

Press release

Fidia S.p.A.: the BoD approves the draft financial statement of Fidial S.p.A. and the Group consolidated statement as at December 31, 2017

Record in orders acquisition and improvement of the NFP

Main consolidated figures as at December 31, 2017

- **Net Revenues:** 46 million euros (vs. 58,9 million euros as at December 31, 2016);
- **EBITDA:** -1,2 million euros (vs. 4,3 million euros as at December 31, 2016);
- **Net Result:** -3,1 million euros (vs. 2,4 million euro as at December 31,2016);
- **Net Financial Position** negative by 6,2 million euros (vs. negative by 7,4 million euros as at December 31, 2016);
- **Order Entry:** 62,8 million euros (vs. 42,5 million euros in the FY 2016);
- **Order Back-log:** 31,4 million euros (vs. 14,6 million euros as at December 31, 2016);
- **Investments:** 1,2 million euros in property investments, and other long-term investments in Product Development.

Torino, March 15th, 2018 - The Board of Directors of Fidial 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 2017 draft separate accounts, which will be submitted to the Annual Shareholders' Meeting for approval, and the 2017 consolidated financial statements.

The consolidated revenues of the year are 46.013 thousand euros, decreased compared to last year (58.850 thousand euros FY 2016).

The electronic sector (CNC) revenues are 3.483 thousand euros, with a decrease compared to 2016 (4.625 thousand euros); the mechanical sector (HSM) revenues are 30.283 thousand euros, with a decrease compared to 2016 (41.483 thousand euros); the after sale service sector (Service) has registered revenues for 12.247 thousand euros.

*"The investments related to the new production plant in Forlì still took a big part of our energies" says **Giuseppe Morfino, Founder, President and CEO of Fidial**, "but we are starting to benefit from the efforts made. Our international visibility is continuously growing, and also the new products are receiving acknowledgements within our customers, who rewarded us with an order acquisition never registered before. All these facts will surely allow us to catch the new opportunities of our sector, on a worldwide scale."*

The **Gross Operating Margin (EBITDA)** is about -1.235 thousand euros (-2,6%) vs. +4.264 thousand euros (+7,2%) in the FY 2016 (-5.499 thousand euros).



The **Operating Margin (EBIT)**, is -2.391 thousand euros vs. +3.436 thousand euros in the FY 2016.

The **Net Financial Position** of the Group is negative by 6.169 thousand euros (negative by 7.412 thousand euros FY 2016).

The **Net Consolidated Result** is -3.098 thousand euros while the net consolidated result in FY 2016 was +2.443 thousand euros.

The **Parent Company**, Fidia S.p.A., closes the FY 2017 with **Revenues** at 28.787 thousand euros, that means a decrease by 33,7% vs. about 43.431 thousand euros of year 2016. **EBITDA** is -3.512 thousand euros (+1.306 thousand euros at December 31, 2016), whilst **EBIT** is -2.639 thousand euros (about 1.268 thousand euros at December 31, 2016).

During year 2017 a net result of -1.428 thousand euros has been reached (vs a net profit of 2.165 thousand euros at December 31, 2016) that benefits of dividends distributed by foreign subsidiaries for 1.451 thousand euros.

The net financial position is indebted for 12.181 thousand euros, vs a debt of 13.811 thousand euros in the previous year.

The Board of Directors verified, based on the information received by the Company, the subsistence of the requisite of independence pursuant to Art. 148, paragraph 3, of Decreto Legislativo n. 58/1998, and pursuant to the "Codice di Autodisciplina di Borsa Italiana", for the Directors Eng. Laura Morgagni, Mrs. Anna Ferrero e Dr. Paola Savarino.

The Board of Directors has also verified the subsistence of the requisite of independence pursuant to Art. 148, paragraph 3, of Decreto Legislativo n. 58/1998, and pursuant to the "Codice di Autodisciplina di Borsa Italiana", for the members of the Board of Auditors.

The Ordinary Shareholders' Meeting has been called on April 27, 2017 (first call) and, possibly, on April 28, 2018 (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, both Ordinary and Extraordinary, the Report on corporate Governance, the Report on corporate Governance, the acknowledgments of the managing director and the Remuneration Report Report will be available at the registered office 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 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 334 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. € 41 million.

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

For further information, please contact:

Fidia S.p.A.
dr. Massimiliano Pagnone
CFO - Investor Relator
tel. 011 2227111
investor.relation@fidia.it

Polytems HIR
Silvia Marongiu
Ufficio Stampa
tel. 06 6797849 – 06 69923324
s.marongiu@polytemshir.it

Polytems HIR
Bianca Fersini Mastelloni
Comunicazione Finanziaria
tel. 06 6797849 – 06 69923324
b.fersini@polytemshir.it



Fidia Group: consolidated financial statements as at 31.12.2017

Reclassified consolidated profit and loss statement (thousand euros) Unaudited	2017	%	2016	%
Net revenues	46.013	95,9%	58.850	98,7%
Change in finished goods and W.I.P. stock	(79)	-0,2%	(866)	-1,5%
Other operating revenues	2.025	4,2%	1.634	2,7%
Value of production	47.959	100,0%	59.617	100,0%
Raw materials and consumables	(16.924)	-35,3%	(20.325)	-34,1%
Commissions, transport and subcontractors	(4.109)	-8,6%	(6.214)	-10,4%
Other services and operating costs	(10.543)	-22,2%	(11.407)	-19,1%
Added value	16.383	34,2%	21.671	36,4%
Personnel costs	(17.619)	-36,7%	(17.407)	-29,2%
Gross operating margin (EBITDA)	(1.235)	-2,6%	4.264	7,2%
Allocation to provision for doubtful accounts	(174)	-0,4%	(166)	-0,3%
Depreciation and amortization	(982)	-2,0%	(661)	-1,1%
Operating margin of the ordinary activity	(2.391)	-5,0%	3.436	5,8%
Non-recurring income /(costs)	0	0%	0	0%
Operating margin (EBIT)	(2.391)	-5,0%	3.436	5,8%
Net financial income (expenses)	(187)	-0,4%	(342)	-0,6%
Profit/(loss) on exchange rates	153	0,3%	124	0,2%
Margin before taxes (EBT)	(2.425)	-5,1%	3.218	5,4%
Income taxes (current and deferred)	(673)	-1,4%	(775)	-1,3%
Net income/(loss) for the accounting period	(3.098)	-6,5%	2.443	4,1%
Income/(Loss) attributable to minority interest shareholders	(32)	-0,1%	(19)	-0,0%
Income/(Loss) attributable to the Group	(3.066)	-6,4%	2.462	4,1%



Consolidated statement of comprehensive income (thousand euros)	2017	2016
Income/(loss) for the accounting period (A)	(3.098)	2.443
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	(40)	66
Gains/(losses) on exchange differences on translating foreign operations	(1.404)	(72)
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	9	(16)
Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)	(1.435)	(22)
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	(44)	(59)
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	11	14
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)	(33)	(45)
Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)	(1.468)	(67)
Total comprehensive income/(loss) for the period (A)+(B)	(4.566)	2.376
Total comprehensive income/(loss) attributable to:		
Owners of the Parent	(4.422)	2.464
Non-controlling interests	(144)	(88)



Reclassified consolidated statement of financial position (thousand euros) Unaudited	31.12.2017	31.12.2016
Property, plant and equipment	11.267	10.452
Intangible fixed assets	1.758	1.338
Investments	16	16
Other financial assets	1.497	1.818
Fixed assets – (A)	14.538	13.625
Net trade receivables	14.339	14.797
Inventory	17.846	19.375
Other current assets	1.263	1.596
Current assets – (B)	33.448	35.769
Supplier payables	(9.928)	(10.095)
Other current liabilities	(15.801)	(10.441)
Current liabilities – (C)	(25.729)	(20.535)
Net working capital (D) = (B+C)	7.719	15.233
Provision for employee severance indemnities (E)	(2.292)	(2.330)
Other long-term liabilities (F)	(470)	(179)
Net invested capital (G) = (A+D+E+F)	19.494	26.350
Financial position		
Financial assets available for sale		
Bank deposits and cash	(11.520)	(8.925)
Short-term loans	6.313	4.419
Current (Assets)/Liabilities for derivatives	-	198
Other current financial liabilities	-	-
Current financial position (credit)/debt	(5.206)	(4.308)
Long-term loans, net of current portion	11.309	11.697
Non current (Assets)/Liabilities for derivatives	66	23
Net financial position (credit)/debt (H)	6.169	7.412
Share capital	5.123	5.123
Reserves	9.362	9.282
Net income (loss) for the accounting period attributable to the Group	(3.066)	2.462
Total shareholders' equity attributable to the Group	11.419	16.867
Shareholders' equity attributable to minority interests	1.905	2.071
Shareholders' equity (I)	13.324	18.938
Shareholders' equity and net financial position (L) = (H+I)	19.493	26.350



Consolidated condensed cash flow statement (thousand euros) Unaudited	2017	2016
A) Cash and cash equivalents at the beginning of the period	8.440	15.534
B) Cash from/(used in) operating activities during the period	6.044	(6.465)
C) Cash from/(used in) investing activities	(2.398)	(4.878)
D) Cash from/(used in) financing activities	299	4.252
Currency translation differences	(1.111)	(3)
E) Net change in cash and cash equivalents	2.833	(7.094)
F) Cash and cash equivalents at the end of the period	11.273	8.440
Breakdown of cash and cash equivalents:		
Cash and cash equivalents	11.520	8.925
Overdrawn current accounts	(247)	(486)
	11.273	8.440



Fidia S.p.A.: financial statements as at 31.12.2017

Reclassified profit and loss statement (thousand euros) Unaudited	2017	%	2016	%
Net revenues	28.787	89,6%	43.431	98,8%
Change in finished goods and W.I.P. stock	1.481	4,6%	(959)	-2,2%
Other operating revenues	1.845	5,7%	1.481	3,4%
Value of production	32.113	100%	43.953	100%
Raw materials and consumables	(12.933)	-40,3%	(16.974)	-38,6%
Commissions, transport and subcontractors	(3.693)	-11,5%	(5.820)	-13,2%
Other services and operating costs	(7.762)	-24,2%	(8.572)	-19,5%
Added value	7.725	24,1%	12.588	28,6%
Personnel costs	(11.237)	-35,0%	(11.282)	-25,7%
Gross operating margin (EBITDA)	(3.512)	-10,9%	1.306	3,0%
Allocation to provision for doubtful accounts	(4)	0,0%	(8)	0,0%
Depreciation and amortization	(660)	-2,1%	(359)	-0,8%
Operating margin of the ordinary activity	(4.176)	-13,0%	939	2,1%
Non-recurring income/(costs)	0	0	0	0
Impairment (losses)/reversals	1.538	4,8%	329	0,7%
Operating margin (EBIT)	(2.639)	-8,2%	1.268	2,9%
Net financial income (expenses)	1.197	3,7%	1.100	2,5%
Profit (loss) on exchange rates	19	0,1%	(95)	-0,2%
Margin before taxes (EBT)	(1.422)	-4,4%	2.273	5,2%
Income taxes (current and deferred)	(5)	0,0%	(108)	-0,2%
Net income (loss) for the accounting period	(1.428)	-4,4%	2.165	4,9%



Consolidated statement of comprehensive income (thousand euros)	2017	2016
Income/(loss) for the accounting period (A)	(1.428)	2.165
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	(40)	66
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	9	(16)
Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)	(31)	50
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	(44)	(59)
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	11	14
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)	(33)	(45)
Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)	(64)	5
Total comprehensive income/(loss) for the period (A)+(B)	(1.492)	2.170



Reclassified statement of financial position (thousand euros) Unaudited	31.12.2017	31.12.2016
Property, plant and equipment	9.378	8.222
Intangible fixed assets	1.750	1.326
Investments	12.112	10.574
Other financial assets	1.050	1.153
Fixed assets – (A)	24.291	21.276
Net trade receivables	7.166	11.133
Inventory	12.812	12.120
Other current assets	2.107	2.457
Current assets – (B)	22.084	25.710
Supplier payables	(11.998)	(13.800)
Other current liabilities	(10.827)	(5.784)
Current liabilities – (C)	(22.825)	(19.583)
Net working capital (D) = (B+C)	(741)	6.127
Provision for employee severance indemnities (E)	(2.292)	(2.330)
Other long-term liabilities (F)	(330)	-
Net invested capital (G) = (A+D+E+F)	20.928	25.073
Financial position		
Financial assets available for sale		
Bank deposits and cash	(7.140)	(4.319)
Short-term loans	8.001	6.279
Current (Assets)/Liabilities for derivatives	-	198
Other current financial liabilities	-	-
Current financial position (credit)/debt	861	2.158
Long-term loans, net of current portion	11.254	11.630
Non current (Assets)/Liabilities for derivatives	66	23
Net financial position (credit)/debt (H)	12.181	13.811
Share capital	5.123	5.123
Reserves	5.051	3.973
Net income (loss) for the accounting period	(1.428)	2.165
Total shareholders' equity (I)	8.747	11.261
Shareholders' equity and net financial position (L) = (H+I)	20.928	25.073



Condensed cash flow statement (thousand euros) Unaudited	2017	2016
A) Cash and cash equivalents at the beginning of the period	3.833	9.269
B) Cash from/(used in) operating activities during the period	5.259	(7.917)
C) Cash from/(used in) investing activities	(2.240)	(3.786)
D) Cash from/(used in) financing activities	41	6.266
E) Net change in cash and cash equivalents	3.060	(5.436)
F) Cash and cash equivalents at the end of the period	6.893	3.833
Breakdown of cash and cash equivalents:		
Cash and cash equivalents	7.140	4.319
Overdrawn current accounts	(247)	(486)
	6.893	3.833