



AMBIENTA INVESTS IN ECOTECK S.R.L., A BRESCIA-BASED COMPANY LEADER IN THE PRODUCTION OF PELLET STOVES

Milan, 14 May 2010 - **Ambienta SGR** has announced the closing of the agreement for **Ambienta I** fund, the largest European private equity fund specialized in environmental investments, to invest along with the Ravelli family in Ecoteck Srl, which designs, produces and markets pellet-fed stoves, heaters and boilers.

The Ambienta investment will be executed through a leveraged buy-out, giving Ambienta a **60%** interest in the company, while the Ravelli family has undertaken to maintain a 40% interest. The transaction will be finalized with the prior contribution of assets and change of the company name to Ravelli Srl, to complete the transition of the trademark from “Ecoteck” to “Ravelli”.

The entry of Ambienta in Ravelli will help to accelerate the process of the Italian market development and the internationalization undertaken by the company in two directions: in addition to bolstering its competitive position in Italy, principal world market for pellet stoves, where Ravelli plays a major role among the largest producers, the company will seek to gradually increase its penetration of international markets, which are showing significant growth and already represent 40% of sales.

Since the entry of the Ravelli brothers, who took over management of the family-owned company in the late '90s, the company has registered steady double-digit growth, moving from custom fabrication for third parties to the in-house production of stoves “Made in Italy”. Ravelli closed 2009 with revenues of € 25 million (34% more than in 2008).

Stefano and Diego Ravelli will continue to lead the company, both with the title of CEO. Isidoro Fratus will also be joining the Board of Directors with the position of non-executive chairman. Mr. Fratus will bring his experience in the design furniture sector, gained first with Alias and now with MDF Italia.

“Ambienta's investment in Ravelli confirms our desire to accelerate and expand our business, while maintaining the growth rates of the past,” **Stefano Ravelli** declared. “At the same time, the transaction has an important strategic value because of the potential synergies that could be developed with Italiana Pellets, an Ambienta investee which aims to become one of Europe’s leading pellet producers.”

“The Italian market of pellet stoves,” Diego Ravelli adds, “and more generally of fireplaces, stoves and kitchen ranges, has pioneered the sector in Europe, but it is still highly fragmented and offers enormous opportunities for consolidation under the Ravelli brand. We do not rule out the possibility of a market listing in a not-too-distant future.”

“Our growth plan,” **Diego Ravelli** adds, “is based on the consolidation of the activity in Italy and expansion abroad through growth in the countries where we already operate and penetration in new markets, even outside Europe.”

“In the current economic environment, it is not easy to find companies with significant growth rates and EBITDA close to 30%,” explains **Mauro Roversi, partner of Ambienta SGR**. “Ravelli operates in a sector—the



environment, and specifically biomasses linked to home heating—that is showing prospects for strong growth and at the same time represents a solid, successful business story. The company has an ideal mix in terms of its sector of operations, its know-how and expertise that make it a target in line with the investment strategies of Ambianta.”

The pellet market in Europe continues to grow rapidly, with production exceeding 7.5 million tons in 2008, up sharply from the 1.5 million tons of 2002 and, based on projections by AEBIOM (European Biomass Association), is expected to reach over 50 million tons by 2020 for home and industrial heating and services. Over 900,000 pellet stoves are currently installed in Europe, a large portion of them in Italy.

The acquisition was followed by the law firms of Dewey&LeBoeuf and CBA Studio legale and Tributario and PriceWaterhouseCoopers, as buy-side consultants, while the Ravelli family was assisted by Deloitte and Electa Financial Engineering.

Ambianta SGR, authorized by the Bank of Italy on 5 November 2007, is the only Italian SGR (asset management firm) devoted exclusively to environment-related investments. The choice of investments and portfolio management is entrusted to four partners: Rolando Polli, founding partner with Nino Tronchetti Provera (the CEO), Guido Rivolta and Mauro Roversi. The firm is owned 70% by the management team, 20% by the Intesa SanPaolo group, and the remaining 10% by a group of Italian businessmen. The Board members, in addition to the four partners, are Chairman Antonio Segni, Carla Ferrari representing Intesa SanPaolo and Carlo Pesenti representing the business investors.

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