

Support by SIMEST for Meccanotecnica Umbra's international growth

24 April 2020

Meccanotecnica Umbra: group profile

Sector: industrial engineering

Activity: manufacture and sale of mechanical seals and related components

Headquarters: Campello sul Clitunno (Province of Perugia)



- ✓ The **Meccanotecnica Umbra** Group is a global player in the **design and production of rotating mechanical seals**, the core of the business and area in which the company is a world leader. MTU specifically manufactures mechanical seals and rings in silicon carbide, carbon and PTFE-based composite materials (the latter with the registered trademark Mecflon) all with high tribological characteristics capable of increasing the efficiency of engines and machines throughout the world.
- ✓ MTU also has experience in civil and industrial plants, in the food and chemical-pharmaceutical segment, in agriculture, mining, paper mills and renewable energies, as well as in the household appliances sector.
- ✓ Among the **main customers** are FCA, Renault (*Automotive*), LG, Indesit (Household Appliances), Enel, KSB
- ✓ In addition to the Umbrian site, the Group now boasts commercial and production units in **Brazil, China, Sweden, USA, Mexico, Canada, India and Turkey**

Group's international presence

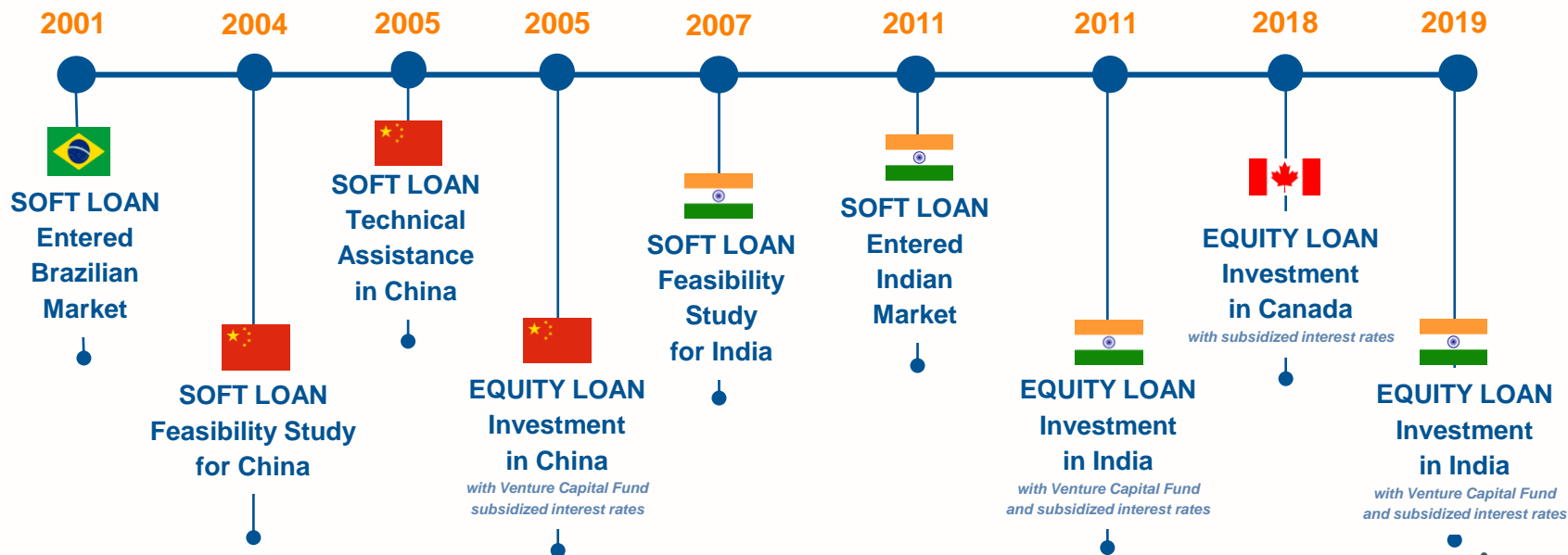


Since 2001, SIMEST has supported the internationalization of the Group through subsidized finance instruments, equity investments, the intervention of the Venture Capital Fund and an interest rate subsidy

The road together

SIMEST instruments to support the Group's internationalization

Together with SIMEST, the Group has bolstered its international presence, expanding in Southeast Asia and consolidated its strength on the American continent



Support by SIMEST in India

Tools to support the development of Meccanotecnica Umbra in India

Soft Loans (Subsidized Financing)

- ✓ Financing for Feasibility study in 2007 for per 197 €/000
- ✓ Financing for Market penetration programme in 2011 for 184 €/000

Direct equity investments and the Venture Capital Fund

- ✓ Investment of 1.056 €/000 (SIMEST+FVC) for the construction of the first Meccanotecnica India Private Ltd plant in 2011
- ✓ In 2019 **invested** in capital increase of 2.500 €/000 (SIMEST + FVC) for the construction of a **new plant to boost production capacity and improve the efficiency of the processing phases**
- ✓ For both investment projects, access to **interest rate subsidy**

Meccanotecnica Umbra in India

✓ First activity in Indian market

Export of mechanical seals through Chinese subsidiary

✓ Strategic choice of direct investment in India

In 2010 partnership in j.v. with an important local producer and, subsequently, in 2013, acquisition of 100% control of the local company

✓ Productive investment in India

Plant for sanding, assembly and testing of rotating mechanical seals (gaskets for fluid pumps)

✓ Served markets

India and Southeast Asia market for automotive, industrial and agricultural applications



Opportunity offered by the Indian market

- growing demand
- logistically strategic for the supply of raw materials
- local presence of the main international customers

The international and dimensional growth of the Group

SIMEST's added value

- ✓ **Alternative and competitive finance** compared to traditional channels
- ✓ **Institutional partner** with hands-off approach to governance
- ✓ Blending of instruments that can be activated with a **positive impact on all in cost**
- ✓ **Export Hub's know how** about destination countries
- ✓ **Quick** decision times
- ✓ Involvement in B2B and **institutional networking** initiatives organized by Sace Simest, in Italy and worldwide

Group growth

2003	<i>consolidated</i>	2018
28 €mln	Revenue	80 €mln
50%	Export	80%
about 230	Employees	about 800

The internationalization of the Group, supported by SIMEST, generated strong growth (in terms of revenue and employees)