

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, 2018**

Main consolidated figures as at December 31, 2018

- **Net Revenues:** 57,7 million euros (vs. 46,0 million euros as at December 31, 2017);
- **EBITDA:** 1,2 million euros (vs. -1,2 million euros as at December 31, 2017);
- **Net Result:** -1,6 million euros (vs. -3,1 million euro as at December 31, 2017);
- **Net Financial Position** negative by 11,3 million euros (vs. negative by 6,2 million euros as at December 31, 2017);
- **Order Entry:** 45,7 million euros (vs. 62,8 million euros in the FY 2017);
- **Order Back-log:** 22,9 million euros (vs. 31,4 million euros as at December 31, 2017);
- **Investments:** 0,63 million euros net due to capitalization of multi-annual activities.

**Torino, March 15th, 2019** - 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 2018 draft separate accounts, which will be submitted to the Annual Shareholders' Meeting for approval, and the 2018 consolidated financial statements.

The consolidated revenues of the year are 57.741 thousand euros, increased by 25,5% compared to last year (46.013 thousand euros FY 2017).

The electronic sector (CNC) revenues are 3.467 thousand euros, aligned with 2017; the mechanical sector (HSM) revenues are 40.923 thousand euros, with an increase of 35,1% compared with 2017; the after sale service sector (Service) has registered revenues for 13.351 thousand euros, with an increase of 9,0% compared with 2017.

*"Year 2018 has been positive for Fidial Group turnover trend" - says **Giuseppe Morfino, Founder, President and CEO of Fidial**, "and our company has been able to grow on all the geographic markets in which it works. The investments related to the new plant in Forlì, inaugurated in November 2018, have taken a big part of our resources during year 2018, but we are already collecting great satisfactions from increased productive capacity. We confirm our resolution to pursue the Group development, encouraged by a positive trend in order entry."*



The **Gross Operating Margin (EBITDA)** is about 1.154 thousand euros (2,0%) vs. -1.235 thousand euros (-2,6%) in the FY 2017.

The **Operating Margin (EBIT)**, is -785 thousand euros vs. -2.391 thousand euros in the FY 2017.

The **Net Financial Position** of the Group is negative by 11.327 thousand euros (negative by 6.169 thousand euros FY 2017).

The **Net Consolidated Result** is -1.552 thousand euros (negative by 3.098 thousand euros FY 2017).

The **Parent Company**, Fidia S.p.A., closes the FY 2018 with **Revenues** at 46.437 thousand euros, that means an increase by 61,3% vs. 28.787 thousand euros of year 2017. **EBITDA** is -672 thousand euros (negative by 3.512 thousand euros at December 31, 2017), whilst **EBIT** is -841 thousand euros (negative by 2.639 thousand euros at December 31, 2017).

During year 2018 a net result of -839 thousand euros has been reached (vs a negative net profit of 1.428 thousand euros at December 31, 2017) that benefits of dividends distributed by foreign subsidiaries for 656 thousand euros.

The net financial position is indebted for 15.005 thousand euros, vs a debt of 11.879 thousand euros in the previous year.

The Ordinary Shareholders' Meeting has been called on April 29, 2019 (first call) and, possibly, on April 30, 2019 (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 336 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. € 26 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 31.12.2018**

<b>Reclassified consolidated profit and loss statement</b> (thousand euros) Unaudited	<b>2018</b>	<b>%</b>	<b>2017</b>	<b>%</b>
<b>Net revenues</b>	<b>57.741</b>	<b>98,0%</b>	<b>46.013</b>	<b>95,9%</b>
Change in finished goods and W.I.P. stock	(820)	-1,4%	(79)	-0,2%
Other operating revenues	1.994	3,4%	2.025	4,2%
<b>Value of production</b>	<b>58.915</b>	<b>100,0%</b>	<b>47.959</b>	<b>100,0%</b>
Raw materials and consumables	(23.394)	-39,7%	(16.924)	-35,3%
Commissions, transport and subcontractors	(5.189)	-8,8%	(4.109)	-8,6%
Other services and operating costs	(11.524)	-19,6%	(10.543)	-22,2%
<b>Added value</b>	<b>18.808</b>	<b>32,0%</b>	<b>16.383</b>	<b>34,2%</b>
Personnel costs	(17.654)	-30,0%	(17.619)	-36,7%
<b>Gross operating margin (EBITDA)</b>	<b>1.154</b>	<b>2,0%</b>	<b>(1.235)</b>	<b>-2,6%</b>
Allocation to provision	(475)	-0,8%	(174)	-0,4%
Depreciation and amortization	(1.192)	-2,0%	(982)	-2,0%
<b>Operating margin of the ordinary activity</b>	<b>(513)</b>	<b>-0,9%</b>	<b>(2.391)</b>	<b>-5,0%</b>
Non-recurring income /(costs)	(272)	-0,5%	0	0,0%
<b>Operating margin (EBIT)</b>	<b>(785)</b>	<b>-1,3%</b>	<b>(2.391)</b>	<b>-5,0%</b>
Net financial income (expenses)	(487)	-0,8%	(187)	-0,4%
Profit/(loss) on exchange rates	(67)	-0,1%	153	0,3%
<b>Margin before taxes (EBT)</b>	<b>(1.339)</b>	<b>-2,3%</b>	<b>(2.425)</b>	<b>-5,1%</b>
Income taxes (current and deferred)	(214)	-0,4%	(673)	-1,4%
<b>Net income/(loss) for the accounting period</b>	<b>(1.552)</b>	<b>-2,6%</b>	<b>(3.098)</b>	<b>-6,5%</b>
Income/(Loss) attributable to minority interest shareholders	(238)	-0,4%	(32)	-0,1%
Income/(Loss) attributable to the Group	(1.314)	-2,2%	(3.066)	-6,4%



<b>Consolidated statement of comprehensive income</b> (thousand euros)	<b>2018</b>	<b>2017</b>
<b>Income/(loss) for the accounting period (A)</b>	<b>(1.552)</b>	<b>(3.098)</b>
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	(23)	(40)
Gains/(losses) on exchange differences on translating foreign operations	234	(1.404)
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	6	9
<b>Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)</b>	<b>217</b>	<b>(1.435)</b>
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	27	(44)
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	(6)	11
<b>Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)</b>	<b>21</b>	<b>(33)</b>
<b>Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)</b>	<b>238</b>	<b>(1.468)</b>
<b>Total comprehensive income/(loss) for the period (A)+(B)</b>	<b>(1.314)</b>	<b>(4.566)</b>
<b>Total comprehensive income/(loss) attributable to:</b>		
Owners of the Parent	<b>(1.063)</b>	<b>(4.422)</b>
Non-controlling interests	<b>(251)</b>	<b>(144)</b>



<b>Reclassified consolidated statement of financial position</b> (thousand euros ) Unaudited	<b>31.12.2018</b>	<b>31.12.2017</b>
Property, plant and equipment	11.313	11.267
Intangible fixed assets	2.342	1.758
Investments	16	16
Other financial assets	1.232	1.497
<b>Fixed assets – (A)</b>	<b>14.903</b>	<b>14.538</b>
Net trade receivables	19.307	14.339
Inventory	18.419	17.846
Other current assets	1.565	1.263
<b>Current assets – (B)</b>	<b>39.290</b>	<b>33.448</b>
Supplier payables	(16.427)	(9.928)
Other current liabilities	(11.600)	(15.801)
<b>Current liabilities – (C)</b>	<b>(28.027)</b>	<b>(25.729)</b>
<b>Net working capital (D) = (B+C)</b>	<b>11.263</b>	<b>7.719</b>
Provision for employee severance indemnities (E)	(2.189)	(2.292)
Other long-term liabilities (F)	(688)	(470)
<b>Net invested capital (G) = (A+D+E+F)</b>	<b>23.288</b>	<b>19.494</b>
<b>Financial position</b>		
Financial assets available for sale		
Bank deposits and cash	(6.561)	(11.520)
Short-term loans	8.919	6.329
Current (Assets)/Liabilities for derivatives	-	-
Other current financial liabilities	-	-
<b>Current financial position (credit)/debt</b>	<b>2.358</b>	<b>(5.191)</b>
Long-term loans, net of current portion	8.881	11.294
Non current (Assets)/Liabilities for derivatives	88	66
<b>Net financial position (credit)/debt (H)</b>	<b>11.327</b>	<b>6.169</b>
Share capital	5.123	5.123
Reserves	6.516	9.362
Net income (loss) for the accounting period attributable to the Group	(1.314)	(3.066)
<b>Total shareholders' equity attributable to the Group</b>	<b>10.325</b>	<b>11.419</b>
Shareholders' equity attributable to minority interests	1.636	1.905
<b>Shareholders' equity (I)</b>	<b>11.961</b>	<b>13.324</b>
<b>Shareholders' equity and net financial position (L) = (H+I)</b>	<b>23.288</b>	<b>19.494</b>



<b>Consolidated condensed cash flow statement</b> (thousand euros ) Unaudited	<b>2018</b>	<b>2017</b>
<b>A) Cash and cash equivalents at the beginning of the period</b>	<b>11.273</b>	<b>8.440</b>
B) Cash from/(used in) operating activities during the period	(3.501)	5.973
C) Cash from/(used in) investing activities	(1.788)	(2.398)
D) Cash from/(used in) financing activities	(2.947)	369
Currency translation differences	189	(1.111)
E) Net change in cash and cash equivalents	(8.046)	2.833
<b>F) Cash and cash equivalents at the end of the period</b>	<b>3.225</b>	<b>11.273</b>
<b>Breakdown of cash and cash equivalents:</b>		
Cash and cash equivalents	6.561	11.520
Overdrawn current accounts	(3.336)	(247)
	<b>3.225</b>	<b>11.273</b>



## Fidia S.p.A.: financial statements as at 31.12.2018

Reclassified profit and loss statement (thousand euros ) Unaudited	2018	%	2017	%
<b>Net revenues</b>	<b>46.437</b>	<b>101,0%</b>	<b>28.787</b>	<b>89,6%</b>
Change in finished goods and W.I.P. stock	(2.295)	-5,0%	1.481	4,6%
Other operating revenues	1.831	4,0%	1.845	5,7%
<b>Value of production</b>	<b>45.973</b>	<b>100%</b>	<b>32.113</b>	<b>100%</b>
Raw materials and consumables	(21.165)	-46,0%	(12.933)	-40,3%
Commissions, transport and subcontractors	(4.541)	-9,9%	(3.693)	-11,5%
Other services and operating costs	(8.424)	-18,3%	(7.762)	-24,2%
<b>Added value</b>	<b>11.843</b>	<b>25,8%</b>	<b>7.725</b>	<b>24,1%</b>
Personnel costs	(11.171)	-24,3%	(11.237)	-35,0%
<b>Gross operating margin (EBITDA)</b>	<b>672</b>	<b>1,5%</b>	<b>(3.512)</b>	<b>-10,9%</b>
Allocation to provision for doubtful accounts	(409)	-0,9%	(4)	0,0%
Depreciation and amortization	(837)	-1,8%	(660)	-2,1%
<b>Operating margin of the ordinary activity</b>	<b>(574)</b>	<b>-1,2%</b>	<b>(4.176)</b>	<b>-13,0%</b>
Non-recurring income/(costs)	0	0	0	0
Impairment (losses)/reversals	(267)	-0,6%	1.538	4,8%
<b>Operating margin (EBIT)</b>	<b>(841)</b>	<b>-1,8%</b>	<b>(2.639)</b>	<b>-8,2%</b>
Net financial income (expenses)	138	0,3%	1.197	3,7%
Profit (loss) on exchange rates	(83)	-0,2%	19	0,1%
<b>Margin before taxes (EBT)</b>	<b>(787)</b>	<b>-1,7%</b>	<b>(1.422)</b>	<b>-4,4%</b>
Income taxes (current and deferred)	(52)	0,1%	(5)	0,0%
<b>Net income (loss) for the accounting period</b>	<b>(839)</b>	<b>-1,8%</b>	<b>(1.428)</b>	<b>-4,4%</b>





<b>Consolidated statement of comprehensive income</b> (thousand euros)	<b>2018</b>	<b>2017</b>
<b>Income/(loss) for the accounting period (A)</b>	<b>(839)</b>	<b>(1.428)</b>
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	(23)	(40)
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	6	9
<b>Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)</b>	<b>(17)</b>	<b>(31)</b>
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	27	(44)
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	(6)	11
<b>Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)</b>	<b>21</b>	<b>(33)</b>
<b>Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)</b>	<b>4</b>	<b>(64)</b>
<b>Total comprehensive income/(loss) for the period (A)+(B)</b>	<b>(835)</b>	<b>(1.492)</b>



<b>Reclassified statement of financial position</b> (thousand euros ) Unaudited	<b>31.12.2018</b>	<b>31.12.2017</b>
Property, plant and equipment	9.054	9.378
Intangible fixed assets	2.333	1.750
Investments	11.845	12.112
Other financial assets	594	1.050
<b>Fixed assets – (A)</b>	<b>23.826</b>	<b>24.291</b>
Net trade receivables	15.495	7.166
Inventory	12.171	12.812
Other current assets	1.508	1.806
<b>Current assets – (B)</b>	<b>29.174</b>	<b>21.783</b>
Supplier payables	(20.082)	(11.998)
Other current liabilities	(7.284)	(10.827)
<b>Current liabilities – (C)</b>	<b>(27.366)</b>	<b>(22.825)</b>
<b>Net working capital (D) = (B+C)</b>	<b>1.808</b>	<b>(1.042)</b>
Provision for employee severance indemnities (E)	(2.189)	(2.292)
Other long-term liabilities (F)	(547)	(330)
<b>Net invested capital (G) = (A+D+E+F)</b>	<b>22.897</b>	<b>20.626</b>
<b>Financial position</b>		
Financial assets available for sale		
Bank deposits and cash	(3.716)	(7.441)
Short-term loans	10.108	8.016
Current (Assets)/Liabilities for derivatives	-	-
Other current financial liabilities	-	-
<b>Current financial position (credit)/debt</b>	<b>6.392</b>	<b>575</b>
Long-term loans, net of current portion	8.525	11.238
Non current (Assets)/Liabilities for derivatives	88	66
<b>Net financial position (credit)/debt (H)</b>	<b>15.005</b>	<b>11.879</b>
Share capital	5.123	5.123
Reserves	3.608	5.051
Net income (loss) for the accounting period	(839)	(1.428)
<b>Total shareholders' equity (I)</b>	<b>7.892</b>	<b>8.747</b>
<b>Shareholders' equity and net financial position (L) = (H+I)</b>	<b>22.897</b>	<b>20.626</b>



<b>Condensed cash flow statement</b> (thousand euros ) Unaudited	<b>2018</b>	<b>2017</b>
<b>A) Cash and cash equivalents at the beginning of the period</b>	<b>6.893</b>	<b>3.833</b>
B) Cash from/(used in) operating activities during the period	(2.035)	5.259
C) Cash from/(used in) investing activities	(1.095)	(2.240)
D) Cash from/(used in) financing activities	(3.625)	41
E) Net change in cash and cash equivalents	(6.754)	3.060
<b>F) Cash and cash equivalents at the end of the period</b>	<b>139</b>	<b>6.893</b>
<b>Breakdown of cash and cash equivalents:</b>		
Cash and cash equivalents	3.475	7.140
Overdrawn current accounts	(3.336)	(247)
	<b>139</b>	<b>6.893</b>