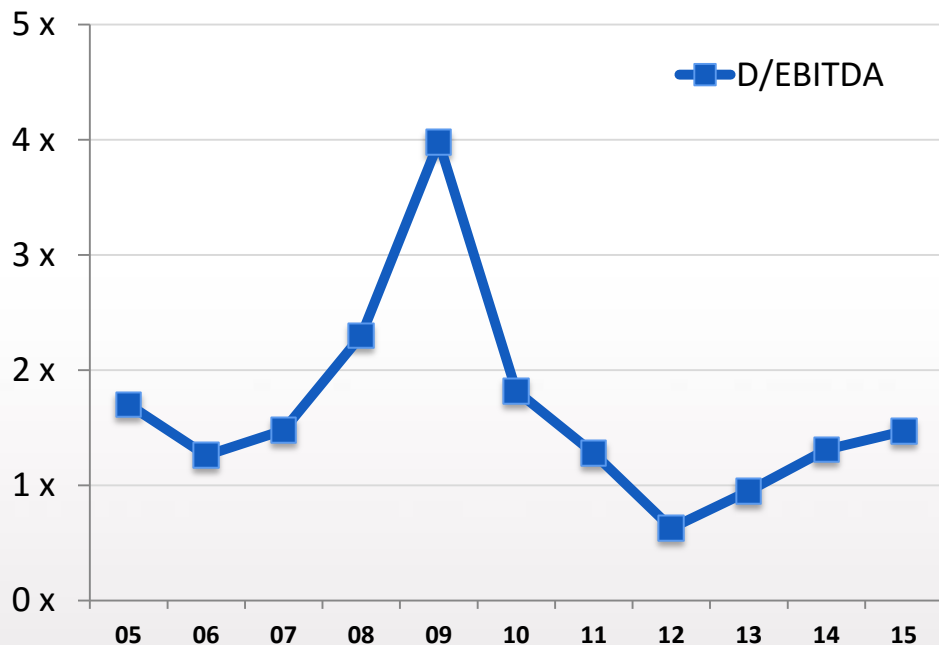
*net of cleaning (dismissed in 2005) and electric motors (2011) for consistency with current business



Prudent debt policy and satisfactory return on capital employed

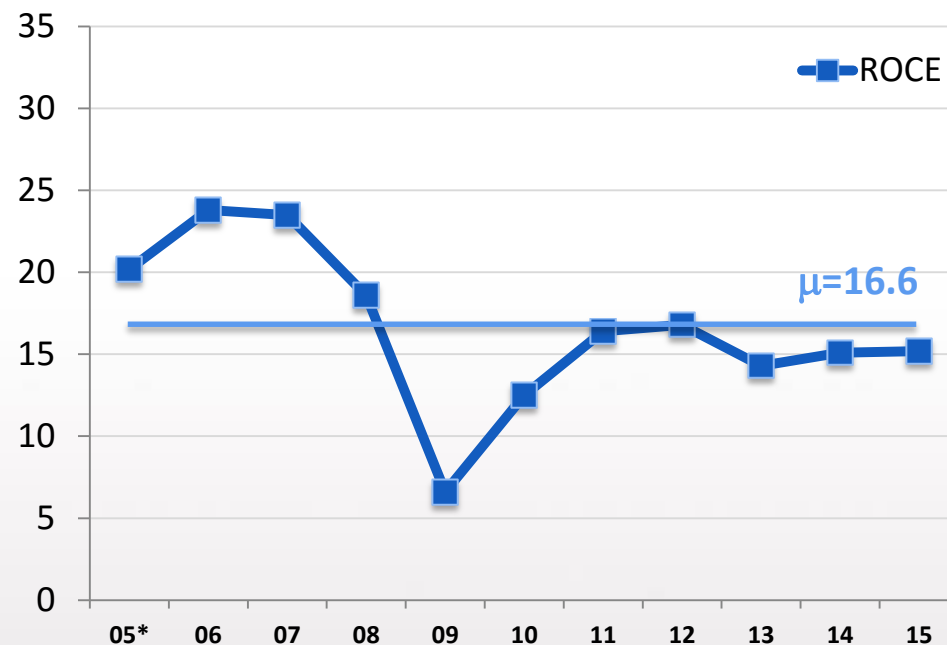
Net Debt / EBITDA (12 M)

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

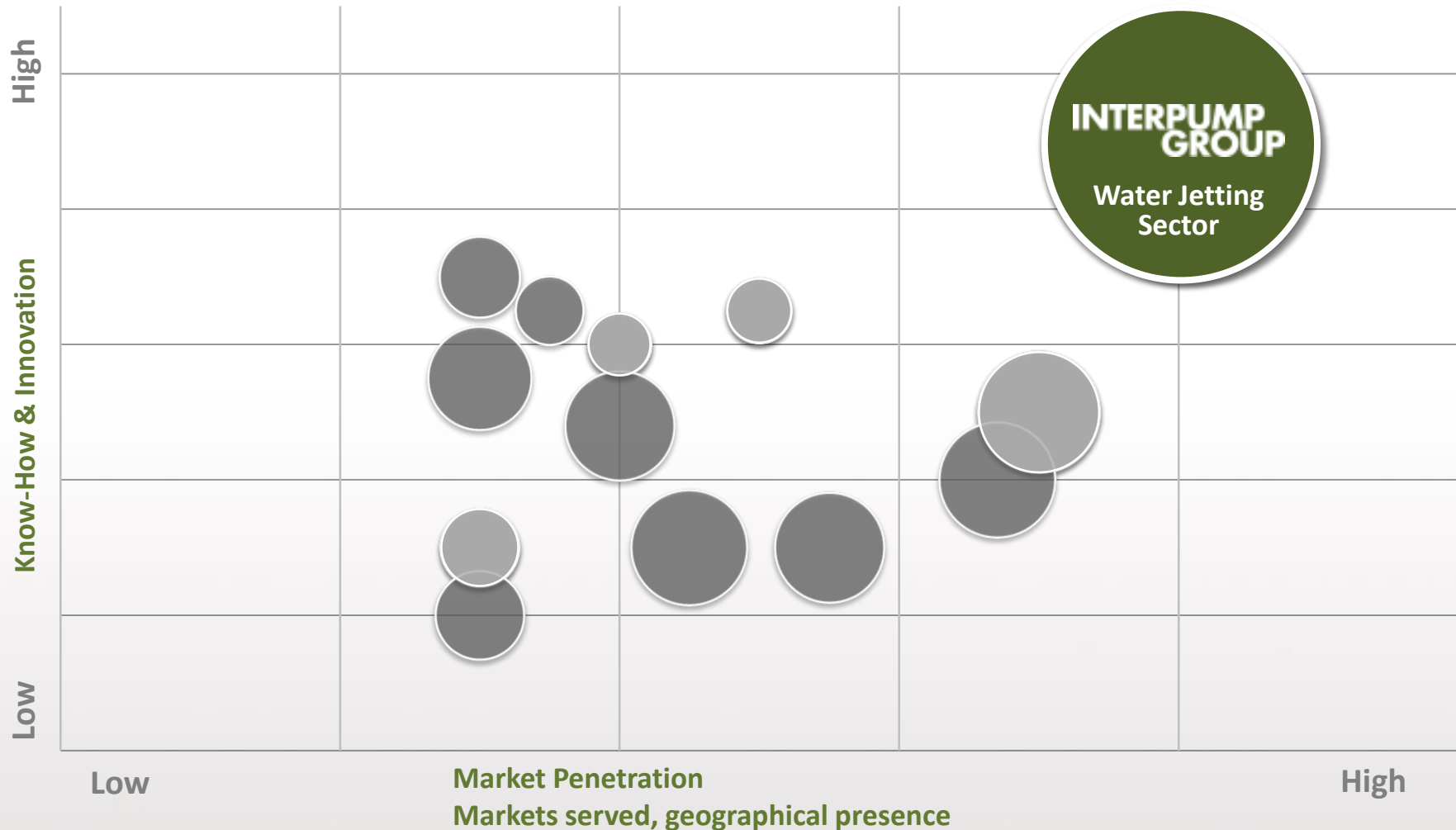
- ▶ World leader in the niche market of high-pressure plunger pumps for water and other fluids. Premium-price, reputable brands.
- ▶ Growing range of applications:
 - Industrial Cleaning
 - Chemical, Food, Pharma, Cosmetic processing
 - Automotive, Marine, Oil&Gas, Tunneling, Mining, Steel Industry

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





August 2016



▶ Plunger pumps high flow/ high pressure (1~450 HP)

▶ High-pressure pumps (up to 1,500 HP - 4,500 bar/65K PSI)
▶ Design and supply of turnkey solutions

▶ Production and rental of high-pressure pumps and complete systems

▶ Homogenizers for food, cosmetics, and pharmaceutical industry

▶ Specialized solutions for steel and mining industry



INTERPUMP Pratisoli



▶ U.S. Distributor

General Pump

Hammelmann

HAMMELMANN

NLB

NLB Corp.

Bertoli



Inoxihp (53%)



International presence (plants and subsidiaries)

Italy, USA, China

Germany, USA, Australia, China, Spain

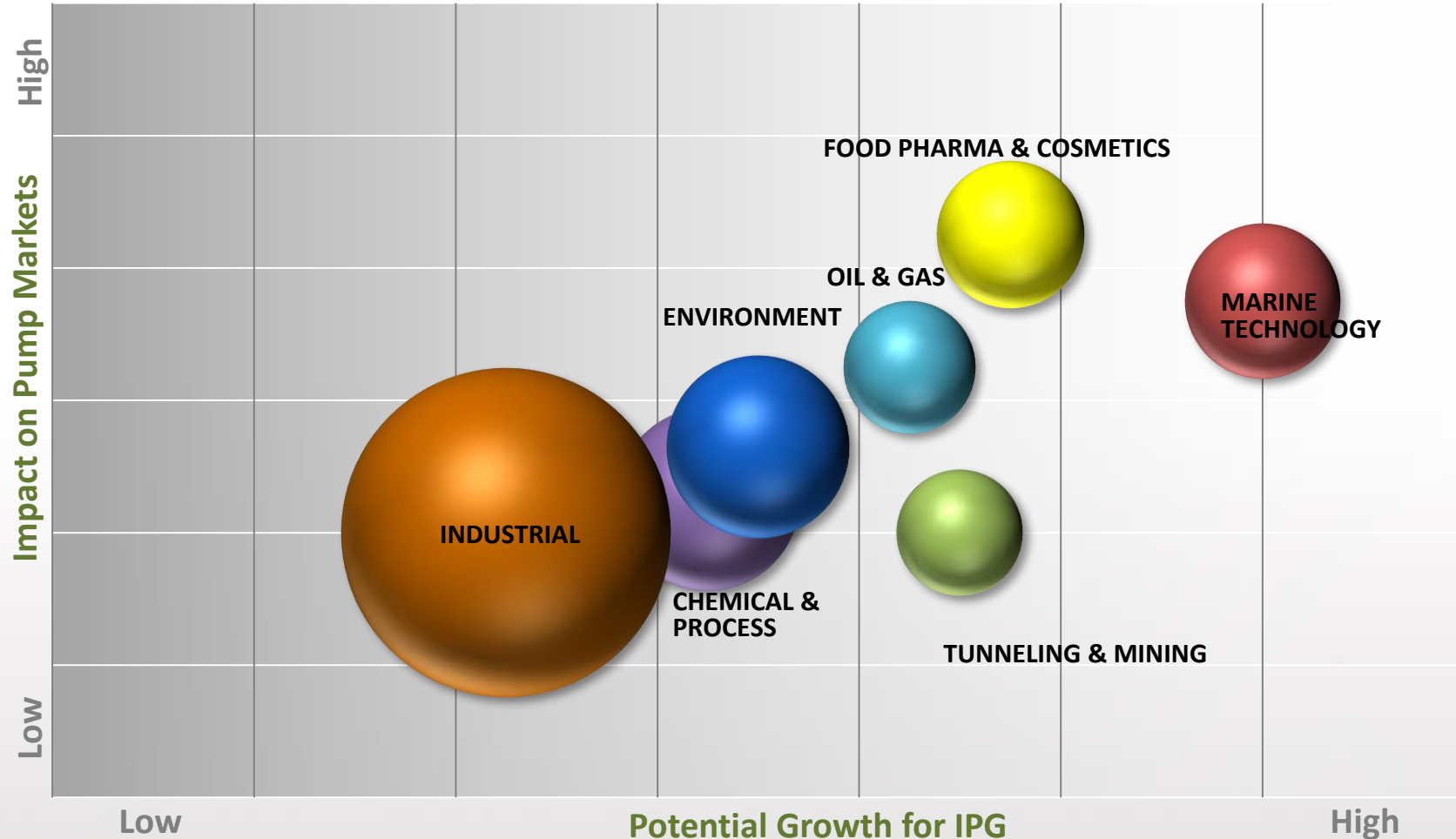
USA, Poland

Italy

Italy

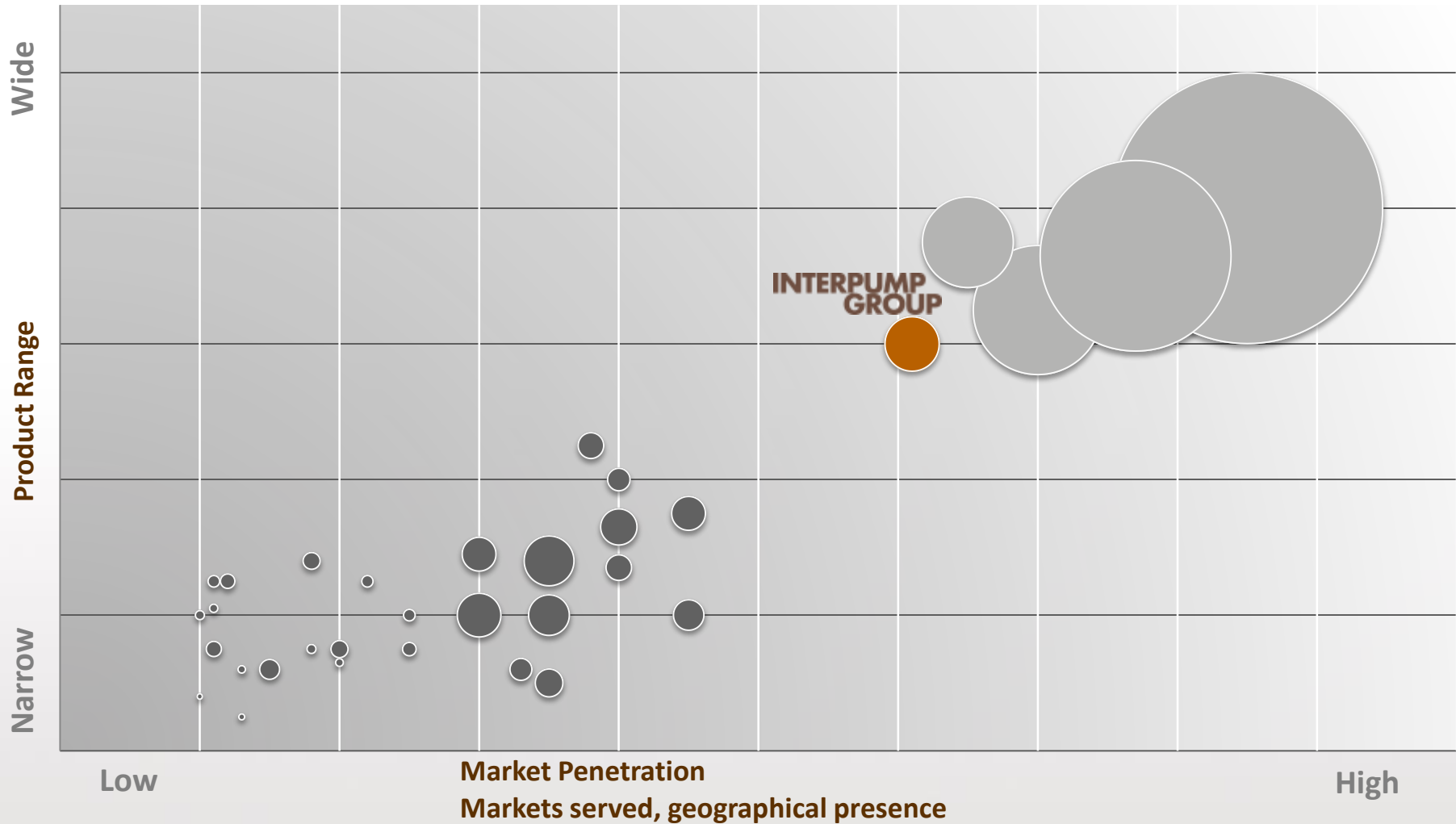


Continuously expanding the scope of high-pressure technology





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





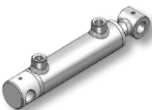
August 2016

▶ 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

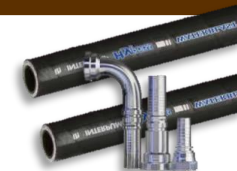
▶ Directional Control Valves



**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

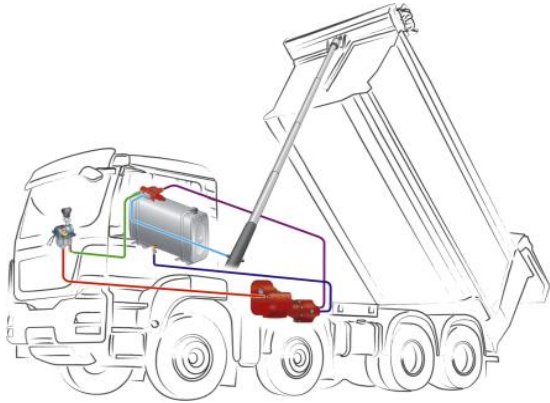


International presence (plants and subsidiaries)

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

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

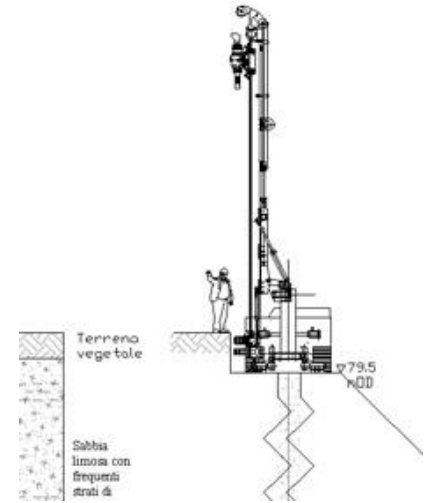
Italy, France, Germany, Romania,
UK, South Africa



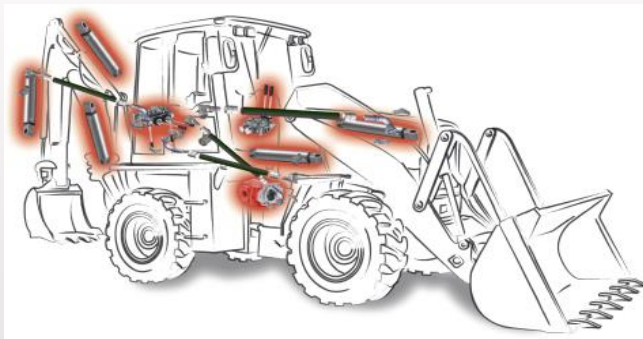
Truck Business
(>50% Market Share in PTO's).



Mobile Agriculture Businesses.



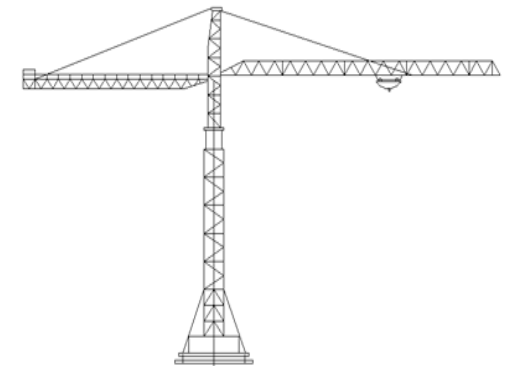
Drilling / Tunnelling



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



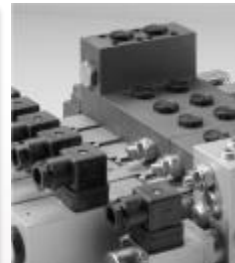
PTO's



Pumps



Cylinders



DCV's



Hoses & Fittings



Valves



Control Systems



Truck



Agriculture



Earth Moving



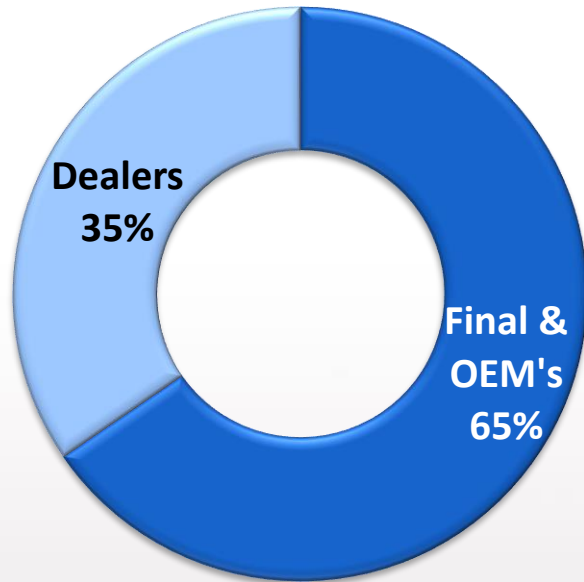
Aerospace



Sales by channel and application field

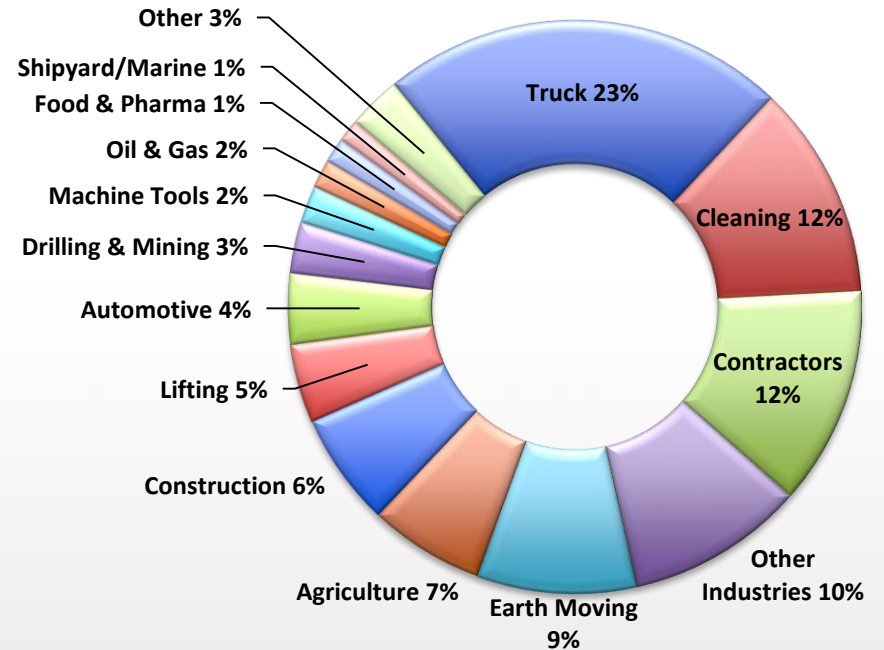
Total sales by channel

2015 Total Turnover: Euro 895 Million



Sales by Application Field

Dealers not included

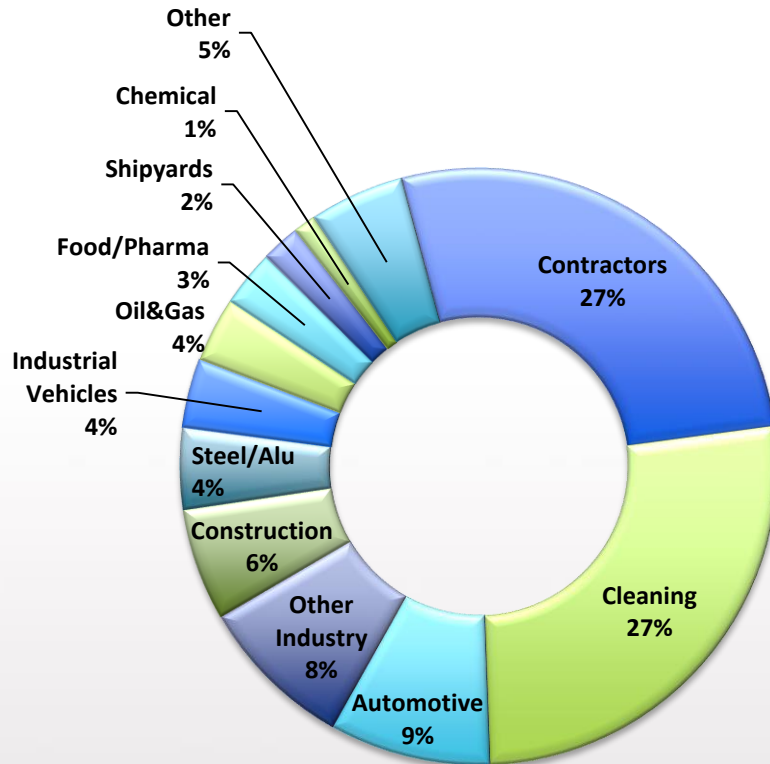


Diversification of our business is the key to our resilience and low overall cyclicality

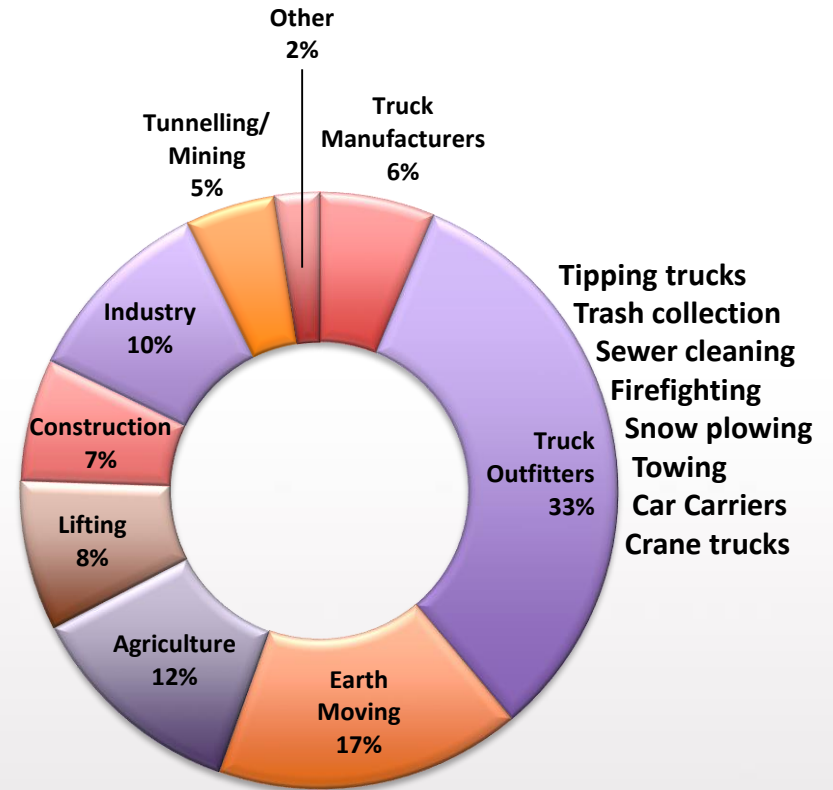


Application fields by sector (dealers not included)

Water Jetting



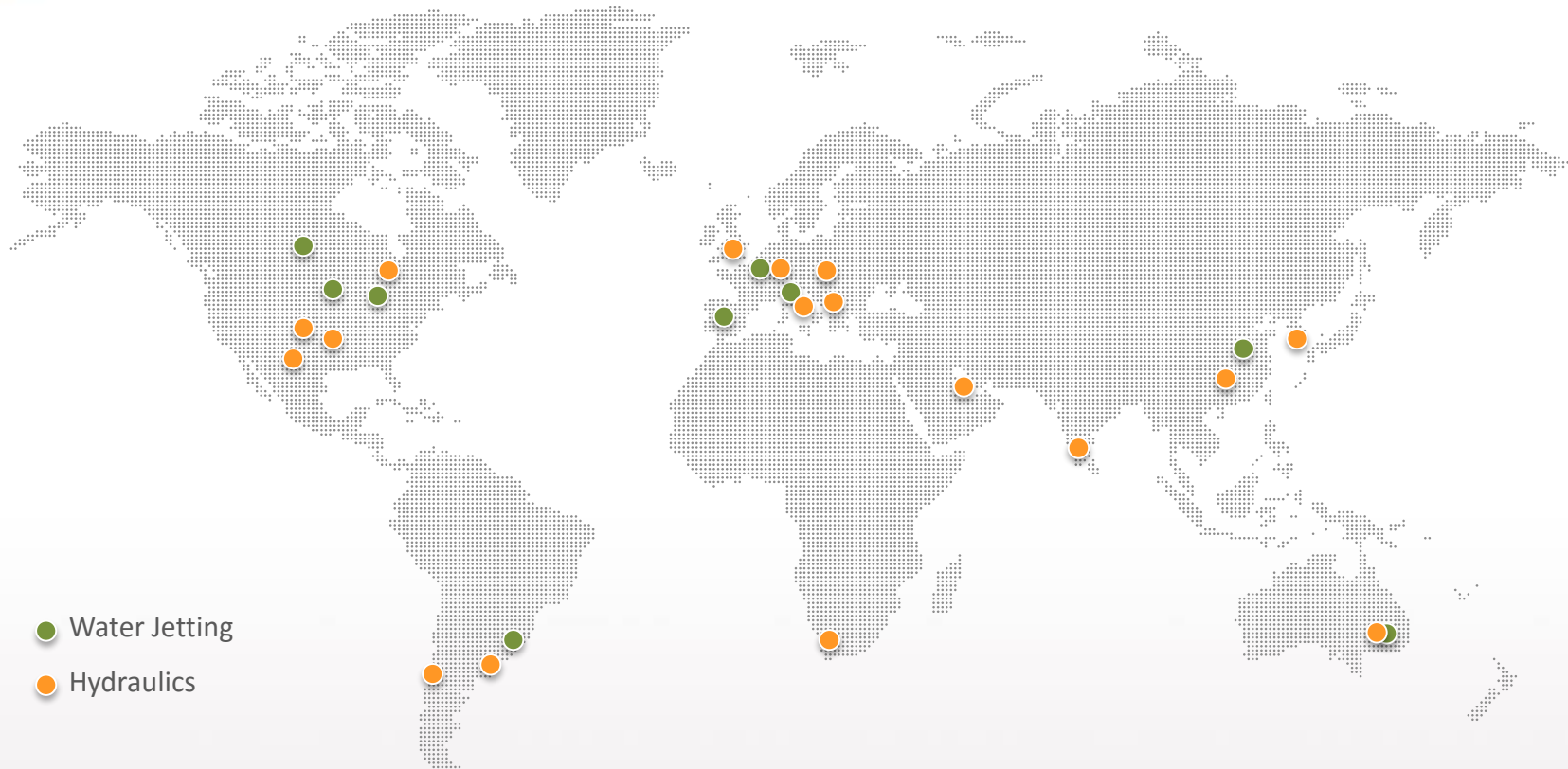
Hydraulics





International Profile

Worldwide Direct Presence



Water Jetting Sector		
AREA	PLANTS	EMPLOYEES
ITALY	3	504
REST OF EUROPE	1	350
NORTH AMERICA	2	306
REST OF THE WORLD	2	45
TOTAL	8	1,205

Hydraulic Sector		
AREA	PLANTS	EMPLOYEES
ITALY	11	2,257
REST OF EUROPE	4	321
NORTH AMERICA	5	473
REST OF THE WORLD	10	855
TOTAL	30	3,906



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

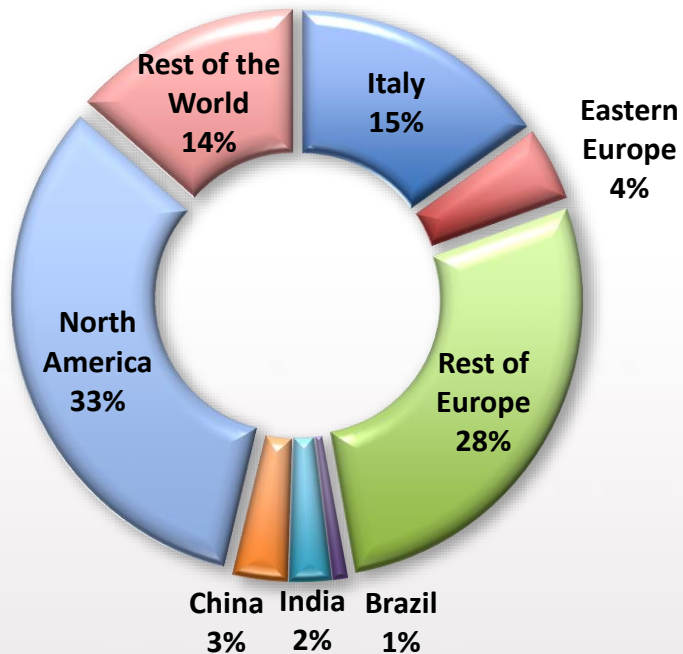


A new opportunity in a fast growing market.

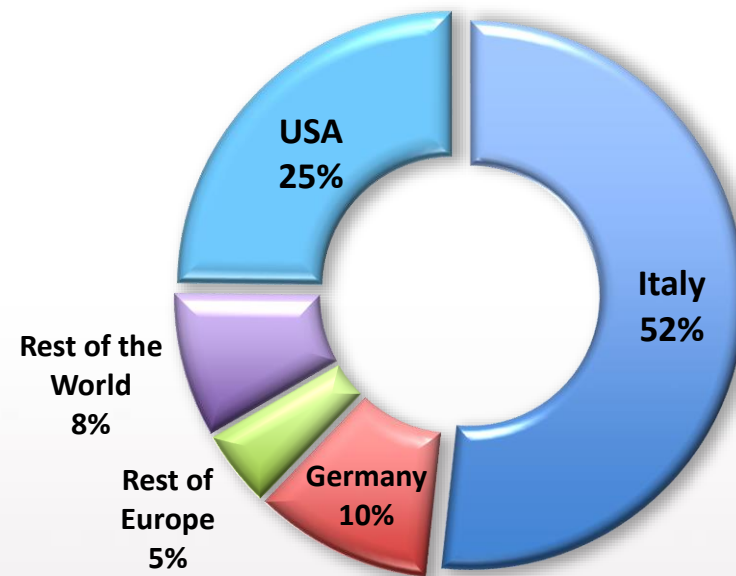


Sales By Region (2015)

Total Turnover: Euro 895 Million



Production By Country (2015)

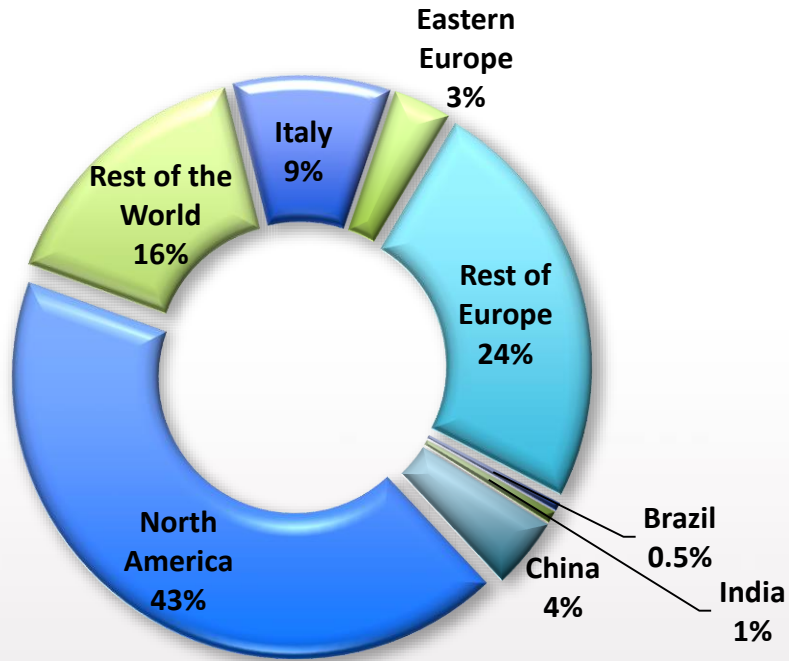




Geographical breakdown of sales by sector

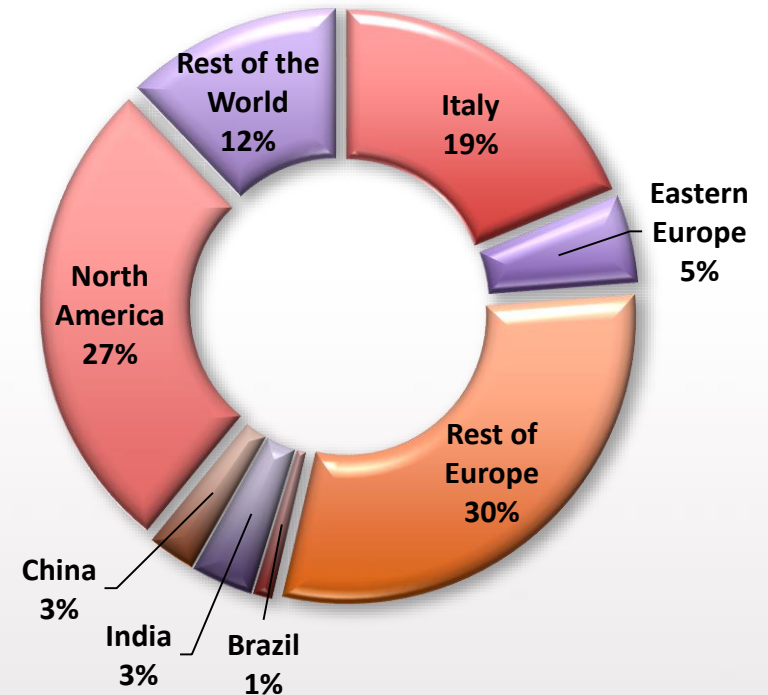
Water Jetting Sector

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.



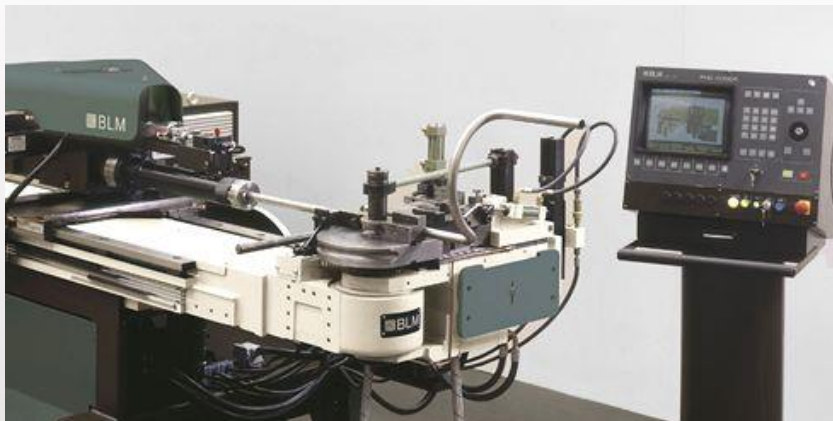


Tekno Tubi, headquartered near Ferrara (Italy) is a company operating in bending and assembly of rigid pipes in steel and other metals, and assembly of fitted flexible hoses in rubber or other plastic materials for hydraulics and automotive

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)

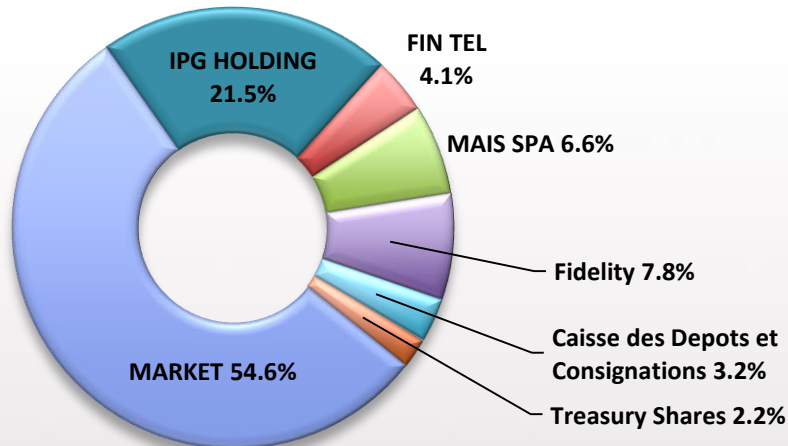




Management Team

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

Shareholders Structure



Source: CONSOB/Company
November 6, 2016

Interpump Stock Performance

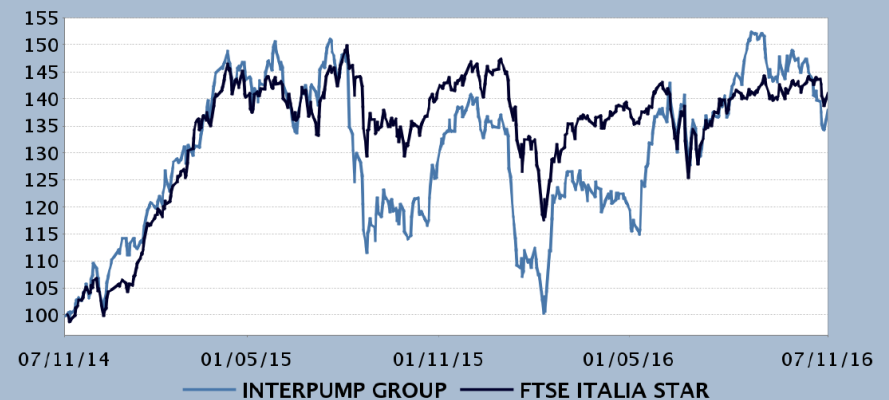
Total return to shareholders since the IPO: 11.88% per year
(assuming dividend reinvestment and participation to the '09 capital increase)

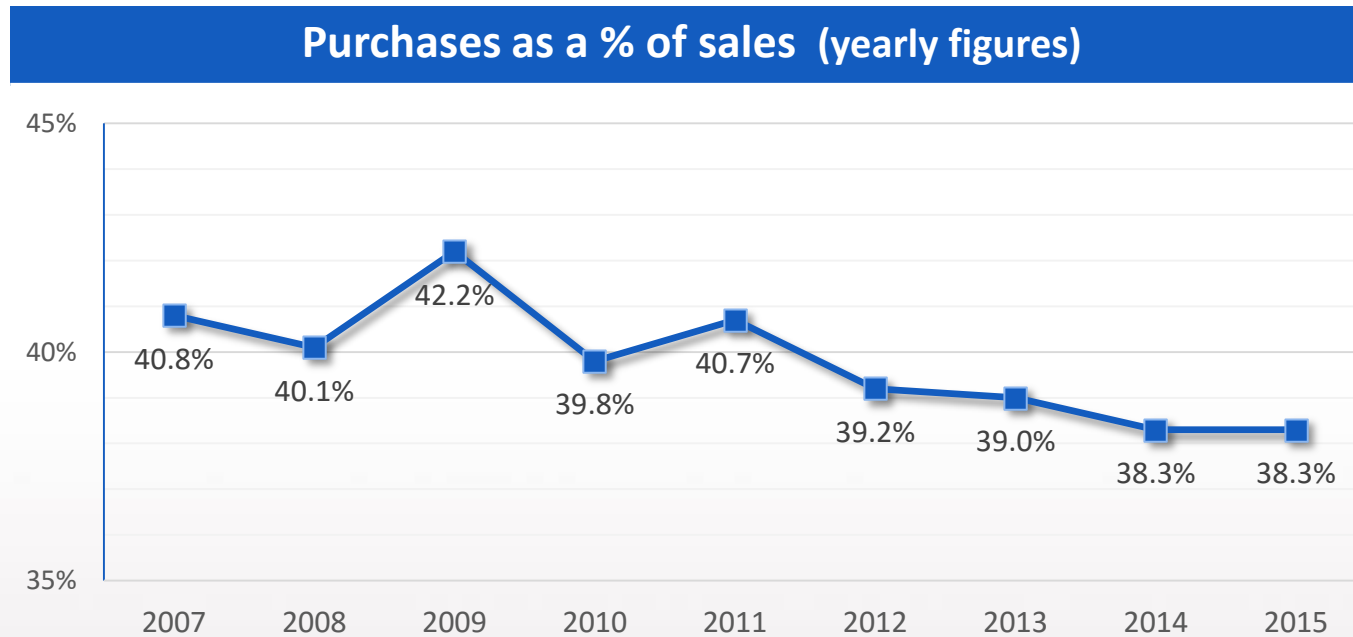
November 7, 2016

Share price	14.40
Market Capitalization	€ 1,568 mn
Performance 3 M:	-0.83%
Performance 1 Y:	-3.27%
Performance 2 Y:	+38.11%
Average daily Volume (2016)	287,594

Source: Milan Stock Exchange

IP MI Price Trend





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.

