



Company Results 2004

Palazzo delle Stelline - Milan, 3 March 2005

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www.cdbwebtech.com

cdb web tech

Is a leading investor in Information & Communication Technology, Biotech and Life Sciences, through a portfolio of direct investments and venture capital funds

Financial Highlights

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(Million Euro)	2004	2003
■ Net profit	8,6	1,9
■ Investments	124,0	90,3
■ Net Financial Position	136,7	160,6
■ Commitments/Net Financial Assets	90%	90%
VC DISTRIBUTIONS		
- cash	US\$ 17,5 million	US\$ 5,9 million
- multiple	2,9 x	1,75x

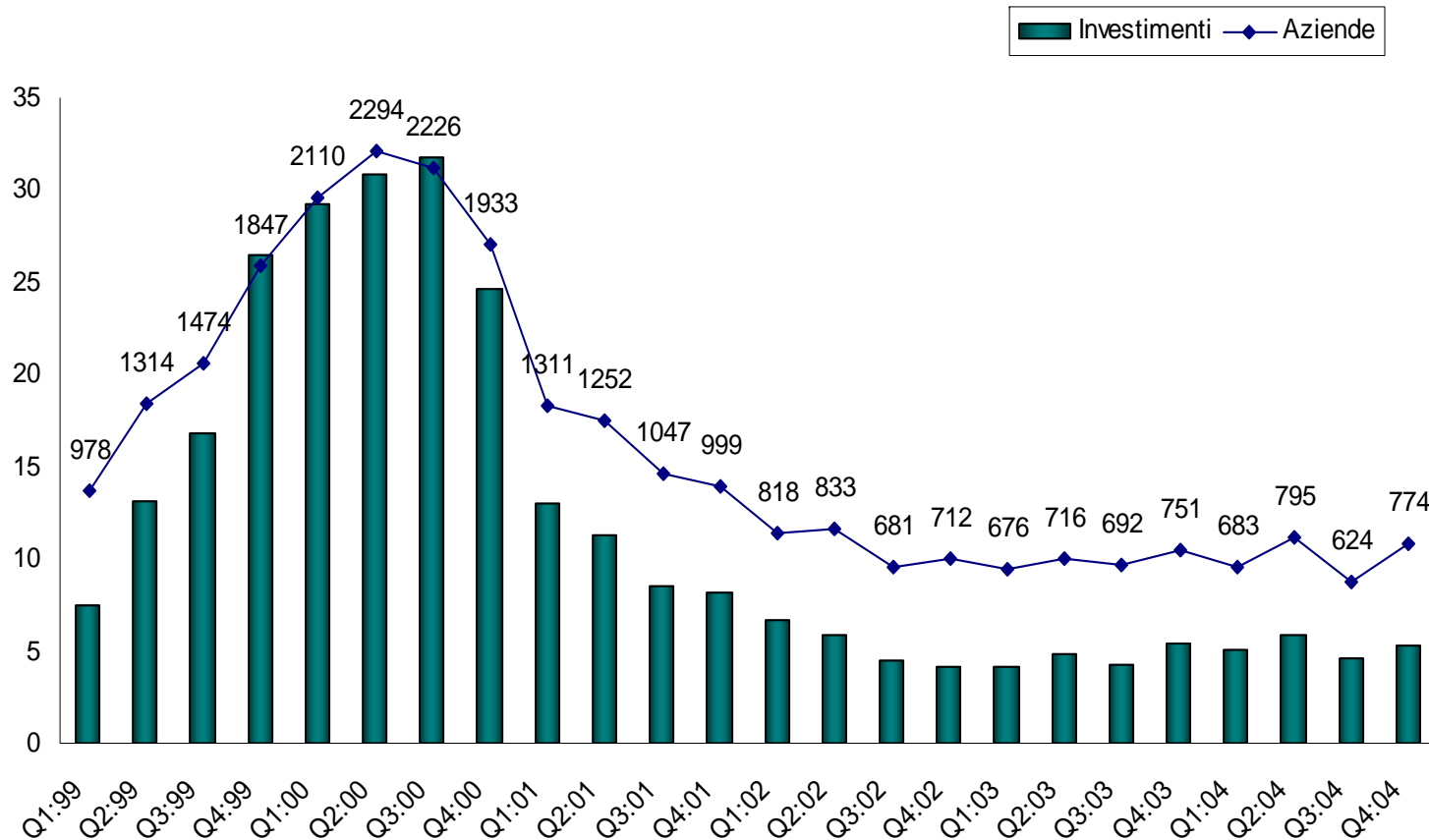
What happened in 2004 ?

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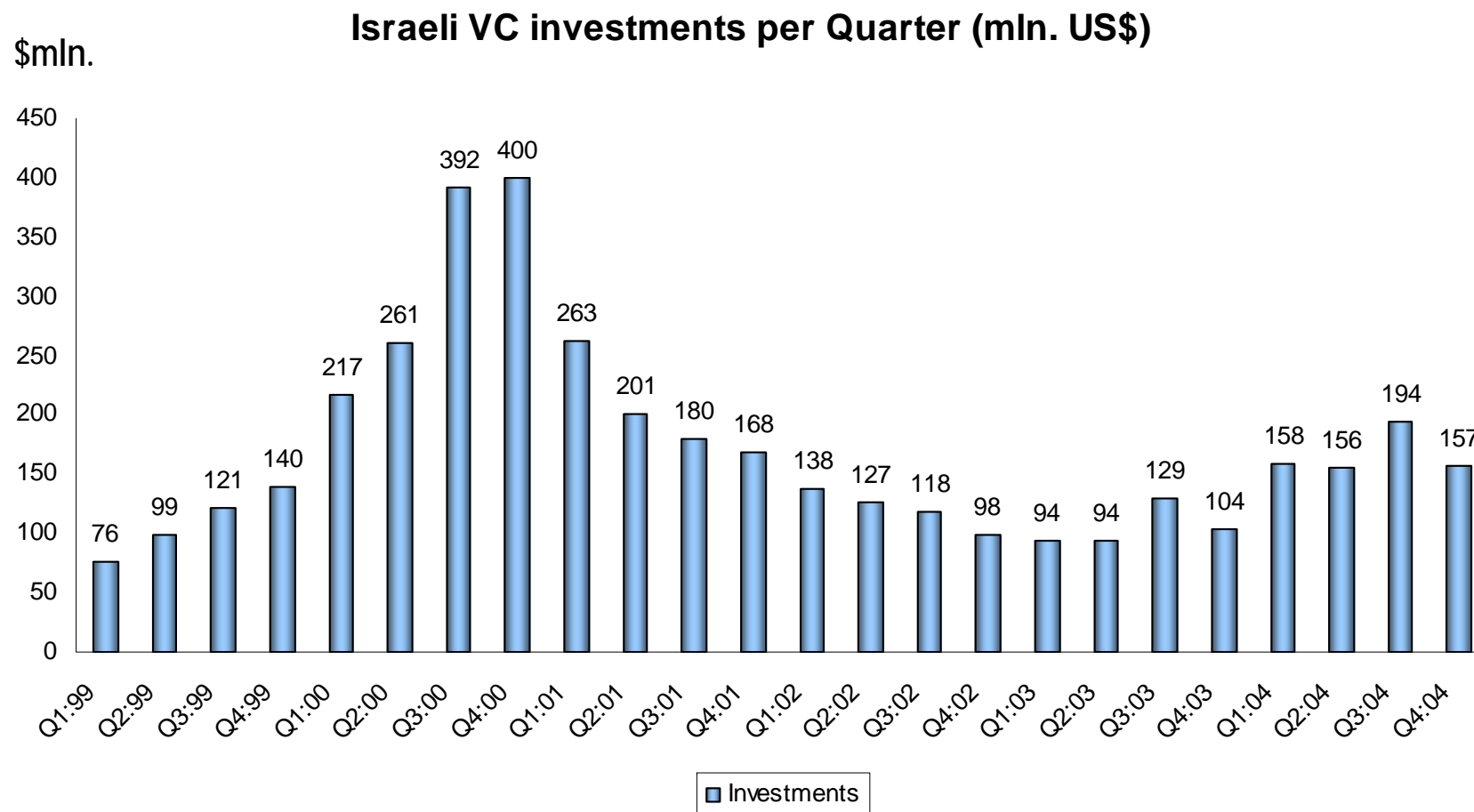
In 2004 we obtained better returns on investments:

- › investments in venture capital are long term investments, the valuations and returns follow the so called “J curve” trend: at the beginning they go down then they go up;
- › Cdb Web Tech began to invest in 2000, the portfolio is now maturing;
- › the 2004 financials proved what we said during the last years: “VC is a long term and cyclical industry”. At the time it was hard to believe looking at the market and our bottom line. Now we are beginning to have the first exits and monitoring our portfolio, we expect exits and returns to improve in the coming months and years.

US VC Investments per Quarter (mld US\$)

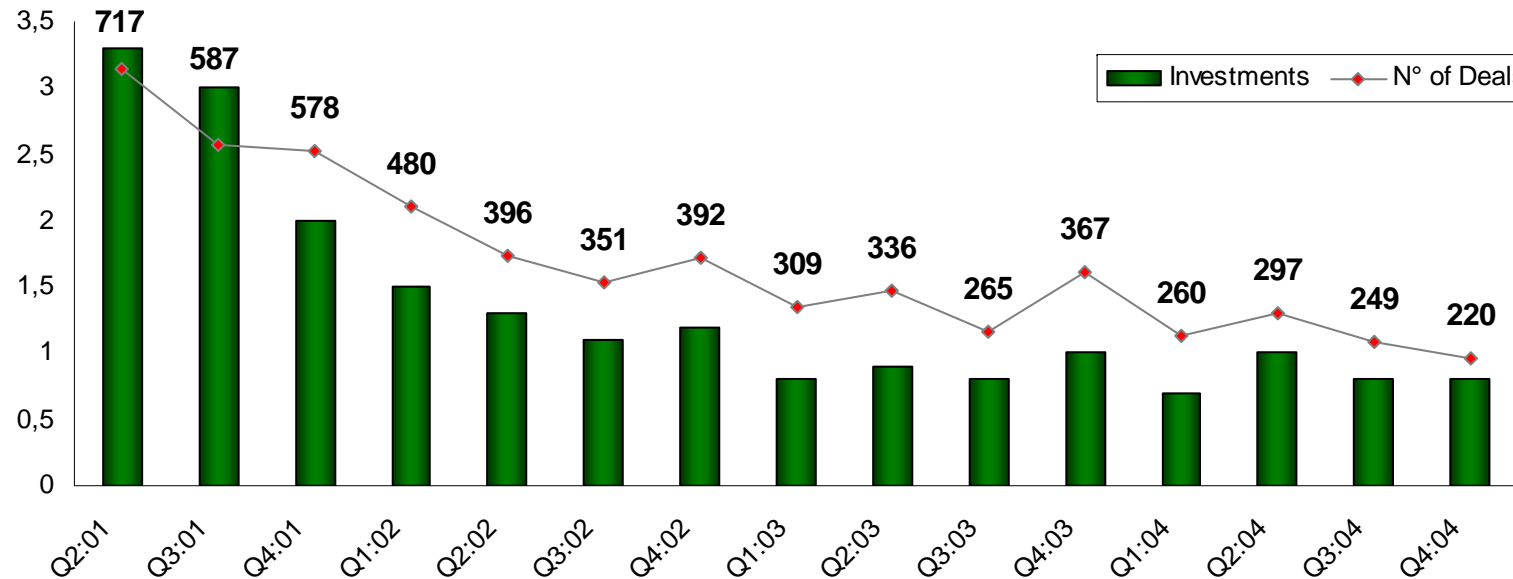


2004: 2.876 investments US\$ 20,9 billion (2003: 2.662 inv. US\$ 18,2 bill.)



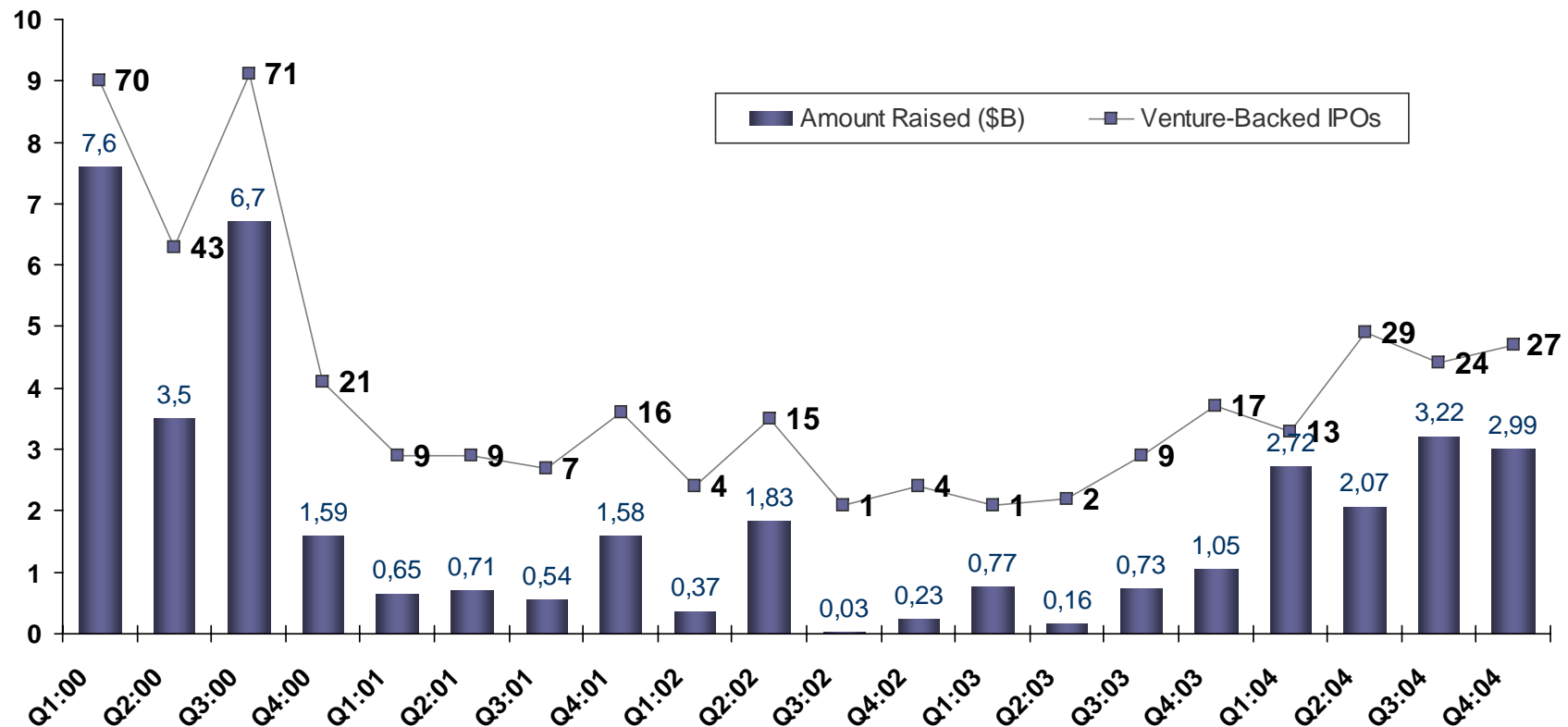
2004: US\$ 665 million invested by Israeli VC funds (2003 US\$ 421 million)
2004: Israeli companies financed with US\$ 1,48 billion (2003: US\$ 1,01 billion)

Europe VC investments per quarter (Bln Euro)



2004: 1.026 investments - € 3,48 billion (2003: 1.277 investments - € 3,52 billion)

US Venture-backed IPOs

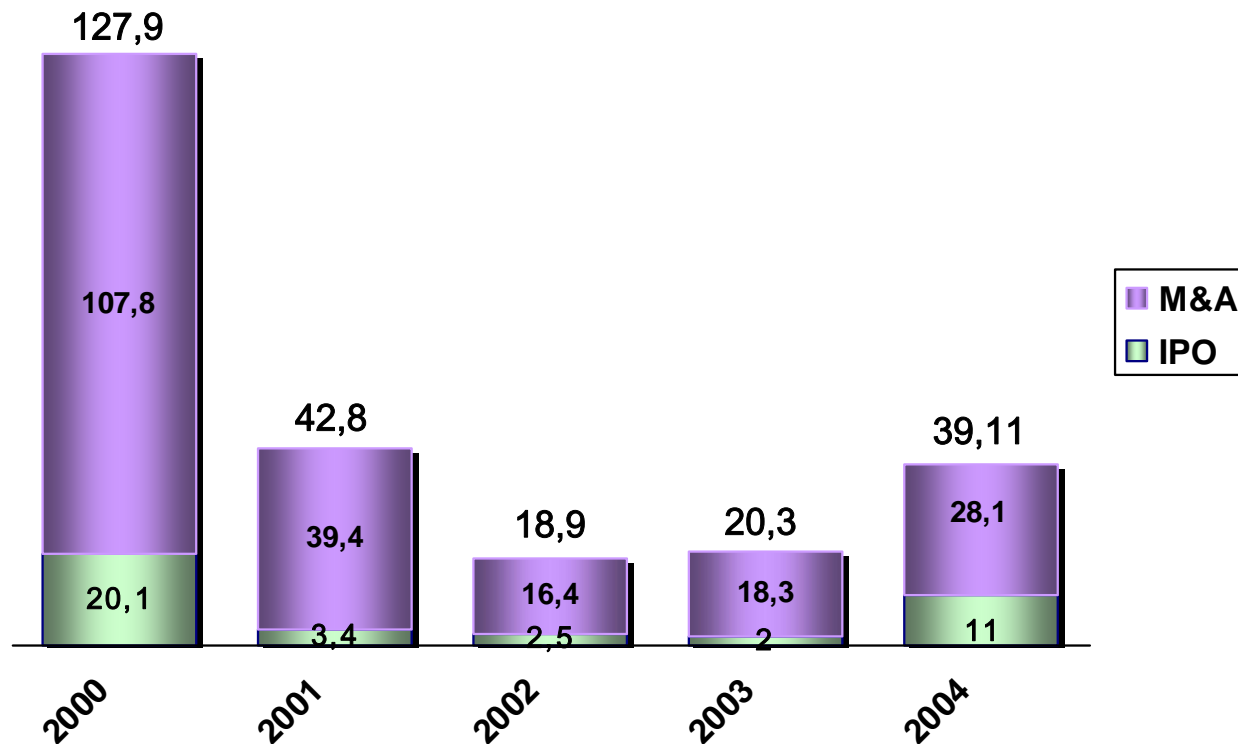


Source: VentureEconomics, NVCA

In 2004: 93 IPOs of venture backed companies, Cdb Web Tech in 19 cos through 26 VC funds

VC successful exits in 2004 gradually improved

Venture Capital Exits (US\$ Bn)



Cdb Web Tech in 42 M&A deals and 19 IPOs

Investments (Book Value)

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<i>Mln Euro</i>	31 December 2004		31 December 2003		Variation	
	<i>Nr.</i>	<i>Euro</i>	<i>Nr.</i>	<i>Euro</i>	<i>Nr.</i>	<i>%</i>
<i>Direct Investments</i>	14	6,7	14	7,4	-	-9,5
<i>Venture Capital</i>	78	117,2	66	83,0	+12	41,2
Total Investments	-	123,9	-	90,4	-	37,1
<i>Venture Capital: Residual Commitments</i>	70	129,8	57	149,7	+4	-13,3

- › **Direct investment:** US\$ 1,14 million in KOVIO (US nanotech company) and follow on in Integral (US software company in which we invested in 2000);
- › New commitment in **VC funds:** US\$ 53,5 million (13 new funds) of which purchased on secondary market 4 partnerships with US\$ 7,8 million total commitments;
- › **Invested US\$ 62,6 million** (US\$ 42,6 million in 2003) in VC funds,

New commitments in top tier funds

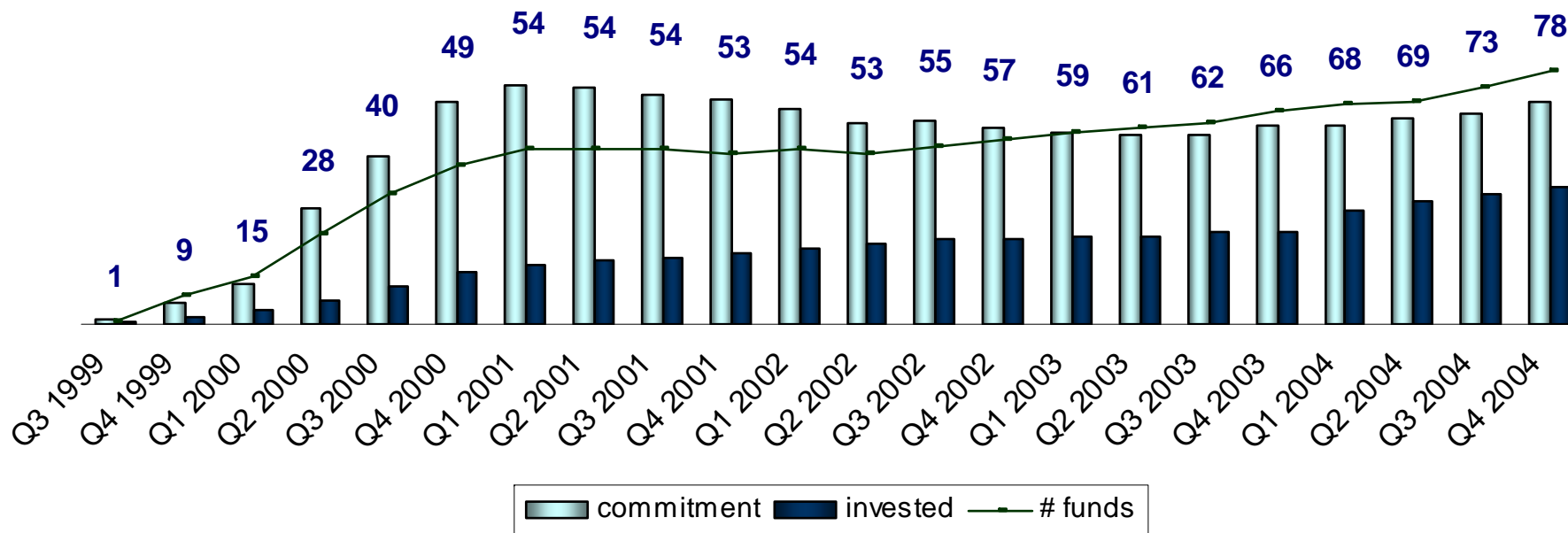
<i>(mln US dollars)</i>	Sector	Geography	Fund size	Commitment
Arch Venture IV	ICT/life sciences	USA	355	5,0
Pitango IV	ICT/life sciences	Israel	300	3,0
DCM IV	ICT	USA	375	5,0
JVP III Annex	ICT	Isr/USA	22	0,2
Benchmark US V	ICT	USA	328	4,0
Sevin Rosen IX	ICT	USA	304	3,0
Gemini IV	ICT	Israel	200	3,0
Giza IV	ICT/life sciences	Israel	213	3,0
HBM Capital	Life sciences	Swiss	€200	€5,0
Rho Ventures V	ICT/life sciences	USA	400	4,0
Prospect III	Life sciences	USA	500	5,0
Orchid Asia III	ICT and services	China	125	3,0

Investment Activity – Secondary Market **cdb web tech**

Funds partially invested, acquired at a discount price

<i>(mln US dollars)</i>	Sector	Geography	Commitment	Residual
Oxford Bioscience II	LifeSciences	USA	0,5	0
Carlyle Asia II	ICT	Asia	5,0	3,7
Doughty Hanson Technology	ICT	Europe	1,9	1,2
NorthBridge V	ICT	USA	0,1	0
Artiman Ventures	ICT	US/India	3,6	1,9

Committed/Invested



Residual commitment as at 31 december 2004: 129,8 million euro

Venture Capital Portfolio

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US WEST COAST

Early Stage

- ACCEL INTERNET IV
- BAY PARTNERS X
- BENCHMARK IV & V
- BLUESTREAM
- CRESCENDO IV
- DFJ VIII
- DFJ ePLANET
- DOLL III & IV
- HUMMER WINBLAD IV & V
- INFINITY I
- NEA X & XI
- NOKIA VENTURES II
- PROSPECT III
- SEQUOIA CAPITAL IX, X & XI
- SEVIN ROSEN FUND VIII & IX
- SIERRA VIII
- SOFINNOVA VI
- STORM VENTURES II
- TRIDENT CAPITAL FUND V
- VANTAGE POINT IV

Late Stage

- MERITECH I & II
- TCV IV & V
- THOMAS WEISEL CP

US EAST COAST

Early Stage

- ARCH VENTURE PARTNERS VI
- CHARLES RIVER XI
- DAWNTREADER II
- DRAPER ATLANTIC II
- HEALTHCARE VENTURES VII
- NORTHBRIDGE V
- OAK X
- OXFORD BIOSCIENCE II
- PEQUOT VP II
- RHO VENTURES V

Late Stage

- AFA PRIVATE EQUITY FUND II
- BAKER II
- PEQUOT PE II & III
- CASTLE HARLAN IV

Secondary

- DOVER STREET V

EUROPE

- ACCEL EUROPE
- AMADEUS II
- BENCHMARK EUROPE
- DOUGHTY HANSON
- HBM BIOCAPITAL
- NEXIT INFOCOM
- NOKIA VENTURES II
- POND VP II
- STAR VENTURES IX

ISRAEL

- BENCHMARK ISRAEL
- EVERGREEN DIRECT FUND III
- GIZA GE III & IV
- GEMINI IV
- ISRAEL SEED PARTNERS III & IV
- JVP III, III ANNEX & IV
- PITANGO II, III & IV
- PORTVIEW
- SEQUOIA CAPITAL SEED II
- STAR VENTURES IX

ASIA

- CARLYLE ASIA I & II
- ARTIMAN
- WESTBRIDGE I
- DFJ E-PLANET
- SPG INFINITY
- ORCHID ASIA III

Invested

62,5%

Commitments

100%

1999/2000

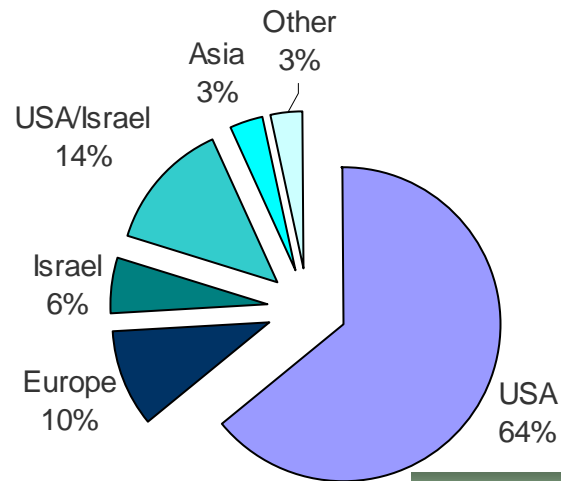
31 December 2004

200..

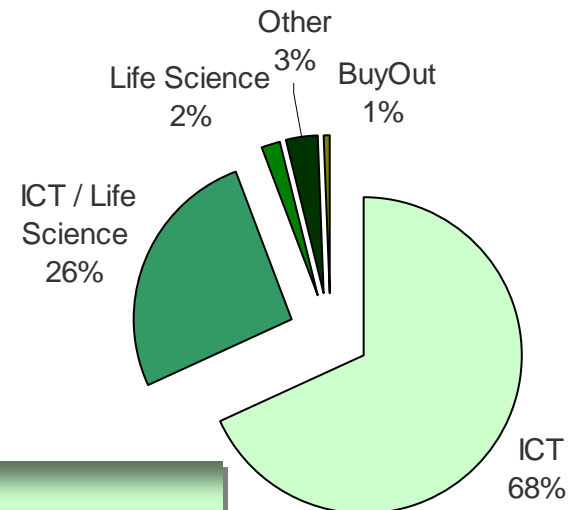
Venture Capital Investments Diversification

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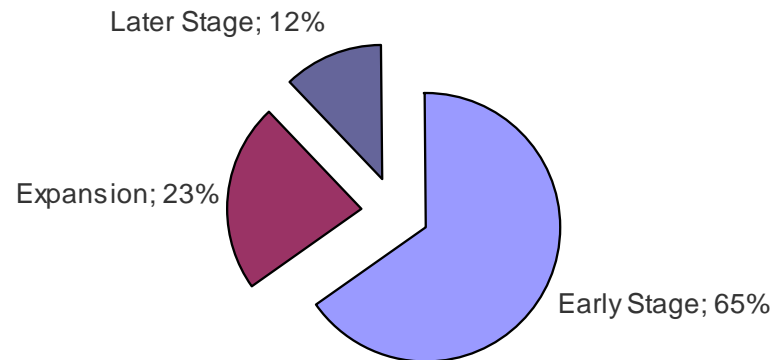
by Geography



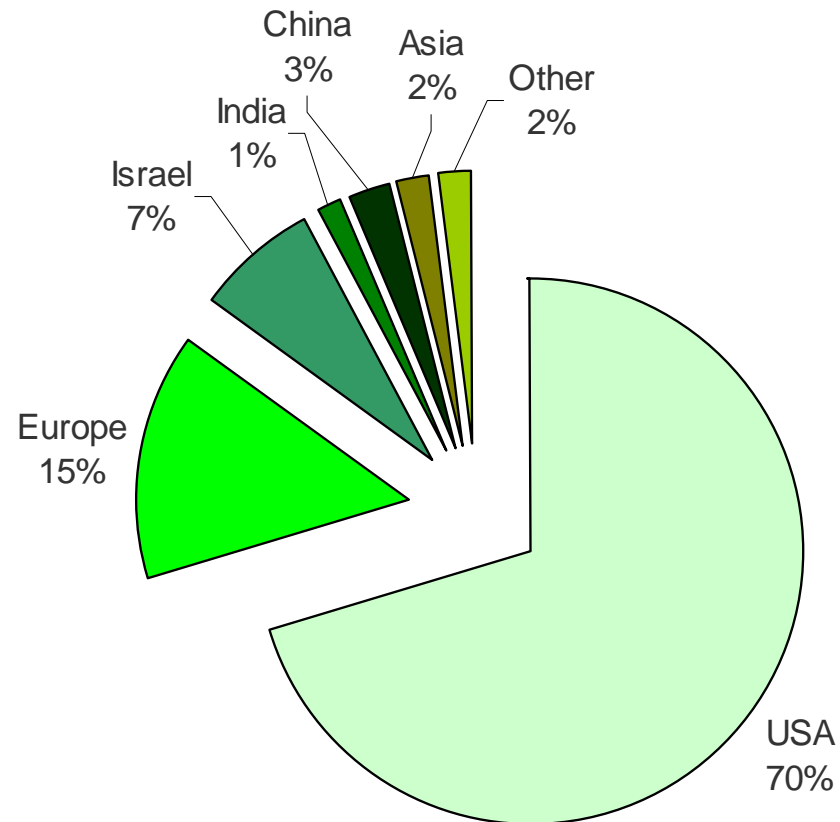
by Industry



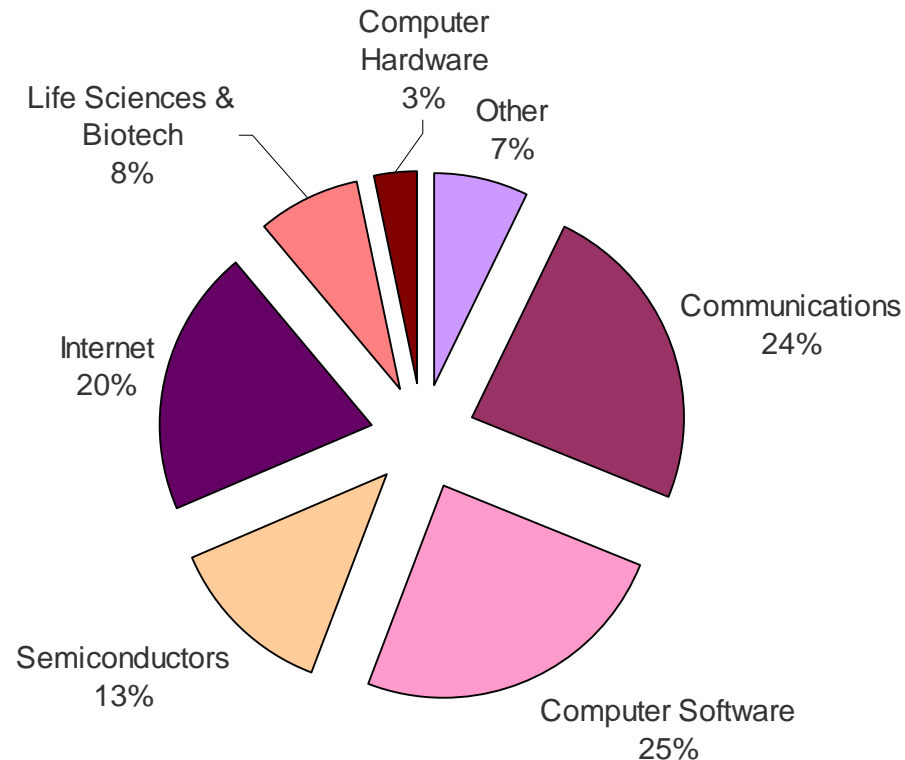
by Stage



Geography: Cost Basis Cdb Web Tech



Sector: Cost Basis Cdb Web Tech



Cdb Web Tech has invested in 1150 companies
Over 84 companies are currently public

Public companies through the funds

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84 companies listed on the NASDAQ/NYSE and other stock exchanges

Main shares	Market Value Cdb Web Tech pro-quota US\$ million
51job.com	2,7
TeleAtlas	1,7
SMIC	1,3
Inphonic	1,2
Pharmion	1
Ctrip.com	1
KongZhong	0,6
NetGear	0,7

Cdb Web Tech Cost: US\$ 16 milioni approx;

Value as at 31 december 2004: US\$ 16 million approx

Market value as at 31 december 2004: US\$ 25 million

Active Portfolio (I)

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Sector: Business Process Outsourcing

[PSPT US]

Based in Los Angeles, present in Americas, Europe and Asia

Provides high quality customer management services to companies seeking to enhance customer satisfaction and loyalty while reducing costs

Key Financial Data

<i>USD ml</i>	2003	2004
Revenues	30	45
<i>Growth</i>	52%	48%
EBITDA	11.0	11.3
<i>margin</i>	37%	25%
EBIT	7.8	8.1
<i>margin</i>	26%	18%
Net Income	8.0	8.0
<i>margin</i>	27%	18%
Cash Flows	7.0	7.0

Cdb Web Tech owns 191.750 shares (1,07%),
book value € 1,25 million

IPO Price \$ 7.00

Mkt Price \$ 11

Source: Bloomberg

Active Portfolio (II)

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Tellme.

Sector: Call Center Services, Speech Recognition

Based in Mountain View - California

Brings Internet features like personalization, XML, and TCP/IP to the telephone by joining both networks under a speech user interface

Clients include E-Trade, American Airlines, Merrill Lynch, AT&T Wireless, United Health Group, Fandango, Orbitz, Song, Verizon

Key Financial Data

<i>USD ml</i>	2003	2004
Revenues	39	80
<i>Growth</i>	92%	104%
EBITDA	-2.7	16.2
<i>margin</i>	-7%	20%
EBIT	-12.0	-3.3
<i>margin</i>	-31%	-4%
Net Income	-11.9	-4.0
<i>margin</i>	-30%	-5%
Cash Flows	0.0	-5.7

Cdb Web Tech holding: 0,17%

Cdb Web Tech book value: € 0,30 million

Active Portfolio (III)

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Sector: Managed Internet Hosting
Based in Sydney

[HWG AU]

Mkt Cap

~ \$ 18 ml

Provider of customized solutions for Internet hosting by managing Data Centers, Networks, Hardware, Operating Systems, Databases and Applications

Key Financial Data

<i>AUD ml</i>	2003	2004
Revenues	12	14
<i>Growth</i>	48%	13%
EBITDA	2.7	3.4
<i>margin</i>	21%	24%
EBIT	-0.6	0.4
<i>margin</i>	-5%	3%
Net Income	-0.6	0.4
<i>margin</i>	-5%	3%
Cash Flows	0.0	0.1

Source: Bloomberg
Year Ends in June

Cdb Web Tech book value: €1,16 million
Cdb Web Tech holding: 8.20%

Active Portfolio (IV)

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Sector: Wireless Telecommunications

Based in Washington (R&D in Israel)

Provider of converged wireless indoor networks that support multiple wireless voice and data services on a single broadband infrastructure

Clients include American Family Insurance, American University, Ft. Lauderdale Hollywood International Airport

Key Financial Data

<i>USD ml</i>	2003	2004
Revenues	12	18
<i>Growth</i>	71%	53%
EBIT	-1.7	-3.5
<i>margin</i>	-14%	-19%
Net Income	-1.6	-3.6
<i>margin</i>	-13%	-20%
Cash Flows	5.9	-5.6

Cdb Web Tech holding: 2,17%

Cdb Web Tech book value: € 0,43 million

Active Portfolio (V)

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INTEGRAL

Sector: Software – Financial Services

Based in Mountain View - California

Helps customers create and build new businesses through integrated software and services specifically developed for financial institutions to expand, integrate and automate their capital markets businesses and operations

Clients include Citibank and Société Générale

Key Financial Data

<i>USD ml</i>	2003	2004
Revenues	14	13
<i>Growth</i>		-5%
EBIT	0.4	-3.0
<i>margin</i>	3%	-23%
Net Income	-1.0	-5.0
<i>margin</i>	-7%	-38%
Cash Flows		-0.9

Cdb Web Tech holding: 0.87%

Cdb Web Tech book value: € 0,28 million

Active startup

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Sector: Biotechnology

Established in 1999, based in Boston

Drug discovery and development company that is focused on the creation of a new set of drugs and treatments for elderly people through studies on the genetics of longevity

Cdb Web Tech has invested \$1 ml at a post money valuation of \$ 74 ml

Other Investors include: MIT, Oxford Bioscience, Arch Venture Partners, MPM Bioventures



Sector: Nanotechnology

Established in 2001, based in Sunnyvale

Developing a new technology that will enable the so called 'printed electronics': print electronic circuits on paper with laser or ink-jet printers

Cdb Web Tech has invested \$ 1 ml at a post money valuation of \$ 30 ml

Other Investors include: Kleiner Perkins Caufield and Byers, Jerusalem Venture Partners, Bessemer

2005 new investment

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Sector: Semiconductors

Based in Shanghai -Zhangjiang Hi-Tech Park - China

Manufactures and sells made-to-order logic and flash memory chips, has more than 1,400 employees and collaborates with Sanyo, OKI, SST, VIA as technology partners

Key Financial Data

<i>USD ml</i>	2004
Revenues	141
<i>Growth</i>	9956%
EBITDA	38.0
<i>margin</i>	27%
EBIT	-81.3
<i>margin</i>	-58%
Net Income	-110.3
<i>margin</i>	-78%

Cdb Web Tech investment: US\$ 10,2 million

Cdb Web Tech holding: 0.68%

<i>Euro million</i>	31 Dec. 2004	31 December 2003
Net Financial Income	14,16	9,62
Adj. to Financial Assets	(2,25)	(4,66)
Operating Costs	(2,78)	(2,84)
Extraordinary Income & Expenses	0,03	0,04
Income Tax	(0,53)	(0,25)
Net profit	<u>8,63</u>	<u>1,91</u>

Euro/Million

Venture Capital Investments

	<u>2004</u>	<u>2003</u>
› Number of distribution received	83	36
› Distribution amount received	14,24	5,52
› Realized gain further Distributions	9,30 (2,9x)	2,37 (1,75x)
› Other Realized gain (Disposal)	0,46	0,34
› Unrealized gain	5,18	2,10
› Unrealized loss	(6,86)	(3,86)

Direct Investments

› Realized gain:	0,09	0,27
› Unrealized gain	1,10	0,06
› Unrealized loss	(2,17)	(3,07)

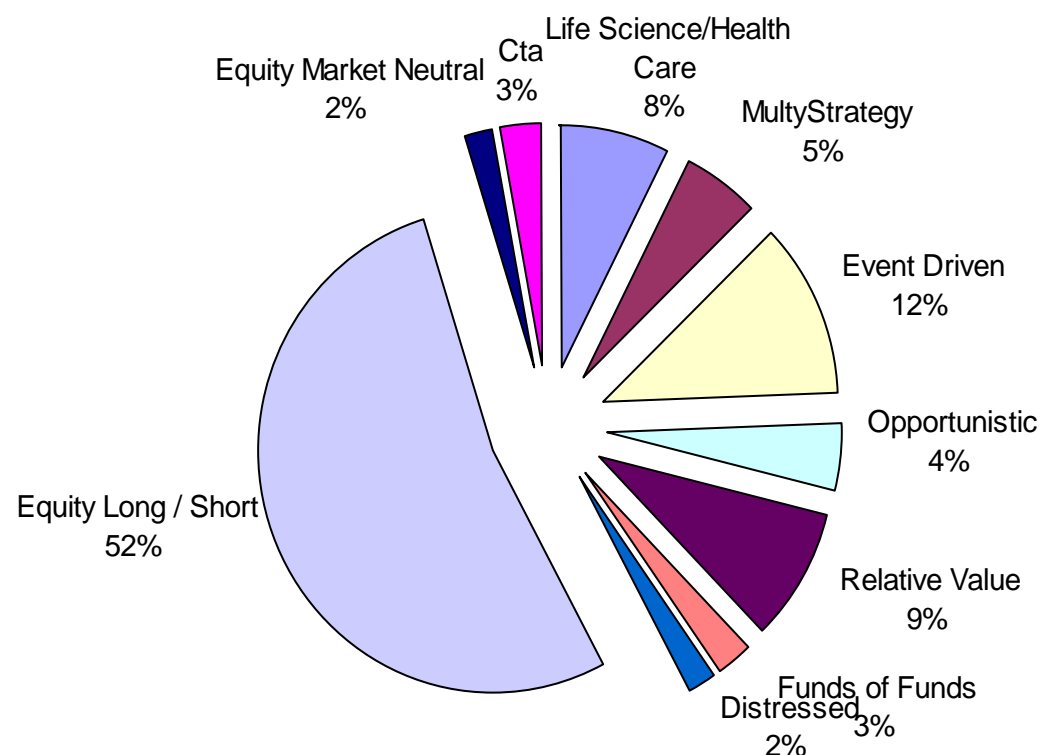
Balance Sheet

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<i>Euro Million</i>	31 December 2004	31 December 2003
<u>ASSETS</u>		
<u>Non-current assets</u>		
Intangible assets	0,21	0,27
Property, plan & equipment	0,09	0,10
Investments	124,14	135,25
Total	124,44	135,62
<u>Current assets</u>		
Receivables	18,66	24,99
Marketable securities	82,44	65,13
Cash and banks	36,57	27,57
Total	137,67	117,69
<u>Pre paid & Accrued</u>	0,12	0,35
TOTAL ASSETS	262,23	253,66
<u>EQUITY AND LIABILITIES</u>		
<u>Equity</u>	260,44	251,84
<u>Other debts & Accrued Expenses</u>	1,79	1,82
TOTAL EQUITY AND LIABILITIES	262,23	253,66

<i>Euro Million</i>	<i>At Book Value</i> 31 December 2004	<i>At Book Value</i> 31 December 2003
Cash, Banks	36,57	27,57
Financial Credits	17,80	23,97
Bonds & Hedge Funds	82,44	109,87
Financial Debts	(0,10)	(0,76)
Total Net Financial	136,71	160,65

Available liquidity is invested in hedge funds
to maximize the return on cash



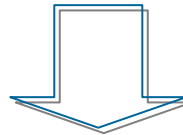
As at 31/12/2004 n° 53 hedge funds

	(Euro/million)
Book Value	77,34
Fair Value	84,53
Unrealized Gain	7,19
Realized gain 2004	3,9
Performance 2004: +5,96%	

A joint-venture to manage “funds and hedge funds”

Cdb Web Tech

Banca Intermobiliare



BIM Alternative Investments SGR

High Tech Hedge Funds

Multistrategy Hedge Funds

Equity Arbitrage

Euro 170 million under management

Venture Capital

- It is the engine of further development
- It carries on to create huge value
- It is one of the best long term performing investments

Cdb Web Tech

- Believes in the success of its strategy
- Its returns on investments are improving
- Bottom line 2005 further the positive trend of the last two years

