



**F.I.L.A. IN EXCLUSIVE NEGOTIATIONS
FOR ACQUISITION OF THE CANSON GROUP**

Disclaimer



This document has been prepared by F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A. (“FILA”) exclusively for use in the presentation of the exclusive negotiation entered into between FILA and the Hamelin Group (“Hamelin”) for the acquisition of the 100% of the issued share capital of Canson SAS, Eurholdam USA, Inc., Lodi 12 SAS and 0.19% of the ordinary shares of Canson Brasil Industria Papeis Especiais LTDA, constituting the Canson perimeter (“Canson” or the “Canson Group”).

Statements contained in this presentation, particularly regarding any possible or assumed future performance of the FILA Group, are or may be forward-looking statements based on FILA’s current expectations and projections about future events.

Such forward-looking statements are subject to risks and uncertainties, the non-occurrence or occurrence of which could cause the actual results including the financial condition and profitability of FILA to differ materially from, or be more negative than, those expressed or implied by such forward-looking statements. Consequently, FILA and its management can give no assurance regarding the future accuracy of the estimates of future performance set forth in this document or the actual occurrence of the predicted developments.

The data and information contained in this document are subject to variations and integrations. Although FILA reserves the right to make such variations and integrations when it deems necessary or appropriate, FILA assumes no affirmative disclosure obligation to make such variations and integration, except to the extent required by law.

Any reference to past performance of the FILA Group shall not be taken as an indication of future performance.

This document does not constitute or form part of any offer or invitation to purchase or subscribe any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

By attending this presentation, you agree to be bound by the foregoing terms.








Transaction overview



- FILA has submitted a binding offer and entered into exclusive negotiation – valid until the end of 2016 – with the French group Hamelin for the acquisition of the Canson Group (“Transaction”)
- The Transaction is subject to an information and consultation procedure involving the relevant representative organizations of the employees of the French company
- FILA expects the finalization of the agreements and the closing of the Transaction to occur in October 2016
- Canson’s product range and the industrial project of FILA would integrate perfectly and generate both major revenue and cost benefits
- FILA, thanks to recent acquisitions and future synergies, seeks to become the leading player in the Art & Craft sector
- The Transaction would be financed through a medium-term bank loan issued by Unicredit, Intesa Sanpaolo-Banca IMI, Mediobanca and BNP Paribas

Transaction strategic rationale



-  Canson is worldwide recognized as a strategic leader in the niche of art drawing paper and drawing paper for kids
-  Canson is the world leader in volumes production; thus synergies in combined volumes with Daler-Rowney could be achieved
-  Possibility to exploit the integration capabilities developed by FILA to become a market aggregator in a sector which is at the beginning of a consolidation phase and in which FILA is at the front line thanks to Daler-Rowney and Maimeri acquisition
-  FILA's product portfolio have unexploited market ends and the same distribution channels of the arts sector
-  Great increase of the age of FILA's target customers for color products from current 2 to 10 years through the potential integration of fine art companies
-  Potential integration of paper in Maimeri's product portfolio
-  Potential cost synergies originating from the optimization of the production structure and the streamlining of sales force and overheads functions of the three original groups (FILA, Daler-Rowney and Canson)

Transaction strategic rationale



- Potential relevant commercial and distribution synergies between the Art & Craft sector and the stationery market and strengthening in the stationery sector with Canson school products (pochette and others)
- Mature technology and no technological changes envisaged in the fine arts sector are compatible with FILA's investment requirements
- Commercial strengthening of Art & Craft and school products (strong market share in French and Spanish school market to be combined with Fila strength)
- FILA's strong know-how in the modern distribution model toward which the Art & Craft sector is moving
- Possibility for FILA, thanks to the extensive distribution, to enter new markets in countries today not well overseen due to lack of critical mass
- FILA's development into the Australian market, through the potential integration of the distribution in Canson Australia

Canson at a glance



ICONIC FRENCH GROUP, WORLDWIDE LEADER IN THE NICHE OF HIGH QUALITY ART DRAWING PAPER AND DRAWING PAPER FOR KIDS

MANUFACTURER AND DISTRIBUTOR OF HIGH QUALITY PAPER FOR FINE ART, SCHOLL, LEISURE AND TECHNICAL PURPOSES

BRAND LEADER IN EACH MARKET ADDRESSED WITH A STRONG GLOBAL POSITIONING

FINE ARTS MARKET ESTIMATED AT APPROX. USD 1.5 TO 4.5 BN RETAIL VALUE EX-FACTORY WORTH CA. USD 0.8 TO 2.3 BN

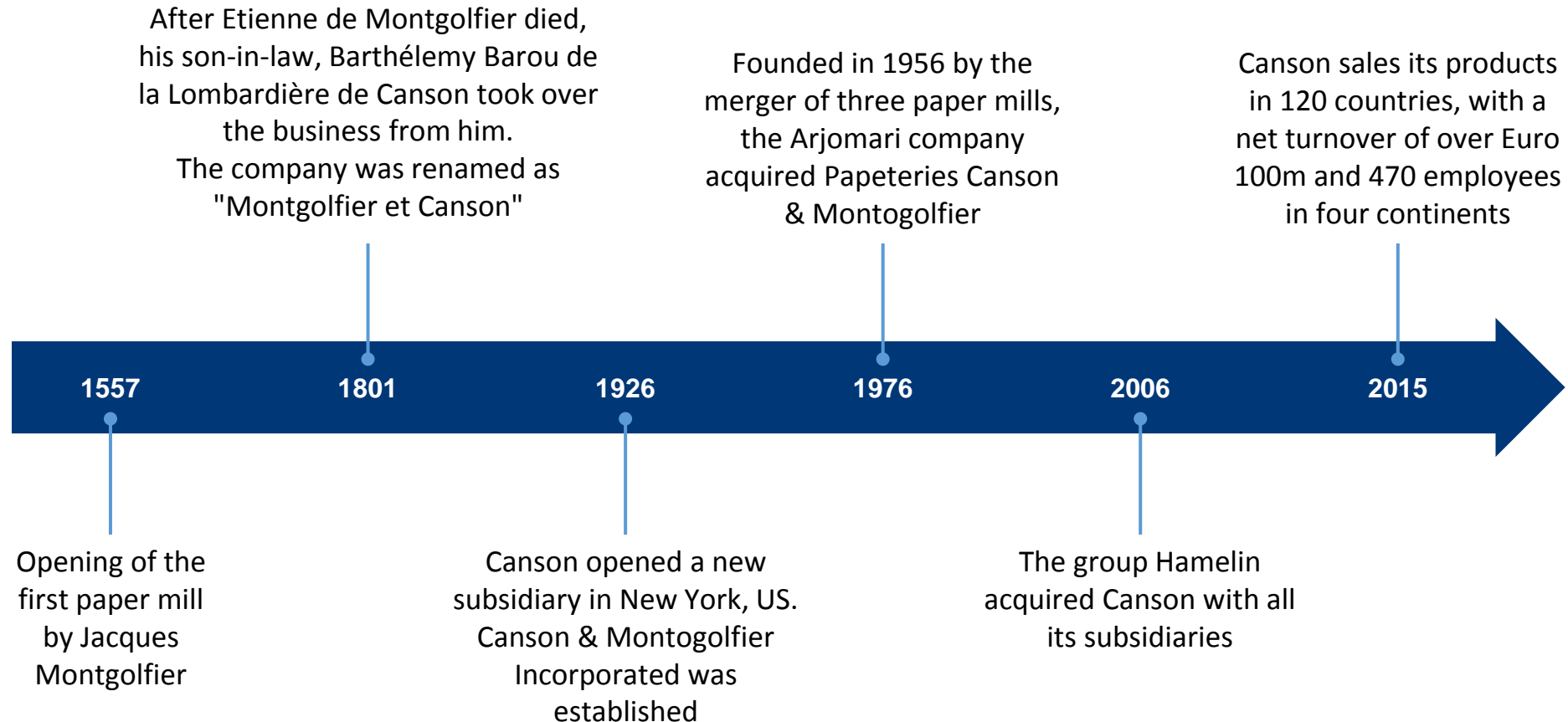
PRODUCTS SOLD IN OVER 120 COUNTRIES UNDER THE CANSON BRAND

DIRECT PRESENCE IN FRANCE, USA, CHINA, BRAZIL, ITALY AND AUSTRALIA WITH CA. 470 EMPLOYEES WORLDWIDE

ANNUAL REVENUES OF OVER EUR 100M

SIGNIFICANT SYNERGIES EXPECTED UNLOCKING NORMALIZED EBITDA MARGIN IN LINE / ABOVE CURRENT FILA'S MARGIN

Key milestones in Canson history



Product portfolio



Fine arts

Papers for drawing, Pastel, Watercolor, Oil Painting, Acrylic, Graphic Arts, Printmaking, Digital Art & Photography



School & Leisure

Textures, Grains, Materials and Colors Papers for Schools and Students and for Leisure



Digital and Technical

Wide Range of Technical Solutions with Professional Quality, from Digital Fine Arts and Photo Paper to Tracing Paper



Trading activity

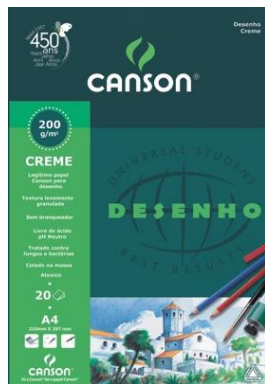
Trading activity of paints, brushes, etc.



Strength of the Canson brand



- Brand leader in each market served with a strong global positioning
- Core values of innovation and quality recognized by the market and inherent in the history of the brand
- Worldwide awareness of the brand from the retail school segment to the high-end segment of fine arts
- Strong basis of core products to be preserved combined with a constant research of new products to design and innovative market segments, such as digital fine arts and printing solutions, to reach



...and perfectly complementary to FILA's offering



END USE	Fine Arts & Craft/Paper	DALER ROWNNEY CANSON		DALER ROWNNEY CANSON		DALER ROWNNEY CANSON		MAIMERI CANSON
	Writing	DIXON TICONDEROGA		tratto DOMS		DOMS DIXON		tratto LYRA Germany
	Drawing/colouring	Blanca Nieves GIOTTO Vinci		LYRA Germany PRANG		LYRA Germany		TICONDEROGA
	Modelling	dido GIOTTO		DAS				
		Pre-School	Primary School	Secondary School	High School, Hobby & Artist	Office	Industrial	
END USE CATEGORIES								