

## **Fidia S.p.A.: the BoD approves the Half Yearly Report as at June 30, 2019**

- **Order back-log** of 26,2 million Euros, (37,6 million Euros in the first semester 2018), with **Order entry** of 18,4 million Euros (24,2 million Euros in the first semester 2018)
- **Production value** of 24,9 million Euros and **Net revenues** of 20,9 million Euros (respectively 26,6 million Euros and 24,1 million Euros at June 30, 2018)
- **EBITDA:** -2,1 million Euros (-0,7 million Euros as at June 30, 2018)

**Turin, September 13, 2019** - 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, 2019.

In the 1<sup>st</sup> H 2019 Fidia Group has reported a **Production Value** of 24,9 million Euros, compared to 26,6 million Euros realized at the end of first semester of 2018, and **Consolidated revenues** for 20,9 million Euros compared to 24,1 million Euros in the same period of 2018.

This tendency is attributable to the High Speed Milling Machines sector – HSM – that closes the accounting period with a considerable decrease (-16,9%), as well as the after sale service sector – Service – that reports negative results (-4,5%); also the electronic sector – CNC – is experiencing a decrease, about -12,3% compared to June 30, 2018.

The commercial trend has followed the slowdown of the markets that is becoming more significant, and it reached a -24,1% in the performance, compared to what has been realized in the same period of last year.

### **In details:**

The **gross operating margin (EBITDA)** is -2,1 million Euros (-0,7 million Euros as at June 30, 2018), while the **operating result (EBIT)** is negative by 3,3 million Euros compared to -2,0 million Euros in the previous period.

At the end of the semester, the **net result** of the Group amounts to -3,5 million Euros, compared to a negative value of 2,3 million Euros at June 30, 2018.

The **Net Financial Position** of the Group is negative by 16,9 million Euros, decreasing compared with the same period of 2018 (11,4 million Euros), thereof 1,8 million Euros are due to the application of the new IFRS 16 accounting standard.

### **Foreseeable management outlooks**

The first semester shows a consolidated loss of 3.695 thousand Euros and a net financial debt of 16.943 thousand Euros. The economic-financial trend of the semester mainly reflects the reduction of the activity volumes on every business line, partially due to the decrease of the demand in some of the markets where the Group operates.

Fidia registered a slowdown in all the main markets where it operates, with the only exception of Brazil and Turkey.



The Group promptly reacted to the revenues decrease, also considering the moderate expectations in the short-medium term, introducing adequate measures. These are the activation of cost controlling projects, the use of social safety nets and the exploration of the possibilities offered by opening and developing into new markets.

Based on the actual order backlog, the Management foresees an increase in the economic performance throughout the second semester, with consequent benefits on the financial debts.

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The interim financial report as at June 30, 2019 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)).

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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 324 employees, Fidias 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. Fidias 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. **€ 22 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 30.6.2019

Reclassified consolidated profit and loss statement (thousand Euros)	1 <sup>st</sup> Half 2019	%	1 <sup>st</sup> Half 2018	%
<b>Net revenues</b>	<b>20.884</b>	83,8%	<b>24.136</b>	90,9%
Change in finished goods and W.I.P. stock	2.453	9,8%	1.336	5,0%
Other revenues and incomes	1.598	6,4%	1.086	4,1%
<b>Value of production</b>	<b>24.935</b>	<b>100,0%</b>	<b>26.558</b>	<b>100,0%</b>
Raw materials and consumables	(10.681)	-42,8%	(10.887)	-41,0%
Commissions	(333)	-1,3%	(222)	-0,8%
Transport	(883)	-3,5%	(823)	-3,1%
Subcontractors	(1.460)	-5,9%	(1.289)	-4,9%
Other services and operating costs	(4.378)	-17,6%	(5.155)	-19,4%
<b>Added value</b>	<b>7.201</b>	<b>28,9%</b>	<b>8.182</b>	<b>30,9%</b>
Personnel costs	(9.286)	-37,2%	(8.877)	-33,4%
<b>Gross operating margin (EBITDA)</b>	<b>(2.085)</b>	<b>-8,4%</b>	<b>(695)</b>	<b>-2,7%</b>
Allocation to provision for bad debts	(53)	-0,2%	(172)	-0,6%
Depreciation and amortization	(1.173)	-4,7%	(563)	-2,1%
<b>Operating margin of the ordinary activity</b>	<b>(3.311)</b>	<b>-13,3%</b>	<b>(1.431)</b>	<b>-5,4%</b>
Non-recurring (costs)/revenues	-	0,0%	(595)	-2,2%
<b>Operating margin (EBIT)</b>	<b>(3.311)</b>	<b>-13,3%</b>	<b>(2.026)</b>	<b>-7,7%</b>
Net financial income (expenses)	(297)	-1,2%	(239)	-0,9%
Profit/(loss) on exchange rates	(25)	-0,1%	(218)	-0,8%
<b>Income/(loss) before taxes (EBT)</b>	<b>(3.633)</b>	<b>-14,6%</b>	<b>(2.483)</b>	<b>-9,4%</b>
Income taxes (current and deferred)	(61)	-0,2%	100	0,4%
<b>Net income/(loss) for the accounting period</b>	<b>(3.695)</b>	<b>-14,8%</b>	<b>(2.383)</b>	<b>-9,0%</b>
Income/(Loss) attributable to minority interest shareholders	(189)	-0,7%	(94)	-0,4%
<b>Income/(Loss) attributable to the Group</b>	<b>(3.505)</b>	<b>-14,1%</b>	<b>(2.289)</b>	<b>-8,7%</b>



<b>Consolidated statement of comprehensive income</b> (thousand Euros)	<b>1<sup>st</sup> Half 2019</b>	<b>1<sup>st</sup> Half 2018</b>
<b>Income/(loss) for the accounting period (A)</b>	<b>(3.695)</b>	<b>(2.383)</b>
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	(164)	(9)
Gains/(losses) on exchange differences on translating foreign operations	100	256
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	39	2
<b>Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)</b>	<b>(25)</b>	<b>249</b>
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	(81)	24
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	19	(4)
<b>Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)</b>	<b>(62)</b>	<b>20</b>
<b>Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)</b>	<b>(87)</b>	<b>269</b>
<b>Total comprehensive income/(loss) for the period (A)+(B)</b>	<b>(3.782)</b>	<b>(2.114)</b>
<b>Total comprehensive income/(loss) attributable to:</b>		
Owners of the Parent	(3.607)	(2.038)
Non-controlling interests	(175)	(75)



<b>Reclassified consolidated statement of financial position</b> (thousand Euros )	<b>30.6.2019</b>	<b>31.12.2018</b>
Property, plant and equipment	12.844	11.313
Intangible fixed assets	2.506	2.342
Investments	16	16
Other financial assets	1.252	1.232
<b>Fixed assets – (A)</b>	<b>16.618</b>	<b>14.903</b>
Net trade receivables	14.394	18.061
Inventory	20.441	18.419
Other current assets	2.769	1.789
<b>Current assets – (B)</b>	<b>37.604</b>	<b>38.269</b>
Supplier payables	(14.097)	(16.394)
Other current liabilities	(12.184)	(10.579)
<b>Current liabilities – (C)</b>	<b>(26.281)</b>	<b>(26.973)</b>
<b>Net working capital (D) = (B+C)</b>	<b>11.323</b>	<b>11.296</b>
Provision for employee severance indemnities (E)	(2.237)	(2.189)
Other long-term liabilities (F)	(580)	(688)
<b>Net invested capital (G) = (A+D+E+F)</b>	<b>25.125</b>	<b>23.321</b>
<b>Financial position</b>		
Financial assets available for sale	-	-
Bank deposits and cash	(3.186)	(6.561)
Short-term loans	11.773	8.952
Current (Assets)/Liabilities for derivatives	-	-
Other current financial liabilities	-	-
<b>Current financial position (credit)/debt</b>	<b>8.587</b>	<b>2.391</b>
Long-term loans, net of current portion	8.105	8.881
Non current (Assets)/Liabilities for derivatives	251	88
<b>Net financial position (credit)/debt (H)</b>	<b>16.943</b>	<b>11.361</b>
Share capital	5.123	5.123
Reserves	5.104	6.516
Net income (loss) for the accounting period attributable to the Group	(3.505)	(1.314)
<b>Total shareholders' equity attributable to the Group</b>	<b>6.722</b>	<b>10.325</b>
Shareholders' equity attributable to minority interests	1.460	1.636
<b>Shareholders' equity (I)</b>	<b>8.182</b>	<b>11.961</b>
<b>Shareholders' equity and net financial position (L) = (H+I)</b>	<b>25.125</b>	<b>23.321</b>



<b>Consolidated condensed cash flow statement</b> (thousand Euros)	<b>1<sup>st</sup> Half 2019</b>	<b>1<sup>st</sup> Half 2018</b>
<b>A) Cash and cash equivalents at beginning of the accounting period</b>	<b>3.192</b>	<b>11.273</b>
B) Cash from/(used in) operating activities during the accounting period	(2.651)	(2.255)
C) Cash from/(used in) investing activities	(416)	(733)
D) Cash from/(used in) financing activities	(897)	(1.733)
Currency translation differences	72	200
E) Net change in cash and cash equivalents	(3.892)	(4.521)
<b>F) Cash and cash equivalents at end of the accounting period</b>	<b>(700)</b>	<b>(6.752)</b>
<b>Breakdown of cash and cash equivalents:</b>		
Cash and cash equivalents	3.186	8.834
Overdrawn current accounts	(3.886)	(2.082)
	<b>(700)</b>	<b>6.752</b>