

Special Report: Global Investment in Italy

Ipreo's Global Markets Intelligence team has comprised this special report to analyze global investment in Italian companies

Italian Stocks Still in Fasion

The Italian stock market has been one of the best performers in Western Europe this year, marking up gains of 20.7% in the last quarter and 17.6% since the start of the year – outperforming the FTSE, CAC and DAX over both time periods. The start of Q4 has seen all indices slip back slightly but it clear that European and global investors are finding plenty of value in Italian firms.

This special report provides an insight into where investment in Italy is coming from, with particular emphasis on the US, the region with the largest stake in Italy.

Top 20 Global Investors in Italy:

Investor Name	\$ Value invested in Italy*	Percent of Portfolio in Italy	Number of Italian Securities	Turnover	Investor Style	Investor City	Investor Country
Norges Bank Investment Management (Norway)	4,604,491,279	2.5%	113	Low	Growth	Oslo	Norway
Barclays Global Investors N.A.	3,609,352,583	0.6%	64	Low	Index	San Francisco	United States
Crédit Agricole Asset Management S.A.	2,681,504,933	5.6%	89	Low	Growth	Paris	France
Lyxor Asset Management S.A.	2,326,838,387	12.5%	36	Medium	Index	Puteaux	France
Capital Research Global Investors (U.S.)	2,293,548,415	0.9%	11	Low	GARP	Los Angeles	United States
Capital World Investors (U.S.)	2,229,453,524	0.7%	17	Medium	Value	Los Angeles	United States
Fidelity Management & Research Company	2,143,903,440	0.5%	37	Medium	Growth	Boston	United States
Natixis Asset Management	2,086,381,169	3.7%	54	Medium	Growth	Paris	France
Fidelity International Limited - FIL Investment Services (U.K.), LTD	1,838,830,815	3.0%	56	Medium	Growth	London	United Kingdom
Barclays Global Investors (U.K.), LTD	1,596,791,481	1.8%	74	Medium	Index	London	United Kingdom
Pictet Asset Management S.A.	1,518,529,195	4.9%	53	Low	GARP	Geneva	Switzerland
Brandes Investment Partners, LLC	1,315,023,881	4.1%	13	Low	Deep Value	San Diego	United States
AllianceBernstein, L.P. (U.S.)	1,312,098,195	0.6%	24	Medium	Value	New York	United States
Allianz Global Investors Kapitalanlagegesellschaft mbH	1,270,991,595	4.2%	91	Medium	Growth	Frankfurt	Germany
APG - All Pensions Group, LTD	1,259,114,951	1.9%	32	Medium	GARP	Amsterdam	Netherlands
The Vanguard Group, Inc.	1,023,972,865	0.2%	44	Low	Index	Malvern	United States
J.P. Morgan Asset Management (U.K.), LTD	986,405,793	2.1%	78	Medium	Growth	London	United Kingdom
Mackenzie Cundill Investment Management, LTD	907,095,506	11.3%	11	Low	Value	Vancouver	Canada
Barclays Global Investors (Deutschland) AG	904,399,638	6.4%	33	Low	Index	Munich	Germany
UniversalInvestment-Gesellschaft mbH	874,182,900	4.8%	89	Low	Index	Frankfurt	Germany

* Investment in Italian domiciled companies based on publicly available data

Norges Bank Investment Management sits at the top of the table with over \$4.6 billion invested into 113 companies. Meanwhile, Italy seems to have fallen out of favour slightly with some French institutions. Both Natixis and Lyxor have made sizeable reductions recently.

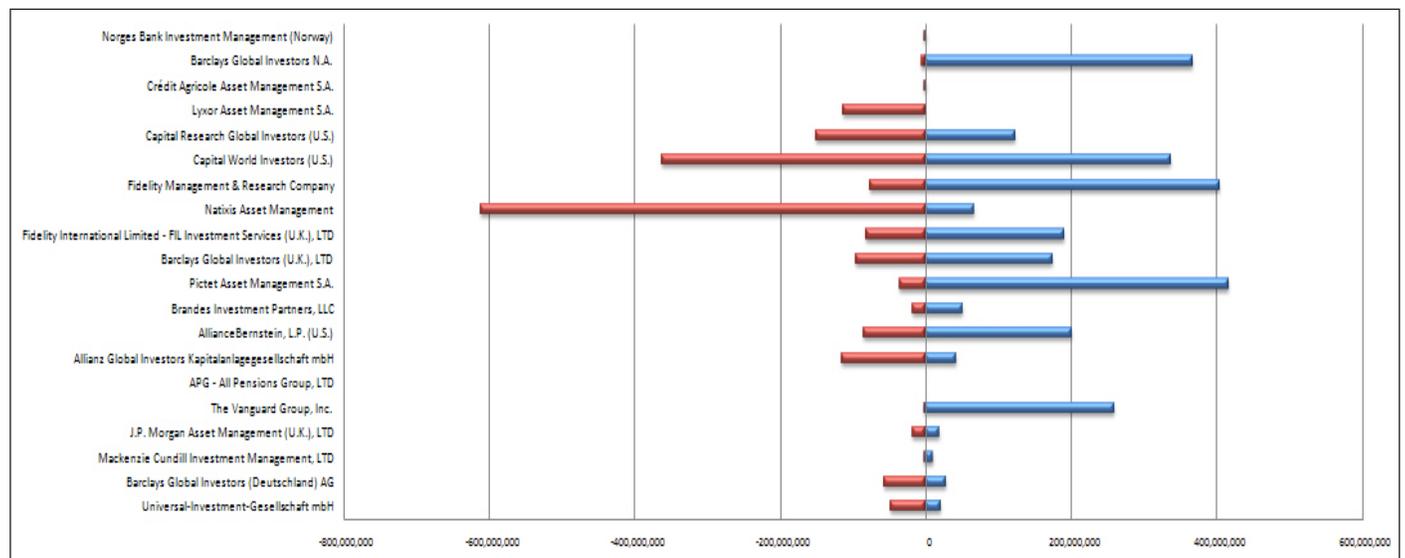
When Capital Research and Capital World Investors buy in they tend to do so with conviction, heavily backing a few stocks. Even though their overall allocation to Italy is under 1% of assets, the volumes involved are still huge.

Special Report: Continued...

The deep-value investor Brandes Investment Partners also see plenty of value in Italy. The firm follows an investment style based on the Graham & Dodd value approach and is particularly mindful of the potential stored within non-US stocks – dedicating a large percentage of its portfolio weighting to Italy.

While the 5% allocation of Pictet Asset Management to Italian stocks is well understandable, perhaps more surprising is the appearance of Mackenzie Cundill Investment Management in the top 20. The Vancouver-based deep-value investor, demonstrates a strong appetite for Italian stocks with almost \$1 billion dollars, and 11% of its portfolio, in Italy.

Value of Italian Securities Bought & Sold 3Q09:



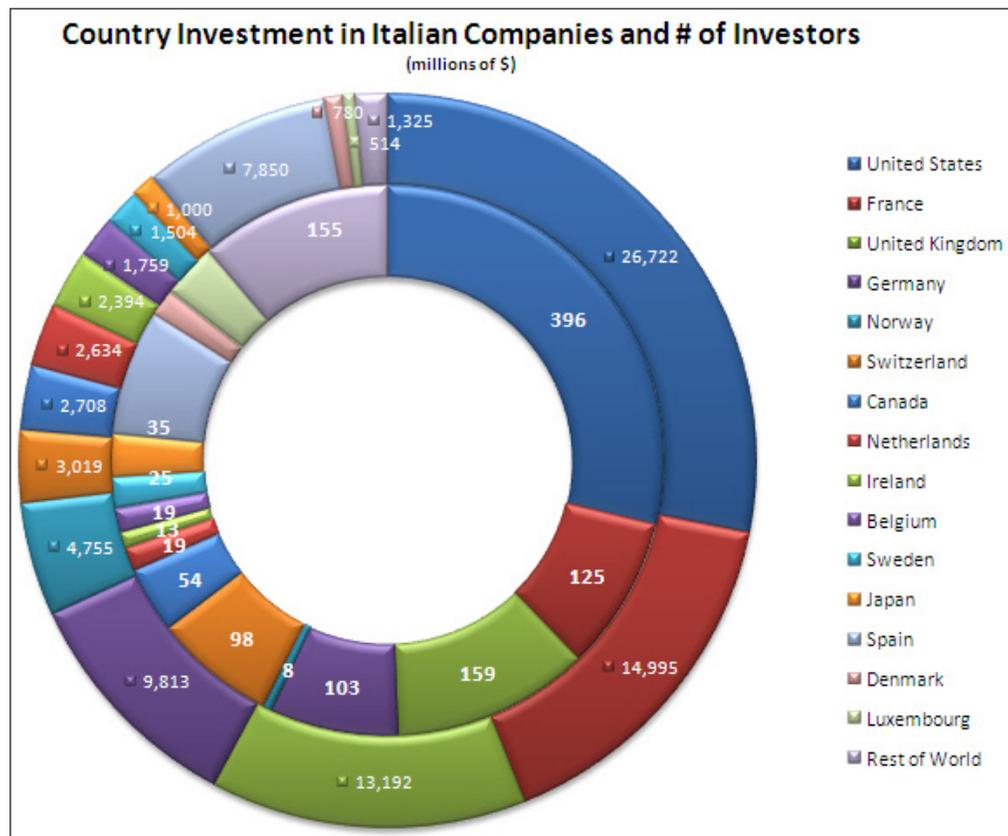
Special Report: Continued...

Investor Country	Total \$ Invested	Total # Investors
United States	26,722,767,076	396
France	14,995,433,396	125
United Kingdom	13,192,597,496	159
Germany	9,813,512,150	103
Norway	4,755,605,870	8
Switzerland	3,019,585,885	98
Canada	2,708,430,718	54
Netherlands	2,634,192,459	19
Ireland	2,394,350,010	13
Belgium	1,759,709,139	19
Sweden	1,504,862,836	25
Japan	1,000,193,739	35
Spain	785,066,144	102
Denmark	780,112,158	22
Luxembourg	514,054,332	44
Rest of World	1,325,949,217	155

With seven of the top twenty investors coming from the states it is no surprise that the region provides the most investment into Italian companies with well over \$27 billion and 400 investors. The lion's share of those investments, around 70%, come from four cities in particular; New York, Boston, Los Angeles and San Francisco.

Investment from France and the UK make up €28 billion, although investors are highly concentrated in the two capital cities. Germany, however, is more divided with Allianz Global Investors heading the pack in Frankfurt and MEAG Munich ERGO based in the Bavarian capital.

The majority of Norway's vast assets originate from one source, Norges Bank, but Switzerland and Canada, with collective Italian assets of \$6 billion, have greater depth in their investor numbers.



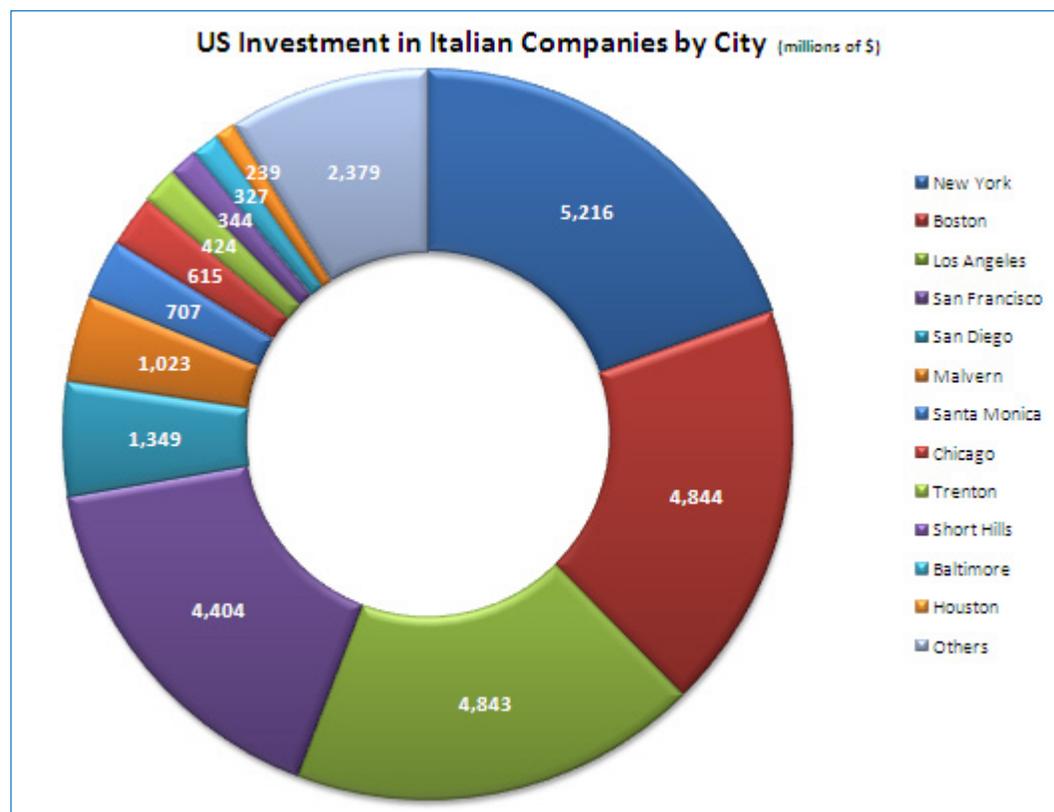
Special Report: Continued...

Investor City	Total \$ Invested	Total # Investors
New York	5,216,273,661	81
Boston	4,844,215,388	32
Los Angeles	4,843,492,322	9
San Francisco	4,404,952,030	13
San Diego	1,349,989,873	4
Malvern	1,023,972,865	1
Santa Monica	707,823,550	3
Chicago	615,776,052	22
Trenton	424,518,001	1
Short Hills	344,798,326	1
Baltimore	327,855,666	4
Houston	239,848,295	8
Others	2,379,251,047	217

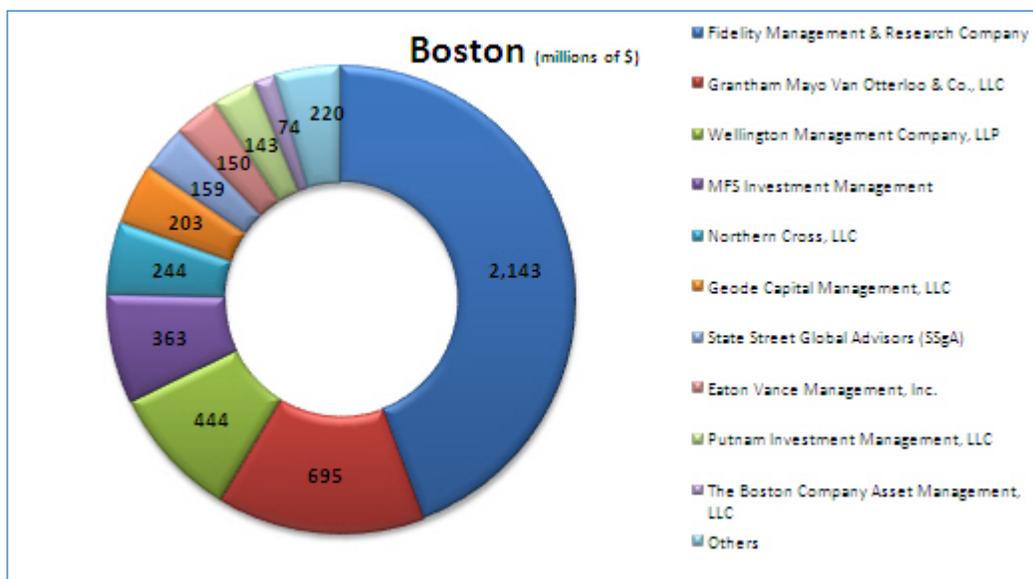
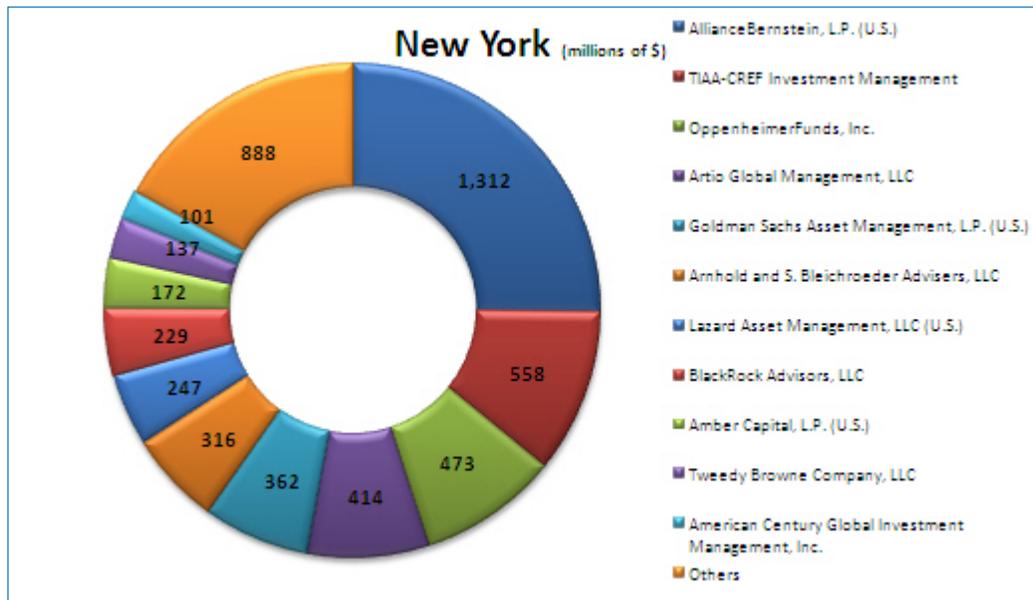
Focus on US

For strength and depth of major investors, both New York and Boston are home to a large number of asset management houses with significant stakes Italy.

Los Angeles and San Francisco provide fewer investors but do include some real heavy weights, with the likes of Capital Research, Capital World Investors, Tradewinds, Dodge & Cox and Mellon Capital Management.



Special Report: Continued...



Global investors are now more than ever looking for diversification within their portfolios and their focus is frequently turning to opportunities in Italy. A large percentage of money following into Italian stocks comes from France, the UK and Germany but it is from the US that the bulk of the investment originates. With US investors becoming increasingly aware of investment opportunities overseas, this trend is likely to continue.



Special Report: Continued...

About this Report

This report was compiled using Factset data from publically available information and therefore, is not an exhaustive analysis of all investors. *The report excludes domestic investors.*

If you would like to receive more details on investments into Italian companies or sector analysis, Ipreo would be happy to provide you with them **free of charge**.

If you are interested in discussing how to gain a more comprehensive understanding of who your shareholders or bondholders are, or how to maximise the potential of those shareholders please get in touch.

About Ipreo

Ipreo is a global leader in the provision of market-leading intelligence, robust technology, and superior customer service to publicly listed companies and investment banks around the world. Built on a legacy of experience and a thorough understanding of the capital markets, Ipreo provides critical insights and flexible solutions to help our clients run better investor relations programs.

Ipreo's corporate products and services include:

- z Global markets intelligence
- z Shareholder and bondholder ID
- z Institutional investor targeting
- z Perception studies
- z Proxy solicitation
- z BD Corporate - the industry's premier database of buy-side contacts & investor profiles.

For more information about this study contact:

Martin Railton

Senior Analyst - Global Markets Intelligence

Ipreo

1st Floor, Castle House, 37 - 45 Paul Street,

London EC2A 4LS

United Kingdom

+44 (0) 207 665 9808

Martin.railton@ipreo.com