

## **Fidia S.p.A.: the BoD approves the Half Yearly Report as at June 30, 2017**

- **Order back-log:** 29,3 million euros, doubled vs December 31, 2016
- **Order entry:** 26 million euros (16,7 million euros in the first semester 2016)
- **Production value :** 22,6 million euros (31,1 million euros at June 30, 2016)
- **Net revenues:** 17,3 million euros
- **EBITDA:** -2,2 million euros ( 2,3 million euros as at June 30, 2016)
- **Investments:** 1,1 million euros increase in the first half-year, due to the conclusion of the activities related to the start in the new plant in Forlì for large machine.
- **Net Financial Position:** debit by 9,5 million euros (debit by 7,4 million euros as at December 31, 2016)

**Torino, September 14, 2017** - The Board of Directors of Fidia S.p.A., a leading Group in numerical control devices and integrated systems technologies for the calculation, scanning and cutting of complex shapes and listed on the Star (MTA) segment of the Italian Stock Exchange, has examined and approved today the half yearly report as at June 30, 2017.

In the 1<sup>st</sup> H 2017 the Fidia Group has reported a Production Value of 22,6 million euros, compared to 31,1 million euros realized at the end of first semester of 2016. Consolidated revenues for 17,3 million euros compared to 27,0 million euros in the same period of 2016.

The sales remained on a very satisfying level, and in the first semester the order entry has been definitely superior than the one realized in the same period of 2016; the same positive trend has been noticed also in the third quarter up to day.

Machine delivery has been lower than expectation in H1, but the production plan highlights a significant increase in the second semester.

Fidia's performance has been affected by the macroeconomic trend, especially in the *automotive* sector, and by a pronounced stress on selling prices.

*"Revenues of second quarter has been significantly better than first quarter, with a remarkable decrease in the period loss.*

*I would like to recall that first quarter production, and partially second quarter one, has been penalized due to the transfer of activities in the new plant in Forlì, which is now working at its full pace – **says Giuseppe Morfino, President and CEO of Fidia.** – The very positive order entry – **continues Giuseppe Morfino** – united with the full production capacity, allows to predict a significant increase in the economic results at the end of the year."*

Fidia Group has always invested a lot in R&D, one of its strengths, and particularly in 2017. Currently, 36 people are working in the department, together with few specialized consultants. The Group had costs for 1,1 million euros in the first semester 2017, around 6,1% of the revenues (1,3 in 1<sup>st</sup> H 2016, 5,0% of the revenues). The R&D investments of recent years allowed the Group to strengthen its presence in the Aerospace sector, and to book orders for machines in the Energy sector and for



the manufacturing of both innovative materials (as carbon fibre or titanium) and non-ferrous materials (as clay, used in the car modelling).

**In details:**

The overall performance of the semester is attributable to the different business lines: the High Speed Milling Machines sector (HSM) has achieved revenues for 9,7 million euros (18,6 million euros in the same period of 2016). The electronic sector (CNC), has achieved revenues for 1,7 million euros (vs 1,8 on June 30, 2016), and the after sale service sector (Service) has achieved revenues for 6,0 million euros (6,6 million euros in H1 2016).

The **gross operating margin (EBITDA)**, is negative by -2,2 million euros compared to a positive by 2,3 million euros as at June 30, 2016. The **operating result (EBIT)** is negative by 2,7 million euros compared to 1,8 million euros in the previous period.

The **net result** of the Group amounted to -2,7 million euros, compared to a positive value of 1,2 million euros at June 30, 2016.

**Investments** had a 1,1 million euros increase in the first half-year, due to the start of production in the new plant in Forlì for large machine.

The **Net Financial Position** of the Group is a debit by 9,5 million euro vs. 7,4 million euro at the end of 2016; the variation is negatively influenced by the increase of working capital, as well as the increase of the financial debt related to the construction of the new plant in Forlì.

**Foreseeable management outlooks**

The realized sales performance has been satisfying, and it achieved good results in the first semester. Moreover, the general economic scenery foresees a significant increase in the second semester.

Based on these premises, the management of the Group expects an enhancement in the economic performance of the second semester.

\* \* \*

The interim financial report as at June 30, 2017 together with the Independent Auditors opinion, will be available within today at the Company headquarter, at the 1Info storage system ([www.1info.it](http://www.1info.it)) and in the Investor Relations section of the corporate internet site ([www.fidia.com](http://www.fidia.com)).

\* \* \*

Pursuant to Art. 154-bis, paragraph 2 of the "Testo Unico della Finanza", the Financial Reporting Officer (the so called "dirigente preposto") dr. Massimiliano Pagnone, declares that all the figures contained in the present press release correspond to the company's records, books and accounting entries.



**Fidia S.p.A.**, headquartered in San Mauro Torinese (TO), Italy, is a world leader company in the design, production and distribution of high-performance integrated milling systems, primarily applied in the manufacturing of molds and dies for automotive industry and in aerospace field. With more than 40 years of experience and 338 employees, Fidial is known as one of the few companies able to provide solutions for the complete milling process, from the definition of the machining program to the finished product. Fidial produces, distributes and maintains worldwide numerical controls for milling systems, high speed milling systems, CAM software for the cutting of complex shapes.

**Fidia S.p.A.** (Reuters FDA.MI – Bloomberg FDA IM) is listed on the STAR segment (MTA) of the Italian Stock Exchange and has a capitalization of approx. € 34 million.

News and additional information about the company can be found on the corporate website at [www.fidia.com](http://www.fidia.com)

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## **Fidia Group: consolidated financial statements as at 30.6.2017**

Reclassified consolidated profit and loss statement (thousand euros)	<b>1<sup>st</sup> Half 2017</b>	<b>%</b>	<b>1<sup>st</sup> Half 2016</b>	<b>%</b>
<b>Net revenues</b>	<b>17.329</b>	76,7%	<b>26.985</b>	86,8%
Change in finished goods and W.I.P. stock	4.117	18,2%	3.121	10,1%
Other revenues and incomes	1.143	5,1%	978	3,1%
<b>Value of production</b>	<b>22.588</b>	<b>100,0%</b>	<b>31.083</b>	<b>100,0%</b>
Raw materials and consumables	(8.547)	-37,8%	(11.170)	-35,9%
Commissions	(155)	-0,7%	(664)	-2,1%
Transport	(614)	-2,7%	(666)	-2,1%
Subcontractors	(1.241)	-5,5%	(2.099)	-6,8%
Other services and operating costs	(5.188)	-23,0%	(5.398)	-17,4%
<b>Added value</b>	<b>6.844</b>	<b>30,3%</b>	<b>11.087</b>	<b>35,7%</b>
Personnel costs	(9.001)	-39,8%	(8.831)	-28,4%
<b>Gross operating margin (EBITDA)</b>	<b>(2.157)</b>	<b>-9,5%</b>	<b>2.257</b>	<b>7,2%</b>
Allocation to provision for bad debts	(99)	-0,4%	(82)	-0,3%
Depreciation and amortization	(425)	-1,9%	(325)	-1,0%
<b>Operating margin of the ordinary activity</b>	<b>-2.680</b>	<b>-11,9%</b>	<b>1.849</b>	<b>5,9%</b>
Non-recurring (costs)/revenues	-	0,0%	-	0,0%
<b>Operating margin (EBIT)</b>	<b>-2.680</b>	<b>-11,9%</b>	<b>1.849</b>	<b>5,9%</b>
Net financial income (expenses)	(26)	-0,1%	(113)	-0,4%
Profit/(loss) on exchange rates	146	0,6%	201	0,6%
<b>Income/(loss) before taxes (EBT)</b>	<b>(2.560)</b>	<b>-11,3%</b>	<b>1.937</b>	<b>6,2%</b>
Income taxes (current and deferred)	(212)	-0,9%	(715)	-2,3%
<b>Net income/(loss) for the accounting period</b>	<b>(2.772)</b>	<b>-12,2%</b>	<b>1.222</b>	<b>3,9%</b>
Income/(Loss) attributable to minority interest shareholders	(78)	-0,3%	(8)	0,0%
<b>Income/(Loss) attributable to the Group</b>	<b>(2.694)</b>	<b>-11,9%</b>	<b>1.230</b>	<b>4,0%</b>



<b>Consolidated statement of comprehensive income</b> (thousand euros)	<b>1<sup>st</sup> Half 2017</b>	<b>1<sup>st</sup> Half 2016</b>
<b>Income/(loss) for the accounting period (A)</b>	<b>(2.772)</b>	<b>1.222</b>
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	3	39
Gains/(losses) on exchange differences on translating foreign operations	(993)	(497)
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	(1)	(9)
<b>Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)</b>	<b>(991)</b>	<b>(467)</b>
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	21	(137)
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	(5)	33
<b>Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)</b>	<b>16</b>	<b>(104)</b>
<b>Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)</b>	<b>(975)</b>	<b>(571)</b>
<b>Total comprehensive income/(loss) for the period (A)+(B)</b>	<b>(3.747)</b>	<b>651</b>
<b>Total comprehensive income/(loss) attributable to:</b>		
Owners of the Parent	(3.564)	752
Non-controlling interests	(183)	(101)



<b>Reclassified consolidated statement of financial position</b> (thousand euros )	<b>30.6.2017</b>	<b>31.12.2016</b>
Property, plant and equipment	11.552	10.452
Intangible fixed assets	1.508	1.338
Investments	16	16
Other financial assets	1.666	1.818
<b>Fixed assets – (A)</b>	<b>14.743</b>	<b>13.625</b>
Net trade receivables	8.895	14.797
Inventory	22.406	19.375
Other current assets	2.038	1.596
<b>Current assets – (B)</b>	<b>33.339</b>	<b>35.769</b>
Supplier payables	(8.861)	(10.095)
Other current liabilities	(13.127)	(10.441)
<b>Current liabilities – (C)</b>	<b>(21.988)</b>	<b>(20.535)</b>
<b>Net working capital (D) = (B+C)</b>	<b>11.351</b>	<b>15.233</b>
Provision for employee severance indemnities (E)	(2.282)	(2.330)
Other long-term liabilities (F)	(154)	(179)
<b>Net invested capital (G) = (A+D+E+F)</b>	<b>23.658</b>	<b>26.350</b>
<b>Financial position</b>		
Financial assets available for sale		
Bank deposits and cash	(9.642)	(8.925)
Short-term loans	5.543	4.419
Current (Assets)/Liabilities for derivatives	(21)	198
Other current financial liabilities	-	-
<b>Current financial position (credit)/debt</b>	<b>(4.120)</b>	<b>(4.308)</b>
Long-term loans, net of current portion	13.583	11.697
Non current (Assets)/Liabilities for derivatives	20	23
<b>Net financial position (credit)/debt (H)</b>	<b>9.483</b>	<b>7.412</b>
Share capital	5.123	5.123
Reserves	9.857	9.282
Net income (loss) for the accounting period attributable to the Group	(2.694)	2.462
<b>Total shareholders' equity attributable to the Group</b>	<b>12.286</b>	<b>16.867</b>
Shareholders' equity attributable to minority interests	1.888	2.071
<b>Shareholders' equity (I)</b>	<b>14.174</b>	<b>18.938</b>
<b>Shareholders' equity and net financial position (L) = (H+I)</b>	<b>23.658</b>	<b>26.350</b>



<b>Consolidated condensed cash flow statement</b> (thousand euros)	<b>1<sup>st</sup> Half 2017</b>	<b>1<sup>st</sup> Half 2016</b>
<b>A) Cash and cash equivalents at beginning of the accounting period</b>	<b>8.440</b>	<b>15.534</b>
B) Cash from/(used in) operating activities during the accounting period	592	(7.458)
C) Cash from/(used in) investing activities	(1.812)	(2.912)
D) Cash from/(used in) financing activities	2.682	2.666
Currency translation differences	(770)	(396)
E) Net change in cash and cash equivalents	691	(8.100)
<b>F) Cash and cash equivalents at end of the accounting period</b>	<b>9.132</b>	<b>7.434</b>
<b>Breakdown of cash and cash equivalents:</b>		
Cash and cash equivalents	9.642	8.061
Overdrawn current accounts	(510)	(627)
	<b>9.132</b>	<b>7.434</b>