FIDIA GROUP

CONSOLIDATED QUARTERLY REPORT

AS AT 31 MARCH 2013

(Translation from the Italian that is the original report. This translation has to be intended solely for the convenience of international readers)

Fidia S.p.A.
Registered office in San Mauro Torinese, corso Lombardia, 11
Paid-in share capital € 5.123.000
Enrolled on the Turin Companies Register
Tax Code/VAT number 05787820017
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Board of Directors
15 May 2013

BOARD OF DIRECTORS AND AUDITORS

Board of Directors

Chairman and Managing Director	Giuseppe Morfino (a)
Vice Chairman	Luigino Azzolin (b) (1) (2)
Managing Director	Paolo Morfino (c)
Directors	Guido Giovando (d) (1) (2)
	Luca Mastromatteo (d) (1) (2)
	Luca Morfino (d)
	Mariachiara Zanetti (e)

(a) Appointed Chairman at the Shareholders' Meeting on 28 April 2011 until the approval of the annual financial statements for 2013; appointed Managing Director by the Board of Directors on 28 April 2011.

(b) Appointed at the Shareholders' Meeting on 28 April 2011 until the approval of the annual financial statements for 2013; appointed Vice Chairman by the Board of Directors on 28 April 2011; appointed Lead Indipendent Director by the Board of Directors on 15 March 2012.

(c) Appointed at the Shareholders' Meeting on 28 April 2011 until the approval of the annual financial statements for 2013; appointed Managing Director by the Board of Directors on 28 April 2011.

(d) Appointed at the Shareholders' Meeting on 28 April 2011 until the approval of the annual financial statements for 2013.

(e) Appointed at the Shareholders' Meeting on 27 April 2012 until the approval of the annual financial statements for 2013.

(1) Member of the Compensation Committee.
(2) Member of the Internal Control Committee.

Board of Statutory Auditors (*)

Statutory Auditors	Roberto Panero – President (**)
	Giovanni Rayneri
	Michela Rayneri
Alternate Auditors	Marcello Rabbia
	Luca Bolognesi (**)

(*) Appointed at the Shareholders' Meeting on 28 April 2011 until the approval of the annual financial statements for 2013.
(**) Appointed at the Shareholders' Meeting on 27 April 2012 until the approval of the annual financial statements for 2013.

Independent Auditors (***) Reconta Ernst&Young S.p.A.

(***)Appointed at the Shareholders' Meeting on 27 April 2012 for the nine-year period 2012-2020.

CHAIRMAN, VICE CHAIRMAN AND MANAGING DIRECTORS' POWERS

Chairman and Managing Director: Giuseppe Morfino

He is the company's legal representative in respect of third parties and the courts, with sole signing authority, to exercise the fullest powers of ordinary and extraordinary administration, with the power to appoint and to dismiss special proxy-holders for single operations or Groups of operations, with the sole exclusion of the powers and rights expressly reserved to the Board of Directors under the law or the company's Bylaws. The Board of Directors retains the following powers:

- purchase, disposal and conferment of equity investments;
- disposal, conferment and/or lease of the company or any units thereof;
- purchase of companies or units of companies;
- purchase and/or disposal of real estate and/or tangible rights and/or rights of way thereto;
- registration of mortgages on corporate property;
- definition of Company strategies connected with purchases/disposal of equity investments, business units and real estate.

Vice Chairman: dott. Luigino Azzolin

He is the company's legal representative in respect of third parties in the case of absence of the Chairman.

Managing Director: ing. Paolo Morfino

He is the company's legal representative in respect of third parties and the courts, with sole signing authority, to exercise the fullest powers of ordinary and extraordinary administration, with the power to appoint and to dismiss special proxy-holders for single operations or Groups of operations, with the sole exclusion of the powers and rights expressly reserved to the Board of Directors under the law or the company's Bylaws. The Board of Directors retains the following powers:

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- registration of mortgages on corporate property;
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FIDIA GROUP STRUCTURE

FIDIA S.p.A.
Italy

FIDIA GmbH Germany	Beijing Fidia M. & E. Co. China
100% Fidia S.p.A.	92% Fidia S.p.A. 4% Bamtri - 4% Catic
FIDIA S.a.r.l. France	Shenyang Fidia NC & M Co. Ltd. China
93.19% Fidia S.p.A. 6.81% Fidia GmbH	51% Fidia S.p.A. 49% Shenyang M.T. Co. Ltd.
FIDIA IBERICA S.A. Spain	FIDIA INDIA Private Ltd. India
99,993% Fidia S.p.A 0,007% others	99,99% Fidia S.p.A. 0,01% others
FIDIA Co. USA	OOO FIDIA Russia
100% Fidia S.p.A.	100% Fidia S.p.A.
FIDIA DO BRASIL Ltda Brazil	
99.75% Fidia S.p.A. 0.25% others	

FIDIA GROUP

RICLASSIFIED FINANCIAL STATEMENTS

AS AT 31 MARCH 2013

Reclassified consolidated profit and loss statement

(thousand euros)	1st Quarter 2013	%	1st Quarter 2012	%
Net revenues	**4.090**	**100%**	**9.378**	**100%**
Change in finished goods and W.I.P. stock	2.927	71,6%	1.341	14,3%
Other operating revenues	643	15,7%	940	10,0%
Value of production	**7.660**	**187,3%**	**11.659**	**124,3%**
Raw materials and consumables	(2.814)	-68,8%	(4.091)	-43,6%
Commissions, transport and subcontractors	(952)	-23,3%	(1.302)	-13,9%
Other services and operating costs	(2.185)	-53,4%	(2.144)	-22,9%
Added value	**1.709**	**41,8%**	**4.122**	**44,0%**
Personnel costs	(4.041)	-98,8%	(3.958)	-42,2%
Gross operating margin (EBITDA)	**(2.332)**	**-57,0%**	**164**	**1,7%**
Allocation to provision for doubtful accounts	(27)	-0,7%	(51)	-0,5%
Depreciation and amortization	(120)	-2,9%	(139)	-1,5%
Operating margin (EBIT)	**(2.479)**	**-60,6%**	**(26)**	**-0,3%**
Net financial income (expenses)	(93)	-2,3%	(12)	-0,1%
Profit (loss) on exchange rates	(23)	-0,6%	63	0,7%
Margin before taxes (EBT)	**(2.595)**	**-63,4%**	**25**	**0,3%**
Income taxes (current and deferred)	16	0,4%	(262)	-2,8%
Net income (loss) for the accounting period	**(2.579)**	**-63,1%**	**(237)**	**-2,5%**
- (Income)/Loss attributable to minority interest shareholders	(56)	-1,4%	70	0,7%
- Income/(Loss) attributable to the Group	**(2.523)**	**-61,7%**	**(307)**	**-3,3%**

Reclassified consolidated statement of financial position

(thousand euros)	31/03/2013	31/12/2012	30/06/2012	31/03/2012
Property, plant and equipment	1.700	1.685	1.789	1.855
Intangible fixed assets	235	200	211	198
Investments	16	16	16	16
Other financial assets	2.239	2.105	2.120	2.321
Fixed assets – (A)	**4.190**	**4.006**	**4.136**	**4.390**
Net trade receivables	8.501	11.943	9.736	10.831
Inventory	23.772	19.910	25.005	21.834
Other current assets	1.374	1.324	1.987	2.842
Current assets – (B)	**33.647**	**33.177**	**36.728**	**35.507**
Supplier payables	(9.073)	(9.237)	(11.275)	(11.055)
Other current liabilities	(12.213)	(11.300)	(16.728)	(14.676)
Current liabilities – (C)	**(21.286)**	**(20.537)**	**(28.003)**	**(25.731)**
Net working capital (D) = (B+C)	**12.361**	**12.640**	**8.725**	**9.776**
Provision for employee severance indemnities (E)	(2.307)	(2.335)	(2.401)	(2.436)
Other long-term liabilities (F)	(160)	(168)	(285)	(257)
Net invested capital (G) = (A+D+E+F)	**14.084**	**14.143**	**10.175**	**11.473**
Financial position				
Financial assets available for sale	-	-	-	-
Bank deposits and cash	(9.248)	(10.379)	(10.703)	(10.265)
Short-term loans	8.335	6.902	5.695	6.656
Current financial position	**(913)**	**(3.477)**	**(5.008)**	**(3.309)**
Long-term loans, net of current portion	2.540	2.782	833	945
Net financial position (H)	**1.627**	**(695)**	**(4.175)**	**(2.664)**
Share capital	5.123	5.123	5.123	5.123
Reserves	7.119	6.948	7.182	6.831
Net income (loss) for the accounting period attributable to the Group	(2.523)	(45)	(471)	(307)
Total shareholders' equity attributable to the Group	**9.719**	**12.026**	**11.834**	**11.647**
Shareholders' equity attributable to minority interests	2.738	2.812	2.516	2.490
Shareholders' equity (I)	**12.457**	**14.838**	**14.350**	**14.137**
Shareholders' equity and net financial position (L) = (H+I)	**14.084**	**14.143**	**10.175**	**11.473**

ANALYSIS OF OPERATING AND FINANCE PERFORMANCE OF THE GROUP

Profit and loss

Revenues

In the 1st Q 2013 the Group has reached revenues for 4.090 thousand euros, in comparison with 9.378 thousand euros in the same period 2012.

The electronic sector (CNC) and the after sale service sector have both reported a revenue increase respectively by 15,1% (642 thousand euros vs 558 thousand euros in the 1st Q 2012) and by 9,0% (2.331 thousand euros vs 2.139 thousand euros in the 1st Q 2012); on the other side the high speed milling machines sector (HSM) has reported a turnover decrease by 83,3%. This variation is mainly due to a production plan that between the end of the FY 2012 and the 1st Q 2013 foresees the production of some important machines with very high technological content and consequently with a longer production time. The management expects a recovery in term of revenue within the first half of the year and a realignment with the first half of 2012.

The revenues trend per business lines is shown below:

(thousand euros)	1st Quarter 2013	%	1st Quarter 2012	%	Change %
Numerical controls, drives and software	642	15,7%	558	6,0%	15,1%
High-speed milling systems	1.117	27,3%	6.681	71,2%	-83,3%
After-sales service	2.331	57,0%	2.139	22,8%	9,0%
Total revenues	**4.090**	**100%**	**9.378**	**100%**	**-56,4%**

The turnover per geographic area is shown below:

(thousand euros) GEOGRAPHIC AREA	NUMERICAL CONTROLS AND SOFTWARE 1st QUARTER 2013	%	NUMERICAL CONTROLS AND SOFTWARE 1st QUARTER 2012	%	Change %
ITALY	217	33,8%	68	12,2%	219,1%
EUROPE	304	47,4%	221	39,6%	37,6%
ASIA	44	6,9%	144	25,8%	-69,4%
NORTH and SOUTH AMERICA	43	6,7%	45	8,1%	-4,4%
REST OF THE WORLD	34	5,3%	80	14,3%	-57,5%
TOTAL	**642**	**100%**	**558**	**100%**	**15,1%**

(thousand euros) GEOGRAPHIC AREA	HIGH-SPEED MILLING SYSTEMS 1st QUARTER 2013	%	HIGH-SPEED MILLING SYSTEMS 1st QUARTER 2012	%	Change %
ITALY	13	1,2%	772	11,6%	-98,3%
EUROPE	558	50,0%	1.377	20,6%	-59,5%
ASIA	546	48,9%	3.595	53,8%	-84,8%
NORTH and SOUTH AMERICA	-	-	937	14,0%	-100,0%
REST OF THE WORLD	-	-	-	-	-
TOTAL	**1.117**	**100%**	**6.681**	**100%**	**-83,3%**

(thousand euros) GEOGRAPHIC AREA	AFTER SALES SERVICE 1st QUARTER 2013	%	AFTER SALES SERVICE 1st QUARTER 2012	%	Change %
ITALY	355	15,2%	393	18,4%	-9,7%
EUROPE	766	32,9%	698	32,6%	9,7%
ASIA	381	16,3%	318	14,9%	19,8%
NORTH and SOUTH AMERICA	644	27,6%	522	24,4%	23,4%
REST OF THE WORLD	185	7,9%	208	9,7%	-11,1%
TOTAL	**2.331**	**100%**	**2.139**	**100%**	**9,0%**

(thousand euros) GEOGRAPHIC AREA	TOTALE FATTURATO 1st QUARTER 2013	%	TOTALE FATTURATO 1st QUARTER 2012	%	Change %
ITALY	585	14,3%	1.233	13,1%	-52,6%
EUROPE	1.628	39,8%	2.296	24,5%	-29,1%
ASIA	971	23,7%	4.057	43,3%	-76,1%
NORTH and SOUTH AMERICA	687	16,8%	1.504	16,0%	-54,3%
REST OF THE WORLD	219	5,4%	288	3,1%	-24,0%
TOTAL	**4.090**	**100%**	**9.378**	**100%**	**-56,4%**

Numerical Control and software (CNC)

The revenues of the electronic sector show an increase by 15,1% in comparison with the 1st Q 2012 and reach 642 thousand euros vs 558 thousand euros in the same period of the last year.

The revenues increase is mainly due to the domestic market where the turnover is almost three times Q to Q and reaches 217 thousand euros, and to the other European markets, +37,6% at 304 thousand euros. All the other markets are down.

High Speed Milling System (HSM)

The revenues of this business line are definitely down in comparison with the same period of the preceding year (-83,3%) and reach 1.117 thousand euros vs 6.681 thousand euros in the 1st Q 2012. The revenues decrease is due on one side to the complexity of some orders foreseen in the production plan and on the other side to some delay related to some customers temporarily unable to receive the delivery of the machines. On the contrary, both the order acquisition and the back-log, even if down as will be explained better below, keep on being at an acceptable level.

In the 1st Q only 3 milling machines have been delivered and accepted by the final users, in comparison with 14 in the same period 2012, but the production in progress is higher than the same period of last year.

All the markets where the Group operates show a decrease in comparison with the 1st Q 2012.

After-sales service

The Service division comprises the revenues resulting from after-sales technical service, the sale of spare parts and the scheduled maintenance contracts. Also the 1st Q 2013 has confirmed the increasing trend already experienced in this business area since long and the revenues have been 2.331 thousand euros, so a growth by 9% in comparison with 2.139 thousand euros in the 1st Q 2012.

Under a geographical point of view, the European area grows overall by approx. 2,7% due to the joint effect of a revenues decrease in Italy (-9,7%), more than compensated by an increase (+9,7%) in the other countries. Very satisfactory the performance in Asia (+19,8%) and in the North and South America (+23,4%), whilst the Rest of the World slightly decreases (-11,1%, but it represents only 23 thousand euros in terms of lower turnover).

Sales and marketing activity

The following tables show the book order and the order collection in the two compared periods in the electronic sector (CNC) and the high speed milling machine sector (HSM).

With reference to the Service sector the commercial data (order entry and back log order) will not be shown because they almost match with the revenues as the time to fulfill the intervention requests is very short.

(thousand euros)	**NUMERICAL CONTROLS AND SOFTWARE 1st Quarter 2013**	**NUMERICAL CONTROLS AND SOFTWARE 1st Quarter 2012**	**Change %**
Order backlog as at 1/1	414	553	-25,1%
New orders	**1.138**	**1.770**	-35,7%
Sales	(642)	(558)	15,1%
Order backlog as at 31/3	**910**	**1.765**	**-48,4%**

(thousand euros)	HIGH-SPEED MILLING SYSTEMS 1st Quarter 2013	HIGH-SPEED MILLING SYSTEMS 1st Quarter 2012	Change %
Order backlog as at 1/1	21.244	30.478	-30,3%
New orders	**5.847**	**12.012**	-51,3%
Sales	(1.117)	(6.681)	-83,3%
Order backlog as at 31/3	**25.974**	**35.809**	**-27,5%**

(thousand euros)	TOTAL 1st Quarter 2013	TOTAL 1st Quarter 2012	Change %
Order backlog as at 1/1	21.658	31.031	-30,2%
New orders	**6.985**	**13.782**	**-49,3%**
Sales	(1.759)	(7.239)	-75,7%
Order backlog as at 31/3	**26.884**	**37.574**	**-28,5%**

The order back-log is lower than the 1st Q 2012 in both the business lines (-28,5% at 26,9 million euros).

Orders collection per business sector and geographic area follows:

(thousand euros) GEOGRAPHIC AREA	NUMERICAL CONTROLS AND SOFTWARE 1st QUARTER 2013	%	NUMERICAL CONTROLS AND SOFTWARE 1st QUARTER 2012	%	Change %
ITALY	251	22,1%	170	9,6%	47,6%
EUROPE	438	38,5%	478	27,0%	-8,4%
ASIA	313	27,5%	925	52,3%	-66,2%
NORTH and SOUTH AMERICA	93	8,2%	-	-	-
REST OF THE WORLD	43	3,8%	197	11,1%	-78,2%
TOTAL	**1.138**	**100%**	**1.770**	**100%**	**-35,7%**

(thousand euros) GEOGRAPHIC AREA	HIGH-SPEED MILLING SYSTEMS 1st QUARTER 2013	%	HIGH-SPEED MILLING SYSTEMS 1st QUARTER 2012	%	Change %
ITALY	505	8,6%	851	7,1%	-40,7%
EUROPE	1.363	23,3%	1.177	9,8%	15,8%
ASIA	3.930	67,2%	9.045	75,3%	-56,6%
NORTH and SOUTH AMERICA	49	0,8%	939	7,8%	-94,8%
REST OF THE WORLD	-	-	-	-	-
TOTAL	**5.847**	**100%**	**12.012**	**100%**	**-51,3%**

(thousand euros) GEOGRAPHIC AREA	TOTAL ORDERS 1st QUARTER 2013	%	TOTAL ORDERS 1st QUARTER 2012	%	Change %
ITALY	756	10,8%	1.021	7,4%	-26,0%
EUROPE	1.801	25,8%	1.655	12,0%	8,8%
ASIA	4.243	60,7%	9.970	72,4%	-57,4%
NORTH and SOUTH AMERICA	142	2,0%	939	6,8%	-84,9%
REST OF THE WORLD	43	0,6%	197	1,4%	-78,2%
TOTAL	**6.985**	**100%**	**13.782**	**100%**	**-49,3%**

Numerical Control and software (CNC)

The orders acquisition in the 1st Q in this business line is down by 35,7% in comparison with the same period of the last year (1.138 thousand euros vs 1.770 thousand euros in the same period 2012).

The decrease in the orders entry was seen in all the geographical areas in which the Group operates. The only exception is represented by the Italian market that reports a very good commercial performance with a growth higher than 47%.

High Speed Milling System (HSM)

The HSM business line shows in the 1st Q 2013 a decrease of the order entry by 51,3% in comparison with the same period of the last year. The new orders amount to 5.847 thousand euros (12.012 thousand euros in the 1st Q 2012), but in the comparison Q to Q must be kept in consideration that in the 1st Q 2012 the orders collection reached a level close to the maximum ever achieved by the Group.

The geographical areas that have been most affected by the slowdown are North and South America, where the sales have been almost zero and Asia (-56,6%). In Europe the overall decrease is limited (approx. -7,9%) because of a slowdown on the Italian market, partially compensated by an increase in the other country of this area.

The order book as at 31 March 2013 per business sector and geographic area is detailed below:

(thousand euros) GEOGRAPHIC AREA	NUMERICAL CONTROLS AND SOFTWARE 31/3/2013	%	NUMERICAL CONTROLS AND SOFTWARE 31/3/2012	%	Change %
ITALY	164	18,0%	234	13,3%	-29,9%
EUROPE	396	43,5%	385	21,8%	2,9%
ASIA	286	31,4%	943	53,4%	-69,7%
NORTH and SOUTH AMERICA	50	5,5%	43	2,4%	16,3%
REST OF THE WORLD	14	1,5%	160	9,1%	-91,3%
TOTAL	**910**	**100%**	**1.765**	**100%**	**-48,4%**

(thousand euros) GEOGRAPHIC AREA	HIGH-SPEED MILLING SYSTEMS 31/3/2013	%	HIGH-SPEED MILLING SYSTEMS 31/3/2012	%	Change %
ITALY	1.123	4,3%	1.639	4,6%	-31,5%
EUROPE	6.206	23,9%	3.889	10,9%	59,6%
ASIA	16.436	63,3%	24.696	68,9%	-33,4%
NORTH and SOUTH AMERICA	2.209	8,5%	5.585	15,6%	-60,4%
REST OF THE WORLD	-	-	-	-	-
TOTAL	**25.974**	**100%**	**35.809**	**100%**	**-27,5%**

(thousand euros) GEOGRAPHIC AREA	TOTAL BACKLOG 31/3/2013	%	TOTAL BACKLOG 31/3/2012	%	Change %
ITALY	1.287	4,8%	1.873	5,0%	-31,3%
EUROPE	6.602	24,6%	4.274	11,4%	54,5%
ASIA	16.722	62,2%	25.639	68,2%	-34,8%
NORTH and SOUTH AMERICA	2.259	8,4%	5.628	15,0%	-59,9%
REST OF THE WORLD	14	0,1%	160	0,4%	-91,3%
TOTAL	**26.884**	**100%**	**37.574**	**100%**	**-28,5%**

Other operating revenues

The other operating revenues of the 1st Q 2013 have been 643 thousand euros (940 thousand euros in the same period 2012). This figure includes the other incomes coming from the ordinary activity, but that cannot be included in the typical sale of goods and services.

This figure includes:

- grants provided by EU and Italy's Ministry of University (MUR) to Fidia S.p.A. on research and development activity and grants provided by the local government in Shenyang (China) to the subsidiary Shenyang Fidia NC & M Co. Ltd. (321 thousand euros, 743 thousand euros as at 31 March 2012);
- the release of the warranty provision and the bad debts provision for the part over accrued in comparison with the risk to be covered (198 thousand euros; 90 thousand euros as at 31 March 2012);
- increase of tangible assets own built for 43 thousand euros (15 thousand euros as at 31 March 2012);
- recovery of costs, extraordinary income, income on disposal of property, plant and equipment and other sundry incomes (81 thousand euros; 92 thousand euros in the same period of the last year).

Value of production

The value of production reports a decrease in comparison with 2012 (-3.999 thousand euros), mainly because of the lower turnover and lower "Other operating revenues" only partially compensated by an higher change in stock of finished products and wip.

Other services and operating costs

This item amounts in the 1st Q 2013 to 2.185 thousand euros, in line with 2.144 thousand euros in the same period 2012.

Added value

The added value amounts to 1.709 thousand euros, down in comparison with the same period 2012 (4.122 thousand euros).

Personnel

The following tables show the workforce average trend and cost of labour.

	1st Quarter 2013	1st Quarter 2012	Abs. change	Change %
Executives	9	10	-1	-10%
Clerks and supervisors	297	298	-1	-0,3%
Workers	41	34	7	20,6%
Total number of employees	347	342	5	1,5%
Total average number of employees	344,0	342,5	1,5	0,4%

	1st Quarter 2013	1st Quarter 2012	Abs. change	Change %
Cost of labour (thousand euros)	4.041	3.958	83	2,1%

The cost of labour shows an increase by 83 thousand euros compared to the same period of the last year (+2,1%).

Gross operating margin (EBITDA)

The gross operating margin is negative (2.332 thousand euros) vs a positive result in the 1st Q 2012 (164 thousand euros). The worsening is affected by the very low level of revenues that did not allow to the coverage of overheads.

Operating margin (EBIT)

The operating margin is a loss of 2.479 thousand euros compared to a loss of 26 thousand euros in the same period of the last year.

Earning before tax (EBT)

The net financial charge as at 31 March 3013 amounts, on its whole, to 116 thousand euros instead of a net income by 51 thousand euros as at 31 March 2012; the worsening is due to a different net financial position in the two compared periods and to a different trend in the currency figures.
As a consequence of that, the result before tax is a loss by 2.595 thousand euros, in comparison with a profit by 25 thousand euros in the same period of last year.

Net consolidated result

The net consolidated result is a loss by 2.579 thousand euros (2.523 thousand euros attributable to the Group) compared to a loss by 237 thousand euros (307 thousand euros attributable to the Group) in the 1st Q 2012.

Analysis of the financial data

Net financial position

(thousand euros)	31/03/2013	31/12/2012	30/06/2012	31/03/2012
Financial position				
Financial assets available for sale	-	-	-	-
Bank deposits and cash	9.248	10.379	10.703	10.265
Short-term loans	(8.335)	(6.902)	(5.695)	(6.656)
Current financial position	**913**	**3.477**	**5.008**	**3.609**
Long-term loans, net of current portion	(2.540)	(2.782)	(833)	(945)
Net financial position	**(1.627)**	**695**	**4.175**	**2.664**

The detail of assets and liabilities inside the net financial position follows:

(thousand euros)	31/03/2013	31/12/2012	30/06/2012	31/03/2012
FINANCIAL ASSETS AVAILABLE FOR SALE	**-**	**-**	**-**	**-**
BANK DEPOSITS AND CASH				
Fidia S.p.A.	3.796	3.879	4.238	4.218
Fidia Co.	398	651	726	676
Fidia GmbH	446	491	1.023	683
Fidia Iberica S.A.	408	523	332	302
Fidia S.a.r.l.	141	666	189	77
Beijing Fidia Machinery & Electronics Co.,Ltd.	2.720	3.312	3.682	3.431
Fidia do Brasil Ltda.	13	27	29	68
Shenyang Fidia NC & M Co. Ltd.	1.325	829	464	798
OOO Fidia	-	-	-	-
Fidia Sp.zo.o.	N/A	N/A	18	10
Fidia India Private Ltd.	1	1	2	2
	9.248	**10.379**	**10.703**	**10.265**
TOTAL CASH AND EQUIVALENTS	**9.248**	**10.379**	**10.703**	**10.265**

(thousand euros)	31/03/2013	31/12/2012	30/06/2012	31/03/2012
SHORT-TERM LOANS				
Fidia S.p.A.	(8.316)	(6.882)	(5.683)	(6.641)
Fidia GmbH	(10)	(10)	-	-
Fidia Co.	(1)	(2)	(4)	(4)
Fidia Iberica S.A.	(8)	(8)	(8)	(11)
	(8.335)	**(6.902)**	**(5.695)**	**(6.656)**

(thousand euros)	31/03/2013	31/12/2012	30/06/2012	31/03/2012
LONG-TERM LOANS, NET OF CURRENT PORTION				
Fidia S.p.A.	(2.523)	(2.763)	(833)	(936)
Fidia GmbH	(17)	(19)	-	-
Fidia Co.	-	-	-	(1)
Fidia Iberica S.A.	-	-	-	(8)
	(2.540)	**(2.782)**	**(833)**	**(945)**
TOTAL LOANS	**(2.540)**	**(9.684)**	**(6.528)**	**(7.601)**

As at 31 March 2013 the net financial position is a debit by 1.627 thousand euros. The decrease in comparison with 31 December 2012 is due to the loss of the period and to the high production level that, having not been yet reflected in revenues, has led to an increase of stock.

The following table contains a summary of the cash flow statement as at 31 March 2013 showing the cash flows composing the net financial position.

CONSOLIDATED CONDENSED CASH FLOW STATEMENT

(thousand euros)	1st Quarter 2013	Year 2012	1st Quarter 2012
A) Cash and cash equivalents at the beginning of the period	**4.694**	**7.051**	**7.051**
B) Cash from/(used in) operating activities during the period	**(2.360)**	**(4.142)**	**(2.297)**
C) Cash from/(used in) investing activities	**(152)**	**(297)**	**(61)**
D) Cash from/(used in) financing activities	**97**	**2.226**	**90**
Currency translation differences	280	(144)	(243)
E) Net change in cash and cash equivalents	**(2.135)**	**(2.357)**	**(2.511)**
F) Cash and cash equivalents at the end of the period	**2.559**	**4.694**	**4.540**
Breakdown of cash and cash equivalents:			
Cash and cash equivalents	9.248	10.379	10.265
Bank overdraft	(6.689)	(5.685)	(5.725)
	2.559	4.694	4.540

Reconciliation of the Parent Company's shareholders' equity and net income or loss with those of the Group

In compliance with the Consob Communication dated 28 July 2006, the following table provides the reconciliation of the Group's net income or loss and shareholders' equity as at 31 March 2013 (excluding minority interests) with those of the parent company Fidia S.p.A. (in thousand euros).

	Shareholders' equity 31.12.2012	Change in S.E. 2013	Net income (loss) 31.03.2013	Shareholders' equity 31.03.2013
Financial Statements of Fidia S.p.A.	**8.733**	**3**	**(801)**	**7.935**
Consolidation adjustments:				
* Elimination of carrying value of equity investments	10.587	(73)	(326)	10.188
* Translation differences	730	297	-	1.027
* Dividends received by Fidia S.p.A.	(8.846)	-	(1.105)	(9.951)
* Write-downs of equity investments (2005, 2006, 2008 and 2010)	3.793	-	-	3.793
* Write-downs/(revaluations) of investments (2009)	(666)	-	-	(666)
* Write-downs/(revaluations) of investments (2012)	(1.848)	-	-	(1.848)
* Elim. of capital gain conferment and depreciation	(141)	-	14	(127)
* Elimination of infra-Group profits 2012	(348)	-	348	-
* Elimination of infra-Group profits 2013	-	-	(674)	(674)
* Deferred tax assets on infra-Group profits	14	-	12	26
* Other adjustments	12	-	9	21
* Exchange rate differences on infra-Group transactions	6	(11)	-	(5)
Consolidated Financial Statements (attributable to the Group)	**12.026**	**216**	**(2.523)**	**9.719**

SEGMENT REPORTING

Earnings performance by business sector

The following table shows earning performance broken down by business segment. The Group data are presented broken down into three sectors: Numerical Controls - CNC -, High Speed Milling Machines - HSM - and Service.

The items that cannot be classified as CNC, HSM or SERVICE are reported in the last column of the income statement; these items are mainly general and administrative costs, advertising costs, promotion and exhibitions for the benefit of all the business lines.

Inter-segment revenues consist of numerical controls, electrical control panels, drives and systems transferred from the electronics segment to the milling systems segment and of mechanical components and milling heads provided to the electronics segment for specific applications.

CONSOLIDATED INCOME STATEMENT per business sector

Quarterly figures (thousand euros)	CNC 2013	% 	HSM 2013	% 	SERVICE 2013	% 	Unall. 2013	TOTAL 2013
Revenues	**642**	**79,2%**	**1.117**	**97,6%**	**2.331**	**100,0%**	**-**	**4.090**
Intersegment revenues	**169**	**20,8%**	**27**	**2,4%**	**-**	**0,0%**	**-**	
Total revenues	**811**	**100,0%**	**1.144**	**100,0%**	**2.331**	**100,0%**	**-**	**4.090**
Change in finished goods & W.I.P stock	119	14,7%	2.800	244,8%	8	0,3%	-	2.927
Raw materials and consumables	(351)	-43,3%	(2.169)	-189,6%	(243)	-10,4%	(51)	(2.814)
Intersegment costs	**(28)**	**-3,5%**	**(322)**	**-28,1%**	**122**	**5,2%**	**32**	
Commissions, transport and subcontractors	(188)	-23,2%	(690)	-60,3%	(74)	-3,2%	-	(952)
Other operating revenues	289	35,6%	212	18,5%	60	2,6%	82	643
Other operating costs	(152)	-18,7%	(561)	-49,0%	(375)	-16,1%	(1.097)	(2.185)
Personnel costs	(883)	-108,9%	(1.073)	-93,8%	(1.116)	-47,9%	(969)	(4.041)
Depreciation and amortization	(18)	-2,2%	(63)	-5,5%	(2)	-0,1%	(64)	(147)
Operating income (loss)	**(401)**	**-49,4%**	**(722)**	**-63,1%**	**711**	**30,5%**	**(2.067)**	**(2.479)**

Quarterly figures (thousand euros)	CNC 2012	% 	HSM 2012	% 	SERVICE 2012	% 	Unall. 2012	TOTAL 2012
Revenues	**558**	**58,2%**	**6.681**	**100,0%**	**2.139**	**100,0%**	**-**	**9.378**
Intersegment revenues	**401**	**41,8%**	**-**	**0,0%**	**-**	**0,0%**	**-**	
Total revenues	**959**	**100,0%**	**6.681**	**100,0%**	**2.139**	**100,0%**	**-**	**9.378**
Change in finished goods & W.I.P stock	192	20,0%	1.051	15,7%	98	4,6%	-	1.341
Raw materials and consumables	(379)	-39,5%	(3.441)	-51,5%	(226)	-10,6%	(45)	(4.091)
Intersegment costs	**8**	**0,8%**	**(465)**	**-7,0%**	**25**	**1,2%**	**31**	
Commissions, transport and subcontractors	(184)	-19,2%	(1.054)	-15,8%	(64)	-3,0%	(1)	(1.303)
Other operating revenues	640	66,7%	169	2,5%	66	3,1%	65	940
Other operating costs	(210)	-21,9%	(451)	-6,8%	(475)	-22,2%	(1.007)	(2.143)
Personnel costs	(943)	-98,3%	(1.121)	-16,8%	(990)	-46,3%	(904)	(3.958)
Depreciation and amortization	(20)	-2,1%	(83)	-1,2%	(10)	-0,5%	(77)	(190)
Operating income (loss)	**63**	**6,6%**	**1.286**	**19,2%**	**563**	**26,3%**	**(1.938)**	**(26)**

In the 1st Q 2013 the CNC sector has reported higher revenues to third parties and, at the same time, a decrease of the inter-segment revenues mainly represented by numerical control devices transferred to the HSM division to equip the milling machines sold to the customers. That has led to an overall decrease of the revenues, that moved from 959 to 811 thousand euros. In terms of operating margin, a worsening has been reported not only because of the revenues slowdown, but also because of lower “Other operating revenues”.

The 1st Q 2013 of the HSM sector has been characterized by a very low level of revenues (from 6.681 thousand euros to 1.144 thousand euros, inter-segment revenues included) that has deeply affected the operating margin.

Finally, the Service sector shows in the two compared periods a greater stability both in revenues (grown anyhow by 9% in comparison with the 1st Q 2012) and in operating profit that improves in terms of value and in terms of profitability.

SUMMARY OF THE GROUP PERFORMANCE, SIGNIFICANT EVENTS AND BUSINESS OUTLOOK

The 1st Q 2013 has been characterized by a turnover slowdown in the HSM division; the revenues decrease is not due to commercial issues, but it is mainly due to factors connected on one side to the manufacturing organization and on the other side to the need of some customers to delay the receipt of their milling machines.
In fact between the end of the FY 2012 and the 1st Q 2013 the Group has put into production a number of orders of important machines characterized by particularly sophisticated technological solutions and that consequently are subject to longer production and set-up times. The revenues should return to a normal level by the end of the 1st H of the year, when the management foresees to bridge the gap compared to the preceding year.
The other two divisions where the Group operates, CNC sector and Service sector, on the contrary have reported an improvements in revenues by, respectively, 15,1% and 9% and the management is confident that this increase will be reflected also in the accounts of the next Q.
On the commercial side, the order entry both in the HSM and CNC sectors, has reported a sort of stagnation in comparison with the same period of last year, but it must be kept in consideration that in the 1st Q 2012 the orders collection reached a level close to the maximum ever achieved by the Group.
The final back-log as at 31 March 2013 is consequently lower than 31 March 2012, but better than the end of the FY 2012 and amounts to 26,9 million euros (21,7 million as at 31 December 2012). This allows to maintain unchanged the targets for the current year.

On the behalf of the Board of Directors

The Chairman and Managing Director

Mr. Giuseppe Morfino

FIDIA GROUP

Consolidated Financial Statements

and

Notes

as at 31 March 2013

CONSOLIDATED PROFIT AND LOSS STATEMENTS

(thousand euros)	Notes	1st Quarter 2013	1st Quarter 2012
- Net sales	1	4.090	9.378
- Other operating revenues	2	643	940
Total revenues		**4.733**	**10.318**
- Change in finished goods and W.I.P. stock		2.927	1.341
- Raw materials and consumables	3	(2.814)	(4.091)
- Personnel costs	4	(4.041)	(3.958)
- Other operating costs	5	(3.137)	(3.446)
- Depreciation and amortization	6	(147)	(190)
Operating margin		**(2.479)**	**(26)**
- Financial income (expenses)	7	(116)	51
Margin before taxes		**(2.595)**	**25**
- Income taxes	8	**16**	**(262)**
Income/(loss) from continuing operations		**(2.579)**	**(237)**
Income/(Loss) from discontinued operations		**-**	**-**
Net income (loss) for the period		**(2.579)**	**(237)**
Income/(loss) attributable to :			
- Owners of the parent		**(2.523)**	**(307)**
- Non-controlling interests		**(56)**	**70**

(in euro)

Earnings per share	9	(0,49)	(0,06)
Diluted earnings per share	9	(0,49)	(0,06)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Thousand euros	1st Quarter 2013	1st Quarter 2012
Income/(loss) for the period (A)	**(2.579)**	**(237)**
Gains/(losses) on cash flow hedge	4	(4)
Gains/(losses) on exchange differences on translating foreign operations	379	(337)
Income tax relating to components of Other comprehensive income/(losses)	(1)	1
Total other comprehensive income/(losses), net of the tax effect (B)	**382**	**(340)**
Total comprehensive income/(loss) for the period (A)+(B)	**(2.197)**	**(577)**
Total comprehensive income/(loss) attributable to:		
Owners of the Parent	**(2.223)**	**(571)**
Non-controlling interests	**26**	**(6)**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(thousand euros)	Notes	31 March 2013	31 December 2012
ASSETS			
NON-CURRENT ASSETS			
- Property, plant and equipment	10	1.700	1.685
- Intangible fixed assets	11	235	200
- Investments	12	16	16
- Other non-current financial assets		-	-
- Other non-current receivables and assets	13	1.723	1.592
- Deferred tax assets	8	516	513
TOTAL NON-CURRENT ASSETS		**4.190**	**4.006**
CURRENT ASSETS			
- Inventory	14	23.772	19.910
- Trade receivables	15	8.501	11.943
- Current tax receivables	16	171	155
- Other current receivables and assets	16	1.201	1.149
- Other current financial assets	17	2	20
- Cash and equivalents	18	9.248	10.379
TOTAL CURRENT ASSETS		**42.895**	**43.556**
TOTAL ASSETS		**47.085**	**47.562**
LIABILITIES			
SHAREHOLDERS' EQUITY			
- Issued capital and reserves attributable to the owners of the parent		9.719	12.026
- Non-controlling interests		2.738	2.812
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY	19	**12.457**	**14.838**
NON-CURRENT LIABILITIES			
- Other non-current payables and liabilities	20	46	48
- Provision for employee severance indemnities	21	2.307	2.335
- Deferred tax liabilities	8	71	72
- Other non-current financial liabilities	22	43	48
- Non-current financial liabilities	23	2.540	2.782
TOTAL NON-CURRENT LIABILITIES		**5.007**	**5.285**
CURRENT LIABILITIES			
- Current financial liabilities	23	8.335	6.902
- Other current financial liabilities		-	-
- Trade payables	24	9.073	9.237
- Current tax liabilities	25	397	1.072
- Other current payables and liabilities	25	11.163	9.425
- Short-term provisions	26	653	803
TOTAL CURRENT LIABILITIES		**29.621**	**27.439**
TOTAL LIABILITIES		**47.085**	**47.562**

CONSOLIDATED CASH FLOW STATEMENT

(thousand euros)	1st Quarter 2013	1st Quarter 2012
A) Cash and cash equivalents at the beginning of the period	**4.694**	**7.051**
B) Cash from (used in) operating activities:		
- Net income/(loss) attributable to the Group and minorities	(2.579)	(237)
- Depreciation	120	139
- Net capital losses (gains) on the disposal of property, plant and equipment	-	(31)
- Net change in the provision for employee severance indemnities	(28)	(101)
- Net change in current and non-current provisions for risks	(150)	(41)
- Net change in deferred tax (assets) liabilities	(4)	72
- Dividends paid	(70)	-
Net change in working capital:		
- receivables	3.246	(419)
- inventory	(3.862)	(2.443)
- payables	967	764
	(2.360)	**(2.297)**
C) Cash from (used in) investing activities		
- Investments in:		
property, plant and equipment	(111)	(102)
intangible fixed assets	(41)	(27)
- Sale of:		
property, plant and equipment	-	66
investments	-	2
	(152)	**(61)**
D) Cash from (used in) financing activities		
- Change in loans	187	221
- Change in capital and reserves	(81)	(13)
- Change in portion attributable to minorities	(19)	(81)
- Net change in other current and non-current financial assets and liabilities	10	(37)
	97	**90**
Translation exchange differences	280	(243)
E) Net change in cash and cash equivalents	**(2.135)**	**(2.511)**
F) Cash and cash equivalents at the end of the period	**2.559**	**4.540**
Breakdown of cash and cash equivalents:		
Cash and cash equivalents	9.248	10.265
Overdraft current accounts	(6.689)	(5.725)
	2.559	4.540

STATEMENT OF CHANGES IN EQUITY

(thousand euros)	Share capital	Treasury shares	Capital reserves	Earning reserves	Cash flow hedge reserve	Translation reserve	Reserve actuarial gains/losses on employee benefit	Other reserves	Total shareholders' equity of Group	Non-controlling interests	Total shareholders' equity
Balance as at 31 December 2011	5.123	(45)	1.486	4.500	(12)	919	45	213	12.229	2.501	14.730
Total comprehensive income/(losses)				(307)	(3)	(261)			(571)	(6)	(577)
Other changes				(11)					(11)	(5)	(16)
Balance as at 31 March 2012	5.123	(45)	1.486	4.182	(15)	658	45	213	11.647	2.490	14.137
Balance as at 31 December 2012	5.123	(45)	1.240	4.708	(16)	769	34	213	12.026	2.812	14.838
Total comprehensive income/(losses)				(2.523)	3	297			(2.223)	26	(2.197)
Other changes				(84)					(84)	(100)	(184)
Balance as at 31 March 2013	5.123	(45)	1.240	2.101	(13)	1.066	34	213	9.719	2.738	12.457

Notes

MAIN ACTIVITIES

Fidia S.p.A. is a legal entity organized under the laws of the Republic of Italy. Fidia S.p.A. and its subsidiaries (the “Group”) operate in more than 20 countries.

Fidia S.p.A. is engaged in the manufacture of high speed milling machines, numerical control devices and the accessories, products, materials and components employed therein, including the associated software processes.

Fidia GmbH is involved in marketing and selling of numerical controls and milling machines and supplies after-sale technical support for all the Group’s products in Germany, Austria, Netherlands, the Czech Republic and the German-speaking Cantons of Switzerland.

Fidia S.a.r.l. markets and sells numerical controls and milling systems and provides after-sale technical support for all the Group’s products in France and Belgium.

Fidia Iberica S.A. sells numerical controls and milling systems and supplies after-sales technical support for all the Group’s products in Spain, Portugal and Mexico.

OOO Fidia: this company has been incorporated to cover the Russian market, but at today it is only partially operative.

Fidia do Brasil Ltda. sells numerical controls and milling systems and supplies after-sales technical support for all the Group’s products in Brazil and neighboring countries.

Beijing Fidia M&E Co. Ltd (Fidia Jve), sells numerical controls and milling systems and supplies after-sales technical support for all of the Group’s products in the People’s Republic of China and neighboring countries.

Shenyang Fidia NC & Machine Company Ltd is a company incorporated together with the biggest machine-tool builder in China - Shenyang Machine Tool Company Ltd. (SMTCL) that holds 49% of the share capital. This company produces and sells electronic components and high-speed milling systems.

Fidia India Private Ltd. carries commercial activity in India.

The Group headquarter and registered office is in San Mauro Torinese (Turin), Italy.

The Consolidated Financial Statements of Fidia Group is presented in euro, which is the accounting currency of the Parent Company, Fidia S.p.A.

SIGNIFICANT ACCOUNTING POLICIES

Accounting policies

This Quarterly Report as at 31 March 2013 has been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and adopted by the European Union. The designation "IFRS" also includes all currently valid International Accounting Standards ("IAS"), as well as all interpretations of the International Accounting Reporting Interpretations Committee ("IFRIC"), formerly the Standing Interpretations Committee ("SIC").

This Quarterly Report has been prepared in accordance with IAS 34 – *Interim Financial Reporting*, applying the same accounting principles and policies used in the preparation of the Consolidated Financial Statements at 31 December 2012, with the exception of the contents of the next paragraph "Accounting standards, amendments and interpretations applied since January 1st, 2013".

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent assets and liabilities at the date of the interim financial statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

Moreover, certain valuation procedures, in particular those of a more complex nature such as the determination of the impairment of non-current assets, are only carried out in full during the preparation of the annual financial statements, when all the information required is available, unless there are signs of impairment that require an immediate assessment of possible loss.

In the same way the actuarial valuations that are required for the determination of employee benefit provisions are usually only carried out during the preparation of the half-year and the annual financial statements.

The Group business activity and the sales trend are subject to a seasonal cycle.

Taxes have been determined on the basis of the best estimate of the average rate expected for the whole financial year.

Accounting principles, amendments and interpretations adopted from 1st January 2013

On 16 June 2011, the IASB issued an amendment to IAS 1 – *Presentation of Financial Statements* requiring companies to group items presented in other comprehensive income on the basis of whether they will potentially be reclassified subsequently to profit or loss. The amendment is applicable for periods beginning on or after 1 July 2012. The application of this amendment has not had any effect on this Quarterly Report.

On 16 June 2011, the IASB issued an amendment to IAS 19 – *Employee Benefits* applicable retrospectively for the year beginning 1 January 2013. The amendment modifies the requirements for recognizing defined benefit plans and termination benefits. The main changes concerning defined benefit plans regard the recognition of the entire plan deficit or surplus in the balance sheet, the introduction of net interest expense and the classification of net interest expense arising from defined benefit plans. In detail:

- Recognition of the plan deficit or surplus: the amendment removes the option of being able to defer actuarial gains and losses under the off balance sheet “corridor method”, requiring these to be recognized directly in Other comprehensive income. In addition, the amendment requires the immediate recognition of past service costs in profit and loss.
- Net interest expense: the concepts of interest expense and expected return on plan assets are replaced by the concept of net interest expense on the net plan deficit or surplus, which consists of:
  - the interest expenses calculated on the present value of the liability for defined benefit plans,
  - the interest income arising from the valuation of the plan assets, and
  - the interest expense or income arising from any limits to the recognition of the plan surplus.

  The interest expense is calculated for all above components by using the discount rate applied for valuing the obligation for defined benefit plans at the beginning of the period.
- Classification of net interest expense: in accordance with the new definition of net interest expense set out in the standard, net interest expense on defined benefit plans is recognized as Financial income/(expenses) in the income statement.

The application of this amendment has not had any effect on this Quarterly Report.

On 16 December 2011, the IASB issued certain amendments to IFRS 7 – *Financial Instruments: Disclosures*. The amendments require information about the effect or potential effect of netting arrangements for financial assets and liabilities on an entity’s financial position. Entities are required to apply the amendments for annual reporting periods beginning on or after 1 January 2013, and interim periods within those annual periods. The required disclosures should be provided retrospectively. The application of these amendments has had no effect on the Group.

On 17 May 2012, the IASB issued a set of amendments to IFRSs (“*Annual Improvements to IFRS’s – 2009-2011 Cycle*”) to be applied retrospectively from 1 January 2013; set out below are those that are applicable to the Group:

- IAS 16 – *Property, plant and equipment*: the amendment clarifies that item such as spare parts, stand-by equipment and servicing equipment shall be recognized in accordance with IAS 16 when they meet the definition of Property, plant and equipment, otherwise such items shall be classified as Inventory. The application of this amendment has not had any effect on this Quarterly Report.
- IAS 32 – *Financial instruments*: *Presentation:* the amendment eliminates an inconsistency between IAS 12 – *Income taxes* and IAS 32 concerning the recognition of taxation arising from distributions to shareholders, establishing that these shall be recognized in profit or loss to the extent the distribution refers to income generated by transactions originally recognized in profit or loss. The application of this amendment has not had any effect on this Quarterly Report.

On 12 May 2011, the IASB issued IFRS 13 – *Fair value measurement*, which clarifies the determination of fair value for the purpose of the financial statements and is applicable to all IFRS permitting or requiring a fair value measurement or the presentation of disclosures based on fair value. The standard is effective prospectively from 1 January 2013 and its adoption had no effect on this Quarterly Report.

Accounting principles, amendments and interpretations non yet applicable and not early adopted by the Group

On 12 May 2011, the IASB issued IFRS 10 – *Consolidated Financial Statements* (subsequently amended on 28 June 2012), replacing SIC-12 - *Consolidation: Special Purpose Entities* and parts of IAS 27 – C*onsolidated and Separate Financial Statements* (which has been renamed *Separate Financial Statements* and addresses the accounting treatment of investments in separate financial statements). The new standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included in the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The IASB requires retrospective application of the new standards from 1 January 2013. The European Union has completed its endorsement process, postponing the application date to 1 January 2014, but permitting early application from 1 January 2013.

On 12 May 2011, the IASB issued IFRS 11 – *Joint Arrangements* (subsequently amended on 28 June 2012) superseding IAS 31 – *Interests in Joint Ventures* and SIC 13 – *Jointly Controlled Entities: Non-monetary Contributions by Venturers.* The new standard provides the criteria for identifying joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form and requires the use of a single method to account for interests in jointly-controlled entities, the equity method. Following the issue of the new standard, IAS 28 – *Investments in Associates* has been amended to include accounting for investments in jointly-controlled entities in its scope of application (from the effective date of the standard). The IASB requires retrospective application of the new standard from 1 January 2013. The European Union has completed its endorsement process, postponing the application date to 1 January 2014, but permitting early application from 1 January 2013.

On 12 May 2011, the IASB issued IFRS 12 – *Disclosure of Interests in Other Entities* (subsequently amended on 28 June 2012), a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates, special purpose vehicles and other unconsolidated vehicles. The IASB requires retrospective application from 1 January 2013. The European Union has completed its endorsement process, postponing the application date to 1 January 2014, but permitting early application from 1 January 2013. The effects of applying the new standard are limited to the disclosures for investments in other companies to be provided in the Notes to year-end Consolidated financial statements.

On 16 December 2011, the IASB issued certain amendments to IAS 32 – *Financial Instruments: Presentation* to clarify the application of certain offsetting criteria for financial assets and financial liabilities in IAS 32. The amendments are effective for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively.

The European Union had not yet completed its endorsement process for these standards and amendments at the date of this Quarterly report:

- On 12 November 2009 the IASB issued IFRS 9 – *Financial Instruments* that was subsequently amended. The standard, having an effective date for mandatory adoption of 1 January 2015 retrospectively, represents the completion of the first part of a project to replace IAS 39 and introduces new requirements for the classification and measurement of financial assets and financial liabilities. The new standard uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial assets. The most significant effect of the standard regarding the classification and measurement of financial liabilities relates to the accounting for changes in fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss. Under the new standard these changes are recognized in Other comprehensive income and are not subsequently reclassified to the income statement.

Scope of consolidation

The scope of consolidation has not changed in comparison to the Consolidated Financial Statements as at 31 December 2012. The following table shows the companies falling within the consolidation area compared with the 31 December 2012 and the 31 March 2012 closing period:

Name / Registered office	Currency	Share capital	Equity ownership as at 31/3/2013	Equity ownership as at 31/12/2012	Equity ownership as at 31/3/2012
Fidia Gmbh, Dreiech - Germany	Euro	520.000	100%	100%	100%
Fidia Co, Troy - U.S.A.	USD	400.000	100%	100%	100%
Fidia Sarl, Emerainville – France	Euro	300.000	100%	100%	100%
Fidia Iberica S.A., Zamudio - Spain	Euro	180.300	99,993%	99,993%	99,993%
Fidia do Brasil Ltda, Sao Paulo - Brazil	Reais	400.843	99,75%	99,75%	99,75%
Beijing Fidia M&E Co Ltd., Beijing - China	USD	1.500.000	92 %	92 %	92 %
Shenyang Fidia NC & Machine Company Ltd., Shenyang – China	Rmb	42.517.648	51%	51%	51%
Fidia Sp. Zo.o., Warsaw - Poland	Zloty	515.000	N/A	N/A	80%
OOO Fidia, Mosca – Russian Federation	Ruble	3.599.790	100%	100%	100%
Fidia India Private Ltd. - Pune - India	Rupee	100.000	99,99%	99,99%	99,99%

COMPOSITION AND MAIN CHANGES

INCOME STATEMENT

1. NET SALES

An analysis of net sales to third parties (net of intra-Group transactions) by business sector follows:

(thousand euros)	1st Quarter 2013	%	1st Quarter 2012	%
Numerical controls, drives and software	642	15,7%	558	6,0%
High-speed milling systems	1.117	27,3%	6.681	71,2%
After-sales service	2.331	57,0%	2.139	22,8%
Total sales	4.090	100,0%	9.378	100,0%

The Group revenues on their whole decrease by 56,4% in the comparison Q to Q. The CNC sector and the Service sector have reported a revenue increase by 15,1% and by 9% respectively, while the HSM sector has reported a revenue decrease by 83,3%.

2. OTHER OPERATING REVENUES

The other operating revenues of the 1st Q 2013 have been 643 thousand euros (940 thousand euros in the same period 2012). This figure includes the other incomes coming from the ordinary activity, but that cannot be included in the typical sale of goods and services.

This figure includes:

- grants provided by EU and Italy's Ministry of University (MUR) to Fidia S.p.A. on research and development activity and grants provided by the local government in Shenyang (China) to the subsidiary Shenyang Fidia NC & M Co. Ltd. (321 thousand euros, 743 thousand euros as at 31 March 2012);
- the release of the warranty provision and the bad debts provision for the part over accrued in comparison with the risk to be covered (198 thousand euros; 90 thousand euros as at 31 March 2012);
- increase of tangible assets own built for 43 thousand euros (15 thousand euros as at 31 March 2012);
- recovery of costs, extraordinary revenues, income on disposal of property, plant and equipment and other sundry incomes (81 thousand euros; 92 thousand euros in the same period of the last year).

3. RAW MATERIALS AND CONSUMABLES

In the 1st Q 2013 the material consumption has been 2.814 thousand euros (4.091 thousand euros in the same period 2012) and is down as a consequence of the turnover decrease.

4. PERSONNEL COSTS

The personnel cost has been 4.041 thousand euros vs 3.958 thousand euros in the same period 2012 (+2,1%).

5. OTHER OPERATING COSTS

The other operating costs have been 3.137 thousand euros, lower than the same period of the last year (3.446 thousand euros). A detail follows:

- cost for services related to the turnover (subcontractors, transport, duties and commissions): 952 thousand euros vs 1.303 thousand euros in the same period 2012;
- production cost: 601 thousand euros vs 680 thousand euros in the same period 2012;
- sales and marketing cost: 237 thousand euros vs 160 thousand euros in the same period 2012;
- R&D expenses: 159 thousand euros vs 212 thousand euros in the same period 2012;
- general and administrative expenses: 1.188 thousand euros vs 1.091 thousand euros in the same period 2012.

6. DEPRECIATION AND AMORTIZATION

(thousand euros)	1st Quarter 2013	1st Quarter 2012
Amortization of intangible assets	15	14
Depreciation of property, plant and equipment	105	125
Bad debts	27	51
Total	147	190

7. FINANCIAL INCOMES AND EXPENSES

The financial incomes and expenses are detailed below:

(thousand euros)	1st Quarter 2013	1st Quarter 2012
Interest income from banks	11	30
Commercial interest and discounts	2	1
Gains on derivative financial instruments	1	47
Other financial income	6	10
Interest expenses on bank debt	(67)	(64)
Interest expenses on medium/long-term bank debt	(35)	(13)
Losses on derivative financial instruments	(4)	(20)
Other financial expenses	(7)	(3)
Gains (losses) due to exchange rate differences	(23)	63
Total financial income (expenses)	(116)	51

The balance of the financial incomes and expenses is negative by 116 thousand euros at the end of the 1st Q 2013 (positive by 51 thousand euros at the end of the 1st Q 2012). That balance includes:

- Interest receivables and payable whose net balance (net charge for 91 thousand euros) is worse in comparison with the same period of last year (net charge for 47 thousand euros) mainly because of an average different net financial position of the period;
- the *fair value* evaluation of the derivative contracts at the end of the 1st Q (some *forward* contract to cover the currency rate risk, one *interest rate swap* contract and two *interest rat cap* contracts to cover the interest rate risk on three medium-long term loan signed by the parent company Fidia S.p.A.) that generates net charge for approx. 3 thousand euros (net income for 27 thousand euros in the 1st Q 2012);
- income and loss on exchange on currency transactions, both already realized or coming from adjustments, for a net negative balance of 23 thousand euros (net positive balance by 63 thousand euros as at 31 March 2012);
- other sundry net income for 1 thousand euros (8 thousand euros at the end of the 1st Q 2012).

8. INCOME TAXES

The following table shows the taxes allocated in the Consolidated Income Statement:

(thousand euros)	1st Quarter 2013	1st Quarter 2012
Income taxes: IRES	-	-
Income taxes: IRAP	-	45
Income taxes of foreign subsidiaries	5	210
Deferred tax assets	-	13
Pre-paid taxes	(31)	(6)
Pre-paid taxes absorbed	10	-
Total	(16)	262

The following table shows the balance of deferred tax assets and liabilities as at 31 March 2013:

(thousand euros)	31 March 2013	31 December 2012
Pre-paid tax assets	516	513
Deferred tax liabilities	(71)	(72)
Total	445	441

9. EARNING PER SHARE

Earning /loss per share is determined on the basis of the following data:

		1st Quarter 2013	1st Quarter 2012
Net income (loss) attributable to the Group	thousand euros	(2.523)	(307)
Net income (loss) attributable to ordinary shares	thousand euros	(2.523)	(307)
Number of ordinary shares outstanding	number	5.113.000	5.113.000
Earnings (loss) per ordinary share	euro	(0,49)	(0,06)
Diluted earnings (loss) per ordinary share	euro	(0,49)	(0,06)

No difference has been recorded between result per share and diluted result per share as Fidia S.p.A. does not have any outstanding financial instruments that would affect earning/loss per share.

STATEMENT OF THE FINANCIAL POSITION

10. PROPERTY, PLANT AND EQUIPMENT

(thousand euros)	Buildings	Plant, machinery and equipment	Other assets	Asset in progress and down-payments	Total
Net value as at 31.12.2012	**523**	**601**	**561**		**1.685**
Purchases	-	45	54	12	111
Net value of disposals	-	-	-	-	-
Depreciation	(11)	(49)	(45)		(105)
Exchange rate differences	-	3	6		9
Net value as at 31.3.2013	**512**	**600**	**576**	**12**	**1.700**

11. INTANGIBLE FIXED ASSETS

(thousand euros)	Know-how right of use	Licenses	Software	Asset in progress and down-payments	Total
Net value as at 31.12.2012	**115**	**3**	**82**	**-**	**200**
Purchases	-	-	8	33	41
Depreciation	(9)	(1)	(5)	-	(15)
Exchange rate differences	8	-	1	-	9
Net value as at 31.3.2013	**114**	**2**	**86**	**33**	**235**

12. INVESTMENTS

This figure amounts to 16 thousand euros (unchanged compared to 31 December 2012) and it is related to the investments in associated companies evaluated with the equity method and to investments in other companies evaluated with the cost method.

13. OTHER NON-CURRENT RECEIVABLES AND ASSETS

The other non current receivables and assets are detailed below:

(thousand euros)	Balance as at 31 March 2013	Balance as at 31 December 2012
Receivables for EU grants	243	180
Guarantee deposits	74	77
Trade receivables	221	255
Foreign VAT receivables	1	1
Withholding tax on foreign income	1.061	953
Tax receivables from Spanish tax authorities	115	115
Long-term prepaid expenses	8	11
Total	1.723	1.592

14. INVENTORY

(thousand euros)	Balance as at 31 March 2013	Balance as at 31 December 2012
Raw materials	12.213	11.367
Raw material write-down provision	(1.179)	(1.179)
	11.034	10.188
Work in progress and semi-finished products	5.914	4.465
Finished products and goods	7.251	5.627
Finished product write-down provision	(449)	(442)
	6.802	5.185
Down payments	22	72
Net value	23.772	19.910

The stock reports in the 1st Q an overall increase by 3.862 thousand euros; it is due to the products in progress and to the finished products as the production rhythm is high. The stock of finished goods includes also machines already delivered to the final customers and still under installation for an amount of approx. 1.621 thousand euros (1.136 thousand euros as at 31 December 2012).

15. TRADE RECEIVABLES

(thousand euros)	Balance as at 31 March 2013	Balance as at 31 December 2012
Trade receivables	9.529	12.981
Bad debts provision	(1.028)	(1.038)
Trade receivables towards associated companies	-	-
Total	8.501	11.943

The trade receivables are decreased by 3.442 thousand euros in comparison with 31 December 2012 as consequence of the lower turnover achieved in the 1st Q 2013 compared to the 4th Q 2012.

16. TAX RECEIVABLES AND OTHER CURRENT RECEIVABLES AND ASSETS

(thousand euros)	Balance as at 31 March 2013	Balance as at 31 December 2012
VAT receivables	103	98
Current income tax receivables	56	40
Receivables for short-term foreign VAT	9	9
Other	3	8
Total current tax receivables	171	155
Research grants	488	623
Accrued income and prepaid expenses	389	170
Receivables from employees	95	44
Down payments to suppliers	138	81
Other	91	231
Total other current receivables	1.201	1.149
Total	1.372	1.304

17. OTHER CURRENT FINANCIAL ASSETS

This item amounts to 2 thousand euros (20 thousand euros as at 31 December 2012) and includes the *fair value* evaluation of some *forward contracts* signed in order to reduce the currency rate risk. The evaluation has been performed according to the market parameters at the end of the 1st Q 2013.

18. CASH AND EQUIVALENTS

The total amount of cash availability of the Group is 9.248 thousand euros (10.379 thousand euros as at 31 December 2012) and consists essentially of funds temporary available in current accounts. These figures are subject to a risk of fluctuation in value of an insignificant extent and their book value is in line with their fair value.
The related credit risk is not material too, because the Group operates with primary national and international banks.

19. NET EQUITY

The consolidated net equity reduces by 2.381 thousand euros in comparison with 31 December 2012, from 14.838 to 12.457 thousand euros, as a result of the loss of the period (2.579 thousand euros), of the positive change in the translation reserve (379 thousand euros), of an increase of the *cash flow hedge* reserve (3 thousand euros, net of the tax effect), of the dividends resolved to non-controlling interests (96 thousand euros) and of other minor sundry changes (88 thousand euros).

As at 31 March 2013 the fully paid share capital is unchanged compared to 31 December 2012 and it is represented by 5.123.000 ordinary shares with a nominal value of euro 1 each.

20. OTHER NON-CURRENT PAYABLES AND LIABILITIES

This item, amounting to 46 thousand euros (48 thousand euros as at 31 December 2012) is represented by advances paid by the EU and by the Italy's Ministry of University for R&D projects associated with outright grants.

21. PROVISION FOR EMPLOYEE SEVERANCE INDEMNITIES

Employee severance indemnities amount to 2.307 thousand euros (2.335 thousand euros as at 31 December 2012) and reflect the benefits accrued, according to law, by the employees of the Italian parent company as at the end of the 1st Q. 2013.

22. OTHER NON-CURRENT FINANCIAL LIABILITIES

This item amounts to 43 thousand euros (48 thousand euros as at 31 December 2012) and it is represented by the *fair value* of an *interest rate swap* and of two *interest rate cap* signed in order to cover the interest rate risk on three long term loans (*cash flow hedge*).

23. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

This figure amounts to 10.875 thousand euros as detailed below.

(thousand euros)	Balance as at 31 March 2013	Balance as at 31 December 2012
Bank overdraft and short-term advances	6.689	5.685
Accrued expenses on loans	39	2
Bank loans	4.111	3.958
Ministry of the Treasury - Spain	8	8
Volkswagen Bank (leasing)	27	29
Installment loan Fidia Co	1	2
Total	10.875	9.684

There are no liabilities longer than 5 years.

24. TRADE PAYABLES

(thousand euros)	Balance as at 31 March 2013	Balance as at 31 December 2012
Payables to third suppliers	9.071	9.236
Payables to associated companies	2	1
Total trade payables	9.073	9.237

Trade payables amount to 9.073 thousand euros as at 31 March 2013 and are substantially in line with those at the end of the last year.

25. TAX LIABILITIES AND OTHER CURRENT PAYABLES AND LIABILITIES

(thousand euros)	Balance as at 31 March 2013	Balance as at 31 December 2012
Payables to employees	1.359	1.069
Social security payables	529	600
Advances from customers	7.941	5.657
Payables to public authorities	532	667
Contributions to ridistribute	41	41
Advances for EU grants	36	66
Payables to administrators	92	116
Payables to Treasury Fund and other pension funds	52	100
Payables for dividends	96	68
Accrued expenses and deferred income	341	290
Payables to SMTCL company	45	379
Other payables	99	372
Total other payables	11.163	9.425
Withholding tax	180	325
Income tax payables	77	148
VAT payables	104	428
Other	36	171
Total tax payables	397	1.072
Total	11.560	10.497

Advances from customers are represented by down payments received by clients and by the value of the milling systems already delivered, but not yet approved by the final customers.

26. SHORT TERM PROVISIONS

Short-term provisions amount to 653 thousand euros (803 thousand euros as at 31 December 2012). This item includes: the product warranty provision (557 thousand euros) that represents the best estimate of the Group's contractual, legal or habitual commitments in the form of expenses associated with the warranties for its products for a given period of time from when they are sold to the end client; a tax risk provision (46 thousand euros) accrued to face a tax inspection related to the company Fidia do Brazil; a legal risk provision (50 thousand euros) accrued to cover potential liabilities arising from litigation in progress.

27. GUARANTEES GRANTED, OTHER COMMITMENTS AND CONTINGENT LIABILITIES

The total amount of the guarantees granted in the Group name to third parties as at 31 March 2013 is 1.823 thousand euro.

This item consists primarily of performance bonds for commercial transactions with the Parent Company's foreign customers in order to guarantee the successful completion of future supply arrangements and the correct fulfillment of the warranty commitments (1.159 thousand euros) and of guarantees covering contracts of building rental (58 thousand euros).

Contingent liabilities

As at 31 March 2013, Fidia Group, although it is exposed to various risks (product liability, legal and fiscal risks), is not aware of circumstances that might generate foreseeable contingent liabilities or contingent liabilities the amount of which may be estimated and therefore does not believe it necessary to make any further allocations.

28. INFORMATION FOR BUSINESS SECTOR

Income statement per business sector

Herebelow are reported the consolidated economic results per business sector as at 31 March 2013 compared to those as at 31 March 2012.

(thousand euros)	Segment							Total
1st Quarter 2013	**CNC**	**%**	**HSM**	**%**	**SERVICE**	**%**	**Unall.**	
Revenues	**642**	**79,2%**	**1.117**	**97,6%**	**2.331**	**100,0%**	**-**	**4.090**
Intersegment revenues	**169**	**20,8%**	**27**	**2,4%**	**-**	**0,0%**	**-**	
Total revenues	**811**	**100,0%**	**1.144**	**100,0%**	**2.331**	**100,0%**	**-**	**4.090**
Change in finished goods & W.I.P. stock	119	14,7%	2.800	244,8%	8	0,3%	-	2.927
Other operating revenues	289	35,6%	212	18,5%	60	2,6%	82	643
Raw materials and consumables	(351)	-43,3%	(2.169)	-189,6%	(243)	-10,4%	(51)	(2.814)
Intersegment costs	**(28)**	**-3,5%**	**(322)**	**-28,1%**	**122**	**5,2%**	**32**	
Other operating costs	(340)	-41,9%	(1.251)	-109,4%	(449)	-19,3%	(1.097)	(3.137)
Personnel costs	(883)	-108,9%	(1.073)	-93,8%	(1.116)	-47,9%	(969)	(4.041)
Depreciation and amortization	(18)	-2,2%	(63)	-5,5%	(2)	-0,1%	(64)	(147)
Operating Margin	**(401)**	**-49,4%**	**(722)**	**-63,1%**	**711**	**30,5%**	**(2.067)**	**(2.479)**

(thousand euros)	Segment							Total
1st Quarter 2012	**CNC**	**%**	**HSM**	**%**	**SERVICE**	**%**	**Unall.**	
Revenues	**558**	**58,2%**	**6.681**	**100,0%**	**2.139**	**100,0%**	**-**	**9.378**
Intersegment revenues	**401**	**41,8%**	**-**	**0,0%**	**-**	**0,0%**	**-**	
Total revenues	**959**	**100,0%**	**6.681**	**100,0%**	**2.139**	**100,0%**	**-**	**9.378**
Change in finished goods & W.I.P. stock	192	20,0%	1.051	15,7%	98	4,6%	-	1.341
Other operating revenues	640	66,7%	169	2,5%	66	3,1%	65	940
Raw materials and consumables	(379)	-39,5%	(3.441)	-51,5%	(226)	-10,6%	(45)	(4.091)
Intersegment costs	**8**	**0,8%**	**(465)**	**-7,0%**	**25**	**1,2%**	**31**	
Other operating costs	(394)	-41,1%	(1.505)	-22,5%	(539)	-25,2%	(1.008)	(3.446)
Personnel costs	(943)	-98,3%	(1.121)	-16,8%	(990)	-46,3%	(904)	(3.958)
Depreciation and amortization	(20)	-2,1%	(83)	-1,2%	(10)	-0,5%	(77)	(190)
Operating Margin	**63**	**6,6%**	**1.286**	**19,2%**	**563**	**26,3%**	**(1.938)**	**(26)**

Herebelow are reported the consolidated statements of financial position per business sector comparing 31 March 2013 and 31 December 2012:

As at 31 March 2013	CNC	HSM	SERVICE	Not allocated	Total
(thousand euros)					
Property, plant and equipment	41	522	4	1.133	1.700
Intangible fixed assets	-	115	-	120	235
Investments	-	-	-	16	16
Other non-current financial assets	-	-	-	-	-
Other receivables and non-current assets	167	337	-	1.219	1.723
Deferred tax assets	-	-	-	516	516
Total non-current assets	**208**	**974**	**4**	**3.004**	**4.190**
Inventories	3.116	16.332	4.324	-	23.772
Trade receivables and other current recei	1.888	5.204	2.122	488	9.702
Current tax receivables	-	-	-	171	171
Other current financial assets	-	-	-	2	2
Cash and equivalents	-	-	-	9.248	9.248
Total current assets	**5.004**	**21.536**	**6.446**	**9.909**	**42.895**
Total assets	**5.212**	**22.510**	**6.450**	**12.913**	**47.085**
Other payables and non-current liabilities	46	-	-	-	46
Provision for employee severance indemn	602	1.145	176	384	2.307
Deferred tax liabilities	-	-	-	71	71
Other non-current financial liabilities	-	-	-	43	43
Non-current financial liabilities	-	-	-	2.540	2.540
Total non-current liabilities	**648**	**1.145**	**176**	**3.038**	**5.007**
Current financial liabilities	-	-	-	8.335	8.335
Other current financial liabilities	-	-	-	-	-
Trade payables and other current liabilitie	2.057	14.717	845	2.617	20.236
Current tax payables	-	-	-	397	397
Short-term provision	108	333	67	145	653
Total current liabilities	**2.165**	**15.050**	**912**	**11.494**	**29.621**
Total liabilities	**2.813**	**16.195**	**1.088**	**14.532**	**34.628**
Shareholders' equity	**-**	**-**	**-**	**12.457**	**12.457**
Total liabilities	**2.813**	**16.195**	**1.088**	**26.989**	**47.085**

As at 31 December 2012	CNC	HSM	SERVICE	Not allocated	Total
(thousand euros)					
Property, plant and equipment	40	521	4	1.120	1.685
Intangible fixed assets	-	115	-	85	200
Investments	-	-	-	16	16
Other non-current financial assets	-	-	-	-	-
Other receivables and non-current assets	127	352	-	1.113	1.592
Deferred tax assets	-	-	-	513	513
Total non-current assets	**167**	**988**	**4**	**2.847**	**4.006**
Inventories	2.883	12.813	4.214	-	19.910
Trade receivables and other current recei	2.705	7.840	2.153	394	13.092
Current tax receivables	-	-	-	155	155
Other current financial assets	-	-	-	20	20
Cash and equivalents	-	-	-	10.379	10.379
Total current assets	**5.588**	**20.653**	**6.367**	**10.948**	**43.556**
Total assets	**5.755**	**21.641**	**6.371**	**13.795**	**47.562**
Other payables and non-current liabilities	45	3	-	-	48
Provision for employee severance indemn	596	1.153	199	387	2.335
Deferred tax liabilities	-	-	-	72	72
Other non-current financial liabilities	-	-	-	48	48
Non-current financial liabilities	-	-	-	2.782	2.782
Total non-current liabilities	**641**	**1.156**	**199**	**3.289**	**5.285**
Current financial liabilities	-	-	-	6.902	6.902
Other current financial liabilities	-	-	-	-	-
Trade payables and other current liabilitie	2.016	12.605	900	3.141	18.662
Current tax payables	-	-	-	1.072	1.072
Short-term provision	102	509	99	93	803
Total current liabilities	**2.118**	**13.114**	**999**	**11.208**	**27.439**
Total liabilities	**2.759**	**14.270**	**1.198**	**14.497**	**32.724**
Shareholders' equity	**-**	**-**	**-**	**14.838**	**14.838**
Total liabilities	**2.759**	**14.270**	**1.198**	**29.335**	**47.562**

29. TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN COMPANIES

The following table shows the exchange rates used to translate the values of companies outside of the euro area into euro:

Currency	1st Quarter 2013		As at 31 December 2012		1st Quarter 2012	
	Average	**As at 31 March**	**Average**	**As at 31 December**	**Average**	**As at 31 March**
USD	1,32036	1,28050	1,28479	1,31940	1,31100	1,33560
Real	2,63469	2,57030	2,50844	2,70360	2,31621	2,43230
Renminbi	8,21930	7,96000	8,10523	8,22070	8,27018	8,40890
Rublo	40,1507	39,7617	39,9262	40,3295	39,5476	39,2950
Zloty	-	-	-	-	4,23218	4,15220
Rupia	71,5212	69,5660	68,5973	72,5600	65,8863	68,0420

30. OTHER INFORMATION

The average number of employees in the first three months 2013 is 344 people (342,5 in the first three months 2012).

31. SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

In the first three months 2013 the Group did not undertake any significant non-recurring transactions as defined by Consob Communication of July 28, 2006.

32. POSITIONS OR TRANSACTIONS ARISING FROM ATYPICAL AND/OR UNUSUAL OPERATIONS

In accordance with the CONSOB Communication dated 28 July 2006, it is hereby stated that no atypical and/or unusual transactions were undertaken during the 1st Q 2013. As defined by said Communication, atypical and/or unusual transactions are those that, due to their significance, the nature of the counterparts, the object of the transaction, the methods of determination of the price of transfer, and timing (proximity to year-end) may give rise to doubts as to the accuracy/completeness of the information in the financial statements, conflicts of interest, the safeguarding of an entity's assets or the protection of minority shareholders.

33. TRANSACTIONS WITH RELATED PARTIES

The Group is engaged in transaction with associated companies and other related parties on commercial terms that are normal in the respective markets considering the characteristics of the goods and services involved. In detail such transactions have been the following:

- professional fees on consulting R&D activities performed by Consorzio Prometec;
- commercial transaction with the company Shenyang Machine Tool Co. Ltd.;
- wages and salary paid to Mr. Paolo Morfino and Luca Morfino, both of them employed by Fidia S.p.A.;
- emoluments to the Board of Directors and to Statutory Auditors.

34. NET FINANCIAL POSITION

Pursuant to the Consob Communication issued on 28 July 2006 and according to the CESR recommendation dated 10 February 2005 for the consistent implementation of the European Commission's Regulation on Prospectuses, the net financial position of Fidia Group as at 31 March 2013 is the following:

	(thousand euros)	31 March 2013	31 December 2012
A	Cash	28	7
B	Bank deposits	9.220	10.372
C	Other cash equivalents	-	-
D	**Cash (A+B+C)**	**9.248**	**10.379**
E	**Current financial receivables**	**-**	**-**
F	Overdraft current accounts	7.139	5.685
G	Short term part of non-current debt	1.177	1.197
H	Other current financial debt	19	20
I	**Current financial debt (F+G+H)**	**8.335**	**6.902**
J	**Net current financial position (credit)/debt (I-E-D)**	**(913)**	**(3.477)**
K	Non-current bank debt	2.523	2.763
L	Bonds issued	-	-
M	Other non-current financial debt	17	19
N	**Non current financial debt (K+L+M)**	**2.540**	**2.782**
O	**Net financial position (credit)/debt (J+N)**	**1.627**	**(695)**

35. SUBSEQUENT EVENTS

On the 29 April 2013 the Ordinary Shareholders' meeting has approved the financial statement as at 31 December 2012.

In the same date the Extraordinary Shareholders' meeting has introduced some changes to the company Bylaws.

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Pursuant to Art. 154-bis, paragraph 2 of the "Testo Unico della Finanza", the Financial Reporting Officer ("dirigente preposto") Eugenio Barone, declares that all the figures contained in the present quarterly report correspond to the company's records, books and accounting entries.