

Press Release

Fidia S.p.A. BoD approves the draft financial statements of Fidial S.p.A. and the Group consolidated financial statements as of December 31, 2019

Main consolidated figures as of December 31, 2019

- **Net Revenues:** 45.8 million euros (57.7 million euros in 2018)
- **EBITDA:** -1 million euros (1.2 million euros in 2018)
- **Net Result:** -4.5 million euros (-1.6 million euros in 2018)
- **Net financial position:** negative by 12.6 million euros (negative by 11.4 million Euros as of December 31, 2018)
- **Order entry:** 27.3 million euros (35.9 million euros in 2018)
- **Order back-log:** 16.6 million euros (22.9 million euros as of December 31, 2018)
- **Investments:** 0.55 million euros net due to capitalization of multi-annual activities.

Turin, March 13, 2020, Fidial S.p.A. is a leading Group in numerical control devices and integrated systems technologies for the calculation, scanning and milling of complex forms, listed on the Star (MTA) segment of the Italian Stock Exchange, informs about the following. The Board of Directors during the meeting held today and chaired by Mr Giuseppe Morfino has examined and approved the 2019 draft financial statements and the Group's consolidated financial statements which will be submitted to the Annual Shareholders' Meeting.

Consolidated net revenues as of December 31, 2019 amounts to 45.8 million euros, compared to 57.7 million euros for the same period in 2018 decreased by 20.7% generated by the acute crisis of the sector of the market, considerably reducing order entry.

Within the electronic sector, – CNC – revenues amounted to 2,305 thousand euros, compared to 3,467 thousand euros in 2018, decreased by 33.5%. The High-Speed Milling sector, - HSM - closed the 2019 financial year decreasing by 23.5% and registering a revenue amounting to 31,304 thousand euros compared to 40,923 thousand euros in 2018. The after service sector – Service – registered a turnover for 12,174 thousand euros, decreasing by 8.8% compared to the same period in 2018 when turnover amounted to 13,351 thousand euros.

Consolidated Net Income is negative by 4.5 million euros compared to a negative result of 1.6 million euros as of December 2018.

*“Contrary to the forecasts expressed at the beginning of the year, – says, **Mr Giuseppe Morfino, President and CEO of Fidial S.p.A.** – “the 2019 financial registered extremely unsatisfactory results owing both to the trade war undertaken by the United States administration towards the rest of the world and to considerable technical-productive uncertainty linked to the epochal transformation within the automotive sector. In consequence of this, the Group has already taken, starting from the beginning of the second half of 2019, significant cost reduction measures that continue during the present financial year. Thanks to the excellent work of our designers and workers, to whom I personally wish to thank and express my compliments, 2019 saw the successful installation of three milling systems of new conception at the premises of clients of primary importance in Italy, Czech Republic and China.*

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Gross operating margin (EBITDA) amounts to -1,003 million euros (-2,1%) compared to the result of 1,244 thousand euros (2.1) of the 2018 financial year.

Operating result (EBIT) amounts to -3,469 thousand euros compared to the result -695 thousand euros.

Net financial position as of December 31, 2019 is negative by 12,634 thousand euros (negative by 11,361 thousand euros) as of December 31, 2018.

Consolidated result amounts to 4,477 thousand euros against a loss of 1,552 thousand euros as of December 31, 2018.

The Parent Company Fidia S.p.A., closed the financial year registering a turnover amounting to 32,199 thousand euros in decline compared to 46,437 thousand euros in 2018. EBITDA amounts to -2,161 thousand euros (compared 762 thousand euros as of December 31, 2018), while EBIT amounts to -4,190 thousand euros (compared to -751 thousand euros for the same period in 2018). The 2019 financial year registered a net result of -3,777 thousand euros (against -839 thousand euros as of December 31, 2018) Net financial position for the period taken into consideration is negative by 16,772 thousand euros compared to 15.038 thousand euros as of December 31, 2018.

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The Ordinary Shareholders' Meeting has been called on April 29 (first call) and, possibly, on April 30, 2020 (second call). The official notice, together with the other documents required, will be published according to the current legal requirements.

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The annual financial report, which includes the draft statutory financial statement, the Fidia Group consolidated financial statement as of December 31, 2019 with the Report on Operations and the attestation according to art 154-bis, paragraph 5 of the "Testo Unico della Finanza", (Consolidated Law on Finance) Consolidated non-financial statement, the Report of the Auditors and that of the Board of Auditors, as well as Explanatory report of the Board of Directors concerning the topics of the Annual Shareholders' Meeting, the report on Corporate Governance and ownership structure, the Remuneration Report ex art 123-ter "Testo Unico della Finanza" (Consolidated Law on Finance), will be available for the public at the Headquarters of the Company, on the Company's official website www.fidia.it, at the Italian Stock Exchange, at the storage of regulated information authorized by Consob **1info** (www.1info.it) in accordance to the law. All further necessary documents and information concerning the Annual Shareholders' Meeting will also be available on the Company's website: www.fidia.it

The present Press Release will be available for the public at the Headquarters of the Company, at the Italian Stock Exchange, at the storage of regulated information authorized by Consob "**1info**" and on the website page: <http://www.fidia.it/investor-relations/comunicati/comunicati-2020/>

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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 Antonio Breggia Bicchiere, declares that all 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 300 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. € 13 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 31.12.2019

Reclassified consolidated profit and loss statement (thousand euros) Unaudited	2019	%	2018	%
Net revenues	45.783	94,3%	57.741	98,0%
Change in finished goods and W.I.P. stock	(92)	-0,2%	(820)	-1,4%
Other operating revenues	2.866	5,9%	1.994	3,4%
Value of production	48.557	100,0%	58.915	100,0%
Raw materials and consumables	(18.776)	-38,7%	(23.394)	-39,7%
Commissions, transport and subcontractors	(4.322)	-8,9%	(5.189)	-8,8%
Other services and operating costs	(8.831)	-18,2%	(11.434)	-19,4%
Added value	16.629	34,2%	18.898	32,1%
Personnel costs	(17.632)	-36,3%	(17.654)	-30,0%
Gross operating margin (EBITDA)	(1.003)	-2,1%	1.244	2,1%
Allocation to provision	(147)	-0,3%	(475)	-0,8%
Depreciation and amortization	(2.319)	-4,8%	(1.192)	-2,0%
Operating margin of the ordinary activity	(3.469)	-7,1%	(423)	-0,7%
Non-recurring income /(costs)	-	-	(272)	-0,5%
Operating margin (EBIT)	(3.469)	-7,1%	(695)	-1,2%
Net financial income (expenses)	(587)	-1,2%	(487)	-0,8%
Profit/(loss) on exchange rates	(142)	-0,3%	(67)	-0,1%
Margin before taxes (EBT)	(4.198)	-8,6%	(1.249)	-2,1%
Income taxes (current and deferred)	(279)	-0,6%	(304)	-0,5%
Net income/(loss) for the accounting period	(4.477)	-9,2%	(1.552)	-2,6%
Income/(Loss) attributable to minority interest shareholders	(359)	-0,7%	(238)	-0,4%
Income/(Loss) attributable to the Group	(4.118)	-8,5%	(1.314)	-2,2%



Consolidated statement of comprehensive income (thousand euros)	2019	2018
Income/(loss) for the accounting period (A)	(4.477)	(1.552)
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	(142)	(23)
Gains/(losses) on exchange differences on translating foreign operations	186	234
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	34	6
Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)	78	217
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	(59)	27
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	14	(6)
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)	(45)	21
Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)	33	238
Total comprehensive income/(loss) for the period (A)+(B)	(4.444)	(1.314)
Total comprehensive income/(loss) attributable to:		
Owners of the Parent	(4.097)	(1.063)
Non-controlling interests	(347)	(251)



Reclassified consolidated statement of financial position (thousand euros) Unaudited	31.12.2019	31.12.2018
Property, plant and equipment	12.827	11.313
Intangible fixed assets	2.601	2.342
Investments	16	16
Deferred tax assets	976	958
Other financial assets	181	274
Fixed assets – (A)	16.601	14.903
Net trade receivables	8.837	18.061
Inventory	17.278	18.419
Other current assets	1.175	1.789
Current assets – (B)	27.290	38.269
Supplier payables	(11.399)	(16.394)
Other current liabilities	(9.850)	(10.579)
Current liabilities – (C)	(21.249)	(26.973)
Net working capital (D) = (B+C)	6.041	11.296
Provision for employee severance indemnities (E)	(2.159)	(2.189)
Other long-term liabilities (F)	(502)	(688)
Net invested capital (G) = (A+D+E+F)	19.981	23.321
Financial position		
Bank deposits and cash	(4.102)	(6.561)
Short-term loans	9.716	8.952
Current (Assets)/Liabilities for derivatives	-	-
Other current financial liabilities	-	-
Current financial position (credit)/debt	5.614	2.391
Long-term loans, net of current portion	6.790	8.881
Non current (Assets)/Liabilities for derivatives	230	88
Net financial position (credit)/debt (H)	12.634	11.361
Share capital	5.123	5.123
Reserves	5.240	6.516
Net income (loss) for the accounting period attributable to the Group	(4.118)	(1.314)
Total shareholders' equity attributable to the Group	6.245	10.325
Shareholders' equity attributable to minority interests	1.102	1.636
Shareholders' equity (I)	7.347	11.961
Shareholders' equity and net financial position (L) = (H+I)	19.981	23.321



Consolidated condensed cash flow statement (thousand euros) Unaudited	2019	2018
A) Cash and cash equivalents at the beginning of the period	3.192	11.273
B) Cash from/(used in) operating activities during the period	2910	(3.533)
C) Cash from/(used in) investing activities	(894)	(1.788)
D) Cash from/(used in) financing activities	(4.170)	(2.948)
Currency translation differences	143	189
E) Net change in cash and cash equivalents	(2.011)	(8.079)
F) Cash and cash equivalents at the end of the period	1.181	3.192
Breakdown of cash and cash equivalents:		
Cash and cash equivalents	4.102	6.561
Overdrawn current accounts	(2.921)	(3.369)
	1.181	3.192



Fidia S.p.A.: financial statements as at 31.12.2019

Reclassified profit and loss statement (thousand euros) Unaudited	2019	%	2018	%
Net revenues	32.199	92,3%	46.437	101,0%
Change in finished goods and W.I.P. stock	17	0,0%	(2.295)	-5,0%
Other operating revenues	2.669	7,7%	1.831	4,0%
Value of production	34.885	100%	45.973	100%
Raw materials and consumables	(15.311)	-43,9%	(21.165)	-46,0%
Commissions, transport and subcontractors	(3.990)	-11,4%	(4.541)	-9,9%
Other services and operating costs	(6.948)	-19,9%	(8.334)	-18,1%
Added value	8.636	24,8%	11.933	26,0%
Personnel costs	(10.797)	-30,9%	(11.171)	-24,3%
Gross operating margin (EBITDA)	(2.161)	-6,2%	762	1,7%
Allocation to provision for doubtful accounts	(30)	-0,1%	(409)	-0,9%
Depreciation and amortization	(1.313)	-3,8%	(837)	-1,8%
Operating margin of the ordinary activity	(3.504)	-10,0%	(484)	-1,1%
Non-recurring income/(costs)	0	0	0	0
Impairment (losses)/reversals	(686)	-2,0%	(267)	-0,6%
Operating margin (EBIT)	(4.190)	-12,0%	(751)	-1,6%
Net financial income (expenses)	501	1,4%	138	0,3%
Profit (loss) on exchange rates	(73)	-0,2%	(83)	-0,2%
Margin before taxes (EBT)	(3.762)	-10,8%	(697)	-1,5%
Income taxes (current and deferred)	(15)	0,0%	(142)	0,3%
Net income (loss) for the accounting period	(3.777)	-10,6%	(839)	-1,8%



Consolidated statement of comprehensive income (thousand euros)	2019	2018
Income/(loss) for the accounting period (A)	(3.777)	(839)
Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss:		
Gains/(losses) on cash flow hedge	(142)	(23)
Income tax related to components of Other comprehensive income/losses that will be reclassified subsequently to profit and loss	34	6
Total Other comprehensive income/(loss) that will be reclassified subsequently to profit and loss, net of tax effect (B1)	(108)	(17)
Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss:		
Actuarial gains/(losses) on employee benefit	(59)	27
Income tax related to components of Other comprehensive income/losses that will not be reclassified subsequently to profit and loss	14	(6)
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit and loss, net of tax effect (B2)	(45)	21
Total Other comprehensive income/(loss), net of tax effect (B)=(B1)+(B2)	(153)	4
Total comprehensive income/(loss) for the period (A)+(B)	(3.930)	(835)



Reclassified statement of financial position (thousand euros) Unaudited	31.12.2019	31.12.2018
Property, plant and equipment	10.049	9.054
Intangible fixed assets	2.596	2.333
Investments	11.314	11.845
Deferred tax assets	426	392
Other financial assets	171	202
Fixed assets – (A)	24.556	23.826
Net trade receivables	6.806	14.250
Inventory	11.263	12.171
Other current assets	2.399	1.732
Current assets – (B)	20.468	28.153
Supplier payables	(15.620)	(20.049)
Other current liabilities	(6.301)	(6.263)
Current liabilities – (C)	(21.921)	(26.312)
Net working capital (D) = (B+C)	(1.453)	1.841
Provision for employee severance indemnities (E)	(2.158)	(2.189)
Other long-term liabilities (F)	(210)	(547)
Net invested capital (G) = (A+D+E+F)	20.735	22.930
Financial position		
Bank deposits and cash	(1.054)	(3.716)
Short-term loans	10.917	10.141
Current (Assets)/Liabilities for derivatives	-	-
Other current financial liabilities	-	-
Current financial position (credit)/debt	9.863	6.425
Long-term loans, net of current portion	6.679	8.525
Non current (Assets)/Liabilities for derivatives	230	88
Net financial position (credit)/debt (H)	16.772	15.038
Share capital	5.123	5.123
Reserves	2.617	3.608
Net income (loss) for the accounting period	(3.777)	(839)
Total shareholders' equity (I)	3.963	7.892
Shareholders' equity and net financial position (L) = (H+I)	20.735	22.930



Condensed cash flow statement (thousand euros) Unaudited	2019	2018
A) Cash and cash equivalents at the beginning of the period	106	6.893
B) Cash from/(used in) operating activities during the period	990	(2.068)
C) Cash from/(used in) investing activities	(803)	(1.095)
D) Cash from/(used in) financing activities	(2.280)	(3.624)
E) Net change in cash and cash equivalents	(2.093)	(6.787)
F) Cash and cash equivalents at the end of the period	(1.987)	106
Breakdown of cash and cash equivalents:		
Cash and cash equivalents	934	3.475
Overdrawn current accounts	(2.921)	(3.369)
	(1.987)	106