Market insight of the international recreational boating industry - Extract
Cannes, September 7th 2016
Preface

The “Market insight of the international recreational boating industry” conducted by Deloitte Financial Advisory together with Fondazione Altagamma analyzes the boating market on worldwide scale classified by the main vertical sectors and business segments of the industry.

This study is the “zero edition” that Deloitte and Fondazione Altagamma have prepared for the Nautica Italiana Board. The report provide a thorough understanding of the global boating market and its key trends that impact the industry state of art.

This “zero edition” of the market study presents the following features:

- A solid methodology approach through a full coverage of secondary data (Icomia, NMMA, Superyachtintelligence.com, Capgemini-RBC, Forbes), matching with primary data, company annual reports and interviews with the key players of the value chain.
- The sizing and key trends analysis of the global new and pre-owned boats market classified by length range and boat shape across the key geographical areas.
- The sizing and key trends analysis of ancillary market as charter and refit & repairs.
- The boating potential demand estimation and the superyachts market penetration.
Global boating market: new boats Deloitte 2015E

Evolution of global new boats market value
(Billions of €; Millions of boats)

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Value</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>~15</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>~23</td>
<td>+6,1%</td>
</tr>
<tr>
<td>2008</td>
<td>~25</td>
<td>+4,9%</td>
</tr>
<tr>
<td>2014</td>
<td>~17</td>
<td>-5,9%</td>
</tr>
<tr>
<td>2015E</td>
<td>~19</td>
<td>+11,8%</td>
</tr>
</tbody>
</table>

Boats:
- 1999: n.a.
- 2006: ~1,0 CAGR +9,5% → ~1,2 CAGR -8,6% → ~0,7 CAGR +14,3% → ~0,8
Global boating market: overall retail value

Global boating market 2014
(Billions of €; Percentage)

- **New boating market**
  - New boats sales (2,5-30mt)
  - New superyachts sales (> 30mt)
  - New boating sales 2014

- **Pre-owned boating market**
  - Pre-owned boats sales (2,5-30mt)
  - Pre-owned superyachts sales (> 30mt)
  - Pre-owned sales 2014

- **Ancillary boating markets**
  - Boating sales 2014
  - Superyachts charter sales (> 24mt)
  - Refit & Repairs sales

Overall market 2014

<table>
<thead>
<tr>
<th>Category</th>
<th>Break</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>New boats sales (2,5-30mt)</td>
<td>44,2%</td>
<td>14,1</td>
</tr>
<tr>
<td>New superyachts sales (&gt; 30mt)</td>
<td>9,0%</td>
<td>2,9</td>
</tr>
<tr>
<td>New boating sales 2014</td>
<td><strong>53,2%</strong></td>
<td>17,0</td>
</tr>
<tr>
<td>Pre-owned boats sales (2,5-30mt)</td>
<td>35,7%</td>
<td>2,6</td>
</tr>
<tr>
<td>Pre-owned superyachts sales (&gt; 30mt)</td>
<td>8,1%</td>
<td>11,4</td>
</tr>
<tr>
<td>Pre-owned sales 2014</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boating sales 2014</td>
<td><strong>97,0%</strong></td>
<td>31,0</td>
</tr>
<tr>
<td>Superyachts charter sales (&gt; 24mt)</td>
<td>1,5%</td>
<td></td>
</tr>
<tr>
<td>Refit &amp; Repairs sales</td>
<td>1,5%</td>
<td></td>
</tr>
<tr>
<td>Overall market 2014</td>
<td><strong>100,0%</strong></td>
<td>31,9</td>
</tr>
</tbody>
</table>
Global boating production: countries share analysis

Boating production share 2014 by product segment
(Percentage; Billions of €)

Inboard
- Inflatable boats: 14,7%
- Outboard: 37,0%
- USA: 17,1%
- RoW: 4,1%
- Total: 100,0%

Outboard
- Inflatable boats: 0,8%
- Sailboats: 69,6%
- USA: 18,7%
- RoW: 0,5%
- Total: 100,0%

Sailboats
- Inflatable boats: 0,0%
- Outboard: 0,3%
- USA: 17,1%
- RoW: 0,7%
- Total: 100,0%

Inflatable boats
- Outboard: 0,2%
- Sailboats: 0,5%
- USA: 10,3%
- RoW: 7,1%
- Total: 100,0%

Total
- USA: 32,1%
- RoW: 9,9%
- Germany: 19,8%
- Italy: 10,0%
- Total: 100,0%
Superyachts market: retail sales trends

Evolution of superyacht sales market 2009-15
(Number of boats; 2009=100 Index)

<table>
<thead>
<tr>
<th></th>
<th>Volume 2015</th>
<th>CAGR 09-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-owned</td>
<td>233 boats</td>
<td>10.6%</td>
</tr>
<tr>
<td>HNWI</td>
<td>15.4M people</td>
<td>7.5%</td>
</tr>
<tr>
<td>New orders</td>
<td>130 boats</td>
<td>-8.8%</td>
</tr>
<tr>
<td>Deliveries</td>
<td>147 boats</td>
<td>-7.0%</td>
</tr>
</tbody>
</table>
Superyachts global order book: Deloitte 2016 estimation

Global order book 2016 – Deloitte estimation
(Percentage)

<table>
<thead>
<tr>
<th>Unit</th>
<th>LOA</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>295</td>
<td>15K/mt</td>
<td>8,7B€</td>
</tr>
<tr>
<td>7,5%</td>
<td>15,7%</td>
<td>36,5%</td>
</tr>
<tr>
<td>15,3%</td>
<td>22,1%</td>
<td>33,3%</td>
</tr>
<tr>
<td>10,8%</td>
<td>12,1%</td>
<td>8,7%</td>
</tr>
<tr>
<td>27,1%</td>
<td>23,8%</td>
<td>12,9%</td>
</tr>
<tr>
<td>39,3%</td>
<td>26,3%</td>
<td>8,6%</td>
</tr>
<tr>
<td>90mt+</td>
<td>65-90mt</td>
<td>51-65mt</td>
</tr>
<tr>
<td></td>
<td></td>
<td>41-50mt</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30-40mt</td>
</tr>
</tbody>
</table>
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• For any questions or further discussion, please contact

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The mission is to increase the competitiveness of the High-End industry, contributing to Italy’s economic and social growth.

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  - ALTAGAMMA HIGH END DESIGN MONITOR
  - TRUE GLOBAL LUXURY CONSUMER INSIGHT
  - DIGITAL LUXURY EXPERIENCE
  - FASHION & LUXURY INSIGHT
  - FOOD & HOSPITALITY INSIGHT
  - ALTAGAMMA RETAIL EVOLUTION
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  - ALTAGAMMA CONSENSUS FORECAST
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