

Press release

## **Fidia S.p.A.: the BoD approves the draft of company financial statement and the Group consolidated statement as of December 31, 2016**

- **Consolidated Net revenues:** 58,8 million euros (vs. 60,3 million euros as at December 31, 2015);
- **EBITDA:** 4,3 million euros (vs. 5,7 million euros as at December 31, 2015);
- **Group Net profit:** 2,4 million euros (vs. 2,4 million euro as at December 31,2015);
- **Net Financial Position** negative by 7,4 million euros (vs. positive by 6,5 million euros as at December 31, 2015);
- **Order entry:** 42,5 million euros (vs. 59,7 million euros in the FY 2015);
- **Order back-log:** 14,6 million euros (vs. 30,9 million euros as at December 31, 2015);
- **Investments:** 4,6 million euros in property investments, for the acquisition of the new headquarter of Fidia Co and the progression of the new production plant of Fidia SpA in Forlì.

**Torino, March 15th, 2017** - The Board of Directors of Fidia S.p.A., a leading Group in numerical control devices and integrated systems technologies for high-speed milling and listed on the Star (MTA) segment of the Italian Stock Exchange, has examined and approved the 2016 draft separate accounts, which will be submitted to the Annual Shareholders' Meeting for approval, and the 2016 consolidated financial statements.

In the FY 2016 Fidia Group has reached consolidated revenues for 58.850 thousand euros, a decrease by 2,4% in comparison with 60.324 thousand euros achieved in the previous year. The electronic sector (CNC) revenues are 4.625 thousand euros, with an increase of 3,3%, compared with 2015; the mechanical sector (HSM) revenues are 41.483 thousand euros, with a decrease of 1,8% compared to 2015; the after sale service business (Service) has recorded revenues for 12.742 thousand euros.

"Investments related to the new Fidia Co headquarter in USA, and moreover in Forlì, gathered most of our energies and financial expenditures – is Giuseppe Morfino comment, founder, president and CEO of Fidia Group; we foresee the incoming benefits of the actual efforts. Our international exposure is constantly growing, and financial markets seems to appreciate our strategies and the resilience of our Business Model. All this will allow us to seize the incoming opportunities in our business environment at a global level."

The **gross operating margin (EBITDA)** is about +4.264 thousand euros (7,2%) vs. +5.690 thousand euros (+9,0%) in the FY 2016 (-1.426 thousand euros).



The **operating margin (EBIT)**, is also positive for +3.436 thousand euros compared to + 4.146 thousand euros in the FY 2015.

The **Group Net Financial Position** is negative for 7.412 thousand euros (positive for 6.465 thousand euros FY 2015).

The **net consolidated profit** is equal to 2.443 thousand euros while the net consolidated result in FY 2015 was about 2.337 thousand euros, what represent an increase of 2,8%.

The **parent company**, Fidia S.p.A., closes the FY 2016 with **revenues** for 43.431 thousand euros, that means a decrease by 11,5% vs. about 49.050 thousand euros of year 2015. **EBITDA** is 1.306 thousand euros positive (+3.099 thousand euros at December 31, 2015), whilst **EBIT** is 1.268 thousand euros positive (about 2.147 thousand euro at December 31, 2015).

A net profit of 2.165 thousand euros has been reached in 2016 (compared to a net profit of 2.143 thousand euros at December 31, 2015) that benefits of dividends distributed by foreign subsidiaries for 1.498 thousand euros.

The net financial position is negative by 13.811 thousand euros, vs 69 thousand euros of the previous year.

The Board of Directors proposes to the Annual Shareholder's Meeting the distribution of an overall dividend unit of 0,2 euro per share and the following scheduling for dividend payment:

- 1) Ex-dividend date: July 3<sup>rd</sup> , 2017;
- 2) Record date: July 4<sup>th</sup> , 2017;
- 3) Payment date: July 5<sup>th</sup>, 2017.

The Annual Shareholders' Meeting has been called for April 28<sup>th</sup>, 2017 (first call) and, if needed, on April 29<sup>th</sup>, 2017 (second call). The official notice, together with the other documents required, will be published according to the current legal requirements.

The Board of Directors, as of today, has deliberated to request the approval of the Extraordinary Shareholder's Meeting for the introduction in the company Statute of the loyalty shares, as allowed by art 127- quinques del d.lgs 24 febbraio 1998, n.58 ("TUF")

The Extraordinary Shareholders' Meeting has been called for April 28<sup>th</sup>, 2017 (first call) and, if needed, on April 29<sup>th</sup>, 2017 (second call). The official notice, together with the other documents required, will be published according to the current legal requirements.



The Fidia S.p.A. draft statutory financial statement, the Fidia Group consolidated financial statement, the report on operations, the auditors' opinions, the statutory auditors' reports, the report of directors on the subjects in the agenda of the shareholders meetings, both Ordinary and Extraordinary, the Report on corporate Governance , and the Remuneration Report will be available at the registered office to anyone upon request and on the company's website according to law requirement.

\* \* \*

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 accounting information 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 341 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. € 36 million.

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

**For further information, please contact:**

**Fidia S.p.A.**  
dr. Massimiliano Pagnone  
CFO - Investor Relator  
tel. 011 2227258  
[investor.relation@fidia.it](mailto:investor.relation@fidia.it)

**Polytems HIR**  
Silvia Marongiu  
Press Office  
tel. 06 6797849 – 06 69923324  
[s.marongiu@polytemshir.it](mailto:s.marongiu@polytemshir.it)

**Polytems HIR**  
Simona D'Agostino  
Financial Communication  
tel. 06 6797849 – 06 69923324  
[s.daagostino@polytemshir.it](mailto:s.daagostino@polytemshir.it)



## **Fidia Group: consolidated financial statements as at 31.12.2016**

<b>Reclassified consolidated profit and loss statement</b> (thousand euros) Unaudited	<b>2016</b>	<b>%</b>	<b>2015</b>	<b>%</b>
<b>Net revenues</b>	<b>58.850</b>	<b>98,7%</b>	<b>60.324</b>	<b>95,3%</b>
Change in finished goods and W.I.P. stock	(866)	-1,5%	887	1,4%
Other operating revenues	1.634	2,7%	2.121	3,3%
<b>Value of production</b>	<b>59.617</b>	<b>100,0%</b>	<b>63.332</b>	<b>100,0%</b>
Raw materials and consumables	(20.325)	-34,1%	(21.421)	-33,8%
Commissions, transport and subcontractors	(6.214)	-10,4%	(8.415)	-13,3%
Other services and operating costs	(11.407)	-19,1%	(10.605)	-16,7%
<b>Added value</b>	<b>21.671</b>	<b>36,4%</b>	<b>22.891</b>	<b>36,1%</b>
Personnel costs	(17.407)	-29,2%	(17.201)	-27,2%
<b>Gross operating margin (EBITDA)</b>	<b>4.264</b>	<b>7,2%</b>	<b>5.690</b>	<b>9,0%</b>
Allocation to provision for doubtful accounts	(166)	-0,3%	(848)	-1,3%
Depreciation and amortization	(661)	-1,1%	(696)	-1,1%
<b>Operating margin of the ordinary activity</b>	<b>3.436</b>	<b>5,8%</b>	<b>4.146</b>	<b>6,5%</b>
Non-recurring income /(costs)	0	0%	0	0%
<b>Operating margin (EBIT)</b>	<b>3.436</b>	<b>5,8%</b>	<b>4.146</b>	<b>6,5%</b>
Net financial income (expenses)	(342)	-0,6%	(199)	-0,3%
Profit/(loss) on exchange rates	124	0,2%	(437)	-0,7%
<b>Margin before taxes (EBT)</b>	<b>3.218</b>	<b>5,4%</b>	<b>3.510</b>	<b>5,5%</b>
Income taxes (current and deferred)	(775)	-1,3%	(1.133)	-1,8%
<b>Net income/(loss) for the accounting period</b>	<b>2.443</b>	<b>4,1%</b>	<b>2.377</b>	<b>3,7%</b>
Income/(Loss) attributable to minority interest shareholders	(19)	-0,0%	(345)	-0,5%
Income/(Loss) attributable to the Group	2.462	4,1%	2.723	4,3%



<b>Consolidated statement of comprehensive income</b> (thousand euros)	<b>2016</b>	<b>2015</b>
<b>Income/(loss) for the accounting period (A)</b>	<b>2.443</b>	<b>2.377</b>
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	66	388
Gains/(losses) on exchange differences on translating foreign operations	(72)	1.167
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	(16)	(109)
<b>Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)</b>	<b>(22)</b>	<b>1.446</b>
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	(59)	29
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	14	(13)
<b>Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)</b>	<b>(45)</b>	<b>16</b>
<b>Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)</b>	<b>(67)</b>	<b>1.462</b>
<b>Total comprehensive income/(loss) for the period (A)+(B)</b>	<b>2.376</b>	<b>3.839</b>
<b>Total comprehensive income/(loss) attributable to:</b>		
Owners of the Parent	<b>2.464</b>	<b>4.020</b>
Non-controlling interests	<b>(88)</b>	<b>(181)</b>



<b>Reclassified consolidated statement of financial position</b> (thousand euros ) Unaudited	<b>31.12.2016</b>	<b>31.12.2015</b>
Property, plant and equipment	10.452	6.452
Intangible fixed assets	1.338	1.099
Investments	16	16
Other financial assets	1.818	2.445
<b>Fixed assets – (A)</b>	<b>13.625</b>	<b>10.012</b>
Net trade receivables	14.797	9.646
Inventory	19.375	19.929
Other current assets	1.596	917
<b>Current assets – (B)</b>	<b>35.769</b>	<b>30.492</b>
Supplier payables	(10.095)	(11.335)
Other current liabilities	(10.441)	(13.827)
<b>Current liabilities – (C)</b>	<b>(20.535)</b>	<b>(25.162)</b>
<b>Net working capital (D) = (B+C)</b>	<b>15.233</b>	<b>5.330</b>
Provision for employee severance indemnities (E)	(2.330)	(2.372)
Other long-term liabilities (F)	(179)	(408)
<b>Net invested capital (G) = (A+D+E+F)</b>	<b>26.350</b>	<b>12.562</b>
<b>Financial position</b>		
Financial assets available for sale		
Bank deposits and cash	(8.925)	(16.041)
Short-term loans	4.419	3.347
Current (Assets)/Liabilities for derivatives	198	148
Other current financial liabilities	-	69
<b>Current financial position (credit)/debt</b>	<b>(4.308)</b>	<b>(12.477)</b>
Long-term loans, net of current portion	11.697	6.006
Non current (Assets)/Liabilities for derivatives	23	6
<b>Net financial position (credit)/debt (H)</b>	<b>7.412</b>	<b>(6.465)</b>
Share capital	5.123	5.123
Reserves	9.282	8.739
Net income (loss) for the accounting period attributable to the Group	2.462	2.723
<b>Total shareholders' equity attributable to the Group</b>	<b>16.867</b>	<b>16.585</b>
Shareholders' equity attributable to minority interests	2.071	2.442
<b>Shareholders' equity (I)</b>	<b>18.938</b>	<b>19.027</b>
<b>Shareholders' equity and net financial position (L) = (H+I)</b>	<b>26.350</b>	<b>12.562</b>



<b>Consolidated condensed cash flow statement</b> (thousand euros ) Unaudited	<b>2016</b>	<b>2015</b>
<b>A) Cash and cash equivalents at the beginning of the period</b>	<b>15.534</b>	<b>9.039</b>
B) Cash from/(used in) operating activities during the period	(6.465)	5.076
C) Cash from/(used in) investing activities	(4.832)	(3.239)
D) Cash from/(used in) financing activities	4.253	3.676
Currency translation differences	(51)	982
E) Net change in cash and cash equivalents	(7.094)	6.495
<b>F) Cash and cash equivalents at the end of the period</b>	<b>8.440</b>	<b>15.534</b>
<b>Breakdown of cash and cash equivalents:</b>		
Cash and cash equivalents	8.925	16.041
Overdrawn current accounts	(486)	(507)
	<b>8.440</b>	<b>15.534</b>



## **Fidia S.p.A.: financial statements as at 31.12.2016**

<b>Reclassified profit and loss statement</b> (thousand euros ) Unaudited	<b>2016</b>	<b>%</b>	<b>2015</b>	<b>%</b>
<b>Net revenues</b>	<b>43.431</b>	<b>98,8%</b>	<b>49.050</b>	<b>96%</b>
Change in finished goods and W.I.P. stock	(959)	-2,2%	332	0,6%
Other operating revenues	1.481	3,4%	1.769	3,5%
<b>Value of production</b>	<b>43.953</b>	<b>100%</b>	<b>51.151</b>	<b>100%</b>
Raw materials and consumables	(16.974)	-38,6%	(19.879)	-38,9%
Commissions, transport and subcontractors	(5.820)	-13,2%	(8.379)	-16,4%
Other services and operating costs	(8.572)	-19,5%	(8.529)	-16,7%
<b>Added value</b>	<b>12.588</b>	<b>28,6%</b>	<b>14.364</b>	<b>28,1%</b>
Personnel costs	(11.282)	-25,7%	(11.265)	-22,0%
<b>Gross operating margin (EBITDA)</b>	<b>1.306</b>	<b>3,0%</b>	<b>3.099</b>	<b>6,1%</b>
Allocation to provision for doubtful accounts	(8)	0,0%	(575)	-1,1%
Depreciation and amortization	(359)	-0,8%	(387)	-0,8%
<b>Operating margin of the ordinary activity</b>	<b>939</b>	<b>2,1%</b>	<b>2.137</b>	<b>4,2%</b>
Non-recurring income/(costs)	0	0	0	0
Impairment (losses)/reversals	329	0,7%	10	0,0%
<b>Operating margin (EBIT)</b>	<b>1.268</b>	<b>2,9%</b>	<b>2.147</b>	<b>4,2%</b>
Net financial income (expenses)	1.100	2,5%	368	0,7%
Profit (loss) on exchange rates	(95)	-0,2%	(81)	-0,2%
<b>Margin before taxes (EBT)</b>	<b>2.273</b>	<b>5,2%</b>	<b>2.434</b>	<b>4,8%</b>
Income taxes (current and deferred)	(108)	-0,2%	(290)	-0,6%
<b>Net income (loss) for the accounting period</b>	<b>2.165</b>	<b>4,9%</b>	<b>2.143</b>	<b>4,2%</b>





<b>Consolidated statement of comprehensive income</b> (thousand euros)	<b>2016</b>	<b>2015</b>
<b>Income/(loss) for the accounting period (A)</b>	<b>2.165</b>	<b>2.143</b>
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	66	388
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	(16)	(109)
<b>Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)</b>	<b>50</b>	<b>279</b>
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	(59)	29
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	14	(13)
<b>Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)</b>	<b>(45)</b>	<b>16</b>
<b>Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)</b>	<b>5</b>	<b>295</b>
<b>Total comprehensive income/(loss) for the period (A)+(B)</b>	<b>2.170</b>	<b>2.438</b>



<b>Reclassified statement of financial position</b> (thousand euros ) Unaudited	<b>31.12.2016</b>	<b>31.12.2015</b>
Property, plant and equipment	8.222	5.399
Intangible fixed assets	1.326	1.086
Investments	10.574	9.882
Other financial assets	1.153	1.505
<b>Fixed assets – (A)</b>	<b>21.276</b>	<b>17.872</b>
Net trade receivables	11.133	6.009
Inventory	12.120	12.633
Other current assets	2.457	1.224
<b>Current assets – (B)</b>	<b>25.710</b>	<b>19.866</b>
Supplier payables	(13.800)	(15.551)
Other current liabilities	(5.784)	(8.394)
<b>Current liabilities – (C)</b>	<b>(19.583)</b>	<b>(23.945)</b>
<b>Net working capital (D) = (B+C)</b>	<b>6.127</b>	<b>(4.079)</b>
Provision for employee severance indemnities (E)	(2.330)	(2.372)
Other long-term liabilities (F)	-	(216)
<b>Net invested capital (G) = (A+D+E+F)</b>	<b>25.073</b>	<b>11.205</b>
<b>Financial position</b>		
Financial assets available for sale		
Bank deposits and cash	(4.319)	(9.776)
Short-term loans	6.279	3.732
Current (Assets)/Liabilities for derivatives	198	148
Other current financial liabilities	-	69
<b>Current financial position (credit)/debt</b>	<b>2.158</b>	<b>(5.828)</b>
Long-term loans, net of current portion	11.630	5.891
Non current (Assets)/Liabilities for derivatives	23	6
<b>Net financial position (credit)/debt (H)</b>	<b>13.811</b>	<b>69</b>
Share capital	5.123	5.123
Reserves	3.973	3.869
Net income (loss) for the accounting period	2.165	2.143
<b>Total shareholders' equity (I)</b>	<b>11.261</b>	<b>11.136</b>
<b>Shareholders' equity and net financial position (L) = (H+I)</b>	<b>25.073</b>	<b>11.205</b>



<b>Condensed cash flow statement</b> (thousand euros ) Unaudited	<b>2016</b>	<b>2015</b>
<b>A) Cash and cash equivalents at the beginning of the period</b>	<b>9.269</b>	<b>3.084</b>
B) Cash from/(used in) operating activities during the period	(7.917)	5.191
C) Cash from/(used in) investing activities	(3.785)	(2.851)
D) Cash from/(used in) financing activities	6.268	3.845
E) Net change in cash and cash equivalents	(5.436)	6.185
<b>F) Cash and cash equivalents at the end of the period</b>	<b>3.833</b>	<b>9.269</b>
<b>Breakdown of cash and cash equivalents:</b>		
Cash and cash equivalents	4.319	9.776
Overdrawn current accounts	(486)	(507)
	<b>3.833</b>	<b>9.269</b>