



**INTERPUMP
GROUP**



Presentation to Analysts and Investors

Full Year 2016 Preliminary Results

February 2016



Presentation to Analysts and Investors

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Presentation to Analysts and Investors

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€ mn

	FY 2015	FY 2016	Change
SALES	894.9	922.8	+3.1%
EBITDA	180.3	198.5	+10.1%
% on sales	20.1%	21.5%	
NPAT (normalized*)	86.3*	94.5	+9.5%
% on sales	9.6%	10.2%	
NET DEBT (31/12)			
Net Financial Position	255.0	257.3	+2.3 mn
Valuation of Put Options	23.2	42.8	+19.6 mn
TOTAL DEBT	278.2	300.0	+21.8 mn
TREASURY SHARES (31/12)			
Number of shares	1,125,912	2,281,752	

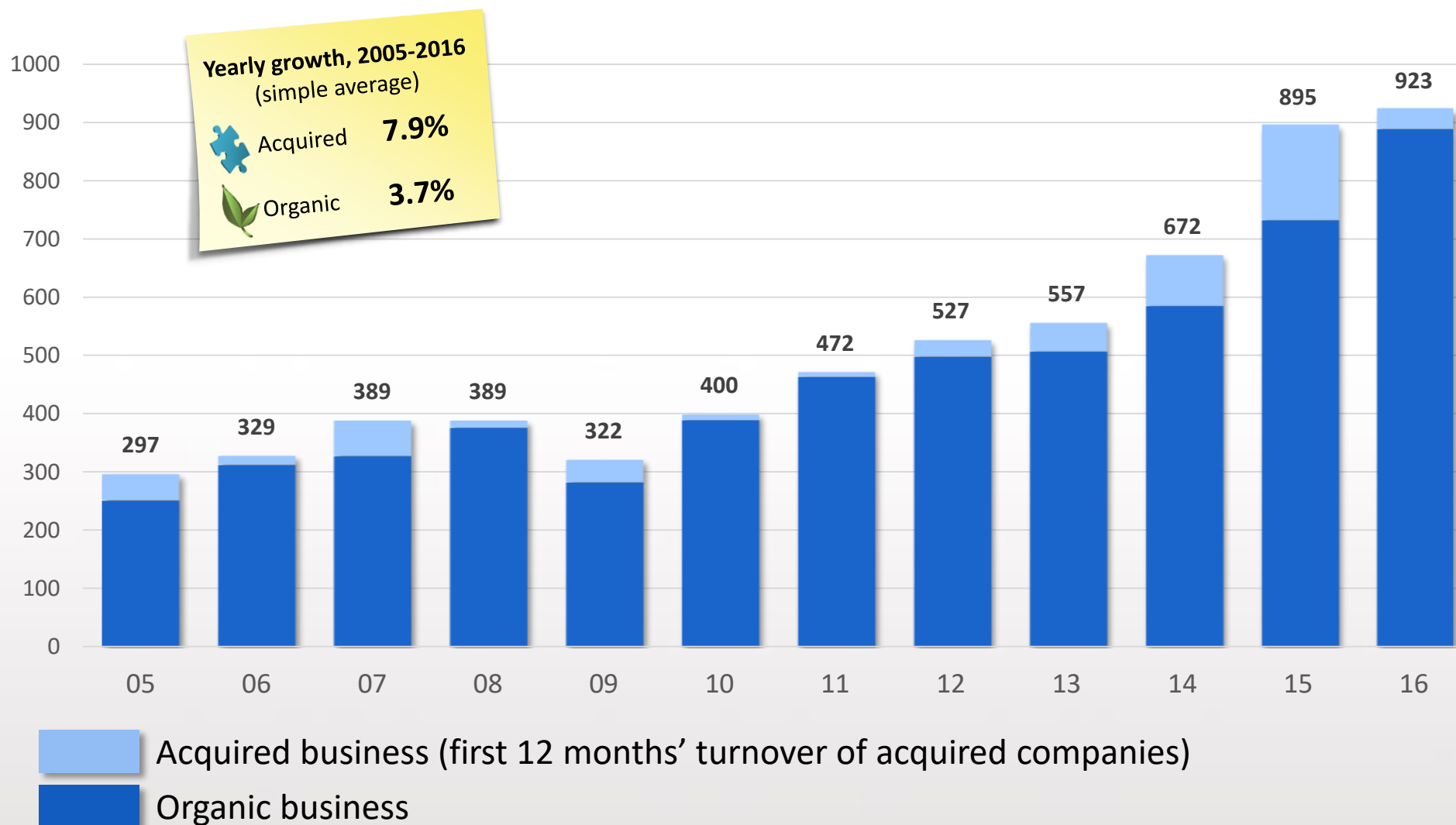
* Statutory 2015 net income was € 118.3 mn due to a one-off financial income of € 32 mn arising from put options exercised earlier than expected



€ mn

	SALES			EBITDA				
	FY 2015	FY 2016	Change	FY 2015	% on sales	FY 2016	% on sales	Change
HYDRAULICS	560.3	596.8	+6.5%	96.6	17.2%	115.4	19.3%	+19.5%
WATER JETTING	334.7	326.0	-2.6%	83.7	24.9%	83.1	25.4%	-0.7%
TOTAL	895.0	922.8	+3.1%	180.3	20.1%	198.5	21.5%	+10.1%

Sales* in € mn

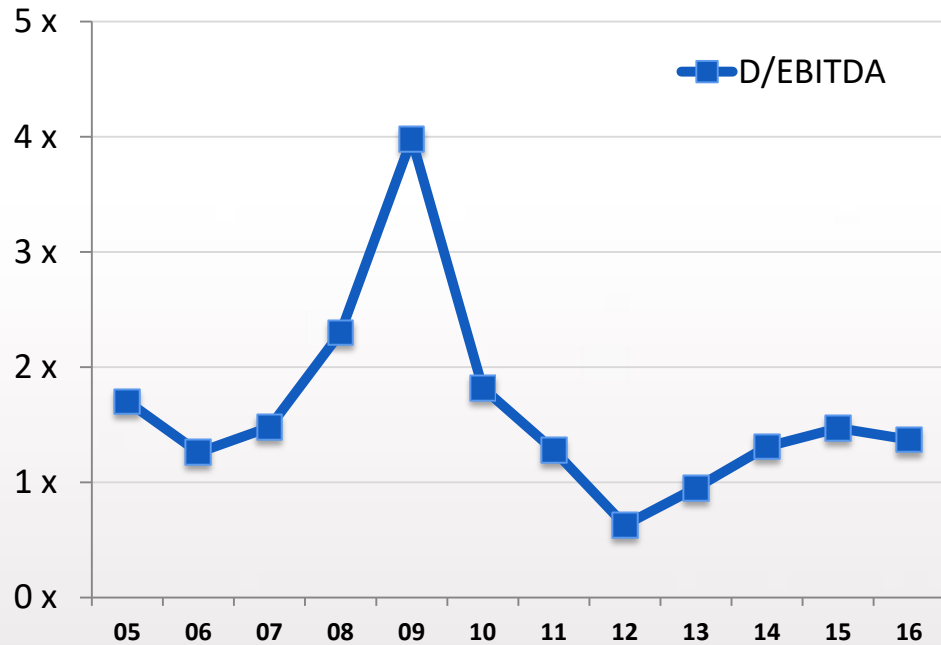


*net of cleaning (dismissed in 2005) and electric motors (2011) for consistency with current business

Prudent debt policy and satisfactory return on capital employed

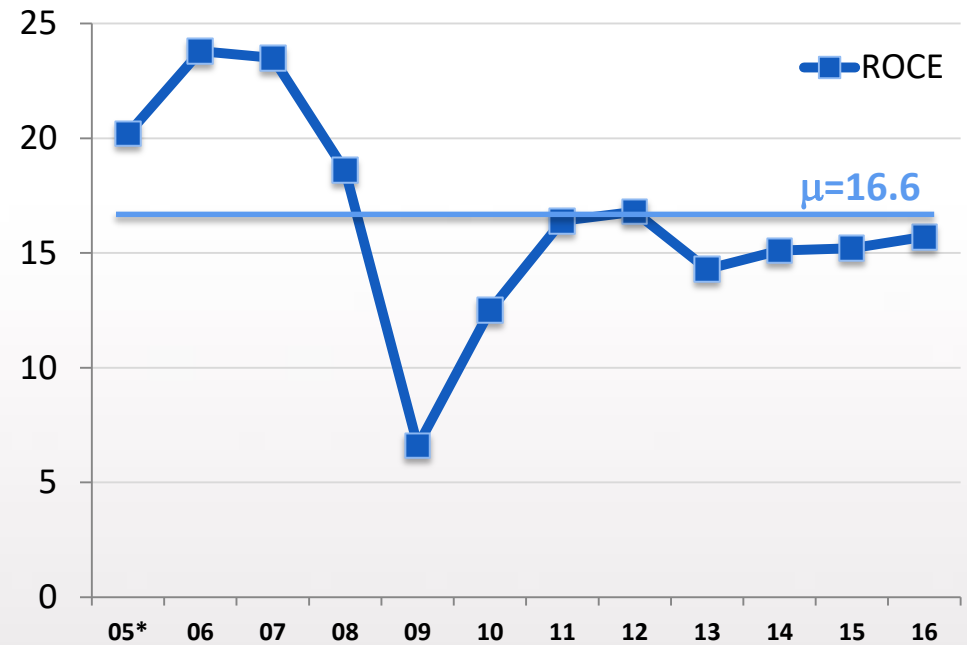
Net Debt / EBITDA (12 M)

Net of treasury stock and including commitments for purchase of investments

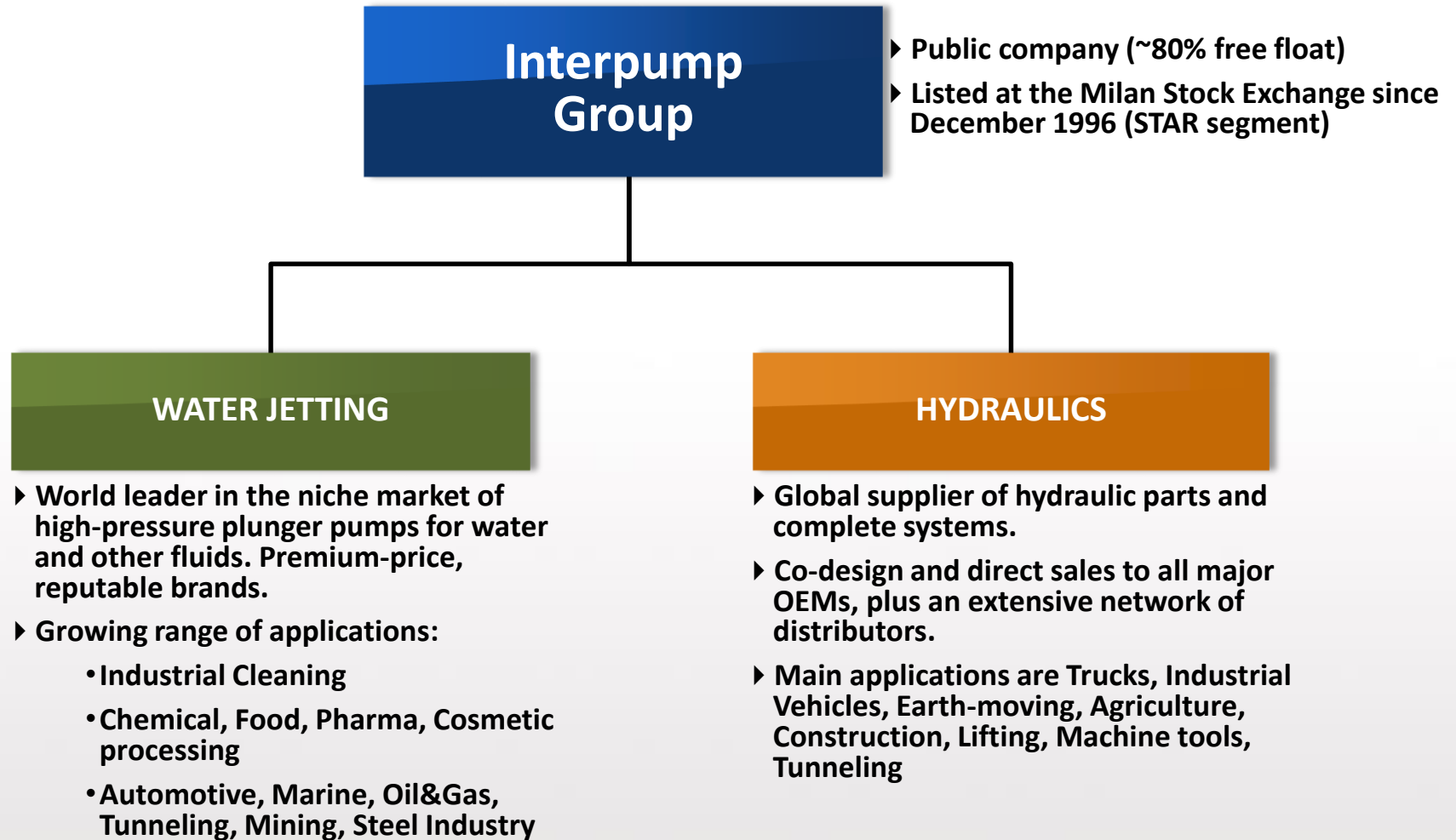


Return On Capital Employed (12M)

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



*without the Cleaning Sector



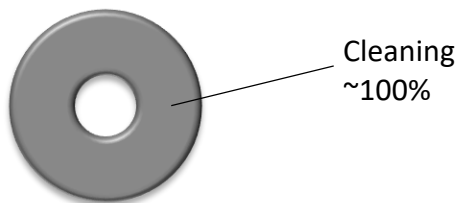


Diversification by application field

Dealers not included

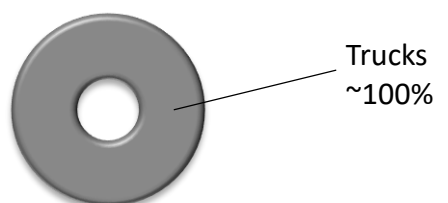
WATER JETTING

2004

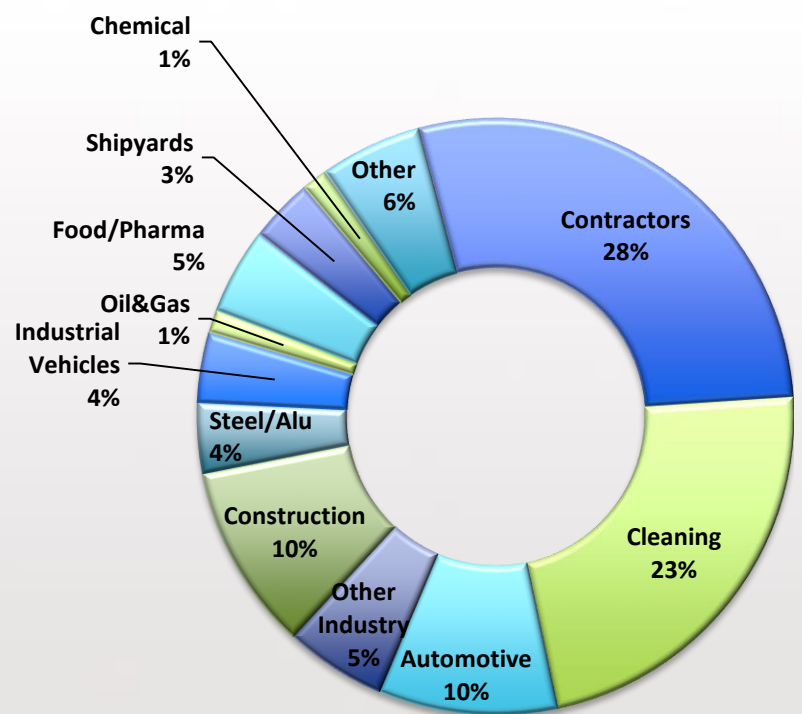


HYDRAULICS

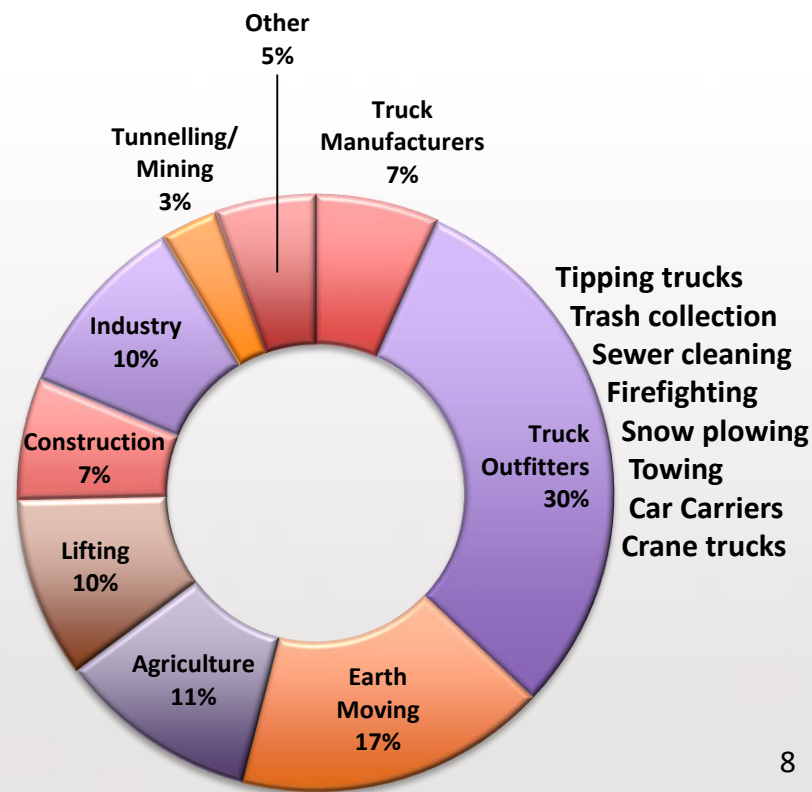
2008



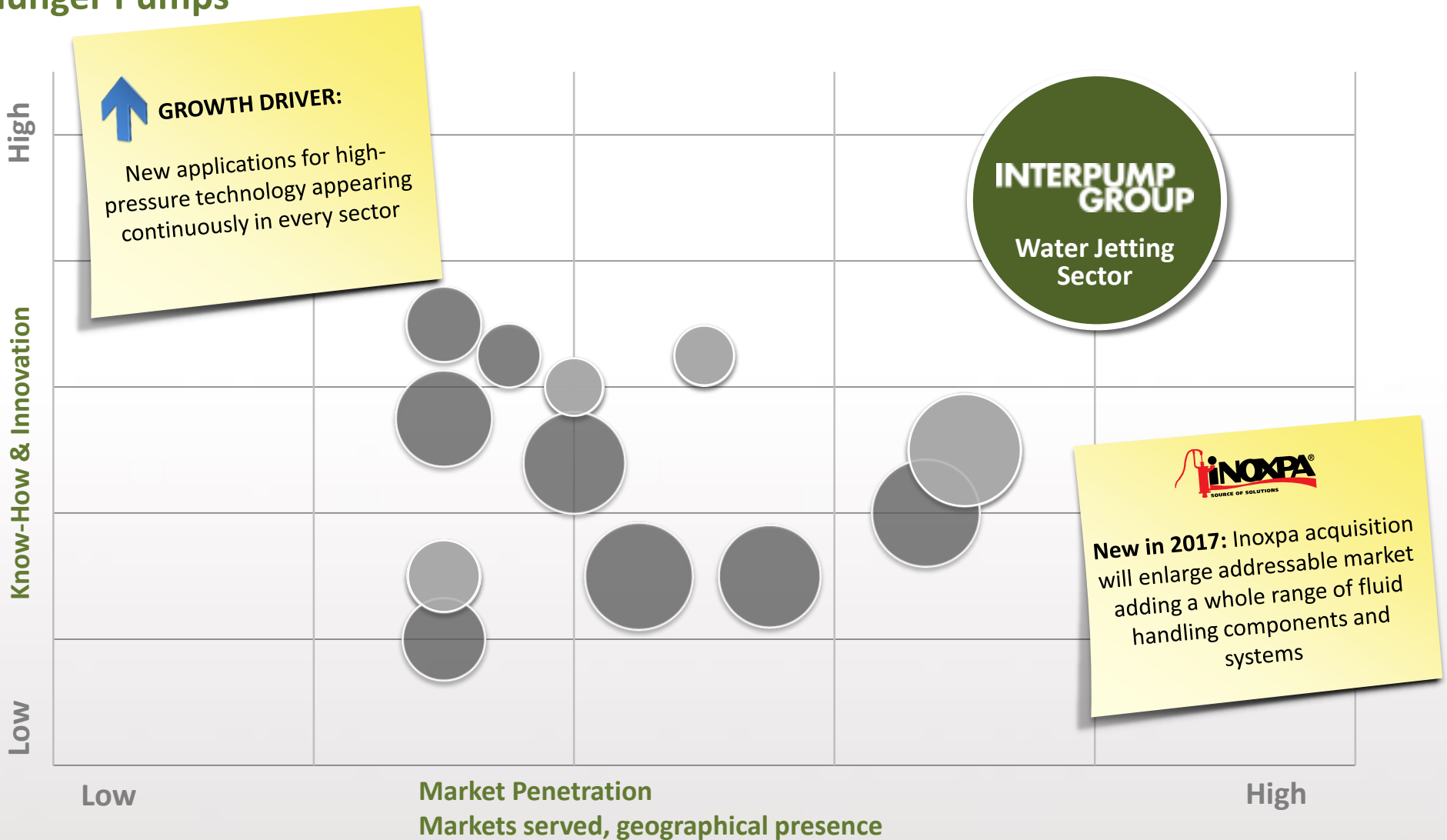
2016



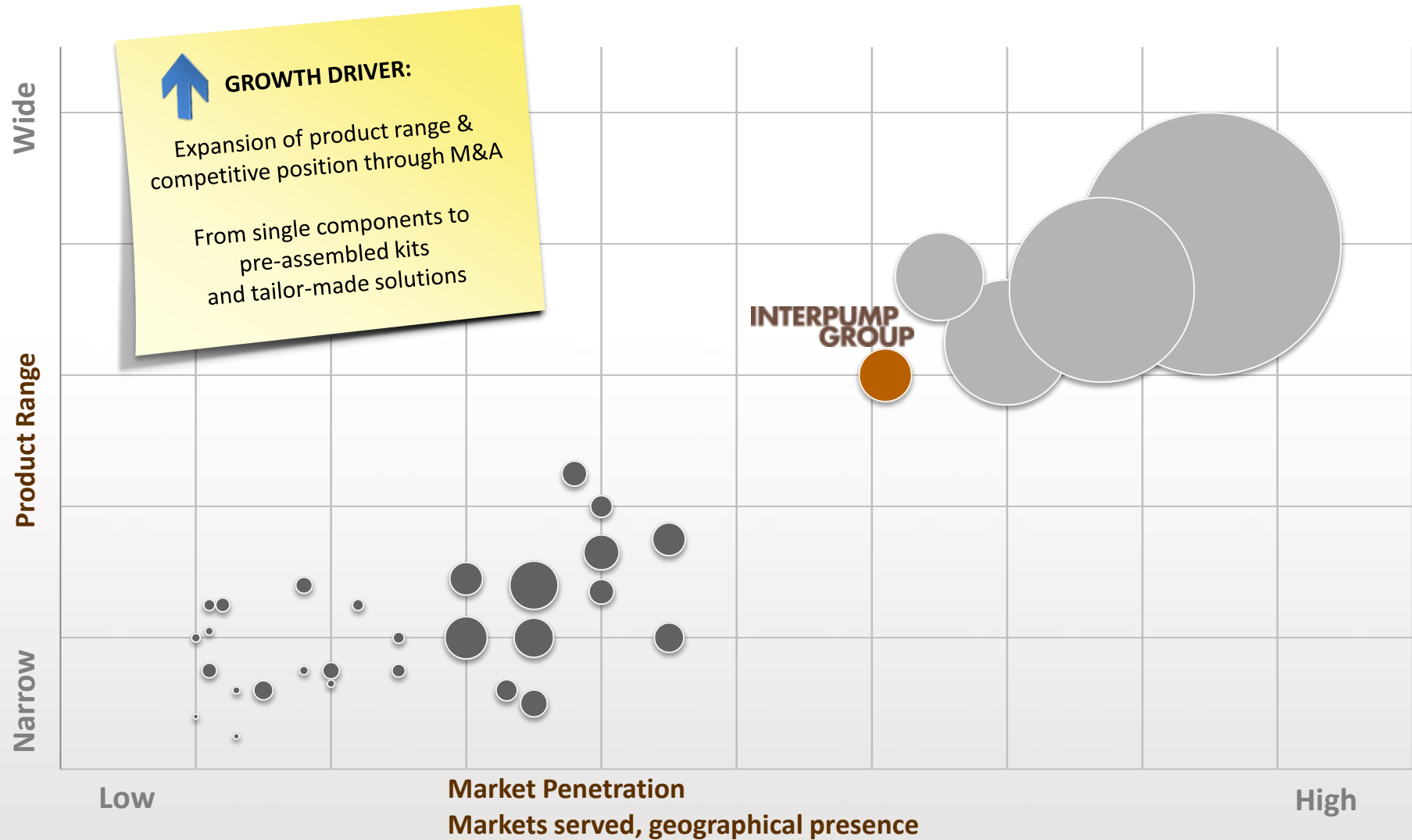
2016



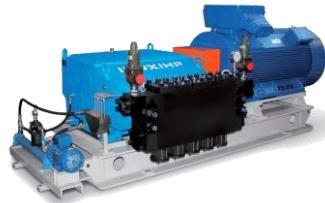
The Largest Player and Worldwide Leader in the Niche Business of Very High Pressure Plunger Pumps



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



February 2017



▶ 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

▶ Specialized solutions
for steel and mining
industry

▶ Homogenizers for
food, cosmetics, and
pharmaceutical industry

▶ Pumps, mixers,
components & systems
for food, cosmetics
and pharma



INTERPUMP
Pratissoli



▶ U.S. Distributor

General Pump

Hammelmann

HAMMELMANN®

NLB



Inoxihp (53%)



Bertoli



Inoxpa



International presence (plants and subsidiaries)

Italy, USA, China

Germany, USA,
Australia, China, Spain

USA, Poland

Italy

Italy

Spain, India, Portugal,
Italy, UK, USA, France,
Denmark, Sweden,
Russia, China, UAE,
Ukraine, Moldova,
South Africa, Australia,
Colombia

February 2017

▶ 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

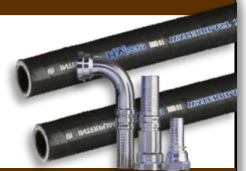
▶ Directional Control Valves



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

▶ 24/7 service & repairs



Bristol Hose

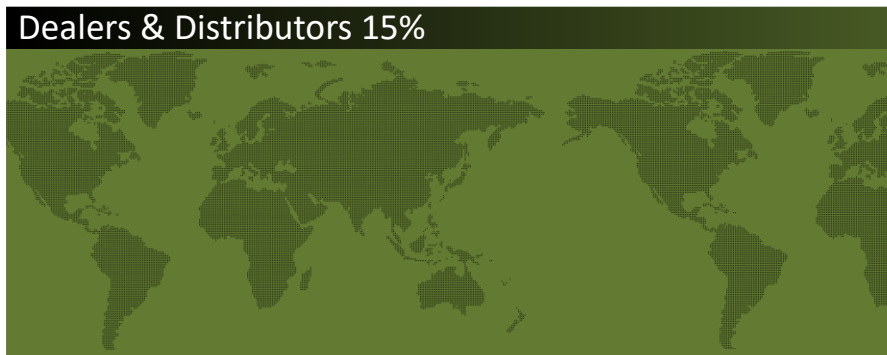
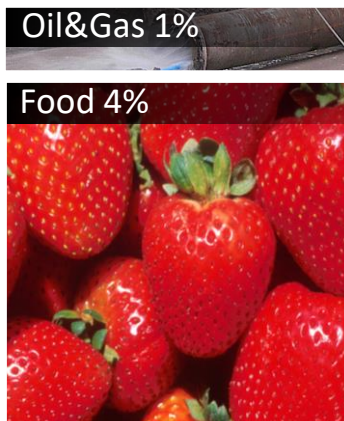
International presence (plants and subsidiaries)

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

Total 2016 sales: € 326 million





Sales by application field

Total 2016 sales: € 597 million



Earth Moving 10%



Truck Manufacturers 4%



Truck Outfitters 18%

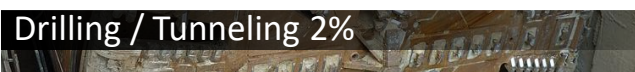
- Tipping trucks
- Trash collection
- Sewer cleaning
- Firefighting
- Snow plowing
- Towing
- Car Carriers
- Crane trucks
- ...



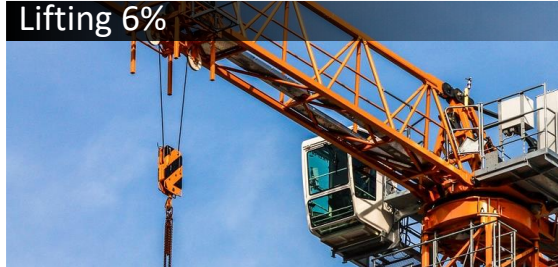
Construction 4%



Agriculture 7%



Drilling / Tunneling 2%



Lifting 6%



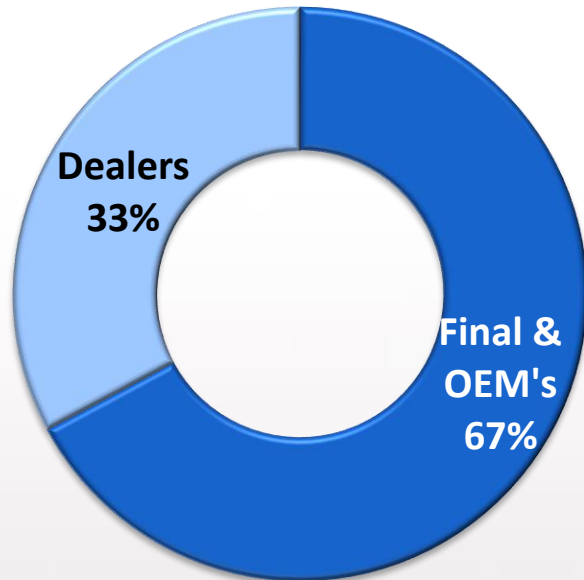
Other Industry 6%



Other 4%

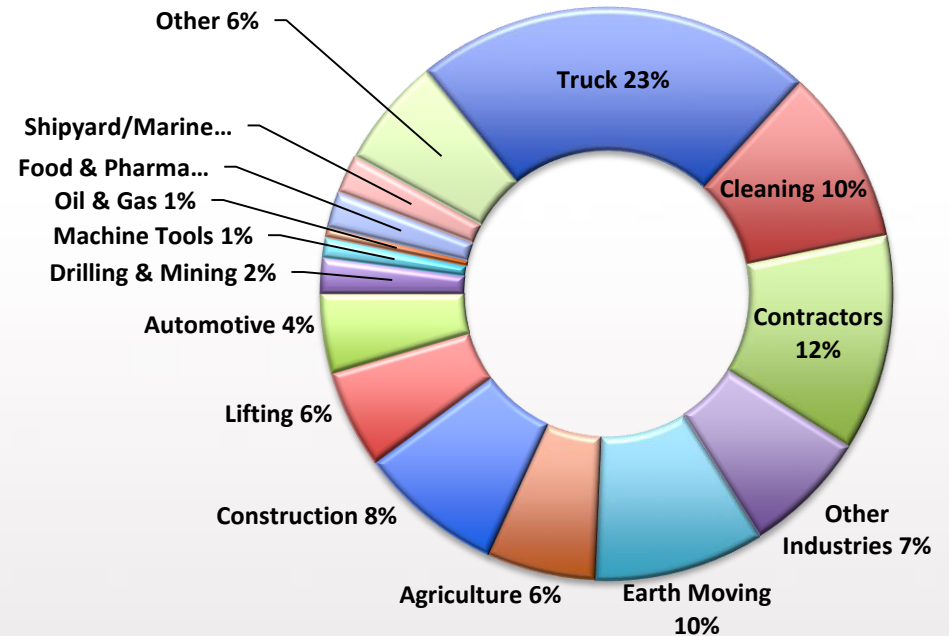
Total sales by channel

2016 Total Turnover: Euro 923 Million



Sales by Application Field

Dealers not included

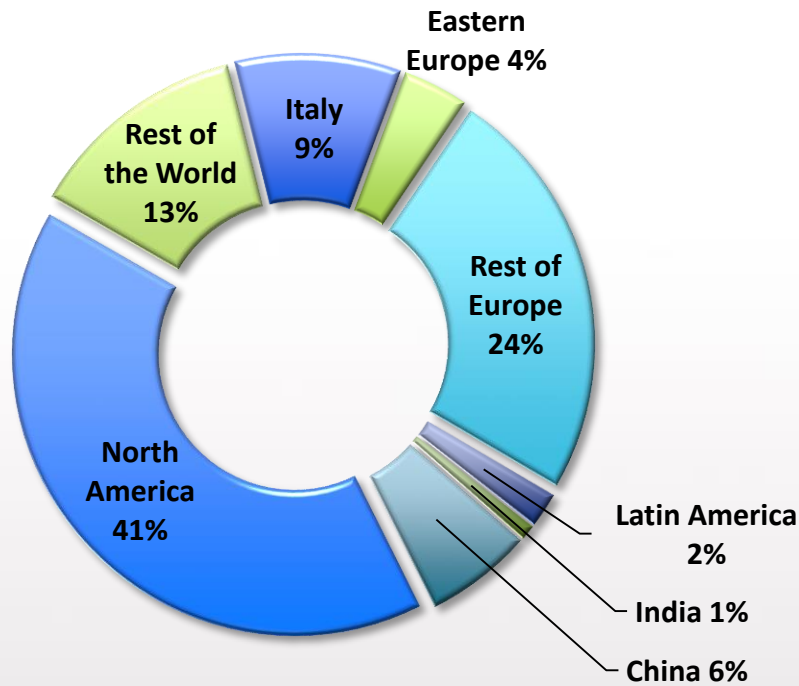


Diversification of our business is the key to our resilience and low overall cyclicality

Geographical breakdown of sales by sector

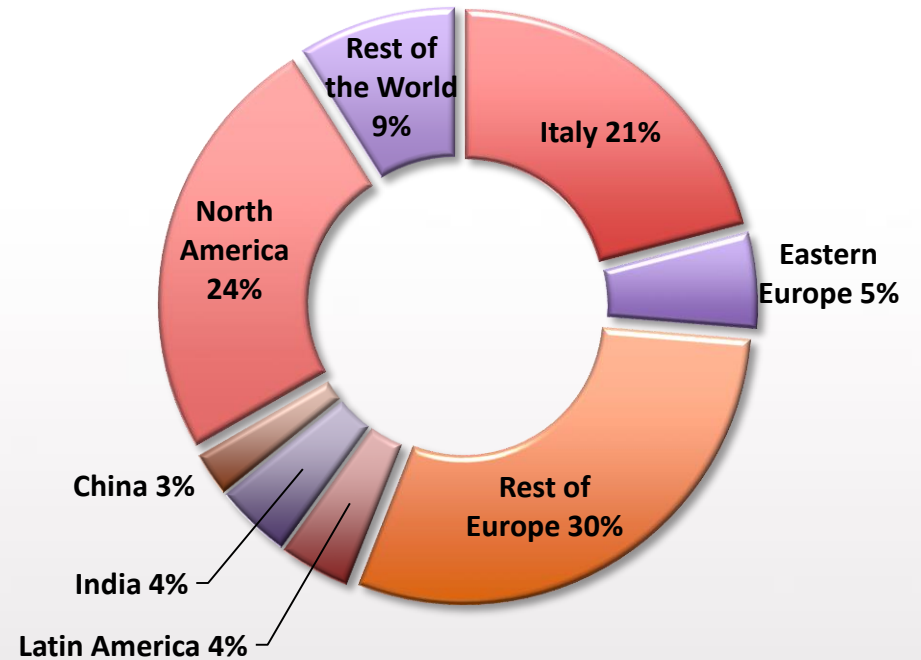
WATER JETTING

Total 2016 Turnover: Euro 326 Million



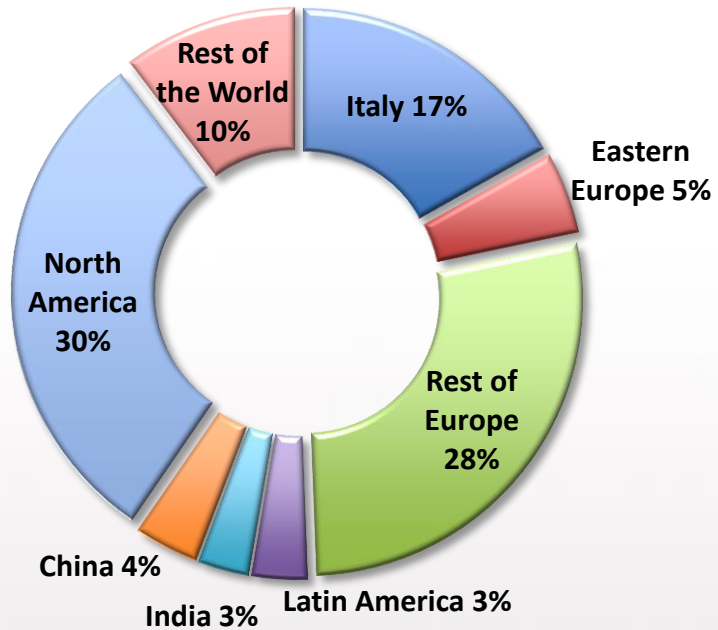
HYDRAULICS

Total 2016 Turnover: Euro 597 Million

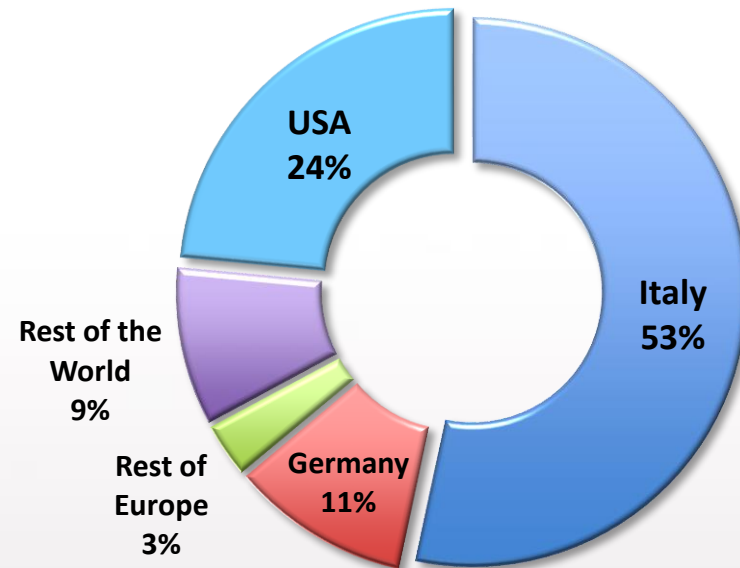


Geographical breakdown of sales and production (2016: € 923 mn)

Sales



Production



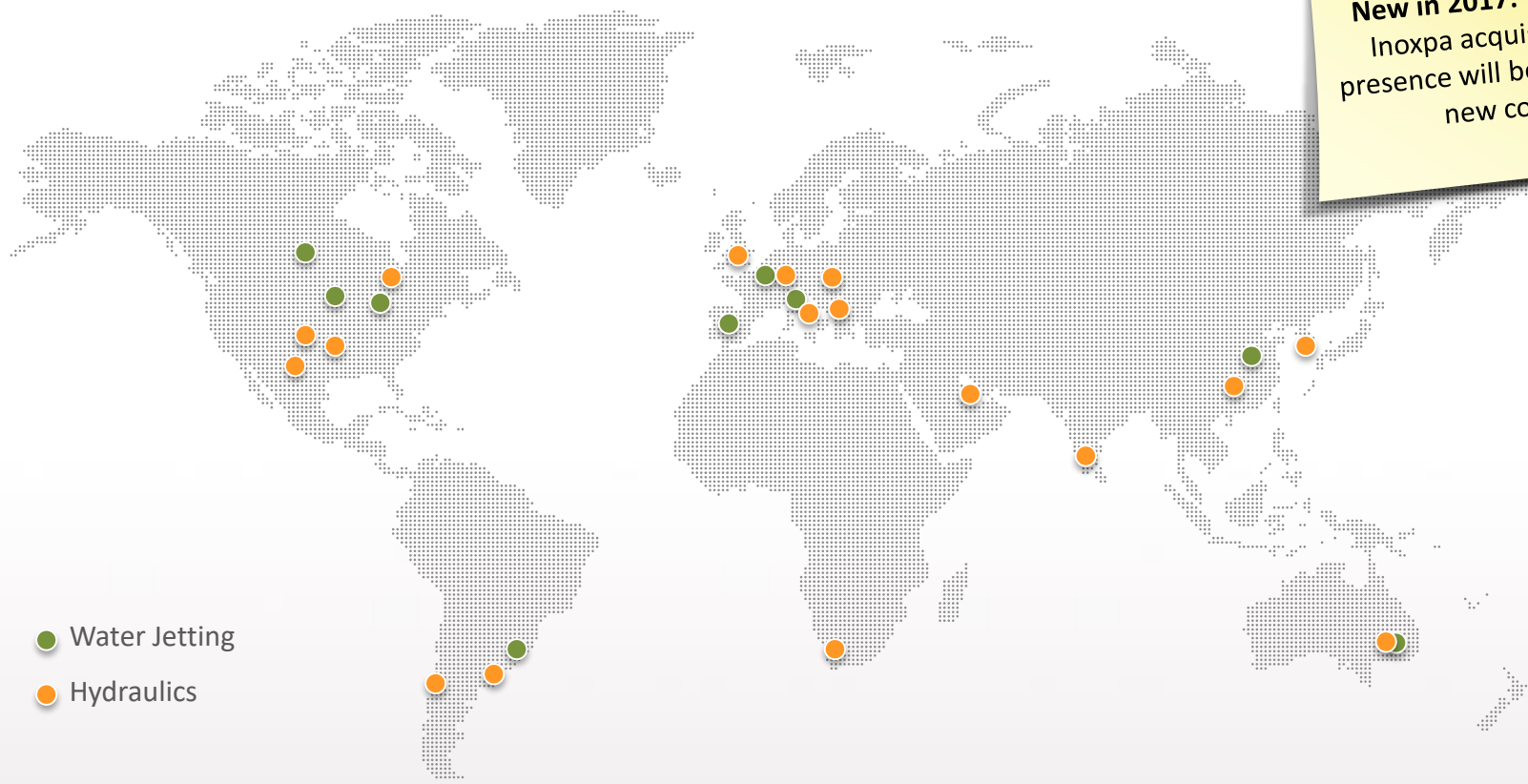


International Profile

Worldwide Direct Presence (2016)

INOXPA
SOURCE OF SOLUTIONS

New in 2017: Thanks to the Inoxpa acquisition, direct presence will be extended to 7 new countries



- Water Jetting
- Hydraulics

Water Jetting		
AREA	PLANTS	EMPLOYEES
ITALY	3	492
REST OF EUROPE	1	353
NORTH AMERICA	2	304
REST OF THE WORLD	2	45
TOTAL	8	1,194

Hydraulics		
AREA	PLANTS	EMPLOYEES
ITALY	11	2,265
REST OF EUROPE	4	346
NORTH AMERICA	5	481
REST OF THE WORLD	10	844
TOTAL	30	3,936

Focus on emerging markets: a well-balanced presence

BRAZIL



Strong and efficient presence. Restructuring completed.

2016 sales pattern suggests signs of recovery

INDIA



Leader in hydraulic business.

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

Ongoing investment and subsidiary rationalization program

CHINA



A very lively market for Water-Jetting

Hydraulics: Ready to support the next-generation motorization

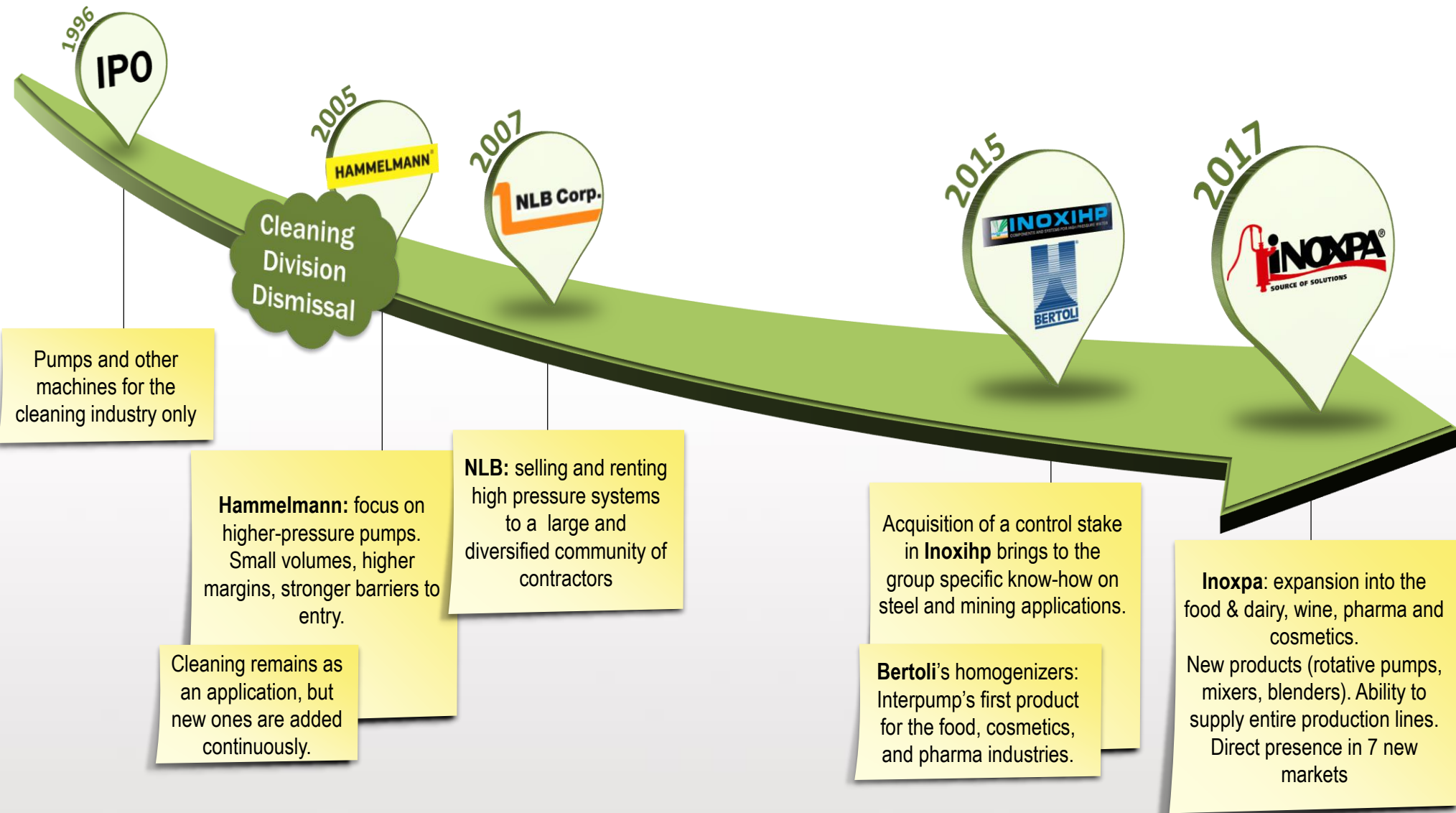
Ongoing rationalization of subsidiaries

SOUTH KOREA

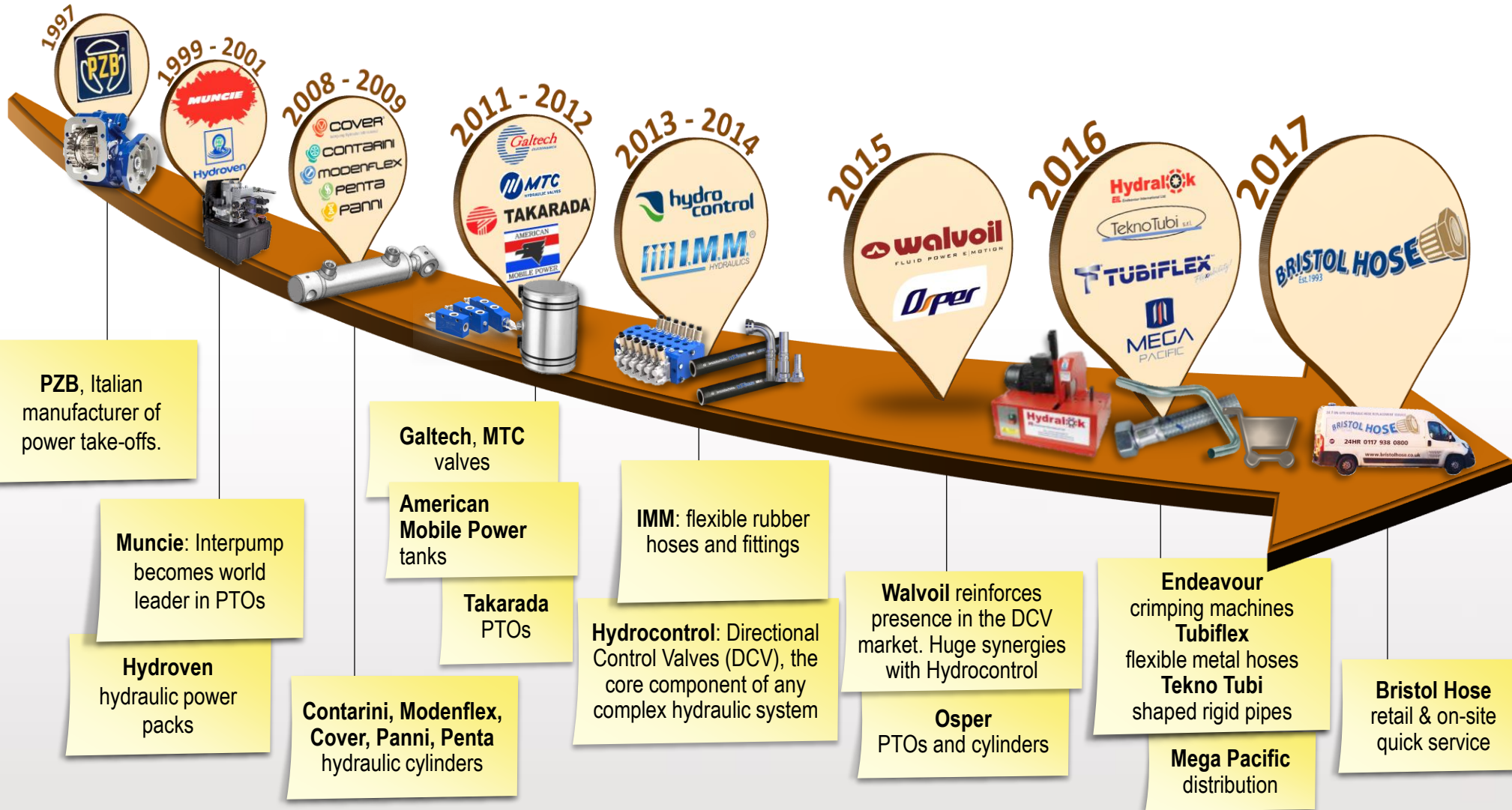


A new opportunity in a fast growing market.

Applications: from cleaning to countless



Products: from PTOs only to integrated hydraulic kits, systems and services



Bristol Hose Ltd. is a supplier of goods and services in the **hydraulic hoses and fittings** market, headquartered in Bristol, UK.

They operate through 2 sales counters and 9 mobile workshops for on-site 24/7 repair services.

Main Figures	2016 (GBP mn)
SALES	2.25
EBITDA	13%
NET FINANCIAL POSITION	0.42

Total acquisition price, for 100%
 GBP 550,000 (in cash)

Part of a **micro-acquisition program**, aimed at reinforcing **direct presence** in various markets, while increasing the **service component** which can now include on-site delivery and repairs





Main Figures	2016 (€ mn)	
SALES	59.4	
EBITDA	11.5	19.3%
NET CASH	14.0	
EMPLOYEES	676	
Total acquisition price, for 100%		
€ 90 million (in cash)		

Inoxpa, headquartered near Girona (Spain), is a well-known manufacturer of process equipment and flow handling systems for the **food, cosmetics and pharmaceutical** industries.

The group has a direct presence in **17 countries**, with **3 major production centers** (Spain, India, Portugal) and **6 engineering centers** in Europe and India.

The second and largest step into these **fast-growing and highly anti-cyclical** markets, Inoxpa brings to Interpump's Water-Jetting sector:

- a major **product diversification**
- a new, additional growth driver: **cross-selling**
- further expansion of the **international footprint**

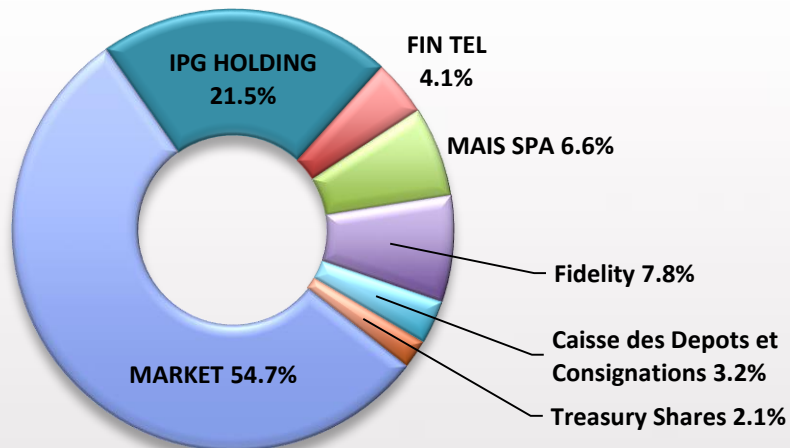


Governance and Stock Performance

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
February 7, 2017

Interpump Stock Performance

Total return to shareholders since the IPO: 13.15% per year
(assuming dividend reinvestment and participation to the '09 capital increase)

February 9, 2016

Share price	18.54
Market Capitalization	€ 2,018 mn
Performance 3 M:	+32.39%
Performance 1 Y:	+76.84%
Performance 2 Y:	+47.26%
Average daily Volume (2017)	245,666

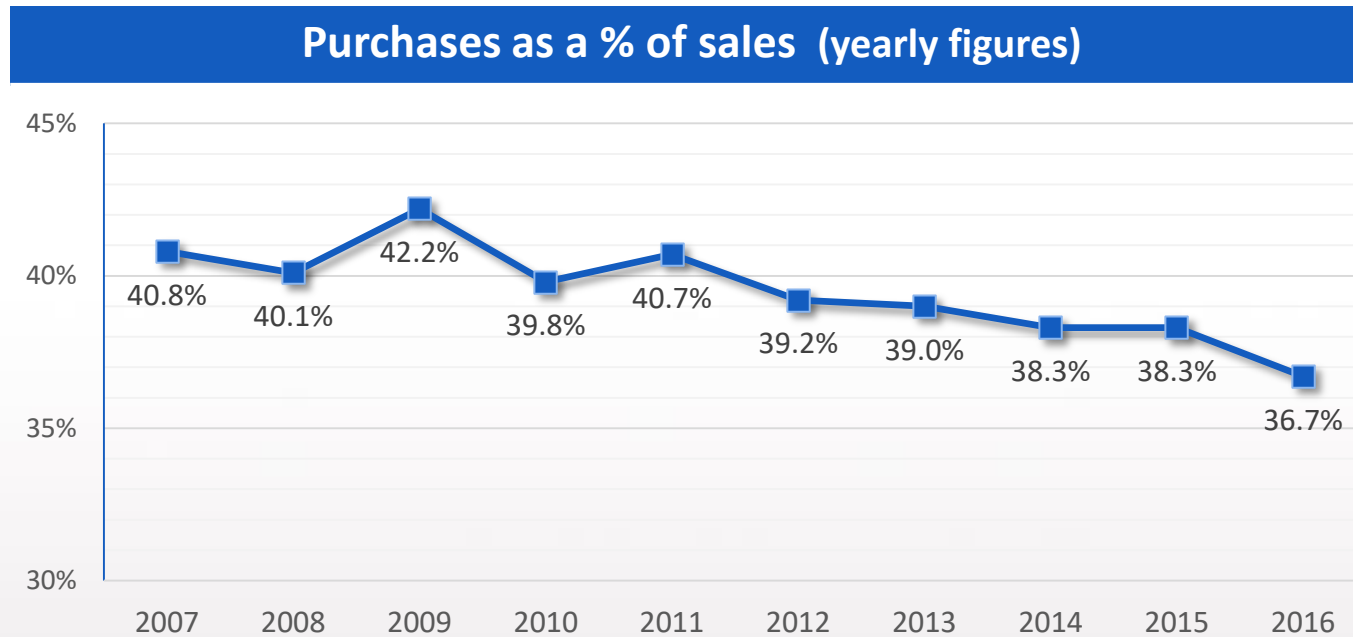
Source: Milan Stock Exchange

IP MI Price Trend





Procurement Costs



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

Free Cash Flow

Free Cash Flow 12 Months								
(euro/million)	2009	2010	2011	2012	2013	2014	2015	2016
Cash Flow from Operations	25.2	54.6	60.8	65.6	65.3	95.8	120.2	138.6
Working Capital	44.4	10.1	(21.8)	(12.3)	(1.7)	(23.7)	(6.6)	(12.8)
Capex	(9.2)	(8.7)	(11.8)	(15.8)	(29.8)	(34.1)	(28.9)	(36.5)
Other	2.7	1.0	3.7	3.6	0.5	0.3	0.5	0.7
Free Cash Flow	63.1	57.0	30.9	38.6	34.3	38.3	85.2	89.9

Return to Shareholders – 1997-2016

From 1st Jan '97 to 31 Dec '16

	Euro/million	
Operating cash flow		1,096
Capital expenditures		(346)
Net cash flow before acquisitions and dividends		750
Dividends	(338)	
Buy back	(77)	(305)*
Share capital increase	110	
Sub-total		445
Acquisitions		(885)
Disposal of investments		226
Change in net financial position		(214)

* Since listing (Dec. 1996), IPG has returned to shareholders about 126% of the IPO capitalization

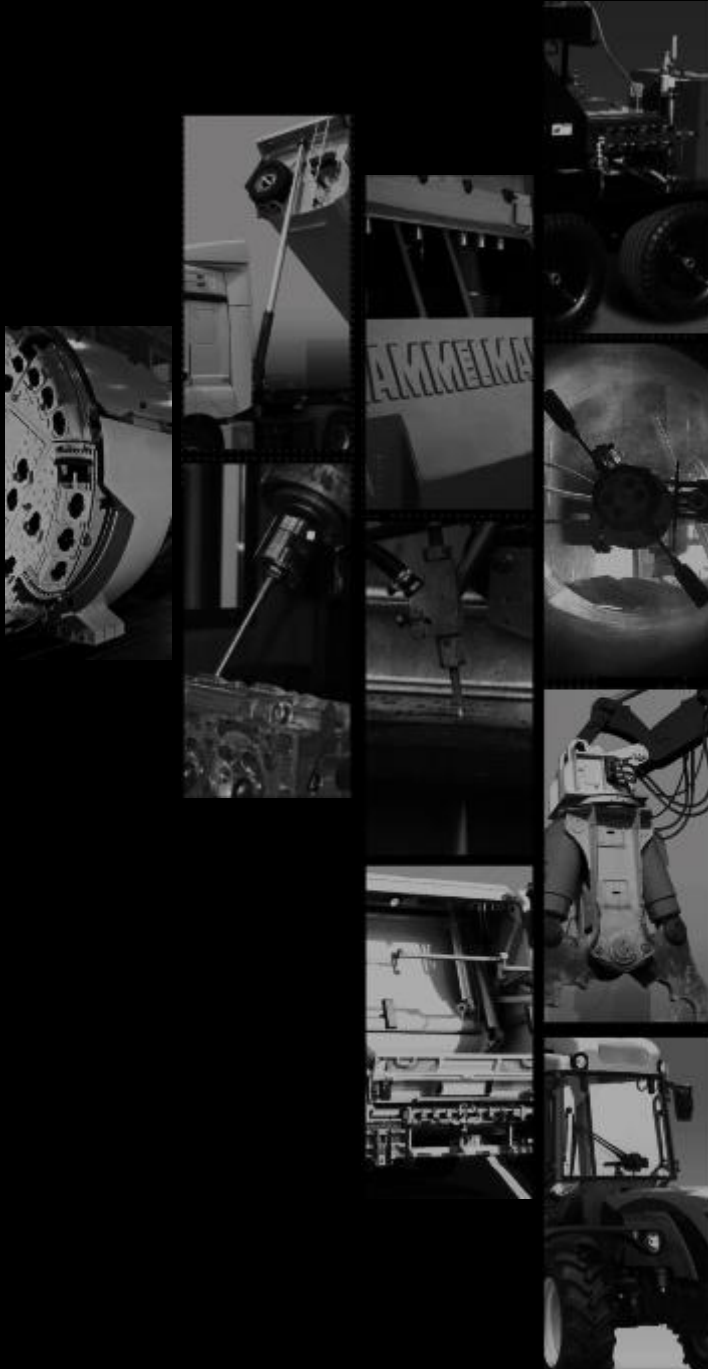
Synthesis of results (Twelve months*)

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	2016
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	922.8
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	198.5
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%	21.5%
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	153.5
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%	16.6%
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	94.5
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%	10.2%
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	89.9
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	271.5
(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	677.5
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	0.40

* 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, February 14, 2016
The Manager in charge of preparing
the company's financial reports
Carlo Banci