

Press release

Fidia S.p.A.: the BoD approves the Quarterly Report as at September 30, 2016

Main consolidated figures as at September 30, 2016

- **Net revenues:** 37,1 million euros (40,1 million euros as at September 30, 2015)
- **EBITDA:** 2,0 million euros (3,6 million euros as at September 30, 2015)
- **Order back-log:** 28,2 million euros (31,5 million euros as at December 31, 2015)
- **Investments:** 2,9 million euros increase in the first nine months of the year, due to the completed transfer of US operations from the old headquarters in Troy to the new headquarters in Rochester Hills, in addition to the start of production in the new plant in Forlì with large machines.
- **Net result:** positive by 0,8 million euros

Torino, November 14, 2016 - 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 September 30, 2016.

In the first nine months 2016 the Fidia Group has reported **consolidated revenues** for 37,1 million euros compared to 40,1 million euros in the same period 2015.

The electronic sector (CNC), has achieved revenues for 2,9 million euros, the High Speed Milling Machines sector (HSM) has achieved revenues for 24,7 million euros and the after sale service sector (Service) has achieved revenues for 9,5 million euros.

The **gross operating margin (EBITDA)**, is positive by 2,0 million euros (positive by 3,6 million euros as at September 30, 2015).; the **net operating margin (EBIT)** is positive by 1,3 million euros, 2,5 million euros as at September 30, 2015.

The **Net profit** of the Group is positive by 0,8 million euros (1,2 million euros as at the end of the 3rd Q 2015).

Regarding the **order intake**, the HSM sector achieved a result of 21,2 million euros, compared to 32,8 million euros at September 30, 2015, while CNC sector achieved a better result of 3,8 million euros, compared to 2,8 million euros the same period of last year. The overall **order book** as at September 30, 2016 amounts to 28,2 million euros, compared to 30,9 million euros at December 31, 2015.



"Unfortunately 30/9 register a drop in revenues of around 8% compared to the same period of 2015, despite the presence of a large order book, says **Giuseppe Morfino, Founder, President and CEO of Fidia**; the prime reason for this decrease is related to the transfer of production to the new plant of Forlì, which we estimate will end within the current year.

Investments in R & D activities continued regularly.

It's in fact our R & D activities, continues **Giuseppe Morfino**, that have allowed us over time to strengthen our presence in the automotive sector and open up exciting new opportunities in the aerospace industry".

The **Net Financial Position** of the Group is a debit by 7,5 million euros, compared to a credit by 1,6 million euros as at September 30, 2015, impacted by the investments made in the period in tangible and intangible assets, and a relevant higher level of inventories.

Investments had a 2,9 million euros increase in the first nine months of the year, due to the completed transfer of US operations from the old headquarters in Troy to the new headquarters in Rochester Hills, Michigan, in addition to the start of production in the new plant in Forlì with large machines

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As provided for by law, the Quarterly Report as at September 30, 2016 will be available within today at the Company headquarter, at the 1Info storage system (www.1info.it) and in the Investor Relations section of the corporate internet site (www.fidia.com).

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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, Fidia 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. Fidia 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. € 28 million.

News and additional information about the company can be found on the corporate website at www.fidia.com

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Fidia Group: consolidated financial statements as at 30.9.2015

Reclassified consolidated profit and loss statement (thousand euros)	3rd Quarter 2016	%	3rd Quarter 2015	%
Net revenues	37.078	86,9%	40.109	86,7%
Change in finished goods and W.I.P. stock	4.267	10,0%	4.607	10,0%
Other revenues and incomes	1.328	3,1%	1.560	3,4%
Value of production	42.672	100,0%	46.276	100,0%
Raw materials and consumables	(15.356)	-36,0%	(16.294)	-35,2%
Commissions, transport and subcontractors	(4.419)	-10,4%	(6.280)	-13,6%
Other services and operating costs	(8.171)	-19,1%	(7.553)	-16,3%
Added value	14.726	34,5%	16.149	34,9%
Personnel costs	(12.721)	-29,8%	(12.543)	-27,1%
Gross operating margin (EBITDA)	2.005	4,7%	3.606	7,8%
Allocation to provision for bad debts	(166)	-0,4%	(640)	-1,4%
Depreciation and amortization	(491)	-1,2%	(508)	-1,1%
Operating margin of the ordinary activity	1.348	3,2%	2.458	5,3%
Non-recurring (costs)/revenues	0	0,0%	0	0,0%
Operating margin (EBIT)	1.348	3,2%	2.458	5,3%
Net financial income (expenses)	(165)	-0,4%	(185)	-0,4%
Profit/(loss) on exchange rates	216	0,5%	(432)	-0,9%
Income/(loss) before taxes (EBT)	1.398	3,3%	1.841	4,0%
Income taxes (current and deferred)	(655)	1,5%	(808)	-1,7%
Net income/(loss) for the accounting period	744	1,7%	1.033	2,2%
Income/(Loss) attributable to minority interest shareholders	(12)	-0,0%	(213)	-0,5%
Income/(Loss) attributable to the Group	755	1,8%	1.246	2,7%



Consolidated statement of comprehensive income (thousand euros)	3rd Quarter 2015	3rd Quarter 2014
Income/(loss) for the accounting period (A)	744	1.033
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	51	113
Gains/(losses) on exchange differences on translating foreign operations	(624)	940
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	(12)	(32)
Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)	(585)	1.021
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	(137)	28
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	33	(8)
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)	(104)	20
Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)	(689)	1.041
Total comprehensive income/(loss) for the period (A)+(B)	55	2.073
Total comprehensive income/(loss) attributable to:		
Owners of the Parent	173	2.144
Non-controlling interests	(118)	(71)



Reclassified consolidated statement of financial position (thousand euros)	30.9.2015	30.9.2014
Property, plant and equipment	9.507	5.382
Intangible fixed assets	1.264	945
Investments	16	16
Other financial assets	2.081	2.414
Fixed assets – (A)	12.868	8.757
Net trade receivables	7.604	10.320
Inventory	25.369	24.041
Other current assets	2.669	1.635
Current assets – (B)	35.642	35.996
Supplier payables	(10.692)	(11.990)
Other current liabilities	(10.949)	(13.871)
Current liabilities – (C)	(21.641)	(25.861)
Net working capital (D) = (B+C)	14.002	10.135
Provision for employee severance indemnities (E)	(2.502)	(2.368)
Other long-term liabilities (F)	(174)	(777)
Net invested capital (G) = (A+D+E+F)	24.193	15.747
Financial position		
Financial assets available for sale	-	-
Bank deposits and cash	(9.293)	(11.164)
Short-term loans	3.727	3.189
Current (Assets)/Liabilities for derivatives	43	414
Other current financial liabilities	69	587
Current financial position (credit)/debt	(5.454)	(6.974)
Long-term loans, net of current portion	12.903	5.394
Non current (Assets)/Liabilities for derivatives	45	8
Net financial position (credit)/debt (H)	7.494	(1.572)
Share capital	5.123	5.123
Reserves	8.734	8.397
Net income (loss) for the accounting period attributable to the Group	755	1.246
Total shareholders' equity attributable to the Group	14.612	14.766
Shareholders' equity attributable to minority interests	2.086	2.553
Shareholders' equity (I)	16.698	17.319
Shareholders' equity and net financial position (L) = (H+I)	24.193	15.747



Consolidated condensed cash flow statement (thousand euros)	3rd Quarter 2015	3rd Quarter 2014
A) Cash and cash equivalents at beginning of the accounting period	15.534	9.039
B) Cash from/(used in) operating activities during the accounting period	(7.197)	(56)
C) Cash from/(used in) investing activities	(3.700)	(1.836)
D) Cash from/(used in) financing activities	4.565	2.620
Currency translation differences	(511)	776
E) Net change in cash and cash equivalents	(6.483)	1.504
F) Cash and cash equivalents at end of the accounting period	8.691	10.543
Breakdown of cash and cash equivalents:		
Cash and cash equivalents	9.293	11.164
Overdrawn current accounts	(601)	(621)
	8.691	10.543