



# GROUP CONSOLIDATED RESULTS H1 2019

TUESDAY 30TH OF JULY, 2019

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**H1 2019 HIGHLIGHTS**

- Persisting **Negative WW Industry** (-1,0%)<sup>(\*)</sup>
- Net Sales 239 M€, -1.9% vs H1 2018 (-3,1% *Organic*):
  - **Cooking**: +0,3% vs. H1 LY, despite negative market demand and persisting B2B EMEA drop from Q4 2018
  - **Motor Division**: -15,2% vs. H1 LY, penalised by EU and Turkish demand
- **“OWN Brand”** @ 51,4% of cooking business sales, growing ≈9% vs H1 2018
- Maintaining a Solid Operating Performance growth in a Top line stress scenario
  - **Q2 ADJ EBITDA**: 11,0 €M @ 9.0% on Net Sales (8,4% @ 2018 IFRS, +10 bps vs. Q2 2018)
  - **Q2 NET PROFIT**: 1,0 €M vs. 0,6 €M Q2 2018 (+76,9%)
- **NFP**<sup>(\*\*)</sup> (62,7) €M vs (69,9) €M H1 2018 (@ 2018 IFRS)

(\*) Source: Elica Group Estimates

(\*\*) Excluding IFRS 16 effect



**MARKET SCENARIO**

# COOKER HOODS INDUSTRY SHIPMENTS (UNITS)

- Improving EU thanks to positive demand in Nordics and France; negative East EU (Turkey)
- Worsening NA, slowing down overall Americas trend while YoY outlook remains “flat”

Volume Change% vs . Y-1	Q2'19	H1 '19
Western Europe	1.0%	(0.2%)
Eastern Europe (incl. CIS)	(1.3%)	(1.1%)
<b>Europe</b>	0.0%	(0.6%)
<b>EMEA</b>	<b>0.1%</b>	<b>(0.5%)</b>
North America	(6.5%)	(2.1%)
Latin America	(1.1%)	0.1%
<b>AMERICAS</b>	<b>(4.5%)</b>	<b>(1.3%)</b>
<b>ASIA</b>	<b>(0.8%)</b>	<b>(0.6%)</b>
<b>WORLD</b>	<b>(1.0%)</b>	<b>(0.7%)</b>

## Key evidence

### EMEA

EE highlights a downtrend due to the sharply drop of Turkish Market. Russia registers a stability in the domestic demand compared to the previous year. Slight recovery of the WE mainly thanks to France and northern EU countries. Germany and UK continue to register a negative trend.

### AMERICAS

NA negative performance due to a decrease in consumption growth and tariff uncertainty. Despite the positive performance of Brazil, LA records a feeble downtrend driven by Argentina.

### ASIA

Chinese Market shows a slight deceleration due to real estate Market contraction. India and South-East Asia continues to perform well.





**NET SALES DYNAMICS**

# H1 2019 SALES KEY DRIVERS

- Net Sales decrease of (1.9%), driven by negative industry trend (EMEA, NA) and persisting B2B EMEA demand drop from Q4 2018, partially offset by strong B2C price/mix effect and positive trend on other EMEA OEM Customers.

H1		
Change vs Y-1	€M	%
Vol/Price/Mix	(7,5)	(3.1%)
Currency	2,9	1.2%
<b>Reported</b>	<b>(4,6)</b>	<b>(1.9%)</b>

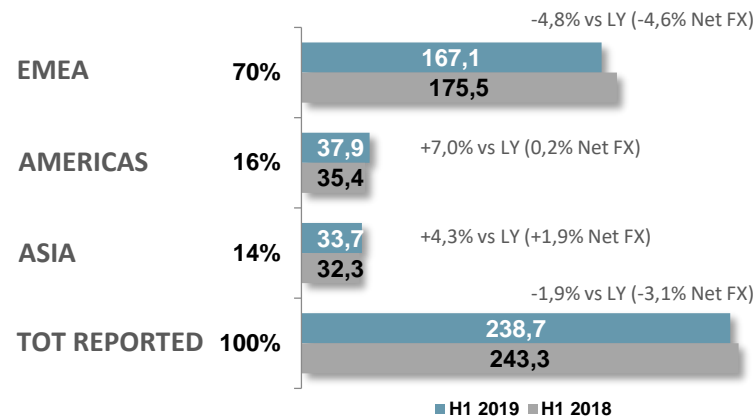
Q2		
Change vs Y-1	€M	%
Vol/Price/Mix	(3,9)	(3.2%)
Currency	1,6	1.3%
<b>Reported</b>	<b>(2,3)</b>	<b>(1.9%)</b>



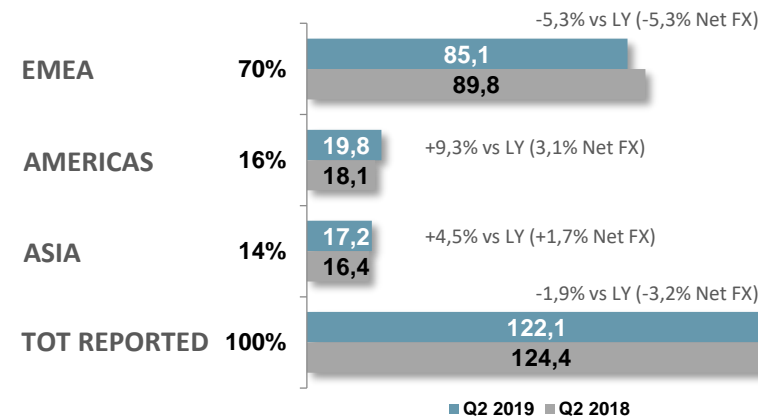
# H1 2019 REGIONAL SALES DISTRIBUTION

- EMEA negative performance driven by OEM customers trend and negative industry partially balanced by Elica branded products positive performance
- YoY Growth in Americas and Asia despite decreasing market demand vs. H1 2018

## H1

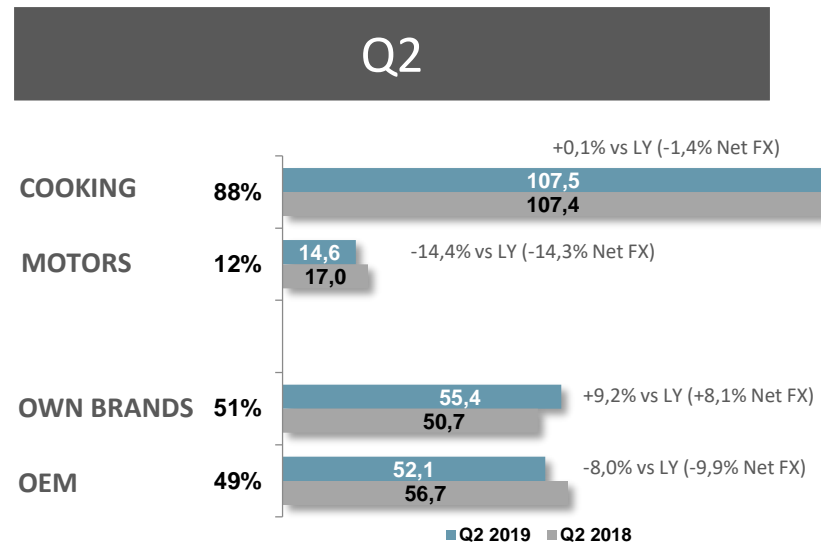
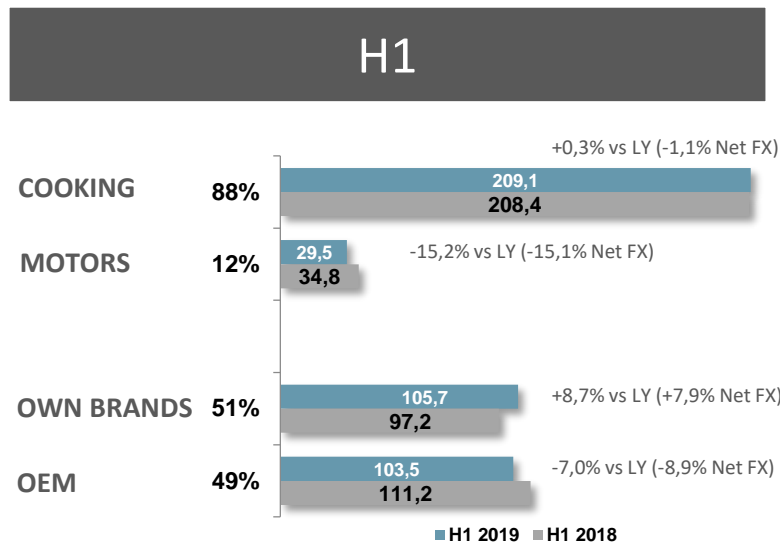


## Q2



# H1 2019 SALES by BUSINESS - BRAND

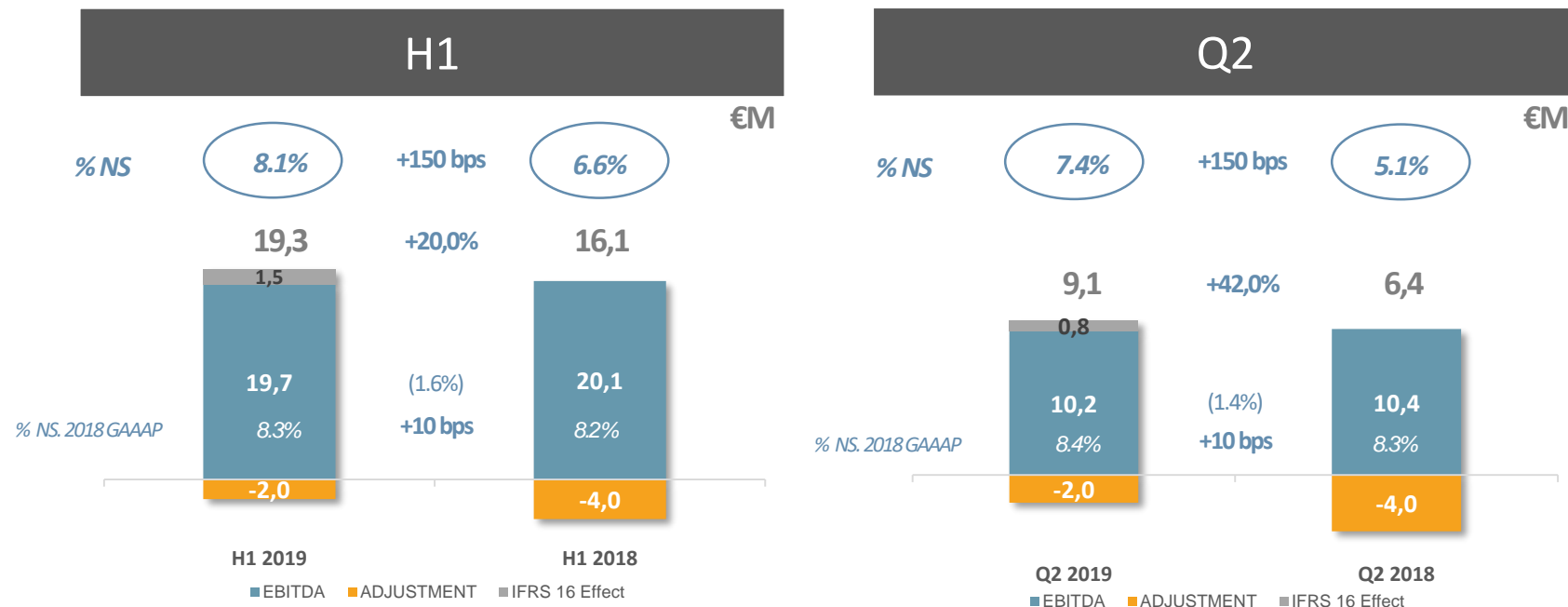
- Cooking Business Sales +0,3% vs LY despite Negative Industry and B2B EMEA drop
- Motor Division penalised by overall demand trend and Turkish market dynamics
- OWN BRANDS @ 51%





**ECONOMICS & FINANCIALS**

- EBITDA @ 2018 IFRS 8,3%: +10 bps vs. LY despite -1,9% Net Sales
- 2,0 M€ Adjustment (CEO agreement, Restructuring Costs), 4,0 M€ in 2018 (Gutmann)



# H1 2019 PROFITABILITY KEY DRIVERS

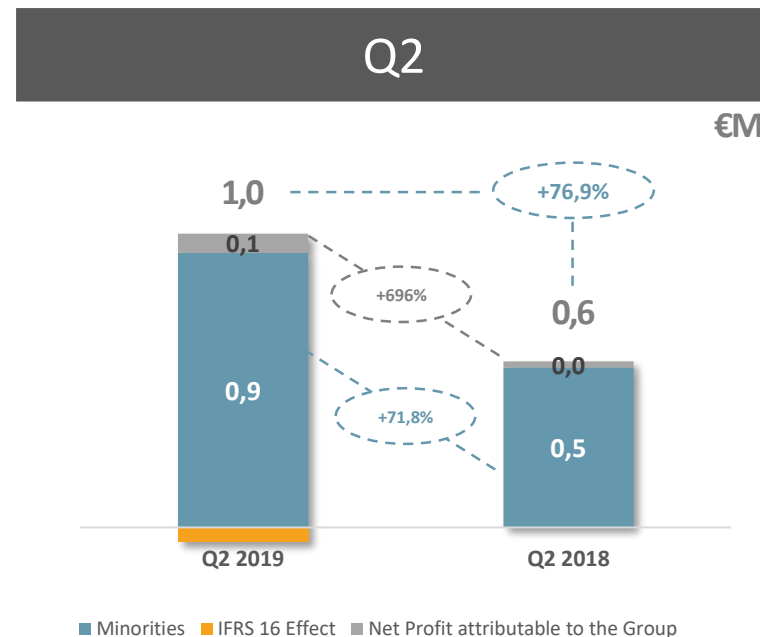
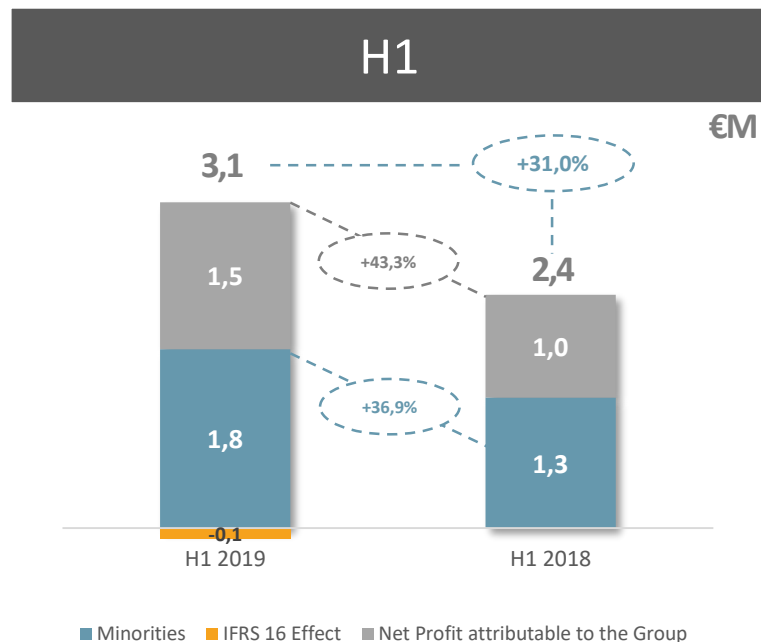
- Negative Volume effect partially recovered through Price/Mix, fully offset through Manufacturing Costs and SG&A containment
- IFRS 16 effect on YoY comparison

H1	
Change vs Y-1	
Volume/Price/Mix	--
Operations Efficiency	-
Currency	+
Cost Efficiency	++
IFRS 16	+
<b>ADJ EBITDA (€M)</b>	<b>1,2</b>

Q2	
Change vs Y-1	
Volume/Price/Mix	--
Operations Efficiency	-
Currency	+
Cost Efficiency	++
IFRS 16	+
<b>ADJ EBITDA (€M)</b>	<b>0,7</b>

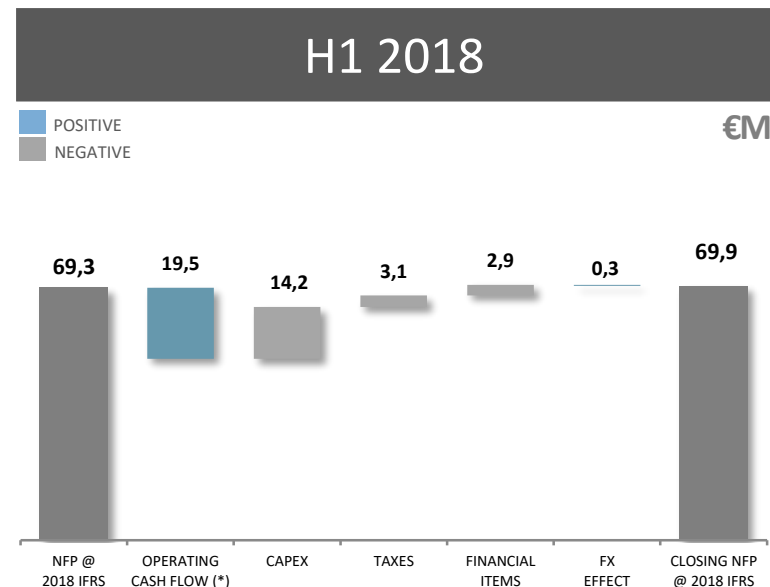
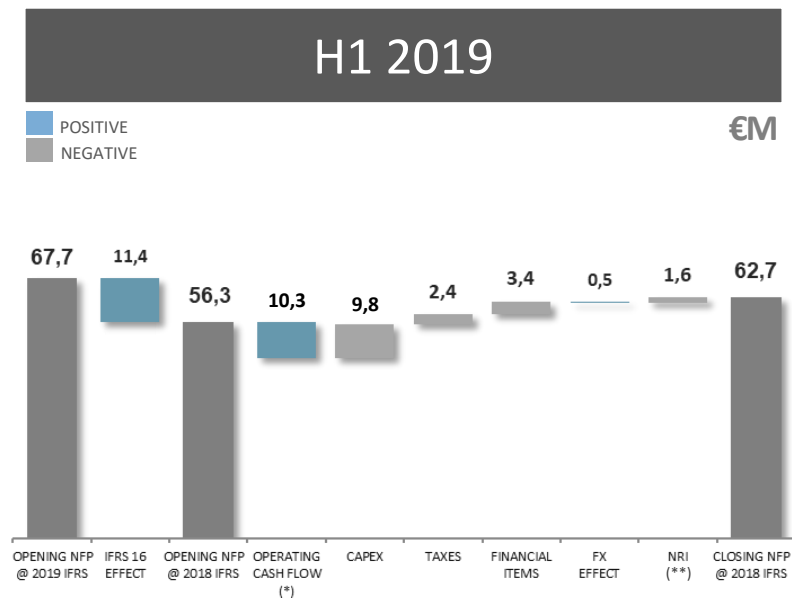
# H1 2019 NET PROFIT

- Net Profit attributable to the Group improving 33,4% vs. H1 2018 (+0,3 M€)
- India ownership share change and Japan performance effect over Minorities increase



# NET FINANCIAL POSITION

- Operating CF impacted by Inventory increase to support B2C growth and product availability in key markets.
- CAPEX reduction of 4,4 M€ vs. H1 2018



(\*) Pre-Tax  
 (\*\*) Gutmann GmbH transaction





**PRODUCT & BRAND**

GAS IS NOTHING WITHOUT AIR



NikolaTesla **FLAME** – EMEA first gas hob with integrated aspiration

# NikolaTesla FLAME – EMEA first gas hob with integrated aspiration



ADVANCED  
TECHNOLOGY



DIRECT  
CONTROL



DUAL  
BURNER



EASY  
TO CLEAN



EASY TO  
MAINTAIN



FUNCTIONAL  
DESIGN



MULTI FLEXI  
SPACE



WOK-UPPER



# PRODUCT & BRAND CAMPAIGNS

ADDIO VECCHIA BILANCIA.  
BENVENUTO NIKOLATESLA LIBRA.



IL PRIMO PIANO ASPIRANTE AL MONDO CON LA BILANCIA INTEGRATA.

Nikolatesla Libra è l'innovativo piano cottura con aspirazione integrata in grado di pesare gli ingredienti direttamente nella pentola, a qualsiasi livello di temperatura. Un prodotto visionario che unisce eleganza, potenza, silenziosità e precisione per un'esperienza in cucina tre volte rivoluzionaria. Nikolatesla Libra | Design Fabrizio Cini

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CAPPA HAIKU  
LA MASSIMA ASPIRAZIONE DEL SILENZIO



HAIKU. SILENZIOSA E MODULARE PER ADATTARSI AD OGNI AMBIENTE.

La collezione di cappe aspiranti Haiku assicura la massima silenziosità, anche alle velocità più elevate, permettendoti di godere al pieno la tranquillità della tua casa. L'eccezionale sistema di regolazione della profondità garantisce il perfetto allineamento con i pannelli della cucina e l'ampia varietà di dimensioni e finiture rende questa linea perfetta per ogni soluzione progettuale. Haiku | Design Fabrizio Cini

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ILLUMINA | ASPIRA | ARREDA



CAPPA LULLABY  
LA LINFA VITALE DELLA TUA CASA

LULLABY. UN PROGETTO DI ARCHITETTURA, MATERIA E LUCE.

Lullaby è la perfetta unione tra design e luminosità, tra tecnologia e pensiero innovativo. Nata per fondersi in modo naturale con l'ambiente in cui è inserita e assicurare massimo comfort in casa, il pannello centrale nasconde il potente sistema aspirante e diffonde una luce uniforme e ben calibrata, modulabile in intensità e colore. Personalizzabile con l'aggiunta di mensole e di punti luce accessori, è disponibile nelle finiture rovere naturale e legno laccato bianco. Lullaby | Design Fabrizio Cini

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**CONCLUSIONS & TAKEAWAYS**

## ■ H1 2019

- Negative WW Industry trend, improving West Europe <sup>(\*)</sup>
- Net Sales -1.9% (-3,1% Organic)
- “OWN Brand” > 51% of cooking business sales, growing ≈9%
- Maintaining a Solid Operating Performance growth in a Top line stress scenario
- Improving NFP (62,7) €M vs (69,9) €M H1 2018 <sup>(\*\*)</sup>

## ■ H2 2019 OUTLOOK

- WW Industry: «FLAT» vs 2018
- Net Sales: IMPROVEMENT vs H2 2018
- Capex: ≈ 4,5% on Net Sales

## ■ NEW STRATEGIC PARTNERSHIP

(\*) Source: Elica Group Estimates

(\*\*) Excluding IFRS 16 effect



# ANNEXES 1 FINANCIAL HIGHLIGHTS



# CONSOLIDATED INCOME STATEMENT

€M	2018 GAAAP			
	H1 '19	H1 '18	%	H1 '19
Net Sales	<b>238.7</b>	<b>243.3</b>	(1.9%)	<b>238.7</b>
EBITDA Adj	<b>21.2</b>	<b>20.1</b>	5.9%	<b>19.7</b>
%	8.9%	8.2%	70 bps	8.3%
EBITDA	<b>19.3</b>	<b>16.1</b>	20.0%	<b>17.8</b>
%	8.1%	6.6%	150 bps	7.4%
EBIT	<b>6.9</b>	<b>6.2</b>	10.3%	<b>6.9</b>
%	2.9%	2.6%	30 bps	2.9%
Net Result	<b>3.1</b>	<b>2.4</b>	31.0%	<b>3.2</b>
%	1.3%	1.0%	30 bps	1.3%
EPS* – Euro cents	<b>2.23</b>	<b>1.67</b>	33.5%	<b>2.39</b>

(\*) EPS is calculated by dividing the Net Result pertaining to the Group by the number of ordinary shares outstanding, excluding treasury shares at the same data.

# NET WORKING CAPITAL

€M	H1 '19	H1 '18	Δ
Trade receivables <i>% on annualized sales</i>	62.8 13.2%	72.6 14.9%	(9.8) (170) bps
Inventories <i>% on annualized sales</i>	79.4 16.6%	77.4 15.9%	1.9 70 bps
Trade payables <i>% on annualized sales</i>	(115.4) (24.2)%	(125.4) (25.8)%	10.0 160 bps
<b>Managerial Working Capital</b> <i>% on annualized sales</i>	<b>26.8</b> <b>5.6%</b>	<b>24.7</b> <b>5.1%</b>	<b>2.1</b> <b>50 bps</b>
Short term assets & liabilities <i>% on annualized sales</i>	(12.3) (2.6)%	(13.7) (2.8)%	1.4 20 bps
<b>Net Working Capital</b> <i>% on annualized sales</i>	<b>14.5</b> <b>3.0%</b>	<b>11.0</b> <b>2.3%</b>	<b>3.5</b> <b>70 bps</b>

# CONSOLIDATED CASH FLOW

€M

	H1 '19	H1 '18
Operating Cash Flow <sup>(*)</sup>	6.3	16.3
CapEx	(9.8)	(14.2)
Cash Flow from Financing Activities	(3.4)	(2.9)
<b>Δ Net Financial Position</b>	<b>(7.0)</b>	<b>(0.8)</b>

(\*) Includes 1,6 M€ Gutmann GmbH transaction

	2019	2018		2019	2018
Net Operating Fixed Assets	176.3	161.8	Net Financial Position (*)	73.9	69.9
Net Working Capital	14.5	11.0	Group Equity	105.2	97.1
			Minorities	11.8	7.0
Net Financial Assets	0.1	1.1	<b>Total Shareholders' Equity</b>	<b>117.0</b>	<b>104.0</b>
<b>Net Capital Employed</b>	<b>190.9</b>	<b>173.9</b>	<b>Total Sources</b>	<b>190.9</b>	<b>173.9</b>

This presentation may contain forwards-looking information and statements about Elica S.p.A. and its Group.

Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance.

Although the management of Elica S.p.A. believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of Elica are cautioned that forward-looking information and statements are subject to various risk and uncertainties, many of which are difficult to predict and generally beyond the control of Elica S.p.A.; that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking statements.

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## Investor Relations

**Giulio Cocci** - Group Controlling & Investor Relations Director

**Francesca Cocco** – Lerxi Consulting – Investor Relations

Tel: +39 (0)732 6104205

E-mail: [investor-relations@elica.com](mailto:investor-relations@elica.com)

