

The background of the slide features a stylized, light green globe with a grid of latitude and longitude lines. Overlaid on the globe are several dark silhouettes of people. One person is standing in the upper left, while two others are standing closer together in the lower right, appearing to be in conversation. The overall color scheme is a monochromatic green with varying shades and textures.

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www.cdbwebtech.com

Meeting with the Financial Community

Borsa Italiana - Milan, 13th May 2003

Via Valeggio, 41
10129 Torino

Via Borgonuovo 24
20121 Milano – Italy.

13 Albemarle Street
London W1S 4HJ - UK

Activity

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Cdb Web Tech

Invests worldwide directly and through venture capital funds in

Information & Communication Technology (ICT)

Giving a great

Potential of Creating Value

General Overview:

- Economic slowdown in industrialised countries
- Serious Crisis of many sectors including telecoms and IT
- Third consecutive year of fall of share prices

Which means:

- Crisis of Information & Communication Technology industry
- Negative impact on Venture Capital being main growth and development factor of the ICT sector

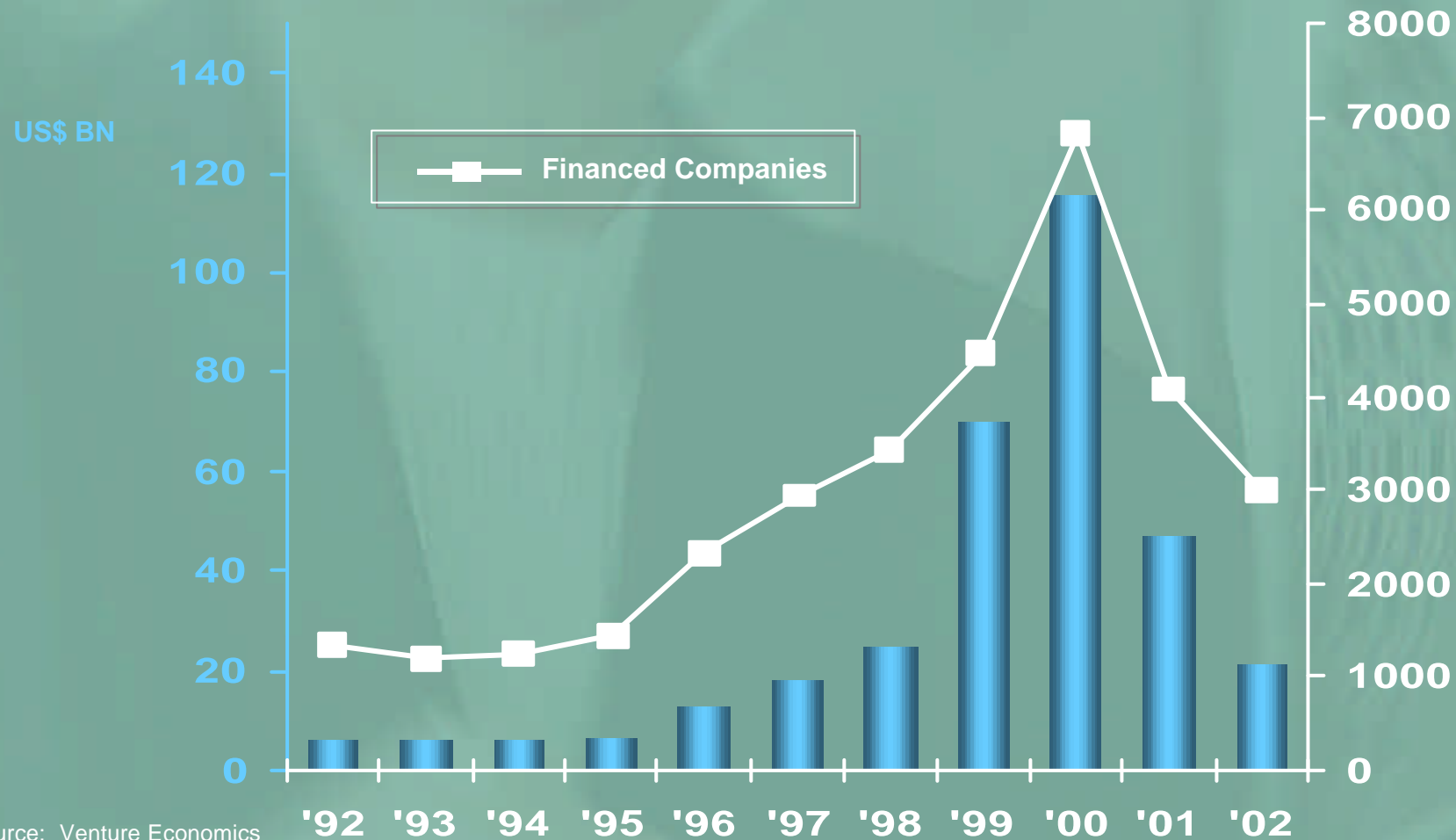
As a consequence in 2002:

- Decrease of VC investments
- Excess of companies financed by VCs in previous years
- Fall of companies' valuations
- Fund size reductions because of excess of investment capital
- IPO and M&A door almost shut
- All VC funds register loss and write downs as a consequence of “write-offs” e “downrounds” of their investments
- Many have started to exit due to negative performance and necessity to focus on their main business activity
- Through a new Venture Capital selection best performing funds will rise while funds and companies financed during the boom years will gradually disappear

VC Investments

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Investments of VC funds , USA



Reduction of VC fund investments continues

VCs investments in Q1

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| Period | N. of Investments | Average Investment (US\$ Million) | Investments (US\$ Million) |
|---------|-------------------|-----------------------------------|----------------------------|
| Q1 2003 | 851 | 6,82 | 5,8 |
| Q1 2002 | 1538 | 5,62 | 8,6 |
| Q1 2001 | 2420 | 7,2 | 17,3 |

VCs industry becomes more selective in investments

VC Investments (II)

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In the beginning of 2002 the US ventured back companies were more than 6,000



Source: VentureOne, Ernst&Young

With venture capitalists turning off the taps and potential customers holding back, many portfolio companies will disappear.

Median Pre-Money Valuation

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| Round Class (in US\$) | 1998 | 1999 | 2000 | 2001 | 2002 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|
| Seed Round | 3,5 | 4,0 | 5,0 | 3,4 | 2,6 |
| First Round | 6,8 | 9,8 | 12,2 | 8,0 | 6,0 |
| Second Round | 19,7 | 30,0 | 39,5 | 18,0 | 12,5 |
| Later Round | 35,0 | 62,9 | 89,8 | 40,0 | 20,2 |
| Restart | 19,0 | 13,4 | 12,4 | 14,2 | 6,5 |
| Grand Median | 15,4 | 20,0 | 24,5 | 15,2 | 10,0 |

Source: The 2003 Venture Capital Industry Report & Planning Guide – VentureOne

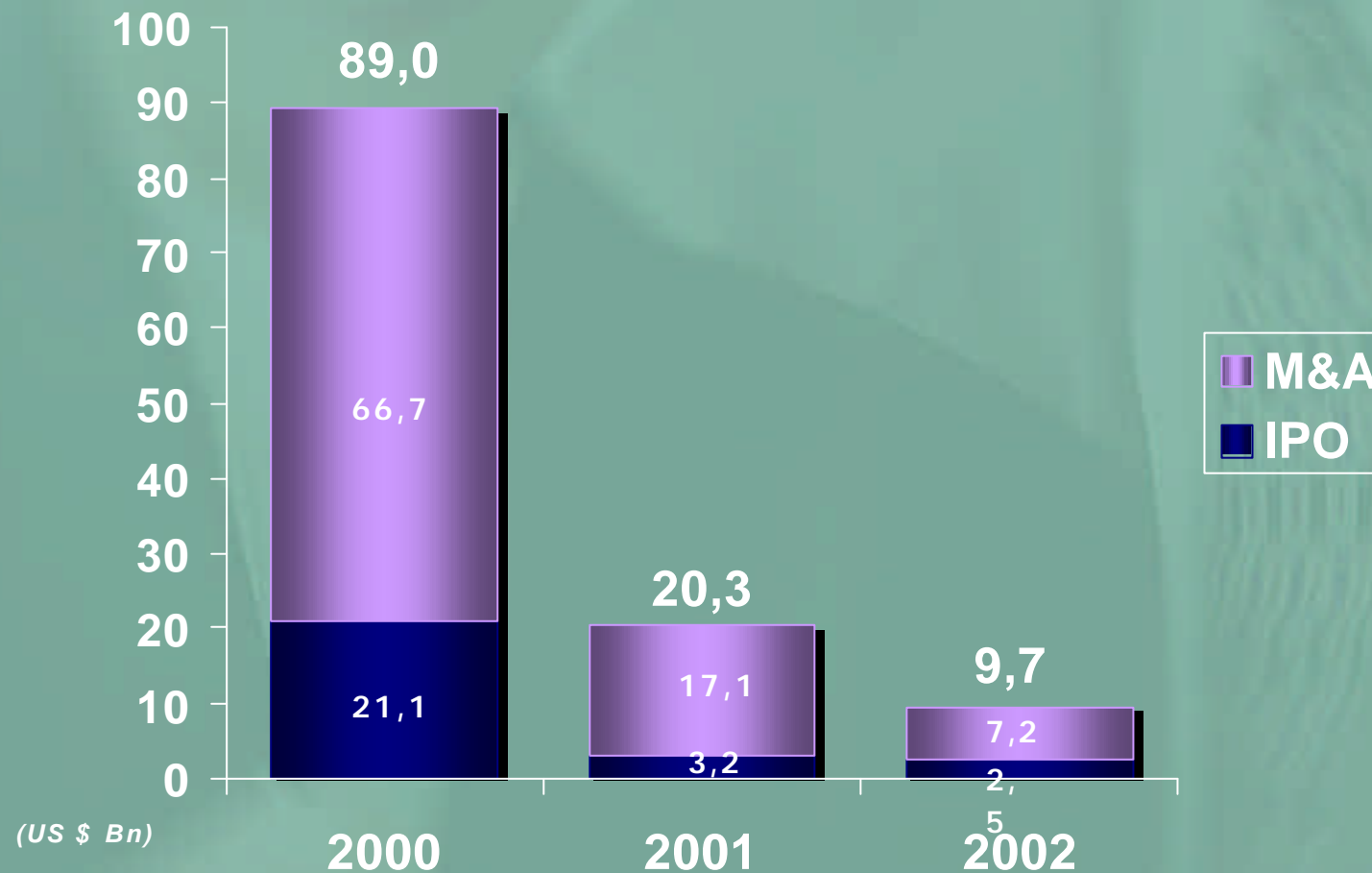
2002 was a negative year for Venture capital from the point of view of exit opportunities, mainly because of the economic situation and the ICT companies:

- IPOs are disappearing
- The “trade-sale” market has come to a halt as a consequence of the crisis that hit the most important suppliers of technology systems

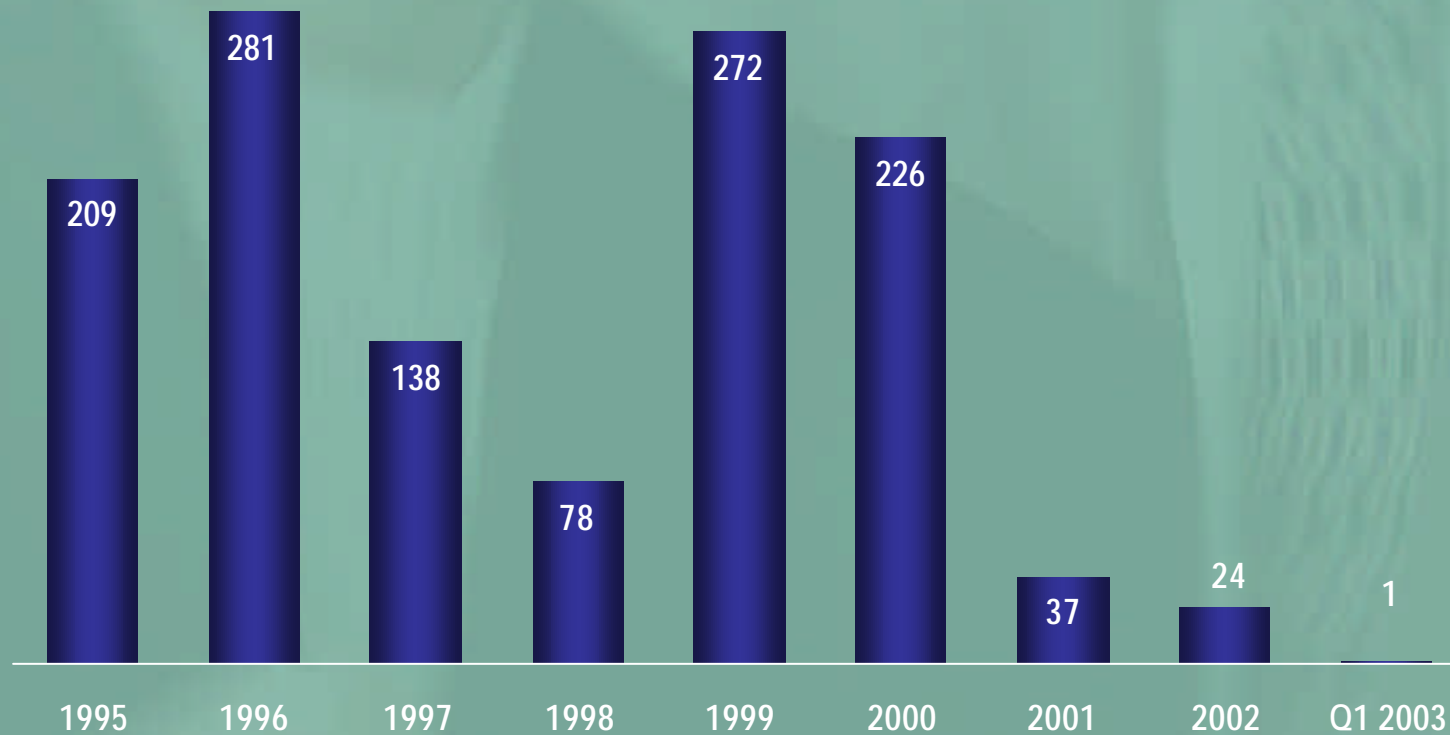
Without exits there is no capital gain for VCs and there are no returns for investors

VC Funds' Exits (II)

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IPO of US venture-backed companies



Source: VentureEconomics, NVCA

M&A companies VCs backed

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| Year | Deals | Total amount US\$ billion |
|------|-------|------------------------------|
| 2000 | 308 | 67,9 |
| 2001 | 336 | 17 |
| 2002 | 300 | 7,1 |

Q1 - VCs Investments by Sector

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| | N. of Investments | Average Investment Value (US\$ Million) | Total Investment Value (US\$ Million) | % of Total Venture Capital Investment Value |
|-------------------------|-------------------|--|--|---|
| Communications | 131 | 11,74 | 1537,7 | 26,5% |
| Life science/healthcare | 204 | 6,43 | 1311,2 | 22,59 |
| Software | 219 | 5,04 | 1104,4 | % |
| Internet | 171 | 4,80 | 820,0 | 19,0% |
| Semiconductors | 78 | 8,06 | 628,7 | 14,1% |
| | | | | 10,8% |

Communications still the leading sector, healthcare is growing continuously

In Year 2002:

- Commitments of US\$ 12 million were made in 4 venture capital funds
- Investments of €33.6 million were made into venture capital funds, upfront of existing commitments
- Commitments to invest in certain venture capital funds fell by €47.3 million, due to the combined effect of some funds' size reduction and of disposal of part of the commitment
- Invested €0.8 million in some direct investments
- €32.8 million was invested in the diversification of the hedge fund portfolio: 8 in technology and 6 in life sciences
- The Group also divested itself of 4 technology hedge funds for a total of €16.6 million
- The Group has completely ceased investing in crossover funds

In Q1 2003:

- Commitments of US\$ 10,6 million were made in two new venture capital funds and in one buyout fund
- Investments of €9,1 million were made into venture capital funds, upfront of existing commitments
- Commitments to invest in some venture capital funds fell by € 3,2 million, due to the effect of size reduction
- Disposal of the commitment in one media venture capital fund (closing in Q2:2003) with gain of US\$ 70K and US\$ 7,4 million reduction of commitment
- Venture capital funds distribution received: € 0,29 million
- US\$ 1,5 million was invested in 2 life sciences hedge funds

Investments (book value)

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Investments

| <i>Euro Millions</i> | 31 March 2003 | | 31 December 2002 | | Variation | | 31 March 2002 | |
|--|---------------|-------------|------------------|-------------|------------|----------|---------------|-------------|
| | <i>Nr.</i> | <i>Euro</i> | <i>Nr.</i> | <i>Euro</i> | <i>Nr.</i> | <i>%</i> | <i>Nr.</i> | <i>Euro</i> |
| Direct Investments | 15 | 8,7 | 16 | 11,1 | -1 | -22,2 | 21 | 17,7 |
| Venture Capital | 59 | 65,5 | 57 | 58,2 | 2 | 12,5 | 54 | 103,1 |
| Hedge Funds | 25 | 59,4 | 23 | 59,8 | 2 | -0,7 | 19 | 75,0 |
| Total Invested | - | 133,5 | - | 129,1 | - | 3,4 | - | 195,8 |
| Venture Capital: Commitment | 51 | 176,6 | 50 | 192,6 | 1 | -8,3 | 49 | 271,4 |

New Investments

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(millions of US\$)

Geografy

Size of fund

Commitment

Date of subscription

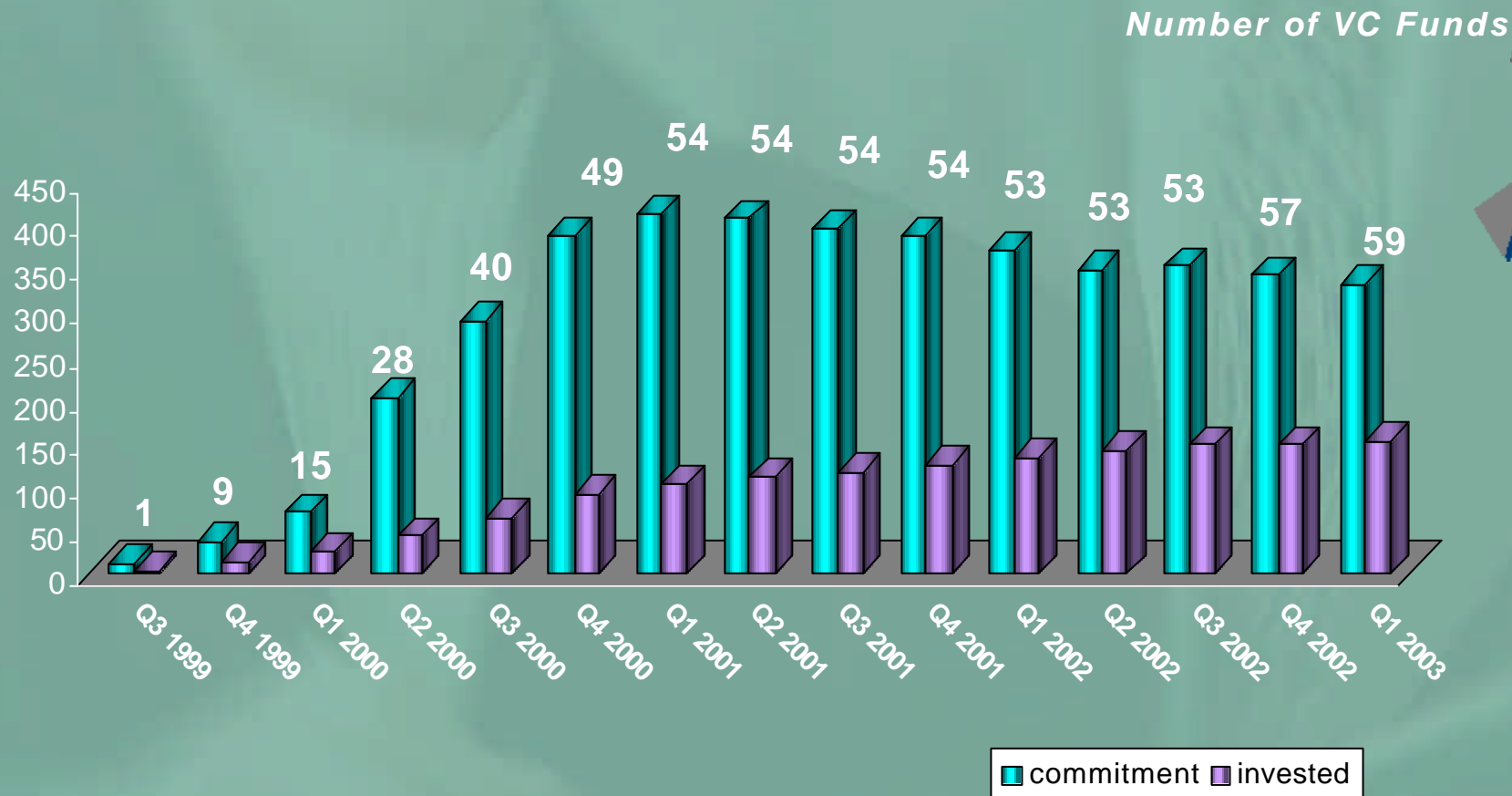
Year 2002

| | | | | |
|--|--------|-------|-----|----------|
| Dover Street V | USA | 505,0 | 5,0 | July |
| Jerusalem Venture Partners III (annex) | Israel | 13,5 | 0,5 | August |
| Healthcare Ventures VI | USA | 350,0 | 3,5 | October |
| Sofinnova VI | USA | 105,0 | 3,0 | December |

Q1 2003

| | | | | |
|----------------------|-----|-------|-----|---------|
| Oxford Bioscience II | USA | 110 | 3,5 | January |
| Sequoia XI | USA | 395 | 4,0 | March |
| Castle Harlan IV | USA | 1.200 | 5,0 | April |

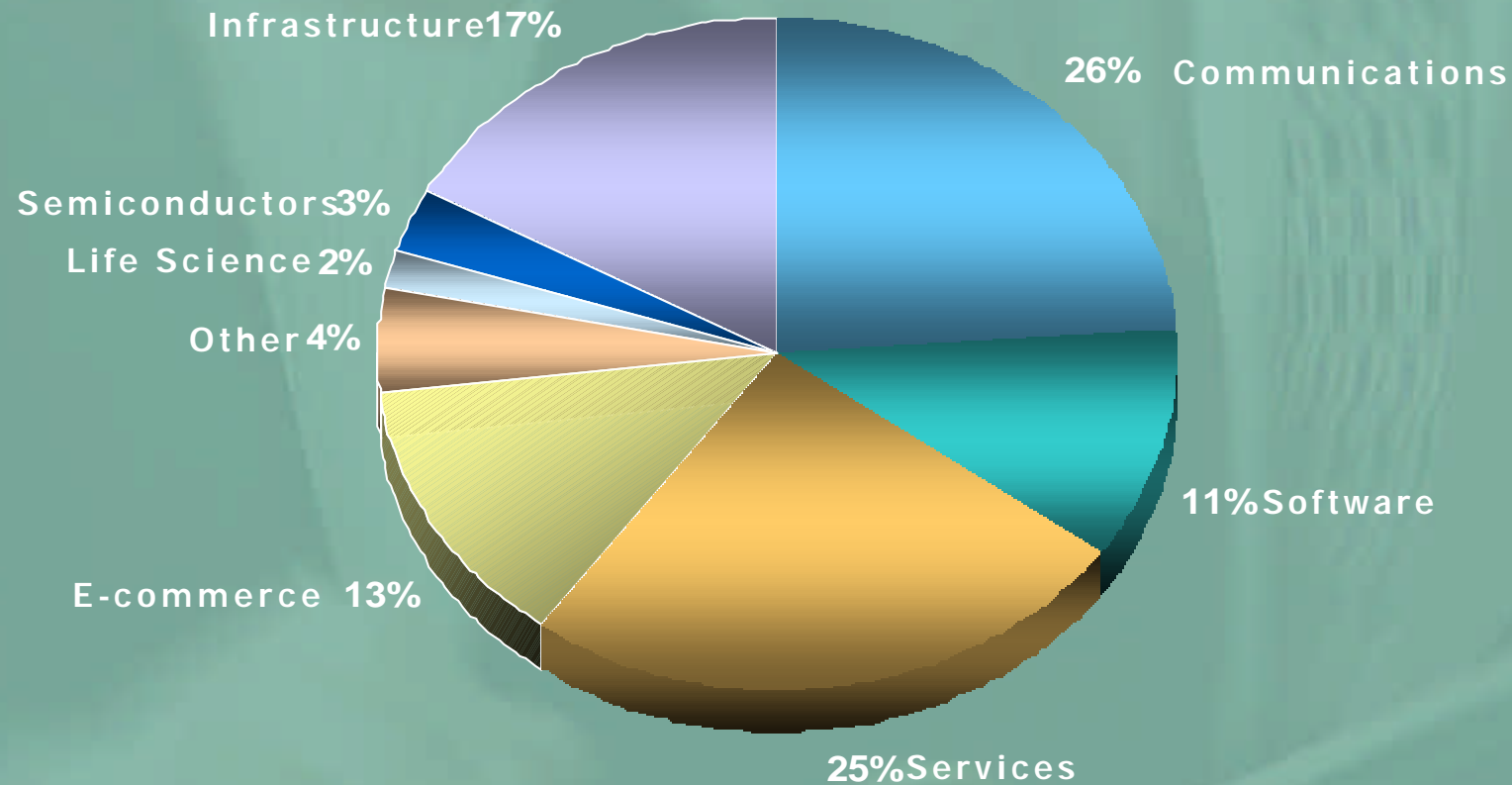
Committed/Invested



Investments

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Cdb Web Tech has stakes in some 1,100 technology companies focusing primarily in the following sectors:



Venture Capital Portfolio

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WEST COAST

VENTURE CAPITAL

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

PRIVATE EQUITY

- BOWMAN PRIVATE EQUITY II
- DFJ E-PLANET
- MERITECH I & II
- TCV IV
- THOMAS WEISEL CP

EAST COAST

VENTURE CAPITAL

- CHARLES RIVER XI
- DAWNTREADER II (WIT)
- DRAPER ATLANTIC II
- HEALTHCARE VENTURES VII
- NORTHBRIDGE V
- OAK X
- OXFORD BIOSCIENCE II
- PEQUOT VP II
- SIGNAL LAKE II

PRIVATE EQUITY

- BAKER II
- PEQUOT PE II & III
- QUADRANGLE CAPITAL

SECONDARY

- DOVER STREET V

EUROPA - VC

- ACCEL EUROPE
- AMADEUS II
- BENCHMARK EUROPE
- CRESCENDO IV
- DFJ E-PLANET
- DOUGHTY HANSON
- ETF
- NEXIT INFOCOM
- NOKIA VENTURES II
- POND VP II

ASIA - VC

- CARLYLE ASIA I
- DFJ E-PLANET

ISRAELE - VC

- BENCHMARK ISRAEL
- ISRAEL SEED PARTNERS IV
- JVP III & III ANNEX
- JVP IV
- PORTVIEW
- SEQUOIA CAPITAL SEED II

INDIA - VC

- WESTBRIDGE I
- CHRYSALIS RAGA
- SPG INFINITY

Invested

45,9%

Commitments 100%

1999/2000

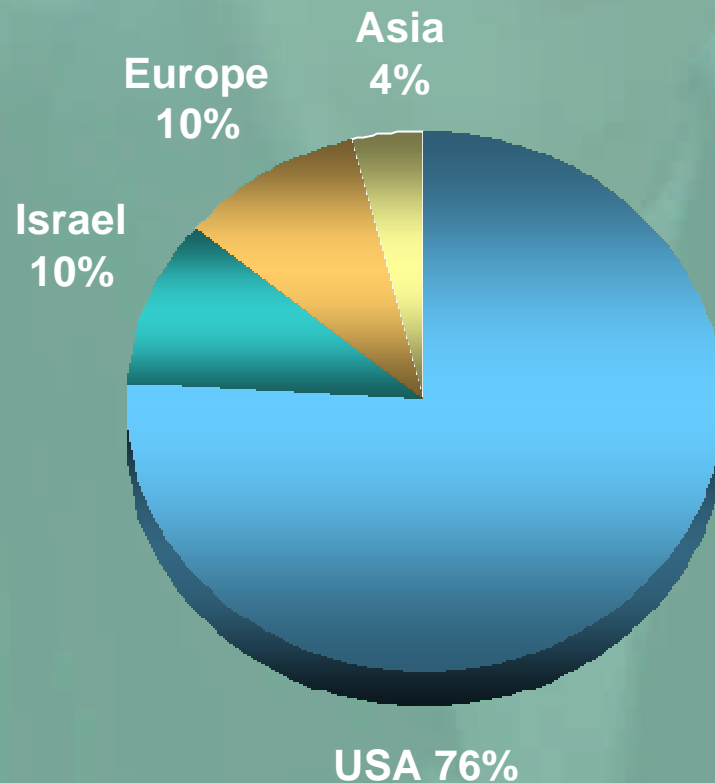
31 March 2002

200

Geographical distribution

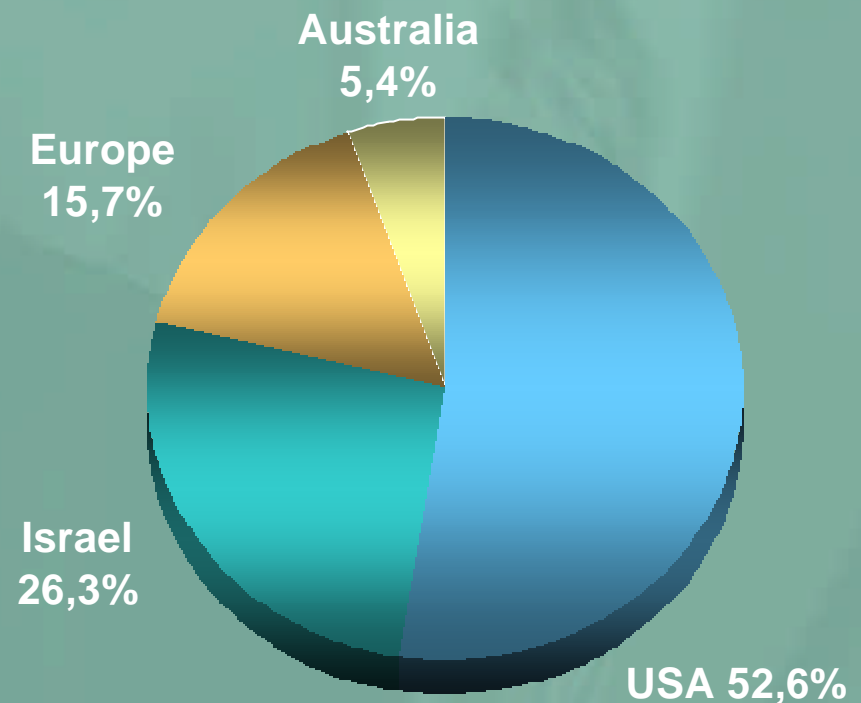
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Venture Capital Funds



Q1 2003 book value
Euro 65,5 Million

Direct Investments



Q1 2003 book value
Euro 8,7 Million

Select Portfolio Companies (I)

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Components

Description

Region

Financing Round

Other investors



Integrated circuits for telecommunications sector

USA

Common B

Francisco Partners, Austin, TPG, Sprout, Austin Ventures, CSFB, MSDW, Tiburon

Systems

Description

Region

Financing Round

Other investors



IP convergence technology for cellular network

Israel/USA

Series B

Sequoia, Intel, Soros, KPN/Qwest



Wireless coverage systems for buildings and remote areas

Israel/USA

Series C

Apax, Israel Seed Partners, Orion AIG



High bandwidth wireless internet access for companies

USA

Series B

Crescendo Ventures, Battery Ventures and Sevin Rosen Ventures

Select Portfolio Companies (II)

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Enabling Technologies



Mobile Marketing Services

Germany

2nd round

Apax, Nokia, Viventures



IP billing systems

Israel/USA

Series E

Jerusalem VP



Wireless messaging applications and infrastrucutre

USA

Series C

Cir Ventures, Nexit Ventures, NetNet Ventures

Services



Integrated Customer Care Services

USA

Series D

Accel, Benchmark



Voice Technology call center services

USA

Series D

Kleiner Perkins, Benchmark, AT&T



Wireless Internet applications and services

USA

Series A

Barksdale



IP Network and security solutions

Israel

Series A

Israel Seed Partners, Bezeq, Ampal



Web Hosting and data center services for companies

Australia

Private Placement

ISEC

Select Portfolio Companies (III)

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Other

Description

Region

Financing Round

Other investors



Europe and USA focus venture capital company

Switzerland

IBM, SwissRe, Nomura, Comit, Eptafund



Financial institution services and software

USA

Series C

AIG, ABN Amro, Bain



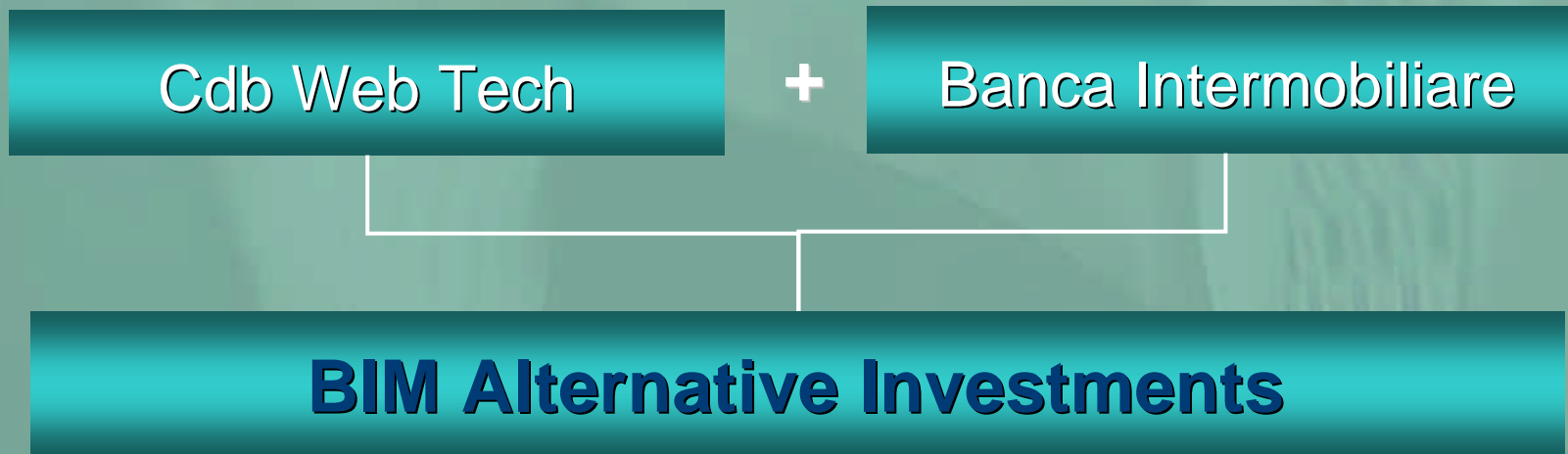
Customer interaction management services

USA

Series H

Accel Partners, Oak Investment Partners, Kleiner Perkins, Charles River Ventures

A jointly owned associate company



- Two funds of hedge funds: technology and multi-strategy
- Asset under management Euro 39.5 million

| <i>Euro million</i> | 31 March 2003 | 31 December 2002 | 31 March 2002 |
|-------------------------------|---------------|------------------|---------------|
| Net Financial Income | 2,17 | 1,93 | 0,59 |
| Adj. to Financial Assets | (2,60) | (57,29) | (2,74) |
| Operating Costs | (0,56) | (3,03) | (0,57) |
| Exceptional Income & Expenses | 0,01 | (0,01) | (0,00) |
| Income Tax | (0,00) | (0,19) | (0,00) |
| Net Loss | <u>(0,97)</u> | <u>(58,59)</u> | <u>(2,72)</u> |

Venture Capital Funds

- In 2002 distribution (in cash or shares): Euro 2.5 million representing a 1,8x return on investment; in Q1 2003: distribution Euro 0,29 million
- In 2002: Euro 37 million in venture capital fund write downs based on their NAVs, and additional Euro 15 million venture capital fund write downs based on Cdb's Board of Directors appreciation on the investments portfolio as at December 31, 2002 - write downs which the VC funds probably will take in 2003
- In Q1 2003 Euro 0,36 million depreciation and Euro 12,5 million remaining out of Euro 15 million of the preemptive depreciation made in the financial statements 2002

Direct Investments

- In 2002: Euro 5,2 million and Euro 1,3 million, arising from direct investment write downs and losses on disposal respectively
- In Q1 2003: Euro 2,2 million write downs

Hedge funds

- In 2002: realized capital gains decreasing to Euro 0,7 million
- Performance 2002: - 1,8% (Nasdaq: -31,5%)
- Performance Q1 2003: +1,6%, NAV + 2,3 million Euro up to book value

BALANCE SHEET

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Euro millions

31 March 2003

31 December 2002

31 March 2002

ASSETS

Non-current assets

| | | | |
|---------------------------------|---------------|---------------|---------------|
| Intangible assets | 0,28 | 0,30 | 0,34 |
| Property, plant & equipment | 0,13 | 0,15 | 0,26 |
| Investments | 133,68 | 129,29 | 196,66 |
| Total non-current assets | 134,09 | 129,74 | 197,26 |

Current assets

| | | | |
|--|---------------|---------------|---------------|
| Receivables | 1,63 | 3,30 | 1,63 |
| Marketable securities | 69,51 | 67,47 | 50,53 |
| Cash and banks | 44,83 | 51,63 | 57,01 |
| Total current assets | 115,97 | 122,40 | 109,18 |
| <u>Pre paid & Accrued Expenses</u> | 0,49 | 0,43 | 0,09 |

| | | | |
|---------------------|---------------|---------------|---------------|
| TOTAL ASSETS | 250,55 | 252,57 | 306,52 |
|---------------------|---------------|---------------|---------------|

EQUITY AND LIABILITIES

| | | | |
|---|--------|--------|--------|
| <u>Equity</u> | 248,91 | 249,89 | 305,81 |
| <u>Other debts & Accrued Expenses</u> | 1,64 | 2,68 | 0,71 |

| | | | |
|-------------------------------------|---------------|---------------|---------------|
| TOTAL EQUITY AND LIABILITIES | 250,55 | 252,57 | 306,52 |
|-------------------------------------|---------------|---------------|---------------|

Financial Highlights

cdb web tech

| <i>Euro million</i> | 31 March 2003 | 31 December 2002 | 31 March 2002 |
|---------------------------------|----------------------|-------------------------|----------------------|
| Cash, Banks | 44,82 | 51,62 | 57,01 |
| Financial Credits | 0,13 | 1,70 | 1,30 |
| Securities | 69,51 | 67,47 | 49,23 |
| Financial Debts | (0,00) | (0,03) | (0,00) |
| Total Net Financial Position | 114,46 | 120,76 | 107,54 |

Commitment

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Figures in € millions

| Committed Capital | Invested as at 31.03.03 | Invested/ Committed | Residual commitment |
|---|----------------------------|------------------------|------------------------|
| 329,4 | 151,1 | 45,9% | 176,6 |
| Total Cash (March 2003) | | | (114,5) |
| Hedge Funds (31 March 2003) | | | (61,7) |
| Over commitment al 31 March 2003 | | | 0,5 |
| After 31 March 2003 disposal commitment | | | (7,4) |

There is no over commitment but considering future distributions Cdb Web Tech has resources for new investments

Going ahead:

- Focus on venture capital funds
- Pursue new commitments both in firms already existing in our portfolio and in other top quartile funds
- Diversify in life science & healthcare funds and in buyouts (in both cases no more than 10% of total commitments)
- Evaluate opportunities on the secondary market
- Continuous portfolio review to pursue changes within current investment allocation

Key Points

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- **Technology value:** Cdb Web Tech believes there is a great potential of creating value through development of innovative ICT
- **Business:** Cdb Web Tech, through the most qualified venture capital funds, gives a chance to be invested in technology companies, with a diversification by company (a range of approx. 1100 firms), development stage, sub sector, geography and lead investors
- **Market Opportunities:** Cdb Web Tech has currently funded only 45,9% of its aggregate commitments in VC funds. This will allow the remaining commitments to be invested at current market conditions
- **NAV:** Cdb Web Tech has depreciated the value of investments to the NAV reported by the funds and moreover has made preemptive 15 million euro additional depreciation on the portfolio investments as at December 2002. Considering that this kind of investment records loss of value in the initial phase, on a medium to long term period the investments should give significant capital gain

Financial Highlights

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Key Data

- Net Equity (31/03/03) €248,9 mil
- NAV (31/12/02) €2,48/share
- Share price (12/05/03) €2,05
- Market cap (12/05/03) €206,6 mil
- Financial position (31/03/03) €176,1 mil
 - of which Hedge Funds €61,7mil

Assets @ March, 2003

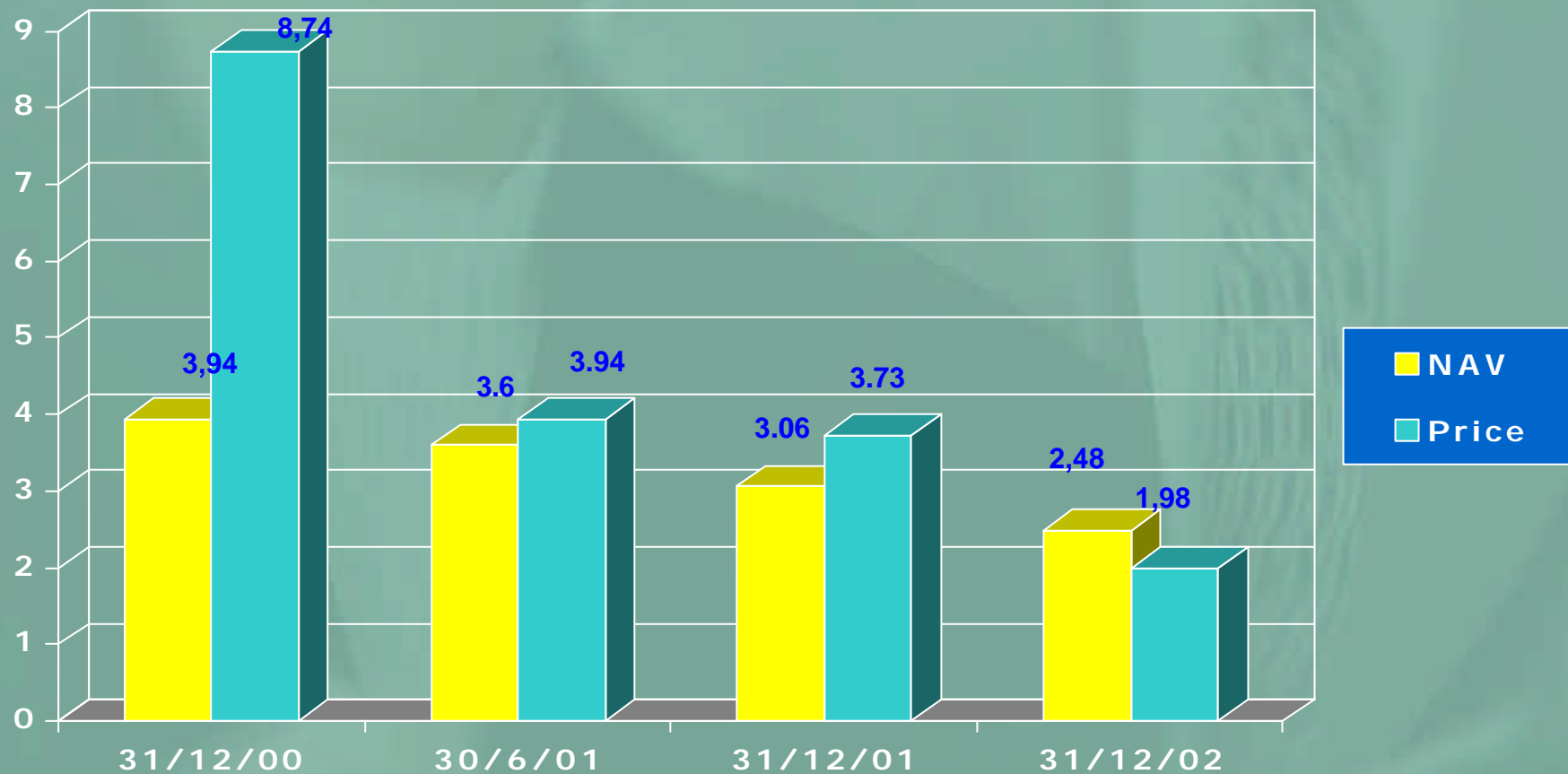
- Venture Capital funds €65,5 mil
- Hedge funds €61.7 mil
- Direct Investments €8,7 mil

| | |
|--------------------------|-------------------|
| Total Investments | €135,7 mil |
|--------------------------|-------------------|

VCs commitment to invest €176,6mil

NAV and Stock Price

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Present situation

Good news

- The writedowns carried out
- A positive financial position
- Less than 50% of investments in relation to the total commitments
- Opportunities offered by an economic crisis
- Quality portfolio

Bad news

- Uncertainty regarding the macroeconomic situation
- Contraction of IT spending
- Venture-backed companies are over 6.000
- The lack of IPO and M&A of venture-backed companies

Performance of the VC industry

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| | 1 Year | 3 Years | 5 Years | 10 Years |
|------------------------|---------------|---------------|--------------|--------------|
| Venture Capital | -23,3% | -6,8% | 28,3% | 26,3% |
| Buyouts | -5,5% | -5,6% | 1,1% | 8,7% |
| NASDAQ | -31,6% | -31,0% | -3,2% | 7,0% |

Source: Private Equity Performance Index (PEPY) structured by Thomson Venture Economics and National Venture Capital Association

**The Venture Capital Business is related to a cyclical business
with medium to long term high returns**

Conclusions

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- We started to invest during the “boom”, the bubble has burst, we don’t exit at the “minimum”
- The worst is over after the great fall, IT budgets are still billions
- Our portfolio has many “top tier” funds: high quality deals/teams re-emerging
- We have cash and not overcommitment, we can diversify our investments, we can take opportunities on secondary market
- We have had writedowns, we will have the capital gain that historically venture capital created in the past and will create in the future

Venture Capital is not a “fashion” on the contrary it is a valid business that creates value.

The past trends were over-valuations and the IPOs of companies without a product

Q&A

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