



PRIMA  
INDUSTRIE

Company Roadshow

Paris – November 22<sup>nd</sup>, 2017



MEDIOBANCA

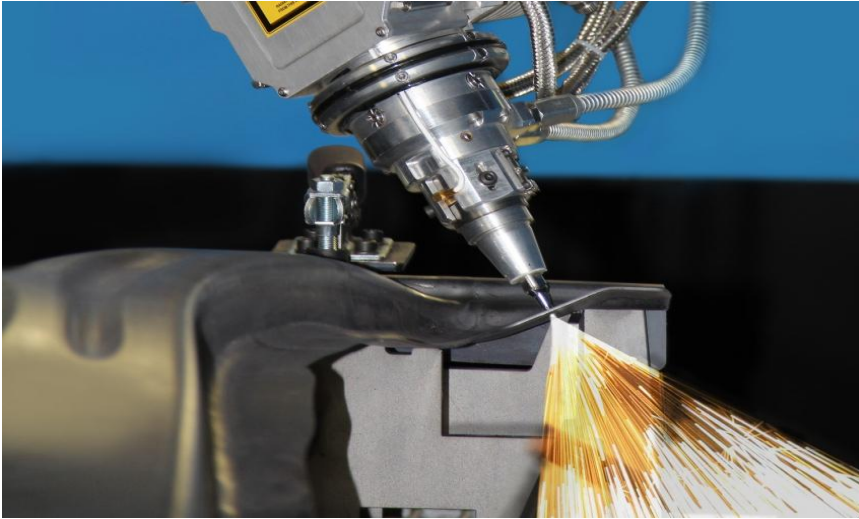


# Prima Group at a glance

- Founded in 1977, Prima Industrie is a global leader in **high technology** laser and sheet metal processing systems and electronic components for industrial applications
- Over 12,000 machines installed in more than **80 countries**
- **~1,700 employees** worldwide
- Manufacturing sites in Italy, Finland, USA and China
- Broad direct commercial and after-sales presence in **EU, NAFTA, BRIC** and other **emerging markets**.
- 2016 sales were **€394 millions**, of which 84% outside Italy
- Strong commitment to **innovation** (R&D is ~6% of turnover)
- **Listed** on Italian Stock Exchange (STAR segment) since 1999



# Prima Group business sectors: Prima Power



---

LASER MACHINES



SHEET METAL  
MACHINERY

---

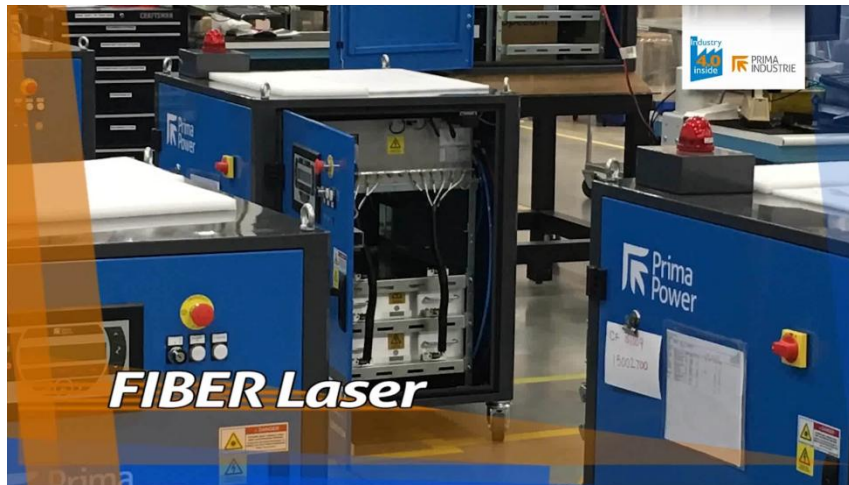
Prima  
Power



# Prima Group business sectors: Prima Electro



ELECTRONICS



LASER SOURCES

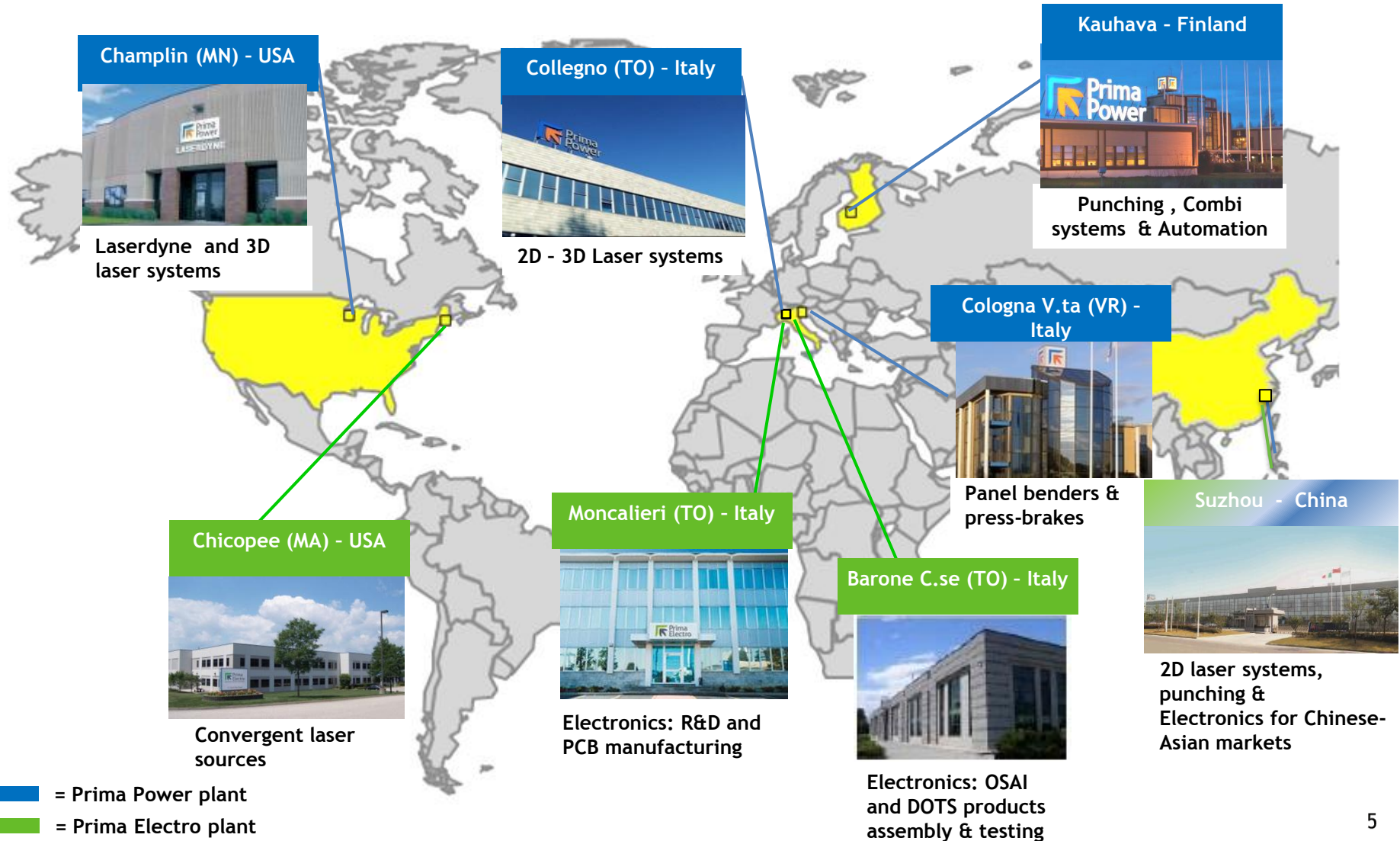
Prima Electro

convergent



# Industrial footprint: 1 plant=1 mission

## MANUFACTURING PLANTS IN 4 COUNTRIES





# Sales & service footprint

Direct presence in 25+ countries

- CANADA
- U.S.A.
- MEXICO
- BRAZIL
- CHILE
- ARGENTINA
- COLUMBIA

- ITALY
- FRANCE
- GERMANY
- UK
- SPAIN
- PORTUGAL
- SWITZERLAND
- AUSTRIA
- BELGIUM/  
HOLLAND
- POLAND
- CZECH REP.
- HUNGARY

- RUSSIA
- LITHUANIA
- TURKEY
- U.A.E.
- FINLAND
- SWEDEN
- NORWAY
- DENMARK
- ISRAEL
- EGYPT
- S. AFRICA

- INDIA
- CHINA
- S. KOREA
- MALAYSIA
- AUSTRALIA
- NEW ZEALAND
- IRAN
- THAILAND
- VIETNAM
- INDONESIA
- JAPAN

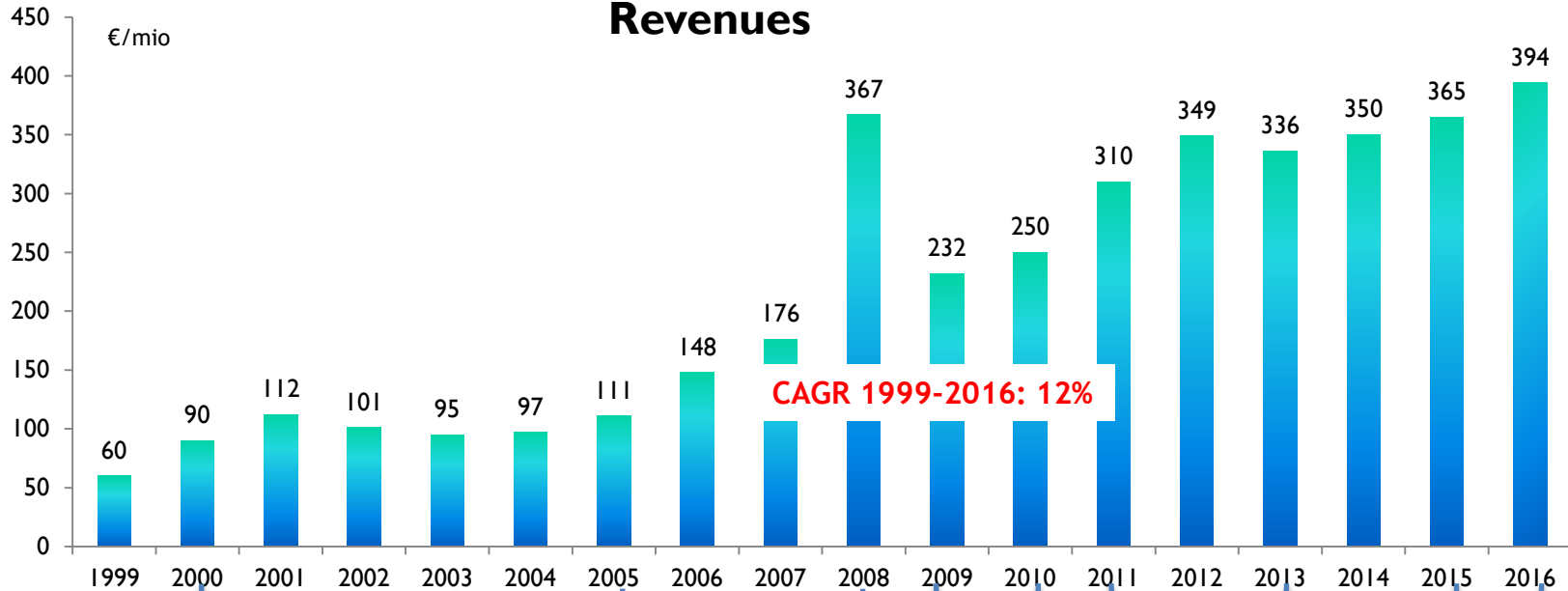
subsidaries or branch offices

Distributors/agents



# A history of growth

## Revenues



CAGR 1999-2016: 12%

1999  
• IPO on Italian Stock Market  
• First JV in China

2000  
• Acquisition of Convergent Energy in the US (internalization of laser source)

2001  
• Acquisition of Laserdyne in the US (leadership in aerospace market)  
• JV in Japan

2003  
• Second JV in China

2005  
• Acquisition of Matra distributor in Germany  
• Third JV in China

2007  
• Acquisition of OSAI (very well-known brand in the field of CNCs)

2008  
• Acquisition of Finnish Group FINN-POWER (size doubled)

2009-2010  
• Reorganiz. of the commercial network in European countries  
• Factory rationalization

2011-2013  
• New commercial subsidiaries in emerging markets (Brazil, India, Russia, Turkey, UAE, Australia, Mexico, Korea)  
• Agreement for Panel Benders with Amada for Japan

2015  
• New manufact. plant in China (Prima Power Suzhou)  
• New sales & service organization in China

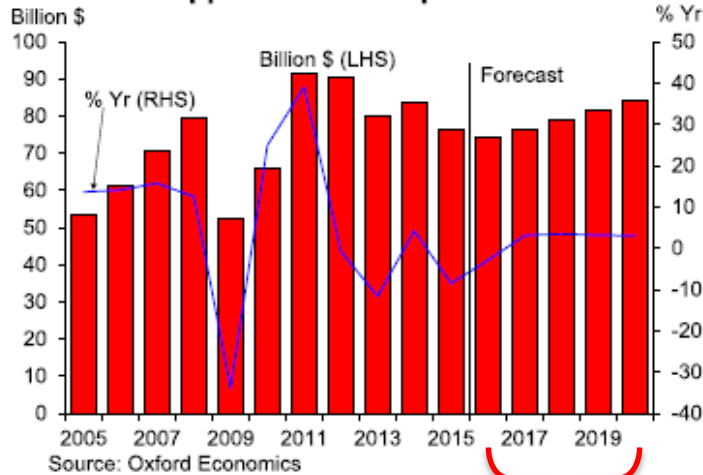
2016  
• New HQTC (Turin)



# Market trends: machine tool market - by Oxford Economics (update Spring 2017)

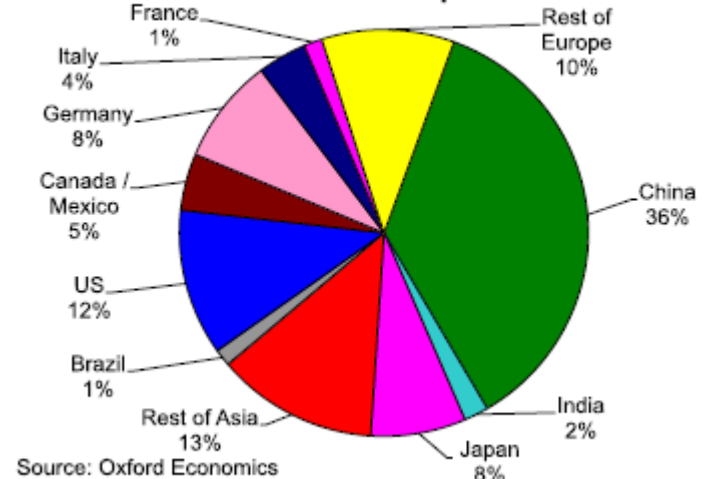


**World: MT Apparent consumption**

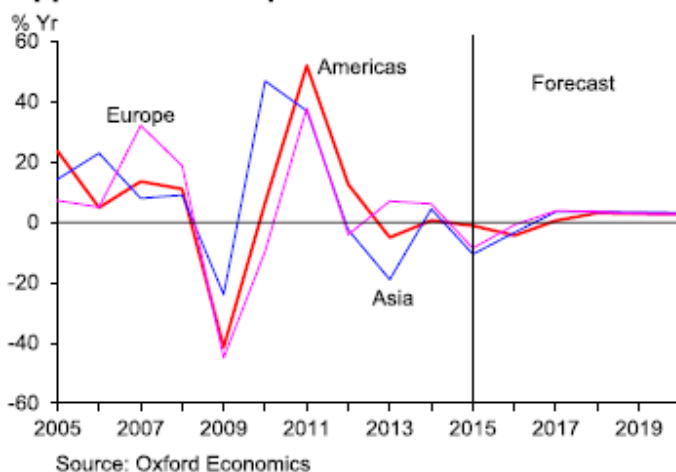


**CAGR 2016 - 2020:  $\approx 3\%$**

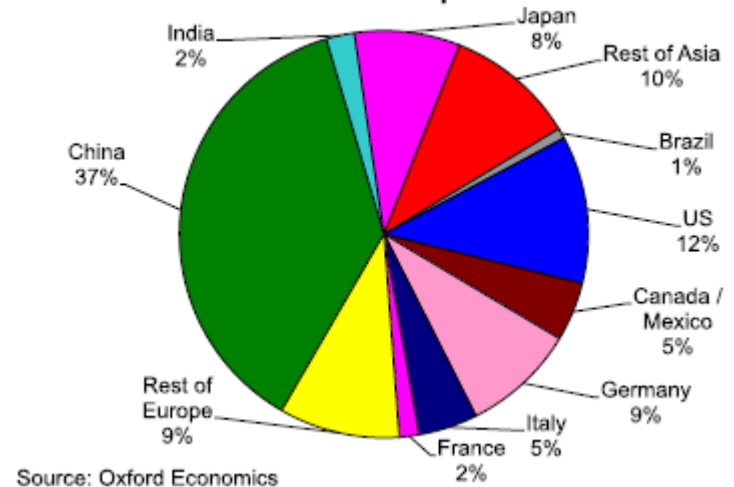
**World: Machine tool consumption in 2015**



**Apparent consumption**



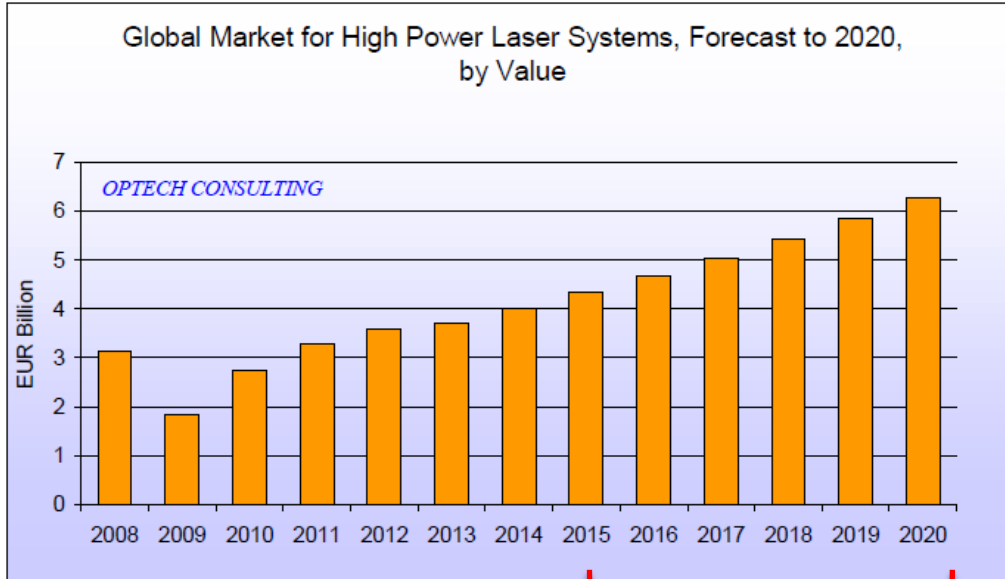
**World: Machine tool consumption in 2020**



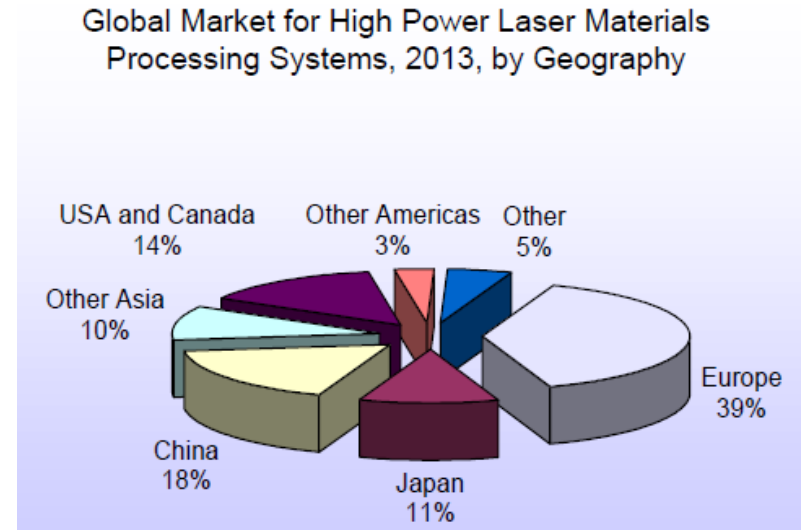


# Market trends: laser systems market - by Optech Consulting (last available Jan. 2014)

## OPTECH CONSULTING



CAGR 2015 -2020: 7.7%



### Global market and forecast for high power laser systems

Global market (€/mio)			CAGR (%)	
2013	2016	2020	2013-2016	2016-2020
3,707	4,682	6,282	8.1	7.6



# Growth drivers

## REVENUE DRIVERS



- Machine Tool market expected growth (*Oxford Economics*) - **cagr 2016-2020: 3%**
- Laser market expected growth (*Optech Consulting*) - **cagr 2016-2020: 7.6%**
- Success of newly released products
- Strengthening of market coverage in China
- New HQTC (Headquarters & Tech Center) boosting order intake

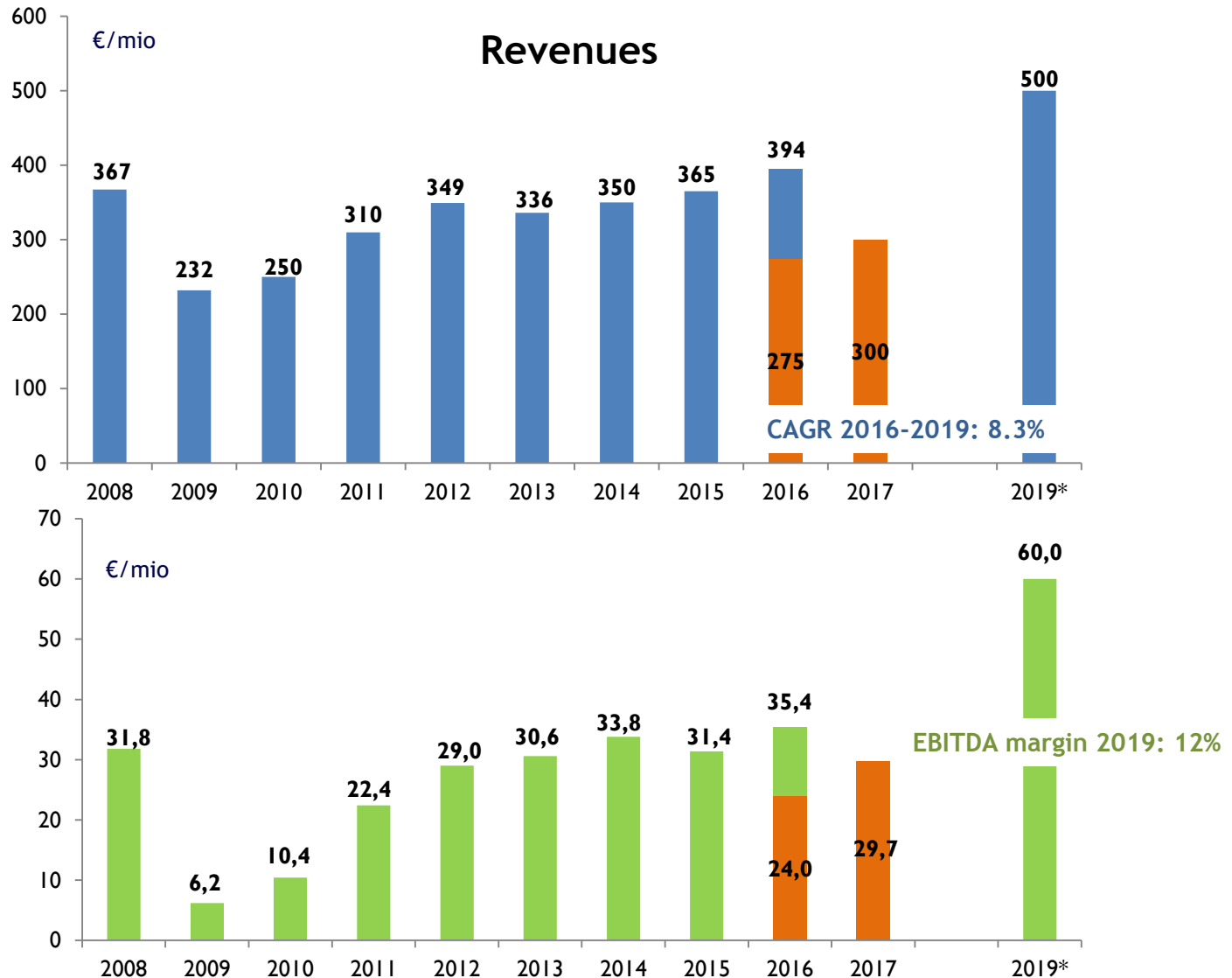
## EBITDA DRIVERS



- Higher volumes = Operational leverage
- Progressive increase in fiber laser in sourcing
- Diode Fab success in diodes development



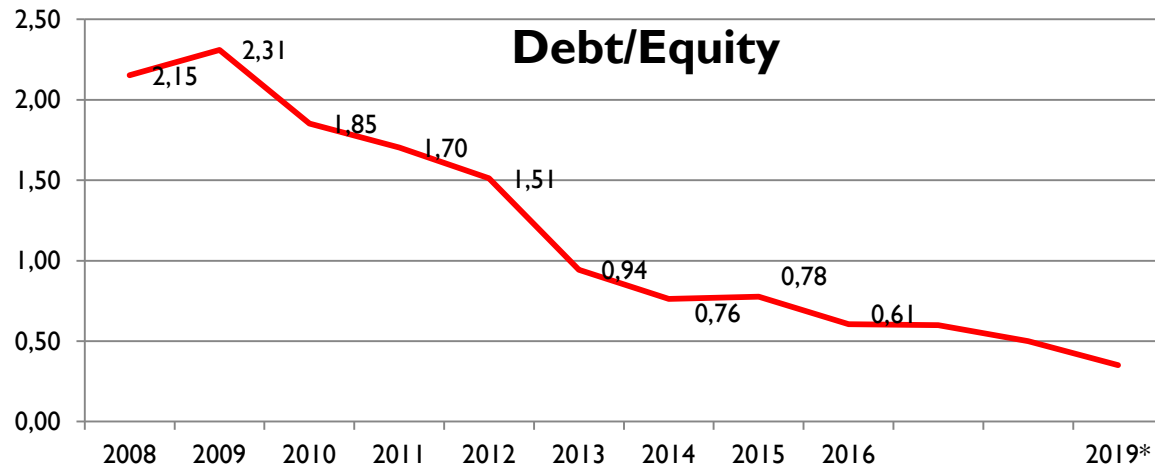
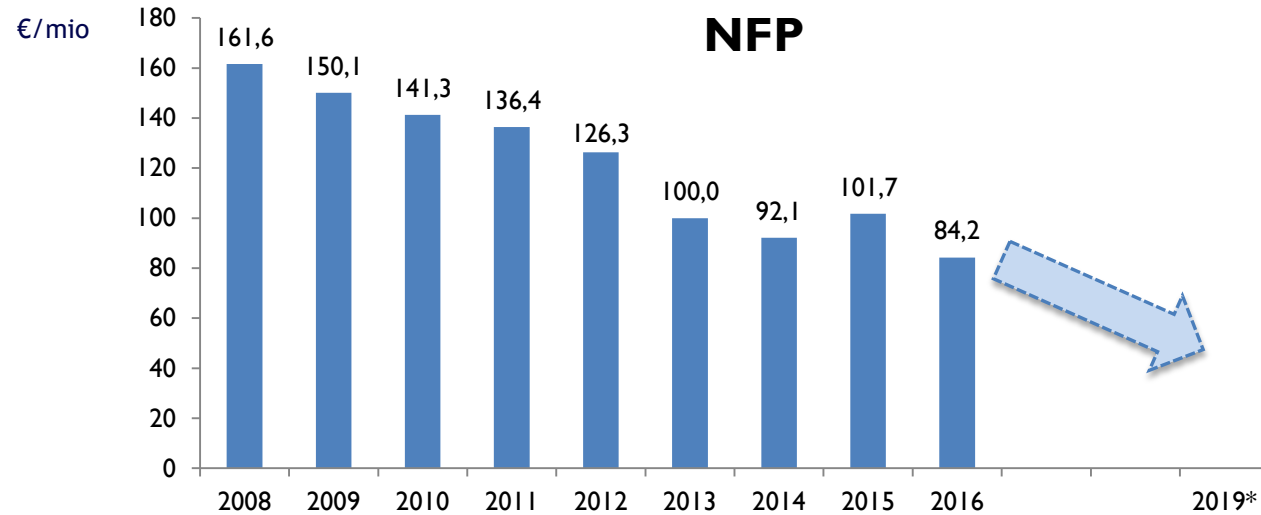
# Economic trends



\* = according to Company's business plan



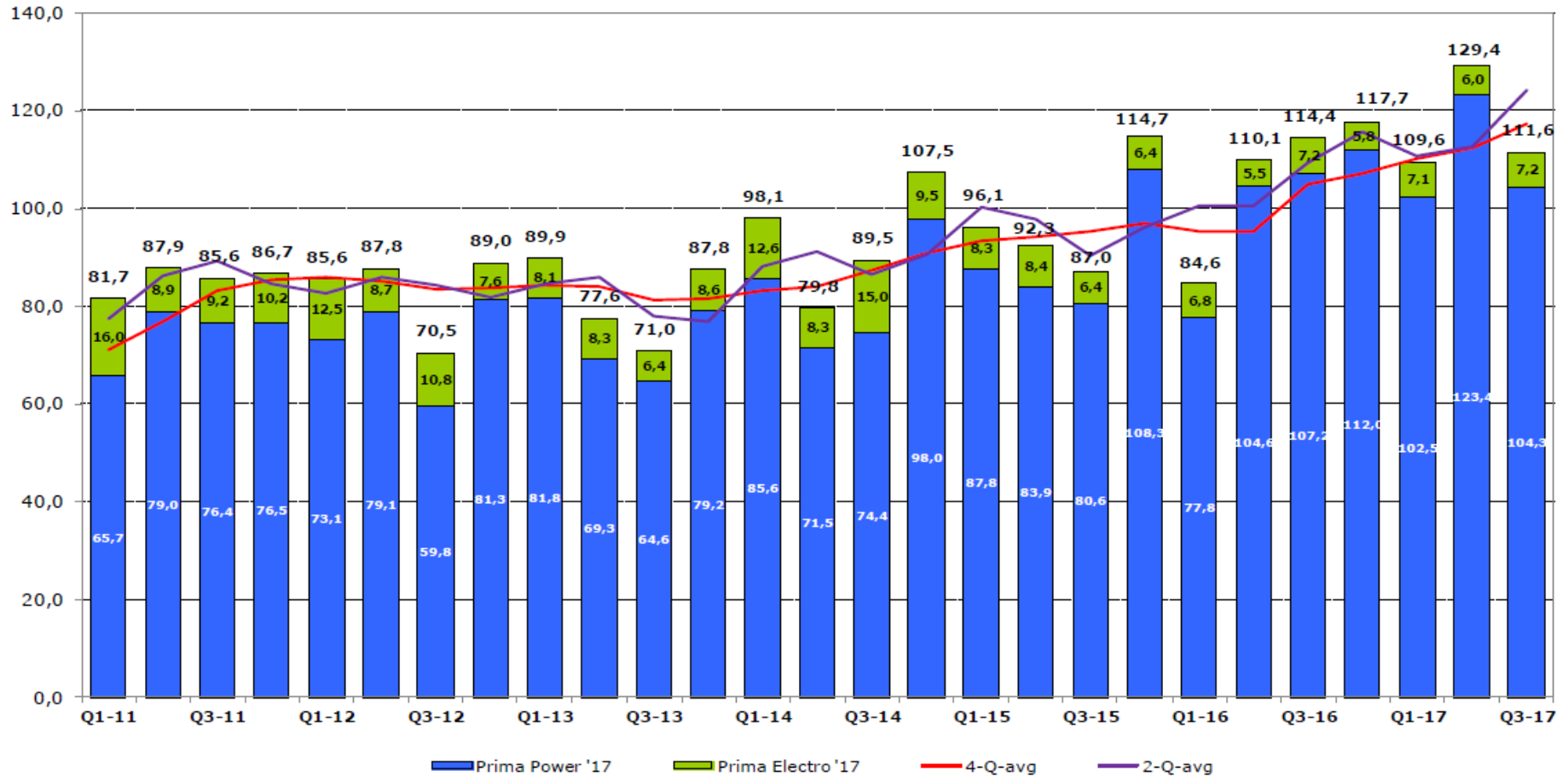
# Net financial position trend



\* = according to Company's business plan



# Quarterly order intake since 2011





# Analysts' consensus

	2017				2018				2019			
	B. IMI	B. Akros	Mediobanca	Consensus	B. IMI	B. Akros	Mediobanca	Consensus	B. IMI	B. Akros	Mediobanca	Consensus
	40,4	40,0	40,8		40,4	40,0	40,8		40,4	40,0	40,8	
REVENUES	432,0	445	444,7	<b>440,6</b>	470	477	482,9	<b>476,6</b>	500	510,5	514,1	<b>508,2</b>
EBITDA	43,0	48,0	45,3	<b>45,4</b>	53,1	57	52,2	<b>54,1</b>	60	65,4	61,1	<b>62,2</b>
EBIT	27,5	31	28,5	<b>29,0</b>	37,1	41	34,3	<b>37,5</b>	44	49,9	42,1	<b>45,3</b>
NET RESULT	18,5	19	18,7	<b>18,7</b>	23,68	27	24	<b>24,9</b>	29,1	33,9	29,5	<b>30,8</b>
NFP	-76,8	-78	-76,3	<b>-77,0</b>	-58,7	-63	-66,3	<b>-62,7</b>	-36,3	-40,4	-42,6	<b>-39,8</b>

**CAGR 2016 (A) -2019 consensus: ~ 9%**

 **BANCA IMI** Released November 8, 2017

 **Banca Akros** Released November 6, 2017  
Gruppo Bipiemme

 **MEDIOBANCA** Released September 11, 2017

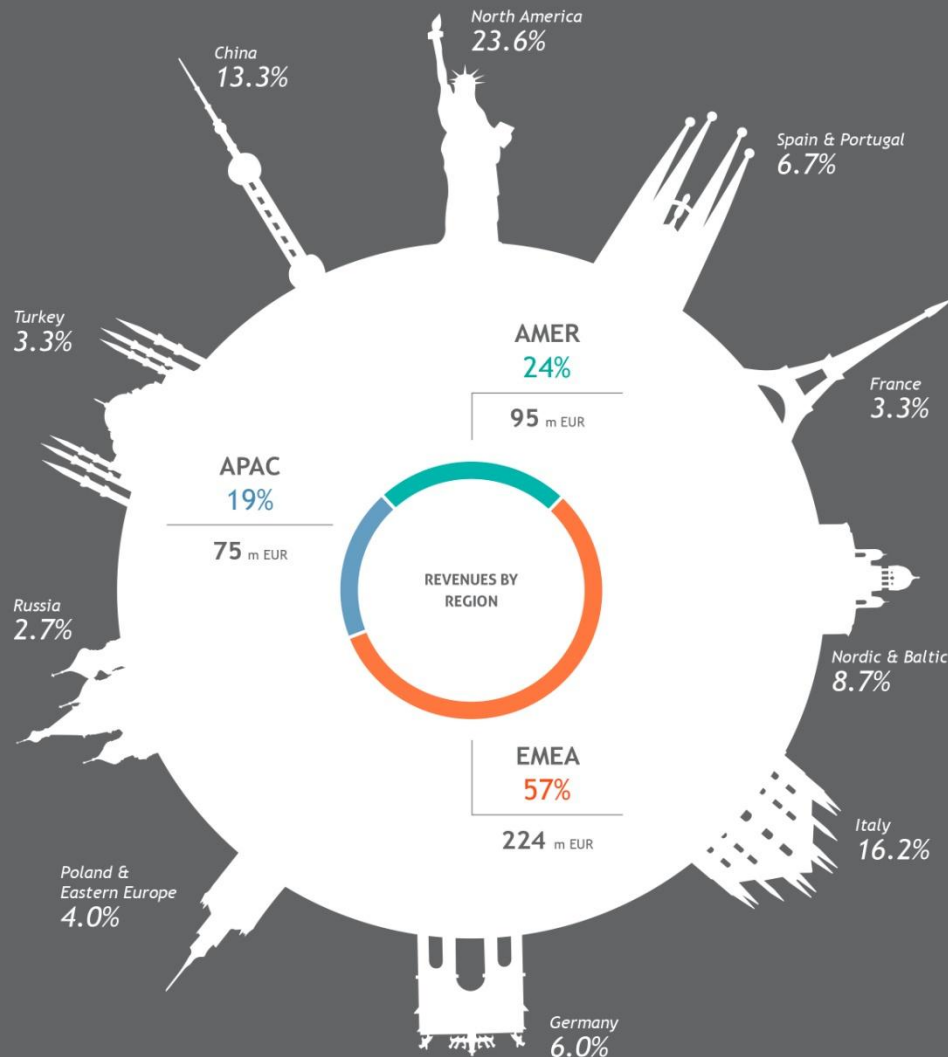


# Machine revenues by application



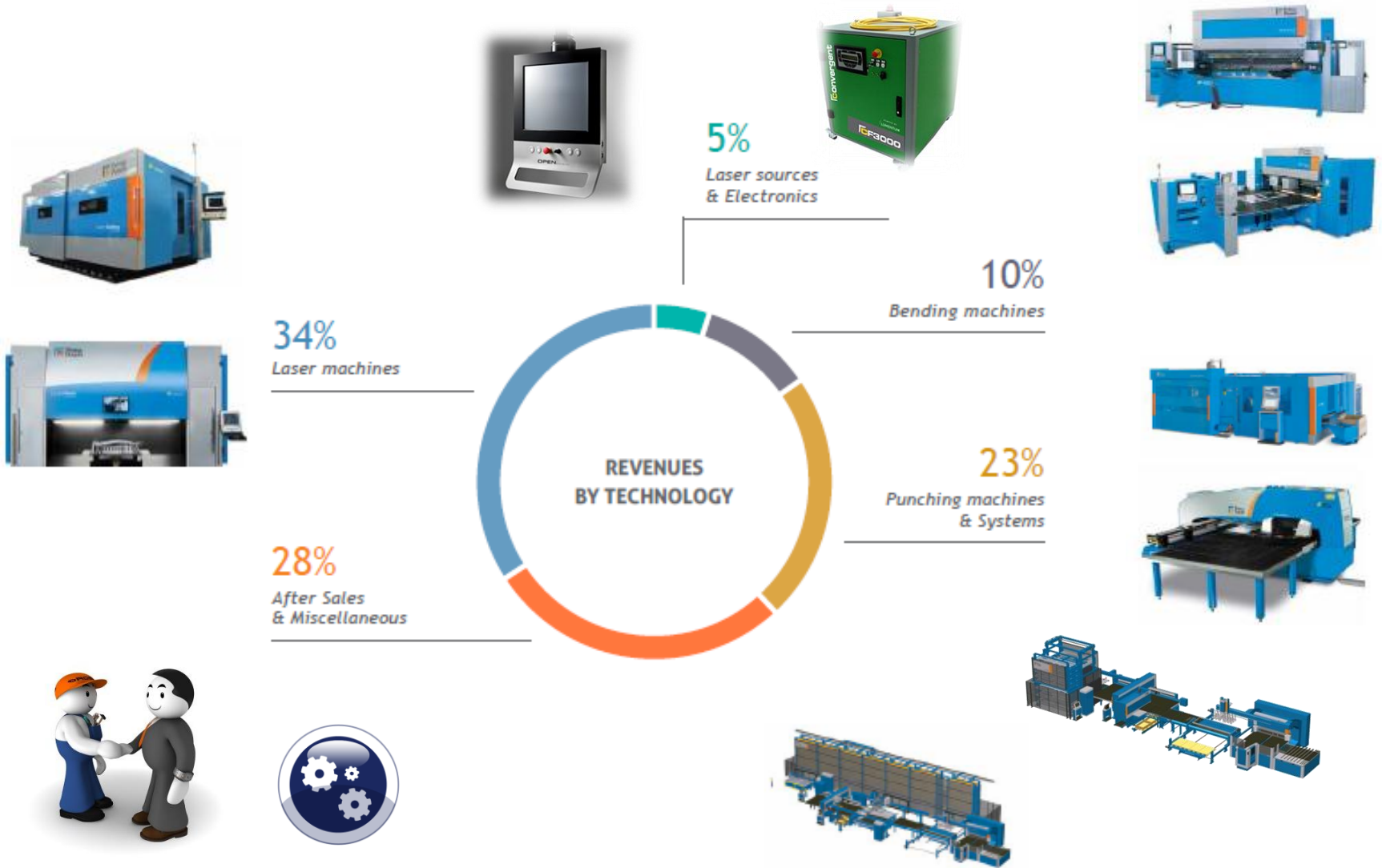


# Revenues by geography





# Revenues by technology





# Always at the cutting edge of technology

## The Laser

3D



Laser Next

## The System



PSBB

## The Bend



Bce Smart

## The Combi



Combi Genius

## The Punch



Shear Punch

2D



Laser Genius



# Always at the cutting edge of technology





# A selection from our 2,000 customers ww



RENAULT VOLVO Audi BMW  
 KARSAN PROTON Ford  
 东风汽车公司 DONGFENG MOTOR CORPORATION FCA  
 Gonvarri Steel Services TATA ITALDESIGN  
 SUNGWOOHITECH MAGNA  
 tiberina EDAG CECOMP  
 Metalsa GRUPO DOVER GESTAMP  
 吃豐集團 YI FENG GROUP SALZGITTERAG Stahl und Technologie  
 COMAU ThyssenKrupp ORAN



AIRBUS ACE PRECISION LOCKHEED MARTIN  
 GE Aviation BOEING SAFRAN  
 Honeywell Kale Pratt & Whitney  
 Pratt & Whitney WSK „PZL-Rzeszów” S.A.  
 TurboCare Solar Turbines mitsubishi  
 Paradigm Precision A Caterpillar Company  
 DONCASTERS NORTHROP GRUMMAN  
 ABB HITACHI Inspire the Next STEMAC  
 GE Oil & Gas SIEMENS HIMOINSA  
 HYUNDAI EG WILSON  
 EMERSON AREVA  
 Liebert. Kawasaki  
 Joint Stock Company "KALUGATURBINE WORKS"



# A selection from our 2,000 customers ww



## ELECTRICAL & VENDING EQUIP. - MISCELLANEA





# Innovation

- 
- › ~6% OF REVENUES INVESTED IN R&D
  - › RANKED BY EU IN THE TOP 500 KNOWLEDGE-BASED COMPANIES IN THE CONTINENT
  - › LONG HISTORY OF INNOVATION, 1ST LASER MACHINE FOR AUTOMOTIVE APPLICATION IN 1979
  - › PIONEERS IN SERVO-ELECTRIC PUNCHING AND BENDING SYSTEMS- EFFICIENCY AND SUSTAINABILITY
  - › ABOUT 15% OF GROUP STAFF EMPLOYED IN R&D
  - › PRODUCT RANGE ALWAYS AT THE CUTTING EDGE OF TECHNOLOGY
- 





# Industry 4.0

Prima Power Solutions  
for Industry 4.0 and  
Smart Manufacturing



Ready for today's  
production needs...  
and for tomorrow



## INTELLIGENT MACHINES & FACTORIES

Intelligent machines and automated factories collecting real-time and historical data through sensors and cameras



## SMART SOFTWARE

Prima Power software comprehensive portfolio of modular software-based systems



## REMOTE DIAGNOSTICS & MAINTENANCE

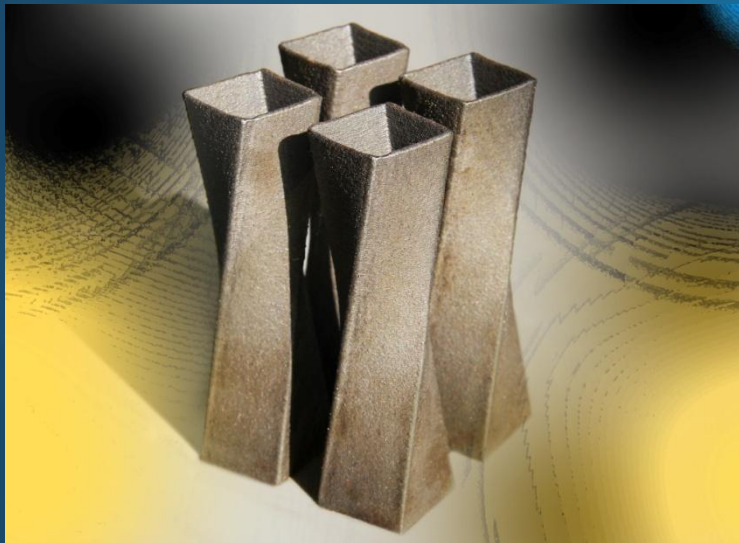
Data-driven machine diagnostics and predictive maintenance services. Production performance analysis, monitoring of machines status and condition.



# Industry 4.0



TECHNOLOGIES AND SOLUTIONS FOR  
**INDUSTRY 4.0**





# Innovation

## Competence Center on Laser Based Manufacturing

Industry 4.0 European machine tool builder

**Inaugurated in May 2016**



- Showroom with training rooms, conference rooms and hospitality area for customers
- Permanent expo of entire product range
- Built with green technologies: photovoltaic and solar panels, geothermal wells, home automation systems
- Training and awareness on Industry 4.0
- Live demo on new technologies and best practices for Industry 4.0
- Accelerator of new innovative projects



# Financial statements as at Sep. 30, 2017: Balance sheet

Values in Euro	30/09/2017	31/12/2016	Values in Euro	30/09/2017	31/12/2016
Property, plant and equipment	34.994.884	35.281.369	Capital stock	26.208.185	26.208.185
Intangible assets	151.091.012	155.713.399	Legal reserve	4.652.958	4.565.082
Investments accounted for using the equity method	-	1.009.341	Other reserves	69.292.933	70.738.752
Other investments	359.551	139.051	Currency translation reserve	1.837.052	6.848.598
Non current financial assets	9.578	9.578	Retained earnings	27.621.702	19.276.926
Deferred tax assets	12.511.408	11.555.324	Net result	12.060.789	10.102.304
<b>NON CURRENT ASSETS</b>	<b>198.966.433</b>	<b>203.708.062</b>	<i>Stockholders' equity of the Group</i>	<b>141.673.619</b>	<b>137.739.847</b>
Inventories	128.588.820	98.561.165	<i>Minority interest</i>	<b>1.197.109</b>	<b>1.212.065</b>
Trade receivables	98.674.948	88.376.748	<b>STOCKHOLDERS' EQUITY</b>	<b>142.870.728</b>	<b>138.951.912</b>
Other receivables	8.401.335	6.425.617	Interest-bearing loans and borrowings	101.588.205	111.675.762
Current tax receivables	7.262.408	5.053.888	Employee benefit liabilities	7.991.437	8.100.353
Derivatives	376.843	-	Deferred tax liabilities	6.585.291	8.340.653
Financial assets	791.509	791.509	Provisions	160.545	162.684
Cash and cash equivalents	43.319.846	62.679.901	Derivatives	64.371	220.866
<b>CURRENT ASSETS</b>	<b>287.415.708</b>	<b>261.888.828</b>	<b>NON CURRENT LIABILITIES</b>	<b>116.389.849</b>	<b>128.500.318</b>
Assets held for sale	1.152.107	318.812	Trade payables	88.842.443	88.448.383
<b>TOTAL ASSETS</b>	<b>487.534.247</b>	<b>465.915.702</b>	Advance payments	45.802.306	26.029.170
			Other payables	23.568.980	22.076.067
			Interest-bearing loans and borrowings	45.957.521	34.894.444
			Current tax payables	3.599.329	7.695.264
			Provisions	20.503.092	18.424.370
			Derivatives	-	895.774
			<b>CURRENT LIABILITIES</b>	<b>228.273.670</b>	<b>198.463.472</b>
			<b>TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES</b>	<b>487.534.247</b>	<b>465.915.702</b>

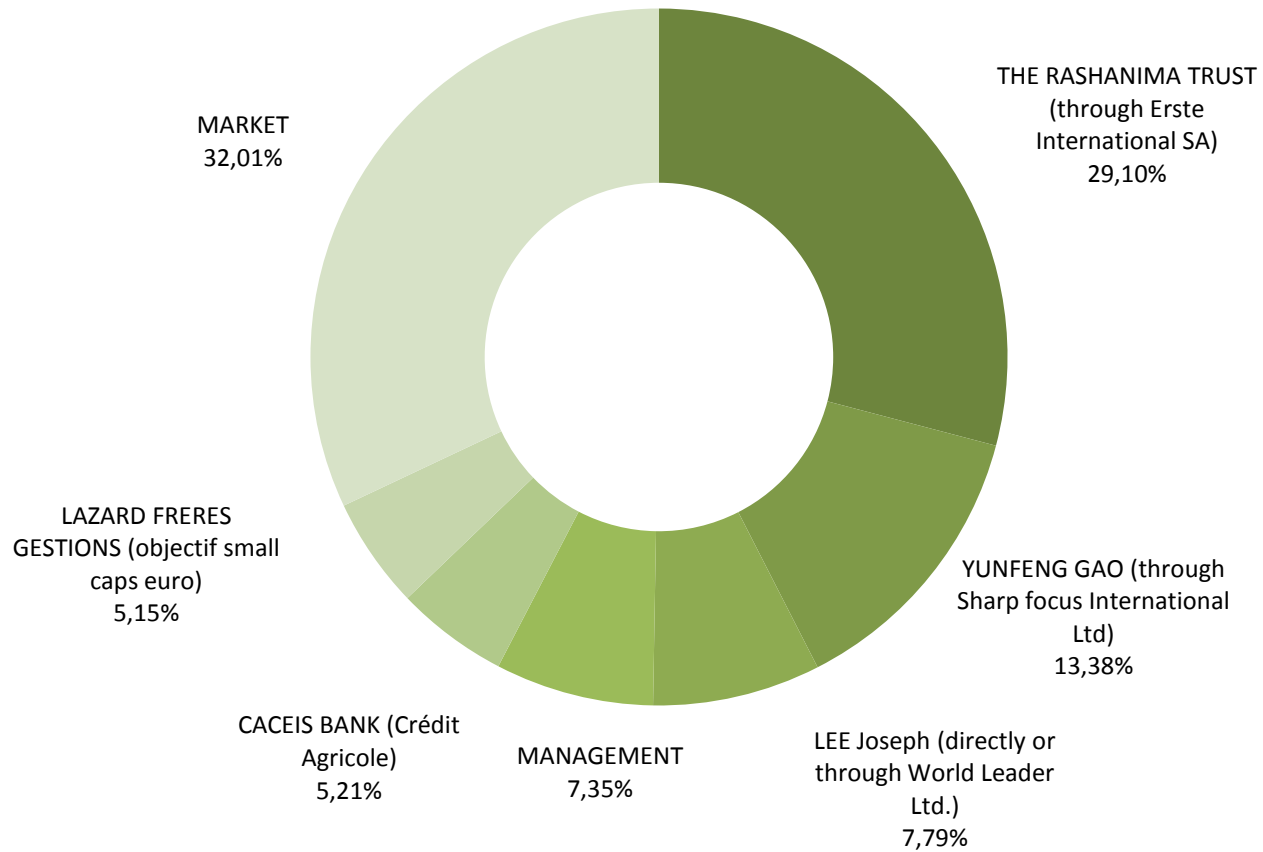


# Financial statements as at Sep. 30, 2017: P & L

Values in Euro	30/09/2017	30/09/2016
Net revenues	300.305.631	274.536.038
Cost of goods sold	(223.685.525)	(206.943.702)
<b>GROSS MARGIN</b>	<b>76.620.105</b>	<b>67.592.336</b>
Research and Development costs	(9.631.959)	(8.133.463)
Sales and marketing expenses	(20.373.590)	(19.239.112)
General and administrative expenses	(16.962.212)	(16.198.245)
<b>OPERATING GROSS MARGIN (EBITDA)</b>	<b>29.652.345</b>	<b>24.021.516</b>
Impairment - Write-off	(23.299)	(127.409)
Depreciation	(12.597.081)	(11.578.280)
<b>OPERATING PROFIT (EBIT)</b>	<b>17.031.966</b>	<b>12.315.827</b>
Financial income	2.674.159	650.989
Financial expenses	(4.976.185)	(5.382.625)
Net exchange differences	(2.484.646)	(693.602)
Net result of investments accounted for using the equity method	-	332.287
Net result of other investments	1.940.698	-
<b>RESULT BEFORE TAXES (EBT)</b>	<b>14.185.991</b>	<b>7.222.876</b>
Taxes	(2.055.365)	(1.598.279)
<b>NET RESULT</b>	<b>12.130.626</b>	<b>5.624.597</b>
- <i>Attributable to Group shareholders</i>	12.060.789	5.584.130
- <i>Attributable to minority shareholders</i>	69.838	40.467
<b>RESULT PER SHARE - BASIC (in euro)</b>	<b>1,15</b>	<b>0,53</b>
<b>RESULT PER SHARE - DILUTED (in euro)</b>	<b>1,15</b>	<b>0,53</b>



# Shareholding structure





THANK YOU !

