

Forward-thinking Solutions to leverage **the fourth industrial revolution**

phone conference call
Pesaro, 4 p.m. – Aug 4th

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Biesse highlights IH 2017

orders intake: +15.3%

backlog: +14.7%

net sales: € 331.2 (+16.9%)

N.F.P.: negative € 3.8

EBITDA: € 40.8 (incidence on sales 12.3%)

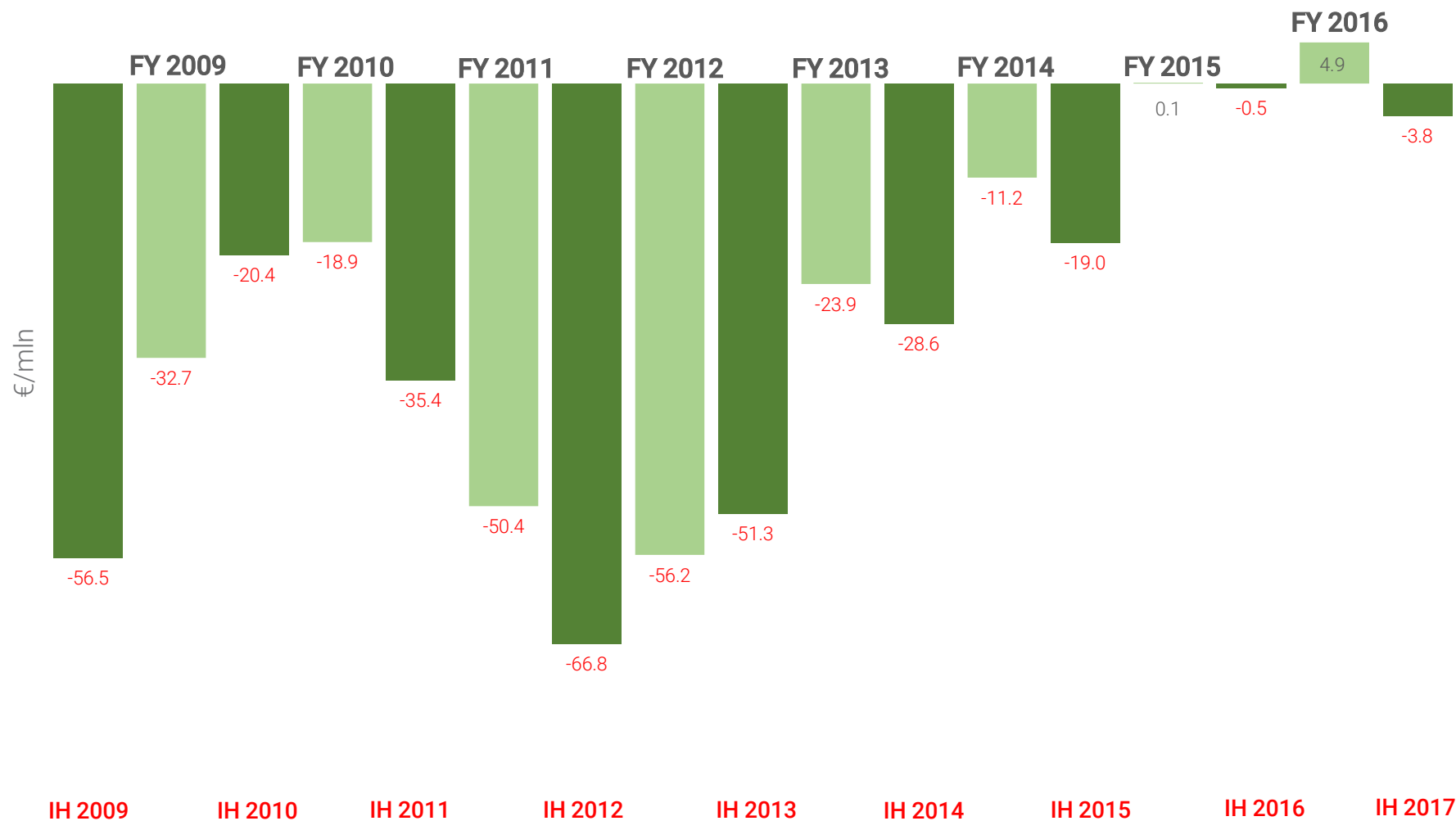
EBIT: € 29.6 (incidence on sales 8.9%)

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Extract of the P&L – IH 2017

€/mln	FY 2013	FY 2014	FY 2015	FY 2016	IH 2016	IH 2017
Net sales year -1	378.4 -1.2%	427.1 +12.3%	513.1 +21.5%	618.5 +19.1%	283.4 +15.4%	331.2 +16.9%
Value added %	143.5 37.3%	163.1 33.6%	212.4 40.3%	252.4 40.8%	116.4 41.1	139.1 42.0%
Labour cost %	112.7 23.8%	128.2 30.0%	148.2 28.6%	176.6 28.6%	86.0 30.3%	98.3 29.7%
EBITDA %	30.3 8.2%	40.3 3.6%	64.1 12.4%	75.8 12.3%	30.4 10.7%	40.8 12.3%
EBIT %	18.1 4.8%	26.5 6.2%	43.8 8.4%	56.3 8.1%	20.9 7.4%	29.6 8.9%
Net Result %	4.3 1.1%	13.8 3.2%	21.1 4.1%	29.5 4.8%	12.0 4.2%	17.5 5.3%
				tax rate	43.2%	37.2%

Net Financial Position trend – first half



Cashflow IH 2017

€/mln	FY 2013	FY 2014	FY 2015	FY 2016	IH2016	IH 2017
Gross Cashflow % net sales	52.1 13.8%	38.3 3.0%	46.3 8.3%	46.6 7.5%	22.4	18.1
Investments % net sales	-13.3 5.2%	-20.8 4.3%	-25.2 4.3%	-32.0 5.2%	-13.2	-16.5
Net Cashflow %	32.3 8.5%	17.5 4.1%	21.1 4.0%	14.6 2.4%	9.2	1.6
not ordinary items (dividends/treasury shares activity balance /acquisitions payment)	--	-4.8 div. paid € 0.18 per share	-3.8 div. paid € 0.36 per share	-9.8 div. paid € 0.36 per share	-9.8	-10.3
delta Net debt	+32.3	+12.7	+11.3	4.8	-0.6	-8.7
NET FINANCIAL POSITION	-23.3	-11.2	0.1	4.9	-0.5	-3.8

Operating Net Working Capital IH 2017

€/mln	FY 2013	FY 2014	FY 2015	FY 2016	IH 2016	IH 2017	
Inventories % net sales	22.8%	23.0%	21.5%	21.1%	48.1%	43.8%	DSI 171 days
Receivables % net sales	20.1%	18.3%	20.3%	20.8%	41.3%	35.7%	DSO 54 days
Payables % net sales	23.4%	28.8%	23.5%	31.1%	68.7%	62.0%	DPO 124 days
Operating Net Working Capital % net sales	51.4 13.6%	55.6 13.0%	63.4 12.2%	66.9 10.8%	71.6 20.7%	72.7 17.5%	target incidence <12%

half year

IH 2017 vs IH 2007

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€/mln

Net sales
year -1

Value added
%

Labour cost
%

EBITDA
%

EBIT
%

Net Result
%

IH 2017 IH 2007

331.2
+16.9%

226.6
+28.2%

139.1
42.0%

92.4
40.8%

98.3
29.7%

53.0
23.4%

40.8
12.3%

41.0
18.1%

29.6
8.9%

33.5
14.8%

17.5
5.3%

19.4
8.6%

..10 years later

tax rate

37.2%

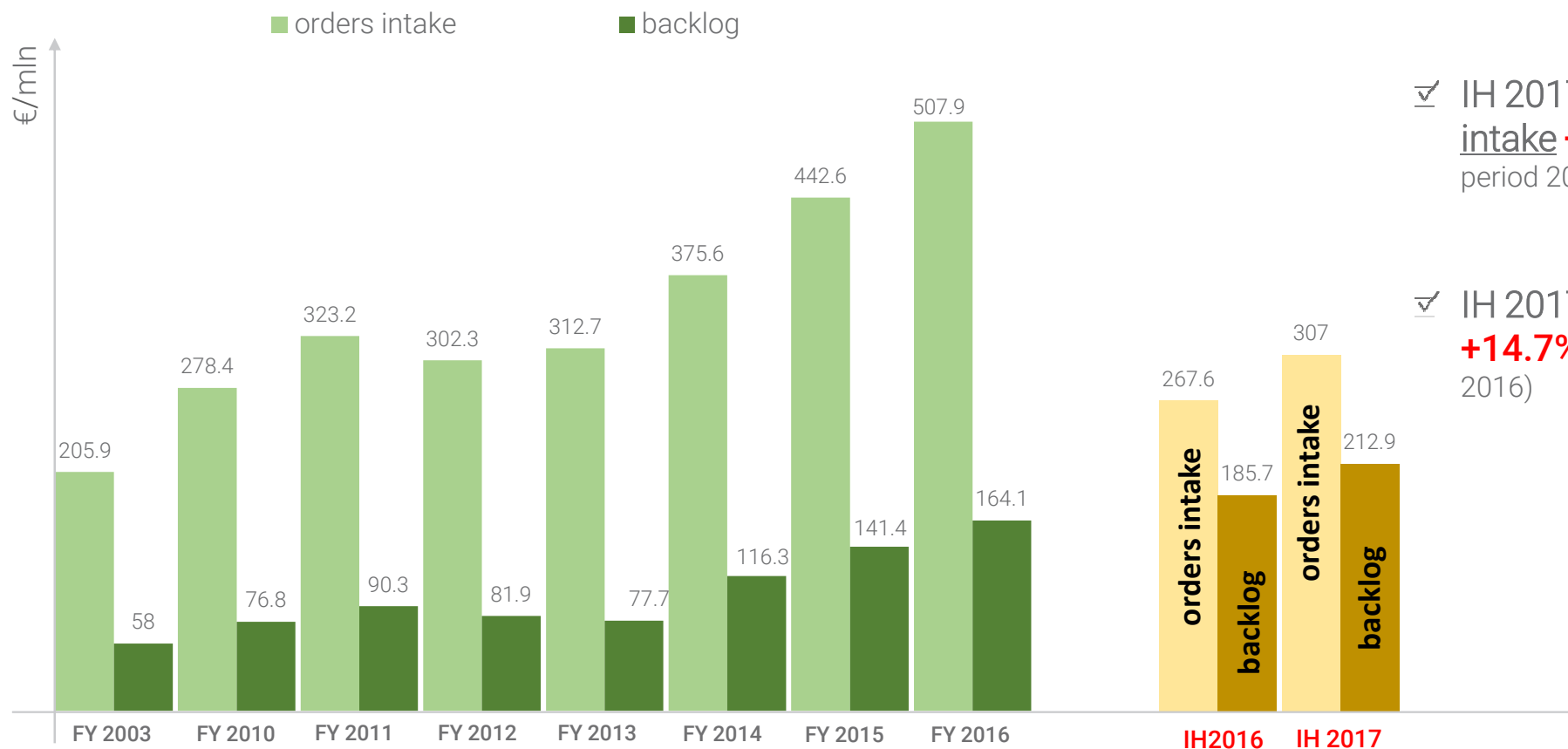
42.0%

Biesse highlights IH 2017

Orders & Sales breakdown

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orders intake & backlog



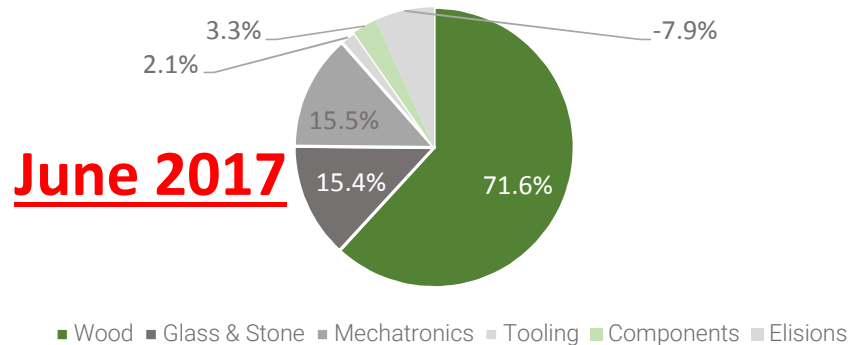
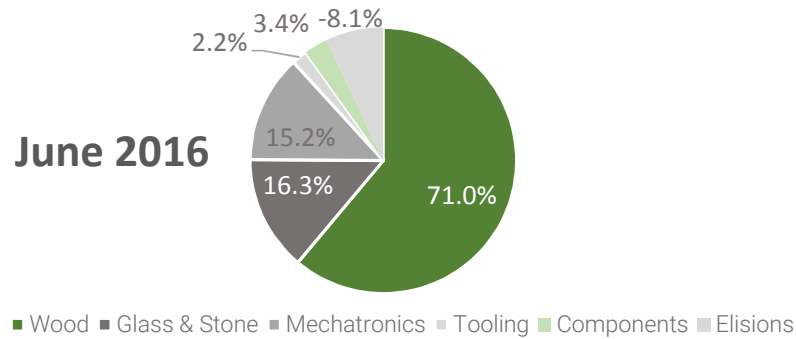
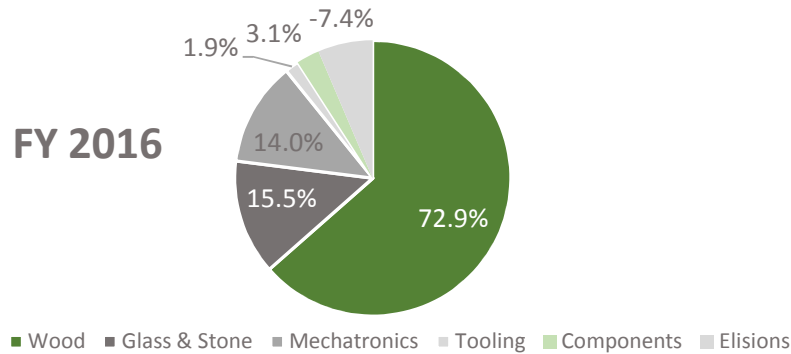
✓ IH 2017: Group orders intake **+15.3%** (vs. the same period 2016)

✓ IH 2017: Group backlog **+14.7%** (vs. the same period 2016)

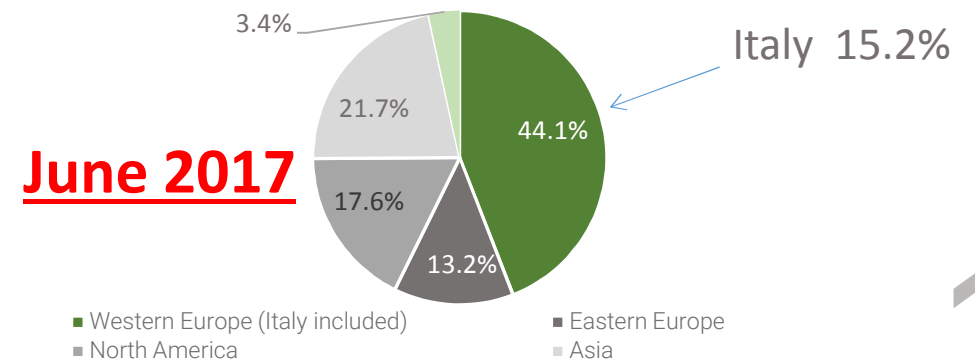
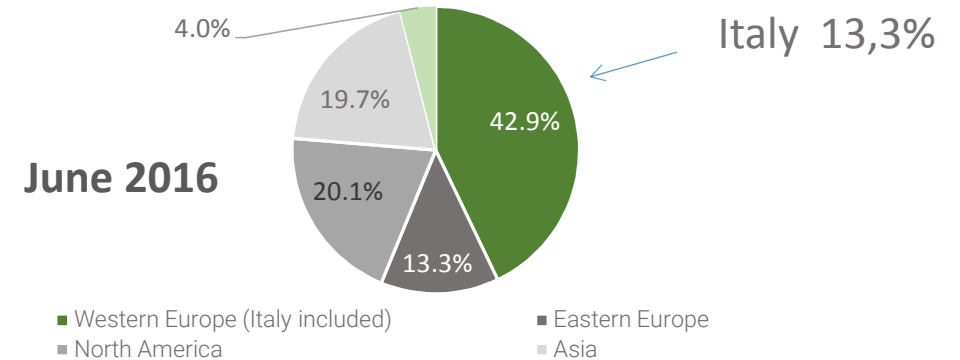
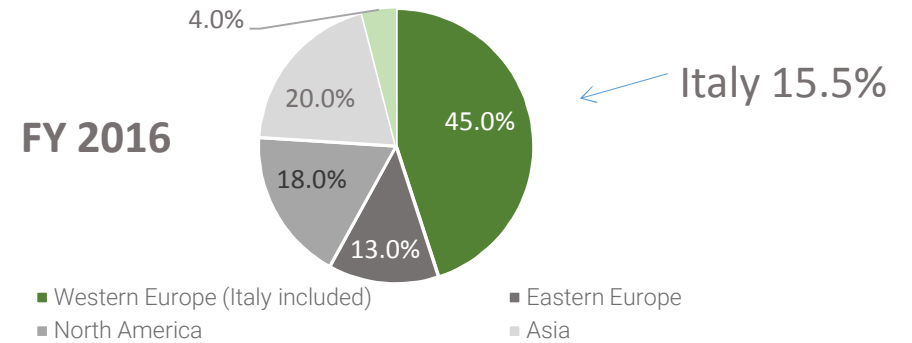
Sales breakdown- June 2017

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by business division



by main geo-area



Biesse highlights IH 2017

Service project

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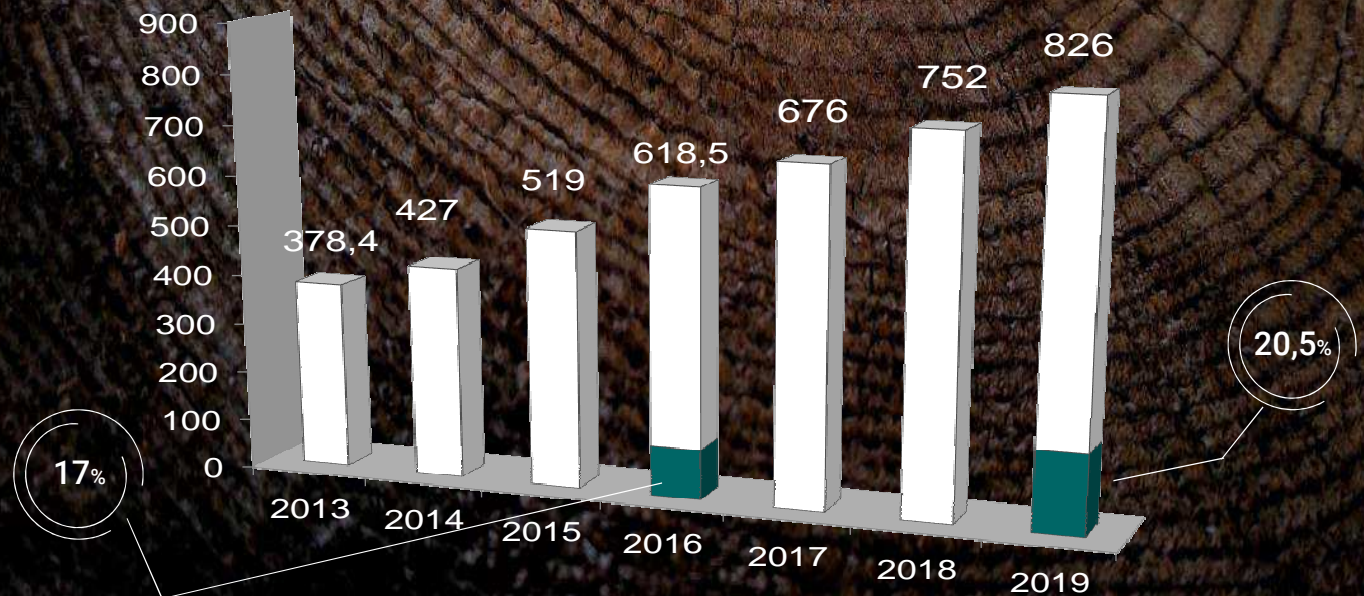
Service

20,5%
Target 2019

17,0%
2016

going towards the Service 2.0

- ✓ proactivity: from the "break-and-fix" to the proactive service
- ✓ spare parts: 24x7 assistance / no down time – maintenance contracts – spare parts inventories with more than 8.000 parts
- ✓ training: dedicated training of the Biesse engineers and dealers

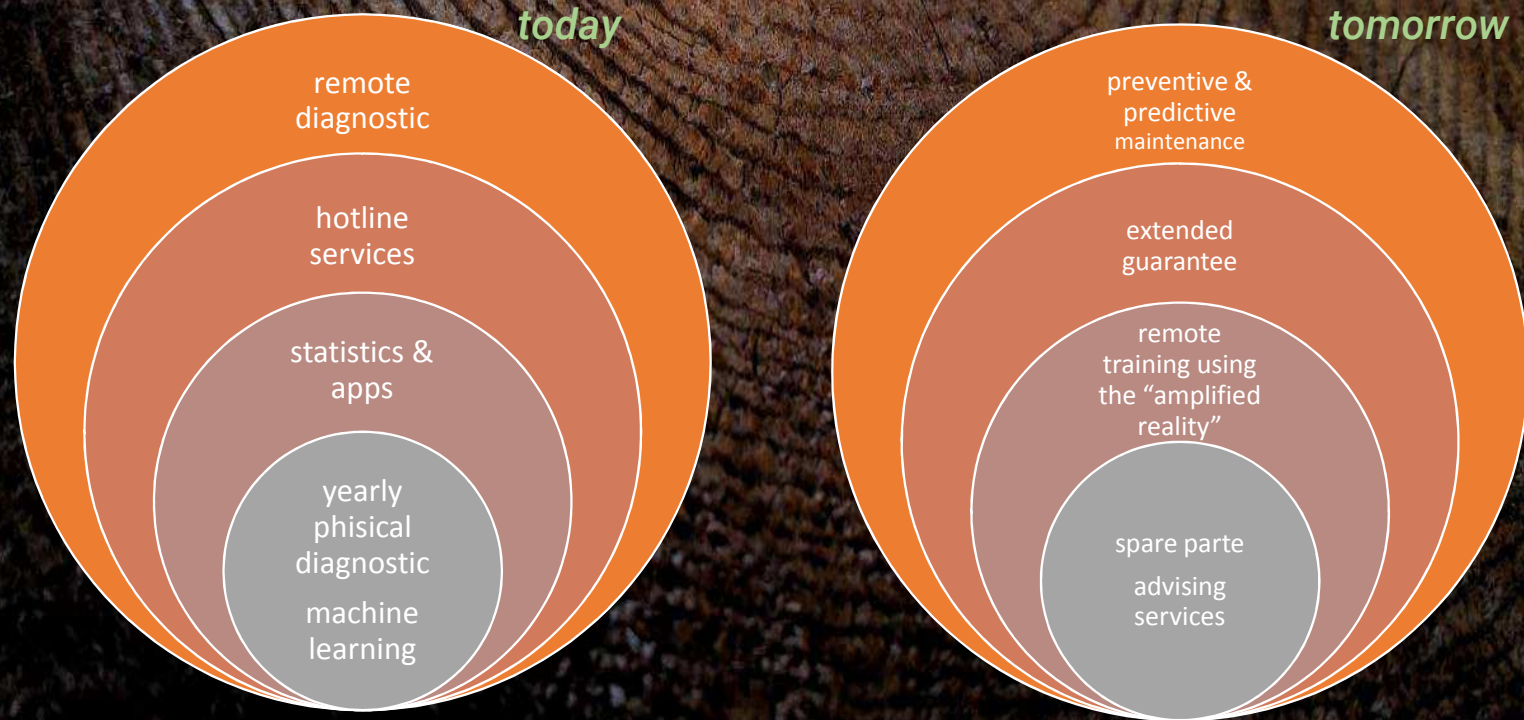


Sophia

SERVICES
OPTIMIZATION
PREDICTIVITY
HUMAN
INNOVATION
ANALYSIS

Sophia is a business solution - a connected asset management - that Biesse developed to create more value for the customers improving the productivity and the operative efficiency decreasing the costs.

Sophia -actually offered inside the IIoT service- is a solution for the customers through the Cloud platform **Machine Knowledge Center**.

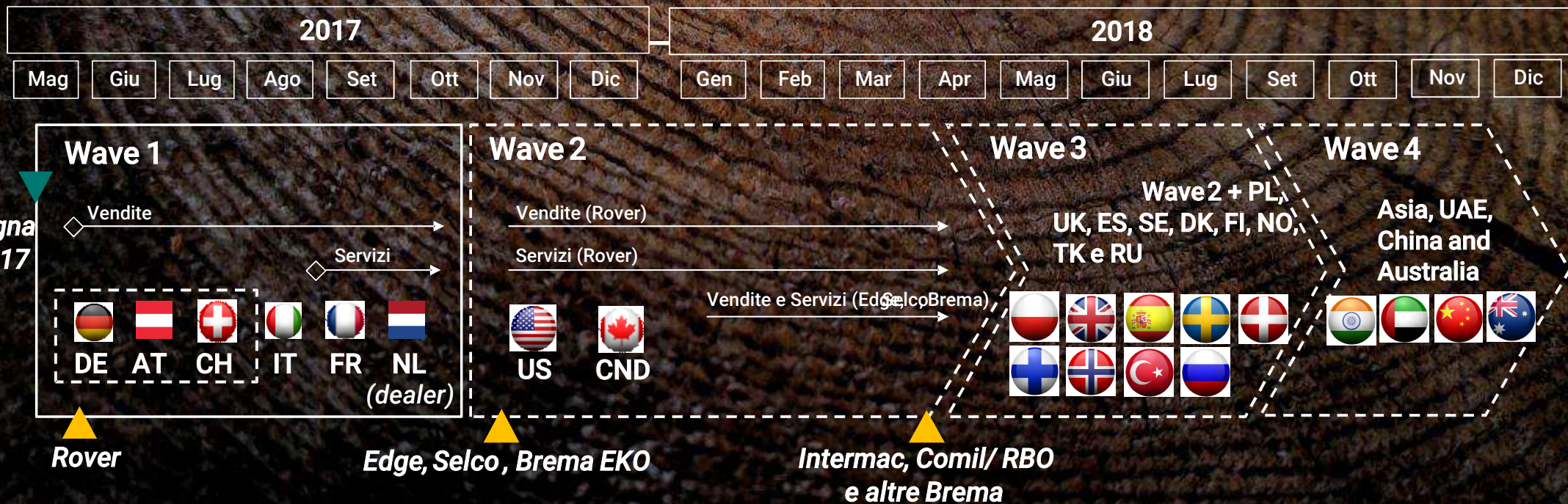


Roadmap

the SOPHIA solution has been already presented during the last LIGNA fair regarding the IIoT service for the Rover (wood) machineries

Starting from the next Biesse Inside (October 2017):

- enlarge the geographical perimeter (wave 1 -2-3-4) even extending the machineries models (edge banding, sizing and inserting) . see the roadmap below



Biesse highlights IH 2017

People distribution

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People distribution (without interim people)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	June 2016	June 2017
Production % of total people	365 41%	1250 46%	1265 45%	1175 44%	1201 42%	1335 42%	1482 41%	1414 41%	1494 40%
Service & After sale % of total people	568 24%	577 21%	574 21%	613 22%	628 22%	630 22%	803 22%	777 22%	867 23%
R&D % of total people	233 12%	316 12%	338 12%	321 12%	361 13%	383 13%	436 12%	416 12%	447 11.8%
Sales & Marketing % of total people	340 13%	361 13%	364 13%	351 13%	433 15%	435 15.6%	587 16%	548 16%	631 16.7%
G & A % of total people	202 3%	233 3%	242 3%	235 3%	252 3%	273 3%	310 8.5%	304 9%	332 8.8%
ITALY % of total people	1660 70%	1656 61%	1646 53%	1547 57%	1605 56%	1780 56%	2.009 56%	1903 55%	2108 55%
OUTSIDE ITALY** % of total people	708 30%	1081 33%	1136 41%	1148 43%	1276 44%	1336 44%	1.609 44%	1556 45%	1663 45%
TOTAL	2368	2737	2782	2635	2881	3176	3.618	3,459	3,771
								+9%	

People distribution

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	June 2016	June 2017
ITALY % of total people	1660 70%	1656 61%	1646 53%	1547 57%	1605 56%	1780 56%	2009 56%	1903 55%	2108 56%
OUTSIDE ITALY** % of total people	708 30%	1081 33%	1136 41%	1148 43%	1276 44%	1336 44%	1609 44%	1556 45%	1663 44%
TOTAL	2368	2737	2782	2635	2881	3176	3618	3,459	3,771

vs dec 2016: **+153** without interim people (+4.2%)
(+90 Italy +54 Subsidiaries)

interim people at the end of December 2016: **191**
interim people at the end of June 2017: 193

IH 2017: 3,771

without interim people

IH 2017: 3,964

with interim people

Biesse three years plan remind

C.A.G.R. 2017-2018-2019:
net sales 10.1%
ebitda 11.6%
ebit 12.6%

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growth driver: main factors

- ✓ urbanization factor
- ✓ substitution cycle
- ✓ digitalization demand - energy efficiency
- ✓ software integration increase – Industry 4.0 capabilities and incentives
- ✓ diversification into new segments

CSIL latest update:

- ✓ the furniture world consumption is close to 410 USD billions
- ✓ production growing countries: Asia Pacific
- ✓ furniture import countries: U.S.A. Germany U.K. France & Canada
- ✓ China production: 39% of the world furniture production is “made in China”

Shareholders & Shares

shareholders and B.o.D. structure
share analysys

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Shareholders breakdown by ownership – Board of Directors

