

# COMPANY PRESENTATION

JUNE 2018

 **BIESSE**GROUP

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**Biesse Group is a global leader in the technology for processing wood, glass, stone, advanced materials and metal. Founded in Pesaro in 1969 by Giancarlo Selci, the company has been listed on the Italian Stock Exchange (Star) since June 2001. Starting from October 2015 Biesse is included in the Mid-Cap segment.**

# OUR BELIEFS

We believe in **challenging standards**, in thinking forward and in acting differently.

Creating advanced technologies and beautifully-designed solutions is the key to **transforming** our beliefs into **real value**.





# IN

1

Industrial Group

5

Business Divisions

12

Production Sites

We manufacture machines and components for wood, glass, stone, advanced materials and metal processing through specialised business units and 12 manufacturing sites in Italy and worldwide.

# HOW

Growing investments in R&D have enabled us to create technological **solutions** that have simplified the management of CNC machines, improving our customers' processes **revolutionizing market standards**.

More than  
**200**  
Patents registered



# WHERE

We support our colleagues everywhere in the world, using the most **advanced management, sales and support system**. Our global network enables us to be always close to our customers.

39

Subsidiaries and  
representative offices

More than

300

Selected distributors



# WITH

## Customers in 120 Countries.

Manufacturers of furniture, design items and door/window frames, producers of elements for the building, nautical and aerospace industries.

More than **4,100** employees throughout the world  
(*temporary workers included*) are our **Human Capital Value**





# INNOVATION

Innovation is the driving force for the way we do business, continuously striving for excellence to support our customers' competitiveness.

Innovation is hard-wired in our DNA.  
Past, present and future.



# RELIABILITY

Our main principles:

- Fairness to all stakeholders
- Mutual trust and transparency
- Unrestricted and clear communications
- Sharing of knowledge and experience



# EXCELLENCE

 BIESSEGROUP

- A virtuous circle of excellence
- for a constant growth

Revenue

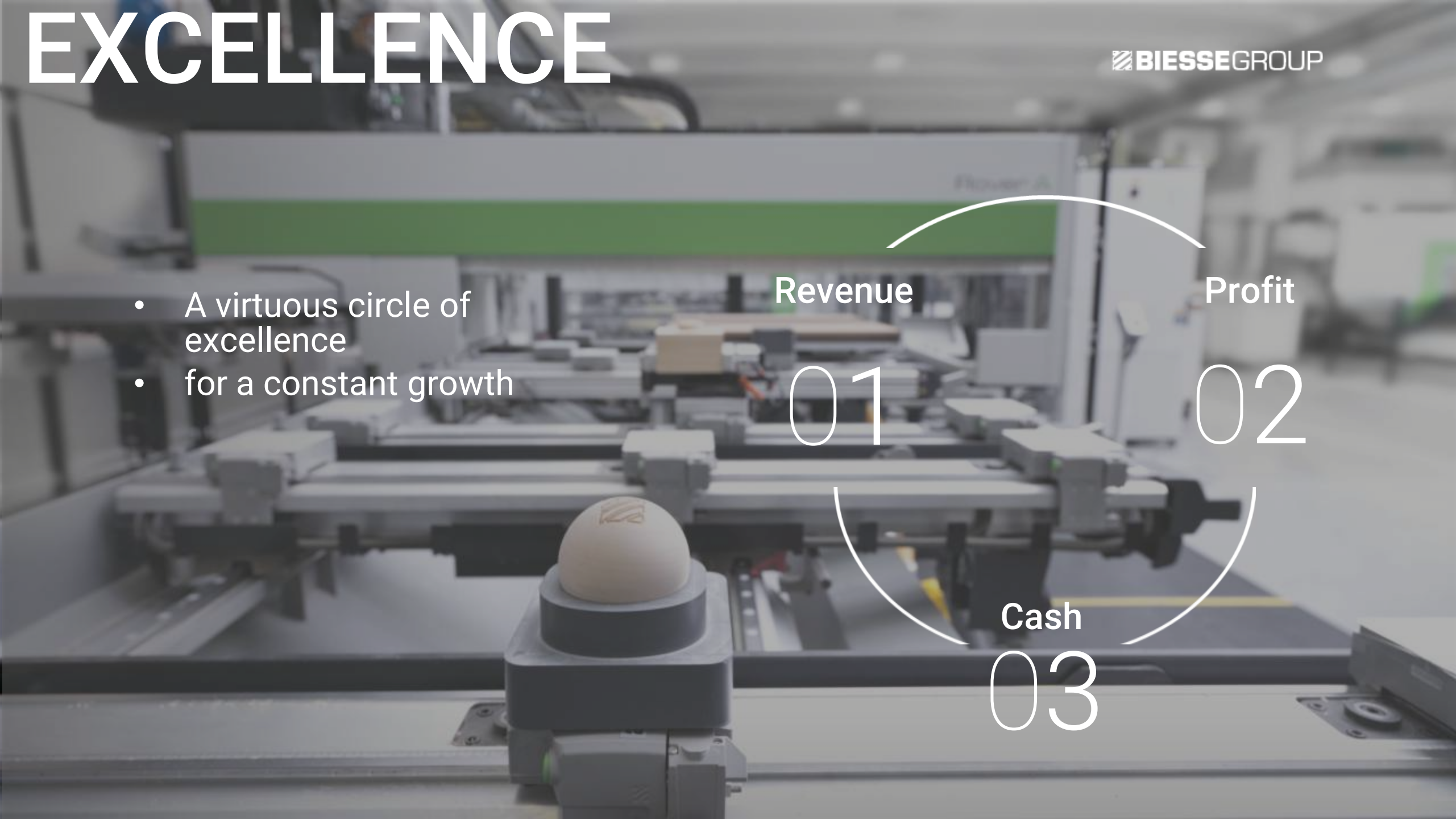
01

Profit

02

Cash

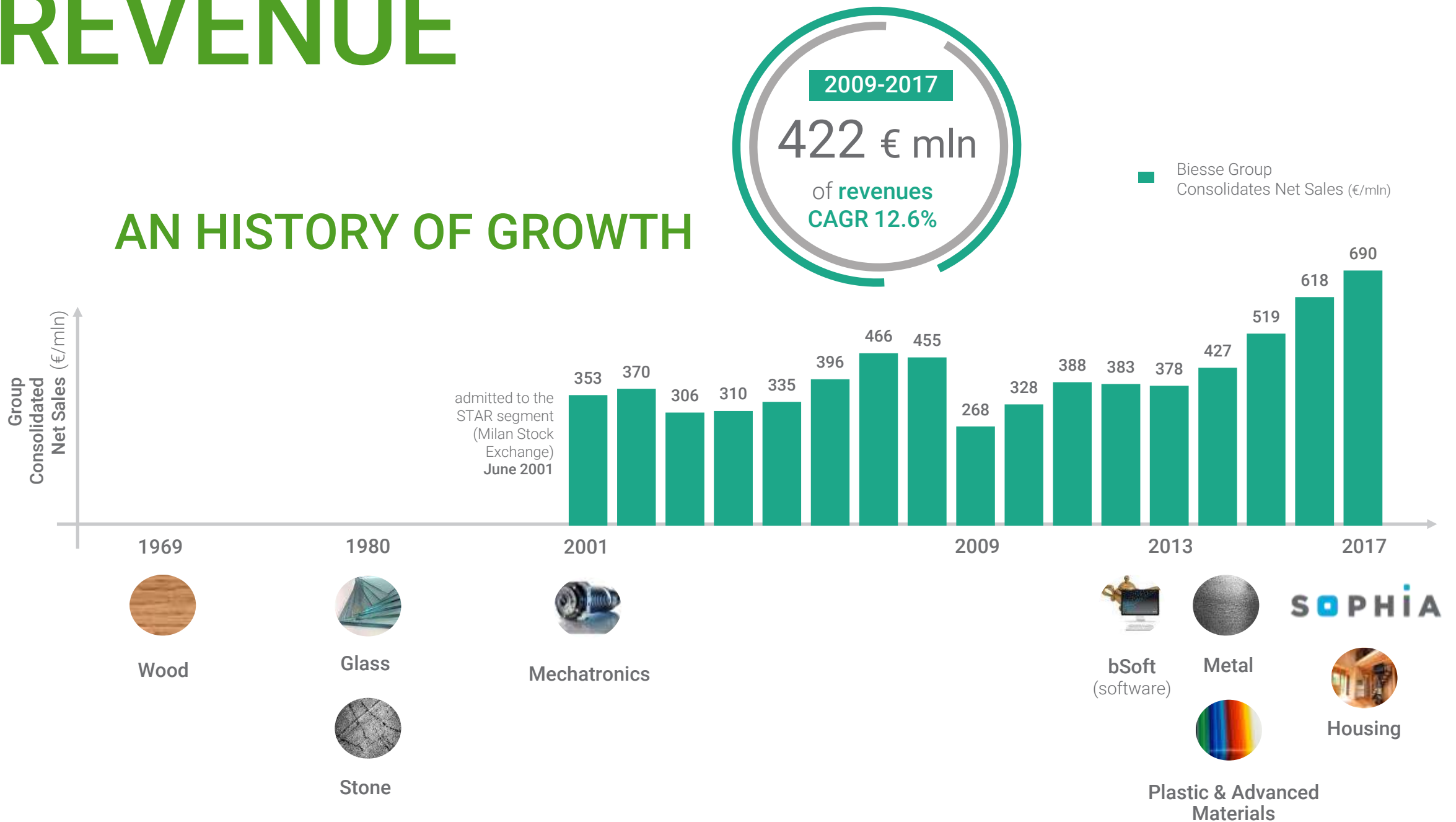
03





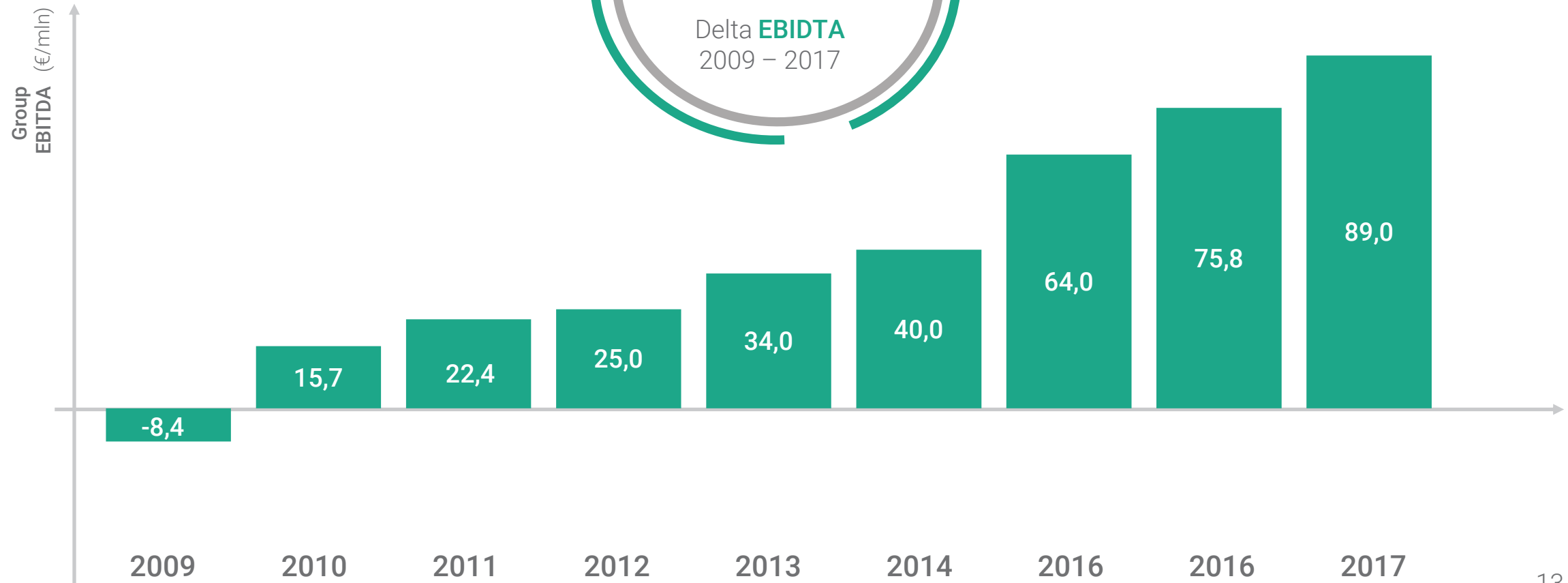
# REVENUE

## AN HISTORY OF GROWTH



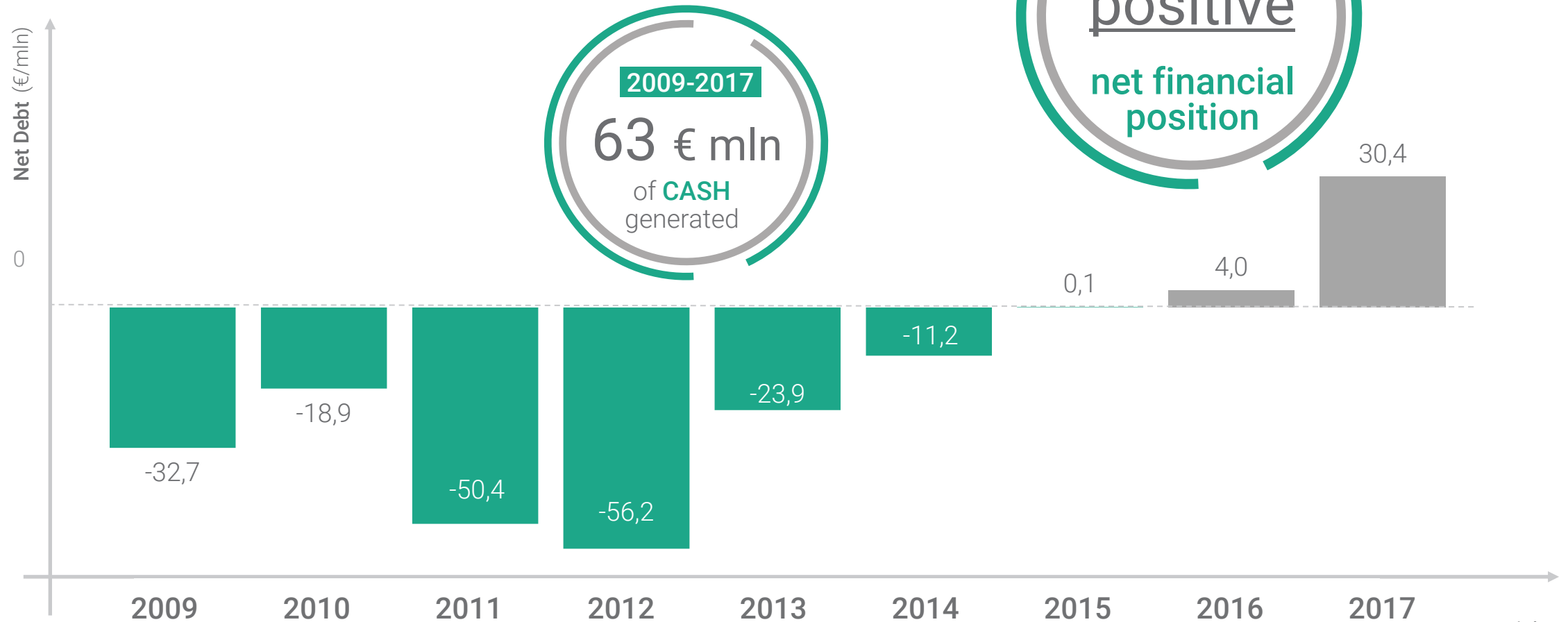
# PROFIT

## EBITDA



# CASH

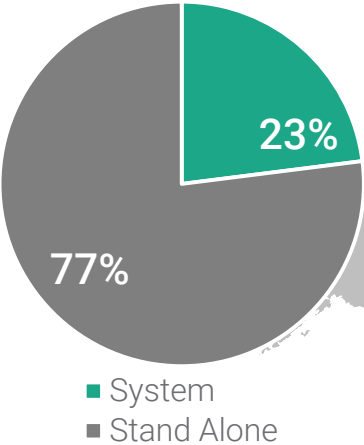
## NET FINANCIAL POSITION



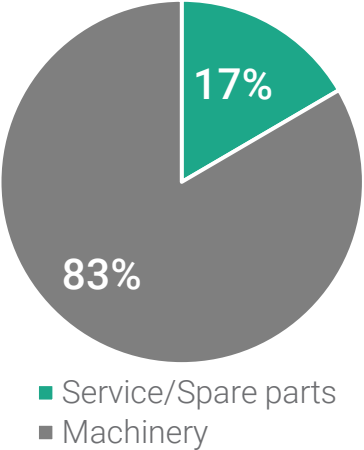


# FOOTPRINT

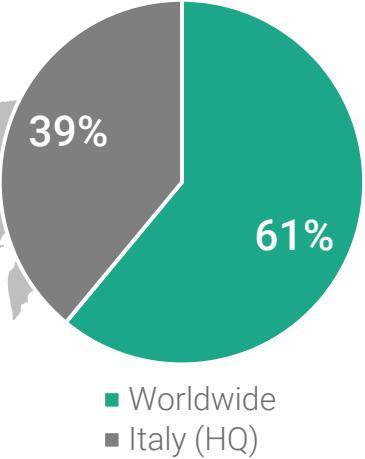
Sales breakdown by type



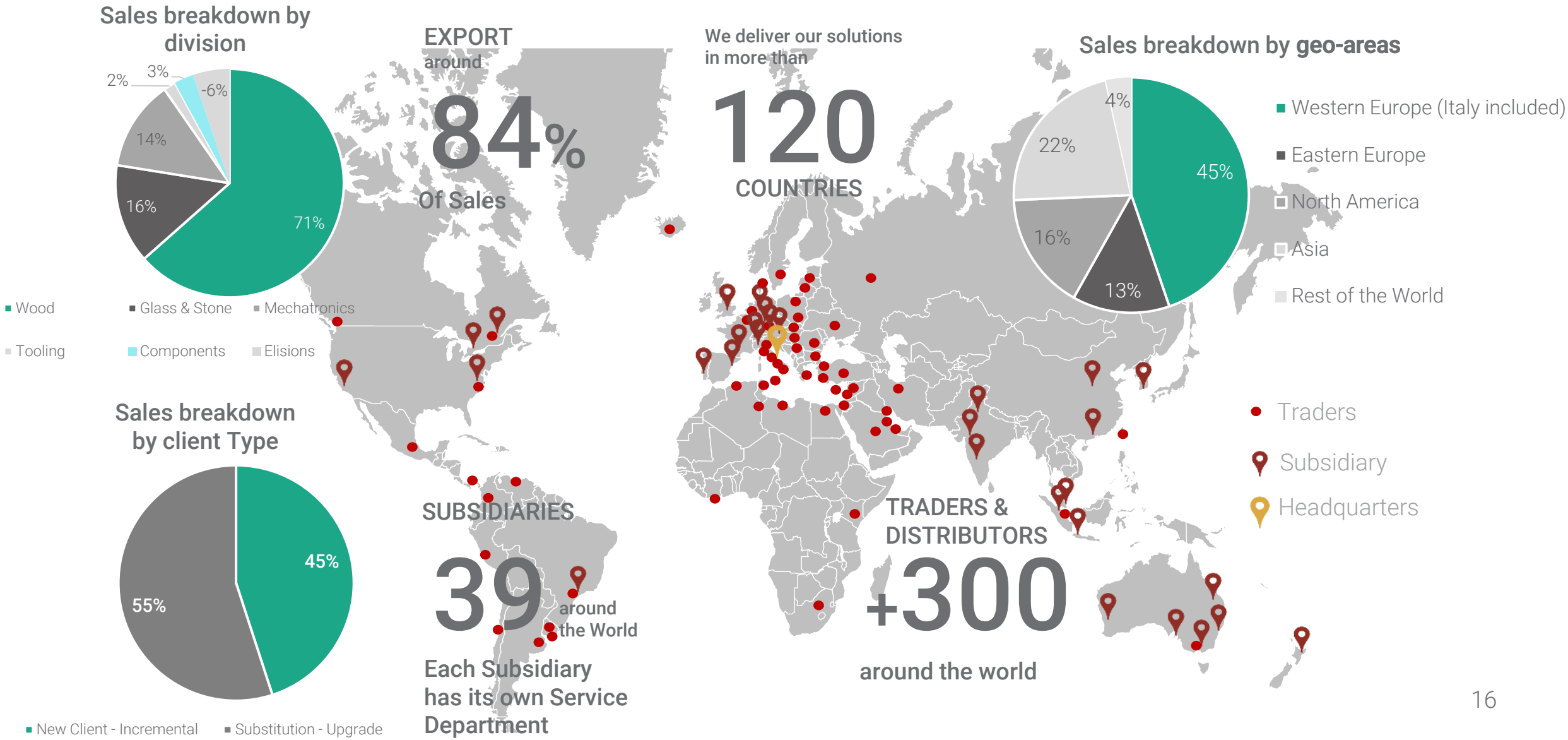
Sales breakdown by offering



Service engineers distribution by area



# DISTRIBUTION



# CUSTOMERS

## segments:

- JOINERS
- MAKERS OF LARGE FURNITURE ITEMS
- WINDOWS AND DOORS
- WOOD BUILDING COMPANIES AND MANUFACTURERS
- GLASS WORKERS
- MARBLE WORKERS
- WINDOWS
- FURNITURE
- KITCHEN MANUFACTURERS
- MACHINERY PRODUCERS:
  - WOOD
  - ALUMINUM
  - PLASTIC
  - METAL
  - ADVANCED MATERIALS

## a short selection of the companies we serve:

- AERO VODOCHODY
- ALLEN ORGANS
- AMERICAN WOODMARK
- BA KITCHEN
- BALLAY MENUISERIE
- BIGELLI MARMI
- BWF PROFILES
- CERVIGLAS
- CLOSET AMERICA
- COLOMBINI GROUP
- COSENTINO GROUP
- CUBO ITALIA
- DECORATIVE PANELS
- DEINSHRANK
- ELBAU
- ENSINGER
- FIAM
- FIDIA
- FRISIA
- GRUPPO LUBE
- HERMAN MILLER
- HEIAN HOWDENS
- IKEA
- ILCAM
- ITAB
- KNOLL
- LAGO
- LAGRANGE
- LEGAL AND GENERAL
- MARINELLI CUCINE
- MARMI FONTANELLI
- MASONITE
- MATON GUITARS
- MEIKEN KOGYO
- MIDWEST
- MODA LIFE
- MOLTENI GROUP
- NEW ROYAL PLASTIC
- NOVARA COMPOSITI
- PACCALINI



# CUSTOMERS BASE & AVERAGE PRICE

 **BIESSEGROUP**



**small  
manufactures**



**large  
manufactures**

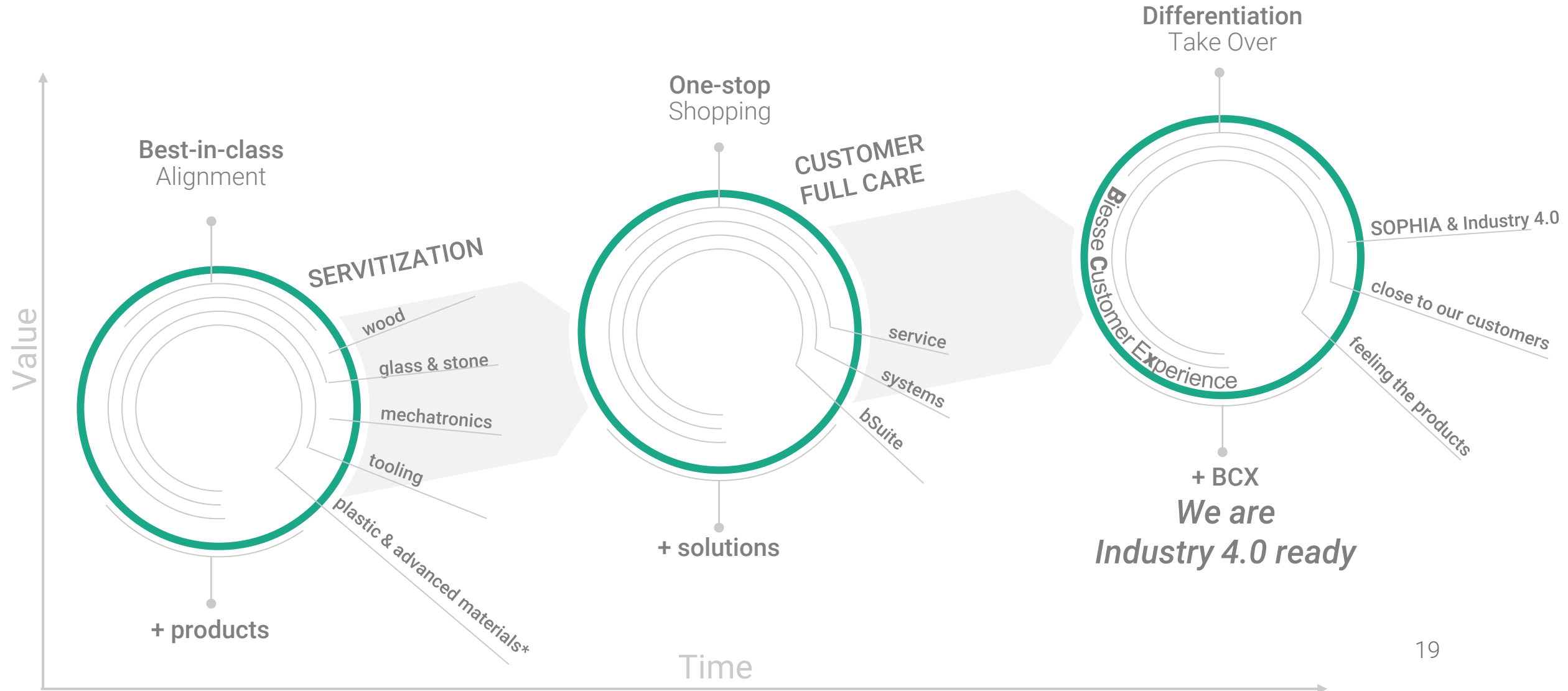
20  
(€/000)

average  
66  
(€/000)

**a wide customer base**

10.000 >  
(€/000)

# STRATEGY



# FACING A DISRUPTIVE GROWTH (1)

.....B2B companies will need a completely different approach to driving growth.....

what will impact our business over the next years:

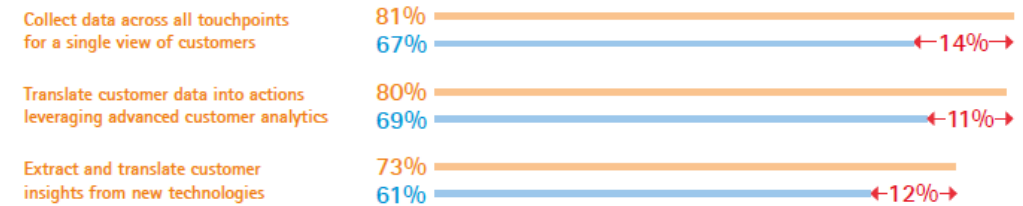


## Changing customer expectations

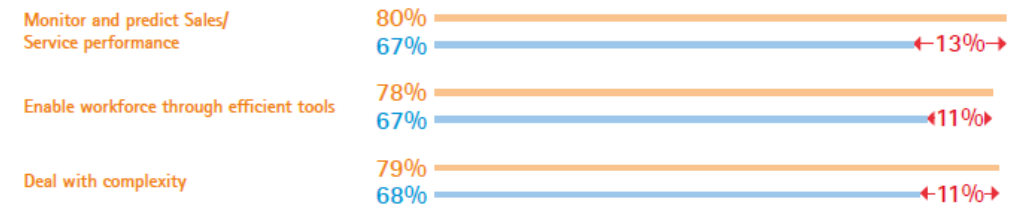


## Importance vs. Performance – largest gaps

### Customer Insights & Analytics



### Customer Experience Operations & Performance



Importance

Performance



# FACING A DISRUPTIVE GROWTH (2)



Foster collaboration and align target setting



Continue to drive process efficiencies



Provide direct channels to end users through eCommerce



Establish a governance model to drive digitization



Access and employ the right talent

*how Biesse is facing this phase:*

- remain ahead of customer expectations
- leverage digital technologies
- sales and marketing organization fit

# SYSTEMS



More than  
**1000**  
Systems installed worldwide

# bSUITE ACHIEVEMENT



A complete platform  
fully implemented

The single, integrated  
platform to manage all  
machine processes has  
been **fully implemented**  
on machines.



# SMART FACTORIES

**The new era of digitisation for small and medium-sized companies**

Our goal is to identify 4.0 Industry - oriented Customers in order to provide them with a new business model focused on software and integration.

In the smart factory of tomorrow, each component is traced and identifiable enabling automatic feedback and process statistics to be generated.

**30%**

**Super Systems**

**70%**

**Smart for all**



# SOPHIA

 **BIESSE**GROUP

Biesse chose Accenture's Industry X.0 to lead in the new



**SOPHIA** is the **IoT platform**, created by Biesse in collaboration with Accenture, which enables **its customers to access a wide range of services** to streamline and rationalise their work management processes.



**Smart Products**



**Smart Services**



**New Customer Experiences**

# IIOT - SOPHIA

## IoT Biesse Service Pack

- Priority service and extended coverage
- Continuous connection with the Biesse control center
- Direct monitoring of machine performance through a dedicated app
- Analysis of machine downtime, remote diagnostics and fault prevention
- On-site functional checks and technical inspections within the warranty period
- Proactive call after machine downtime notification
- Extended hours for service coverage from 8 to 12 hours per day



# TO ACHIEVE GREAT RESULTS



## Route to new Services

With its new IIOT platform, Biesse is transforming itself from product-oriented manufacturer to a **digital business** offering to its customers value added services



# MORE PRODUCTS NEW TARGET

Metal  
**26** mln€  
2020 Target

Advanced  
Materials  
**40** mln€  
2020 Target



8%

Wood Division Estimated  
CAGR 2018-2020

4%

Market Estimated  
CAGR 2018-2020

12%

G&S Division Estimated  
CAGR 2018-2020

7%

Market Estimated  
CAGR 2018-2020

12.9%

Mechatronics Division Estimated  
CAGR 2018-2020

5%

Market Estimated  
CAGR 2018-2020

14%

Tooling Division Estimated  
CAGR 2018-2020

6%

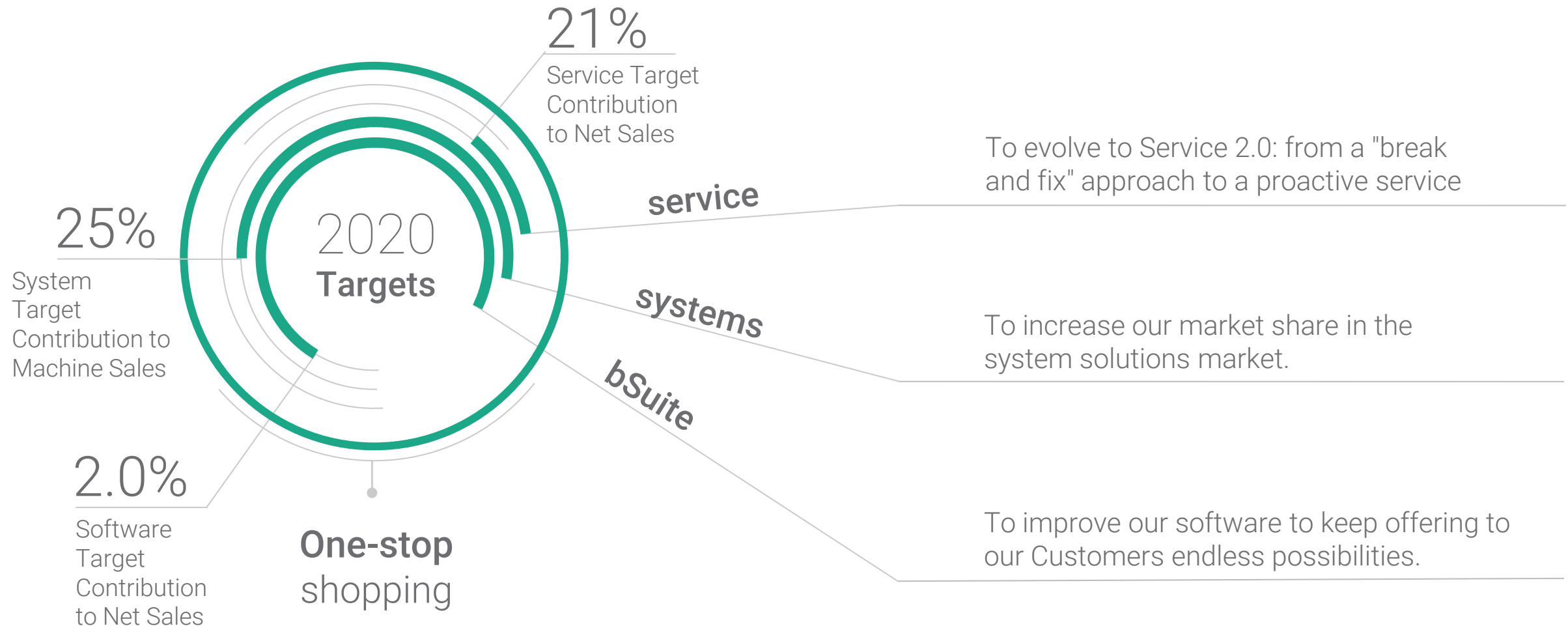
Market Estimated  
CAGR 2018-2020

40%

A.M. Division Estimated  
CAGR 2018-2020



# MORE SOLUTIONS NEW TARGET



# WOOD-MARKET



## COMPETITORS

The competition in the current market is consolidated. We are the second leading company in the sector. Main competitors are located in Germany and in Italy. The most important of these (easily comparable) are **HOMAG in Germany (30.5% estimated market share)** and **SCM in Italy (7,5% estimated market share\*)**.



# WOOD-TARGETS

8%

**Wood division** Estimated  
CAGR 2018-2020  
vs 2017

4%

**Market** Estimated  
CAGR 2018-2020  
vs 2017

01

**Improve** product reliability, **renew**  
existing product range

02

**Renovation** and **completion** of the range  
of machines

03

**Enhance R&D** for innovative solutions  
(technologies and new materials)

04

Expand the product range of  
**woodworking machines for the housing  
market**

# HOUSING-MARKET



## COMPETITORS

The competition in the market is consolidated. Main competitors are located in Germany and in Italy. The most important of these are Hundegger (the Market Leader), HOMAG and Weinmann in Germany and SCM, Essetre in Italy.





# HOUSING-TARGET

15 €/mIn

**2020 Target** in wood  
construction  
materials machines market

Biesse Group will continue to extend its product range, **increasing penetration** in the **high potential segment** (actually forecasted the best one) yet highly-strategic industry of **timber carpentry** (beams and structural façades).

01 **Expand our offering** in other **timber carpentry segments** (minor complexity and higher volumes)

02 Leverage on **Biesse capillarity** to boost sales and after-sales worldwide

# GLASS-MARKET



## COMPETITORS

We are currently the industry leader in the glass processing market in which we operate. Main competitors are located in Italy and Germany, Austria:

they are **CMS, Bottero, Lisec, Hegla**



# STONE-MARKET



## COMPETITORS

The competition in the current market is consolidated. We are among the leading companies in the sector and we intend to reinforce our positioning. Main competitors are located in France and in Italy and they are **CMS, Breton, Denver** and **Thibaut, Comandulli**



# GLASS & STONE TARGET

12%

**G&S Division** Estimated  
CAGR 2018-2020  
vs 2017

7%

**Market** Estimated  
CAGR 2018-2020  
vs 2017

01

Maintain and reinforce our **leading position** in the glass sector

02

**Expand** our offering in **new product segments**

03

**Increase our market share in the stone segment**, reinforcing our leadership in this area



# TOOLING – GLASS – STONE & CERAMIC MARKET



# TOOLING - TARGET

14%

**Tooling Division** Estimated  
CAGR 2018-2020  
vs 2017

6%

**Market** Estimated  
CAGR 2018-2020  
vs 2017

01

Maintain and reinforce our **leading position** in the glass sector

02

**Expand** our offering in **new product segments**

03

**Increase our market share in the stone segment**, reinforcing our leadership in this area

# MECHATRONICS TARGET

12.9%

**Mechatronics Unit**  
Estimated  
CAGR 2018-2020  
vs 2017

5%

**Market**  
Estimated  
CAGR 2018-2020  
vs 2017

26<sub>mln/€</sub>

2020 target in  
metal sector

01

Maintain and reinforce our **leading positioning** in the Wood- Aluminum- Plastic (WAP) sector

02

**Enlarge our product offering** for metal working machines

03

**Continue to expand abroad**, especially in Asian and Western Europe Market

# ADVANCED MATERIALS

## COMPETITORS

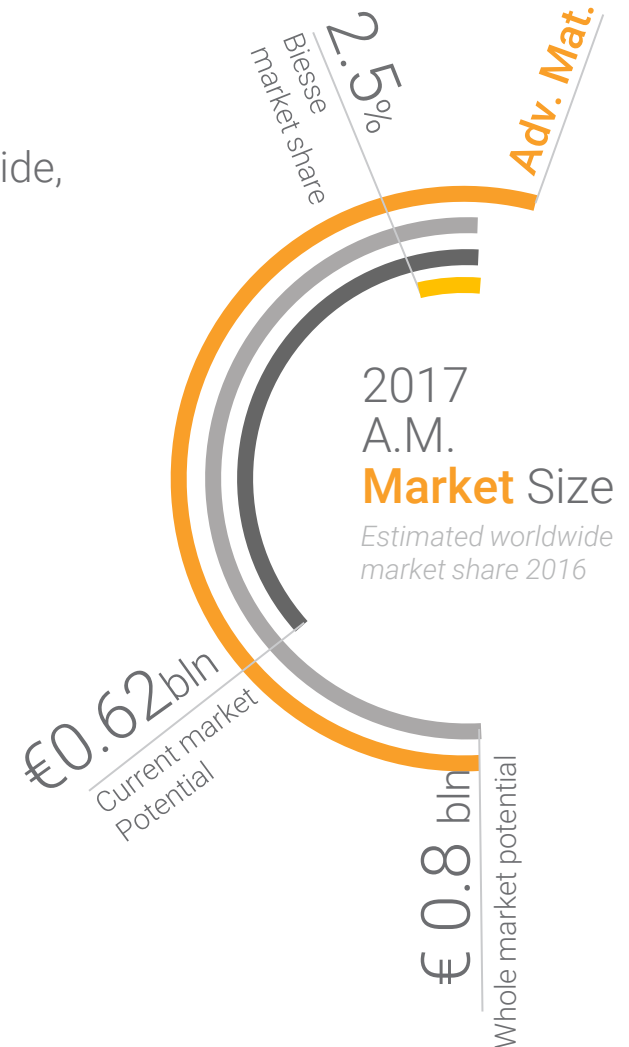
The advanced material\* processing machinery market is highly fragmented worldwide, main competitors are **Geiss**, **HG Grimme**, **Belotti CMS Industrie**, **Breton**, **Mecanumeric**, **Multicam** and **Flow Corporation**



Care Model 1:1 Clay block

### \*Advanced materials

- ✓ Carbon Fiber
- ✓ Foam
- ✓ Composite
- ✓ Aluminium
- ✓ Titanium





# ADVANCED MATERIALS\*

40

mln/€

**2020 target**  
In advanced  
material segment

## \*Advanced materials

- ✓ Carbon Fiber
- ✓ Foam
- ✓ Plastics
- ✓ Composite
- ✓ Aluminium
- ✓ Titanium

 **BIESSEGROUP**

01

Expand our **plastic working machineries** in order to meet the needs of the entire market.

02

**Extend our product range** drawing on the expertise of Uniteam to enhance its range of products and applications for machining **advanced composite materials** for several industries

application



Aerospace



Automotive



Marine



Packaging



Medical  
Devices



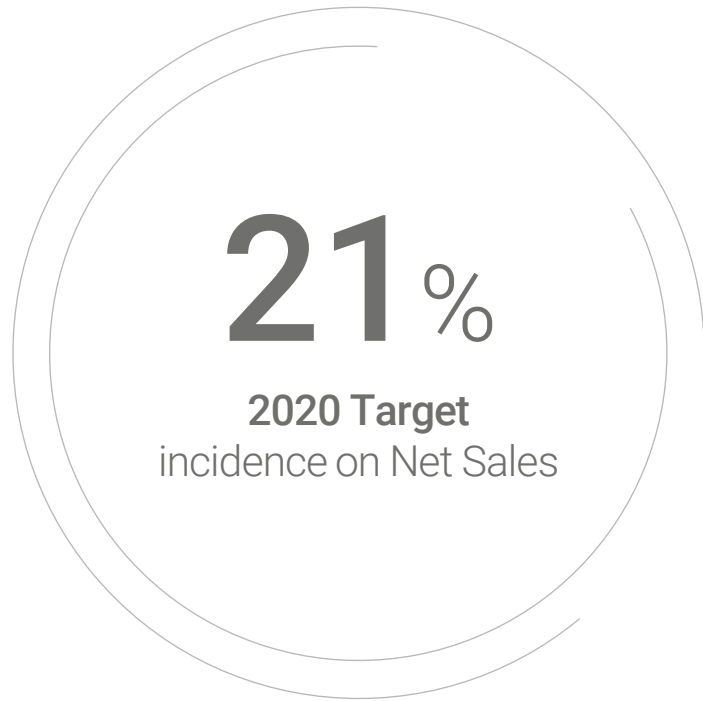
Renewable  
Energy



Defense and  
Ballistics



Visual  
communication



Our network supports **our customers worldwide**. Through Biesse service and Biesse parts, we offer **technical services and machine/component spares to businesses** anywhere in the world on-site, as well as on-line - 24/7.

## Our Service will evolve to Service 2.0

**Predictive:** leave "break-and -fix" service as is logics and anticipate the needs moving onto **predictive services thanks** .

**Digital:** Fully implement On Line Sophia Services platform to offer advanced remote assistance, Spare Parts purchasing, Intelligent Troubleshooting, software update distribution and machines connection to Customer ERP

**Master in Competence:** Structure Training Academy supporting product and process competence to our Customers and Service team

# SYSTEMS



We **increased our market share becoming a leading company** in the engineering solutions sector.

The **guiding strategy** of the Biesse Systems team is based on clear **key concepts**:

- Definite lead times
- Automation
- Stock Management
- Modularity
- Total Quality



## **Potential Software**

Fees contribution to  
Net Sales

- 01 **Consolidation. reliability and rationalization.** Superior technology for creating synergies in machine automation.
- 02 **Technological superiority and sustainability.** Ensuring advanced. sustainable know-how in order to develop intelligent machines.
- 03 **Simple. smart software.** Meeting growing technological needs through application software and smart apps.
- 04 **Business software.** Business-oriented software to enhance collaboration with our customers' businesses.



# CLOSE TO CUSTOMERS

## Subsidiaries

To **expand our global presence** to be close to our customers.

01

Continue to promote the **“Roadmap to success” for our subsidiaries**: moving from reactive to **proactive**, fostering entrepreneurship at all levels, defining market and customer-oriented strategies

02

Invest in new and innovative technological complexes, **“Biesse Campus”**, to better contain our expansion in selected areas

03

Invest in **human resources** and capabilities as growth drivers

# STABILIZE PROFITABILITY

 **BIESSE GROUP**

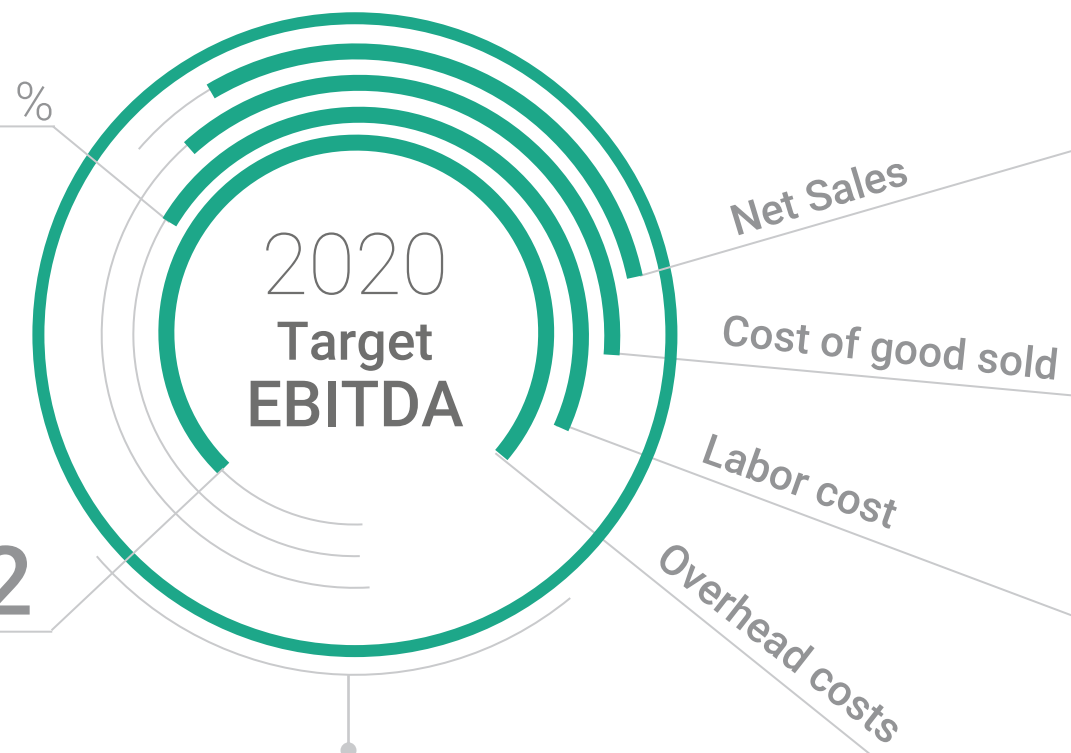
EBITDA  
Margin

**14.0 %**

2020 Target

EBITDA  
**127.2**

2020 Target



strengthening our leadership

**9.5%**

Net sales  
CAGR 2018-2020 vs 2017

☑ **Continue our growth path**

**< 39%**

Target COGS  
incidence on Net Sales

☑ **Optimize our production cost**

**< 30%**

Target Labor Cost  
incidence on Net Sales

☑ **Invest in human resources and capabilities as growth driver, controlling incidence on net sales**

**< 20%**

Target Overhead Cost on  
Incidence on Net Sales

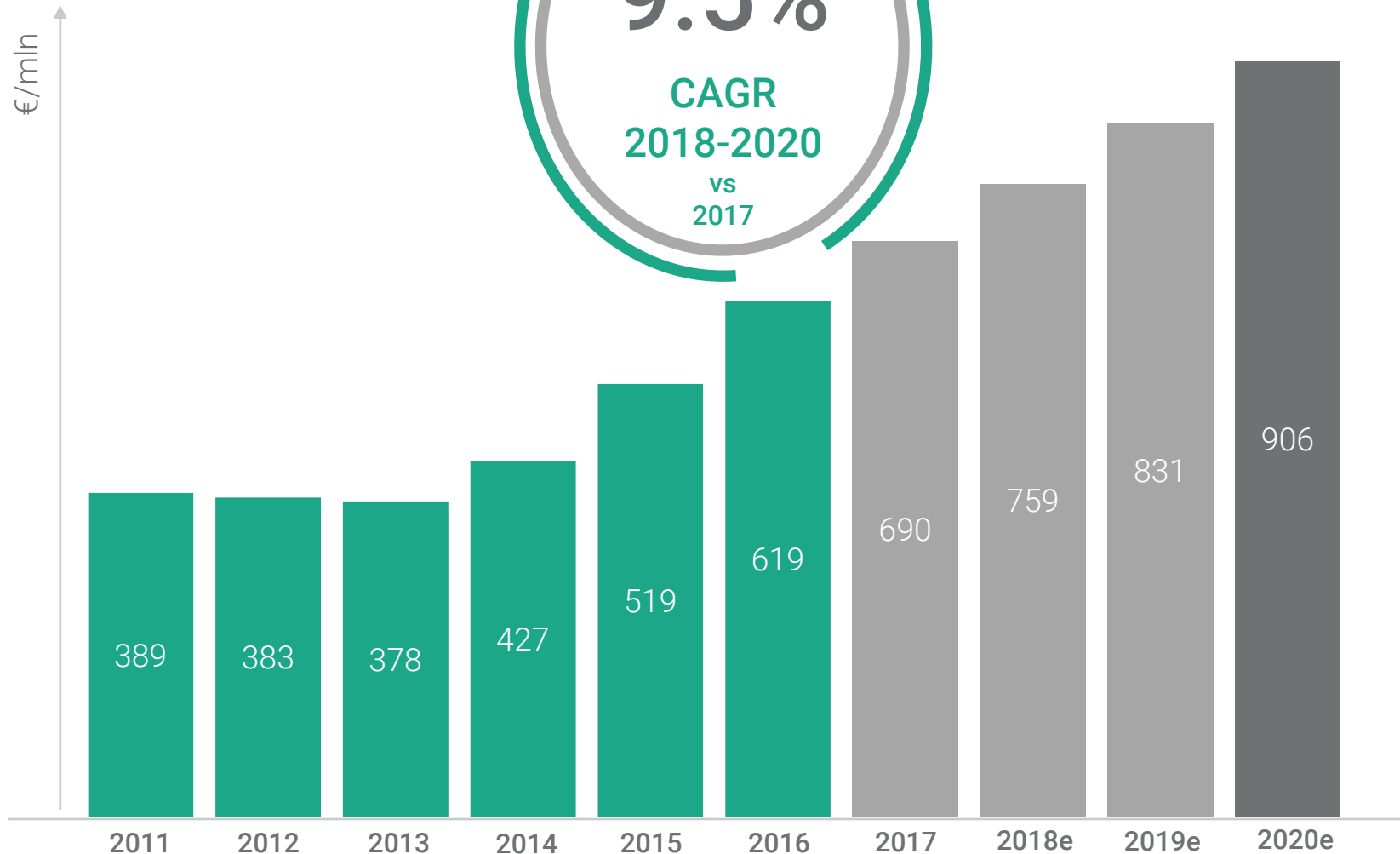
☑ **Optimize Overhead cost**

# 2018-2010: the 3 years plan recap

*(approved Feb 28th 2018)*

BIESSEGROUP.COM

# NET SALES



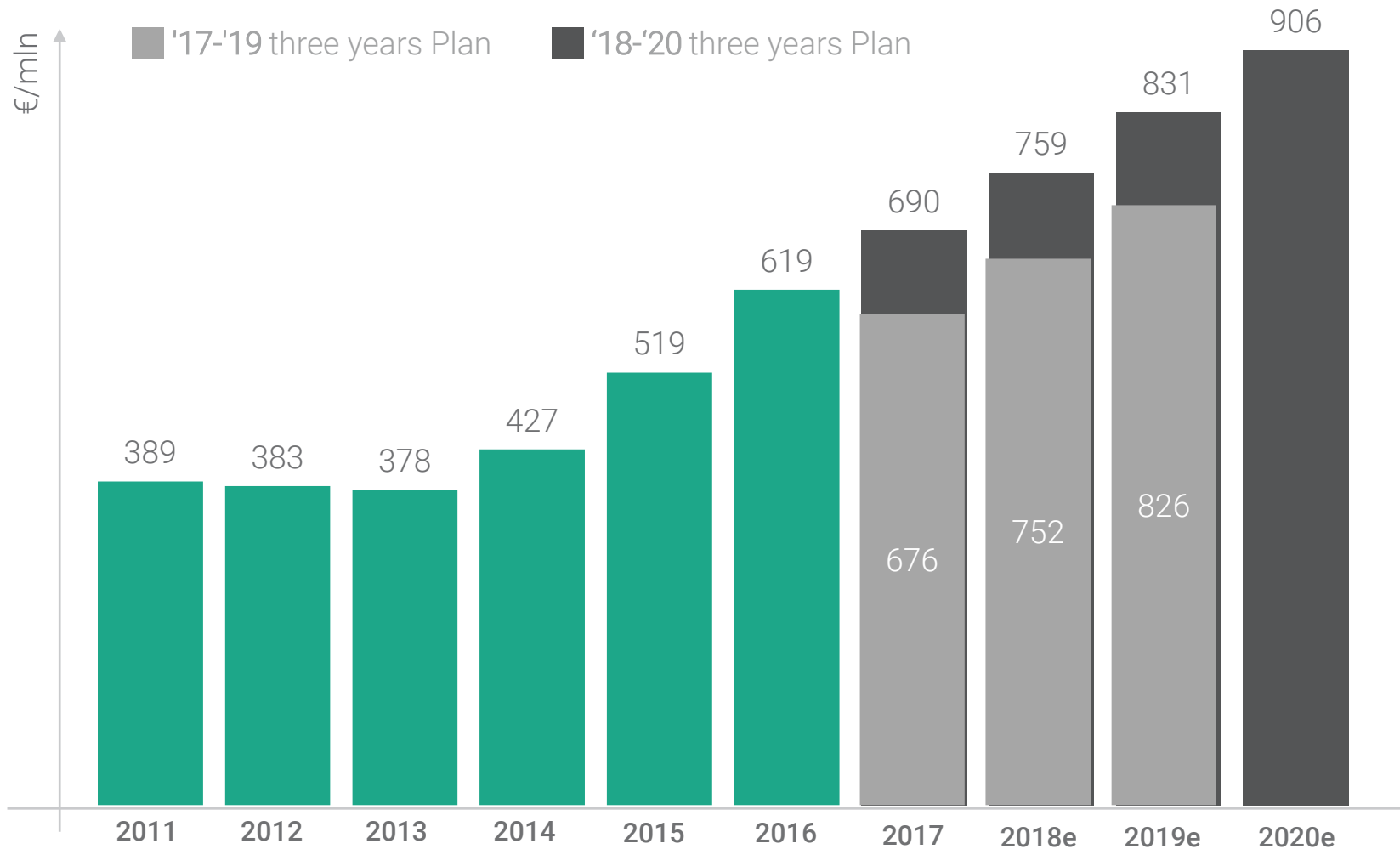
Continuing to pursue an **organic growth**.

- ✓ **Increasing our sales force.** subsidiaries, agents and distributors **worldwide**
- ✓ Growing **not only in the woodworking** machine sector, but also in the areas of glass, stone, mechatronics and advanced materials especially considering the after-sales services
- ✓ Continuing to **diversify into new sectors:** advanced materials and metal working through the mechatronics division especially



# NET SALES

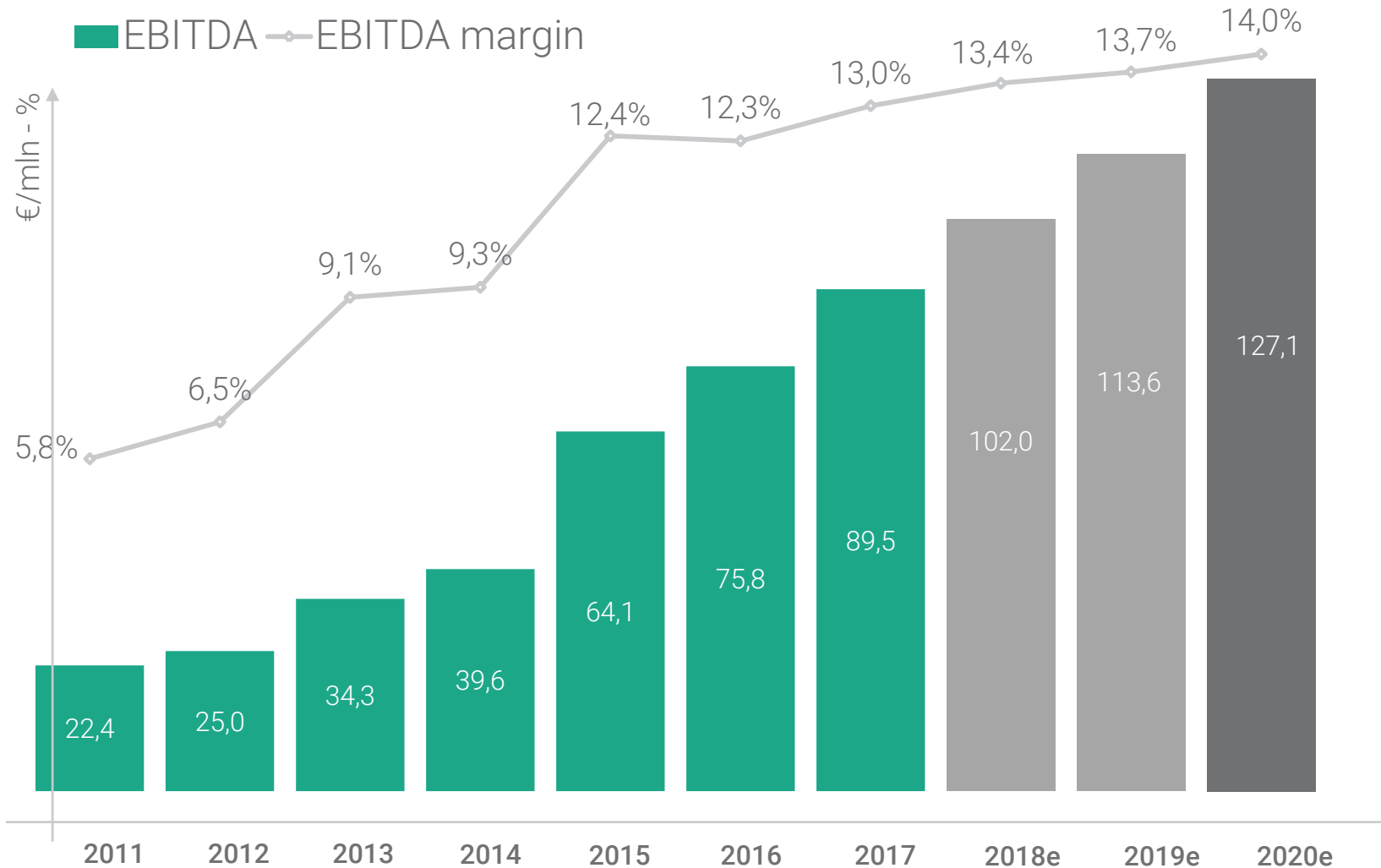
*the “old” and the “new one”*



**Confirming** the growth path to consolidate our **leadership**

- ✓ In 2017 **we went beyond our targets**, anticipating plan execution
- ✓ We yearn to achieve **higher targets in 2020** leveraging on our strategy: more products, more solutions, more customers

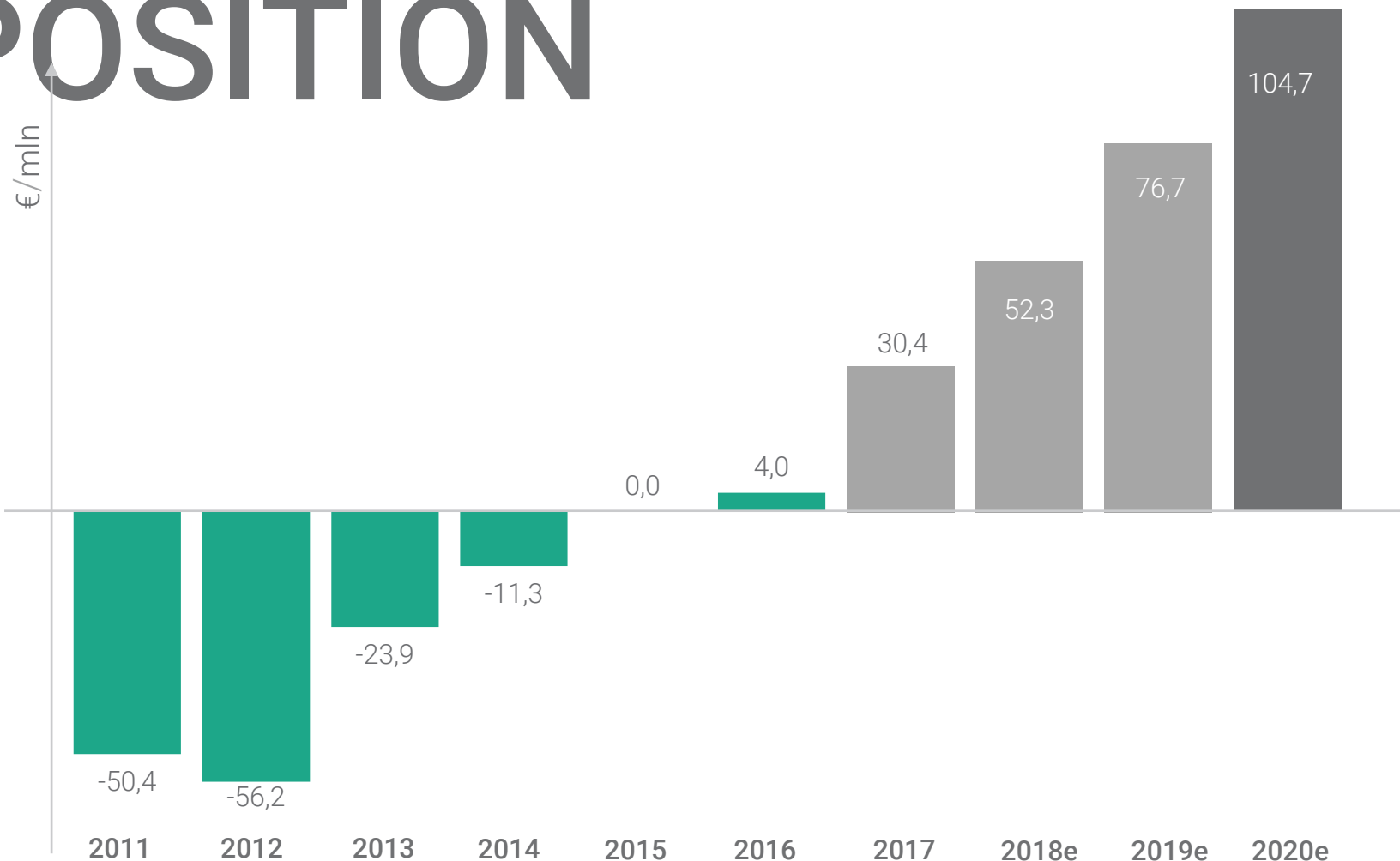
# EBITDA



## Generation of value.

- ✓ **Decreasing incidence of COGS** on Net Sales through world production optimization and efficiency
- ✓ Maintaining **Labour Cost** incidence on Net Sales **below 30%**
- ✓ Maintaining **Overhead** incidence on Net Sales **below 20%**

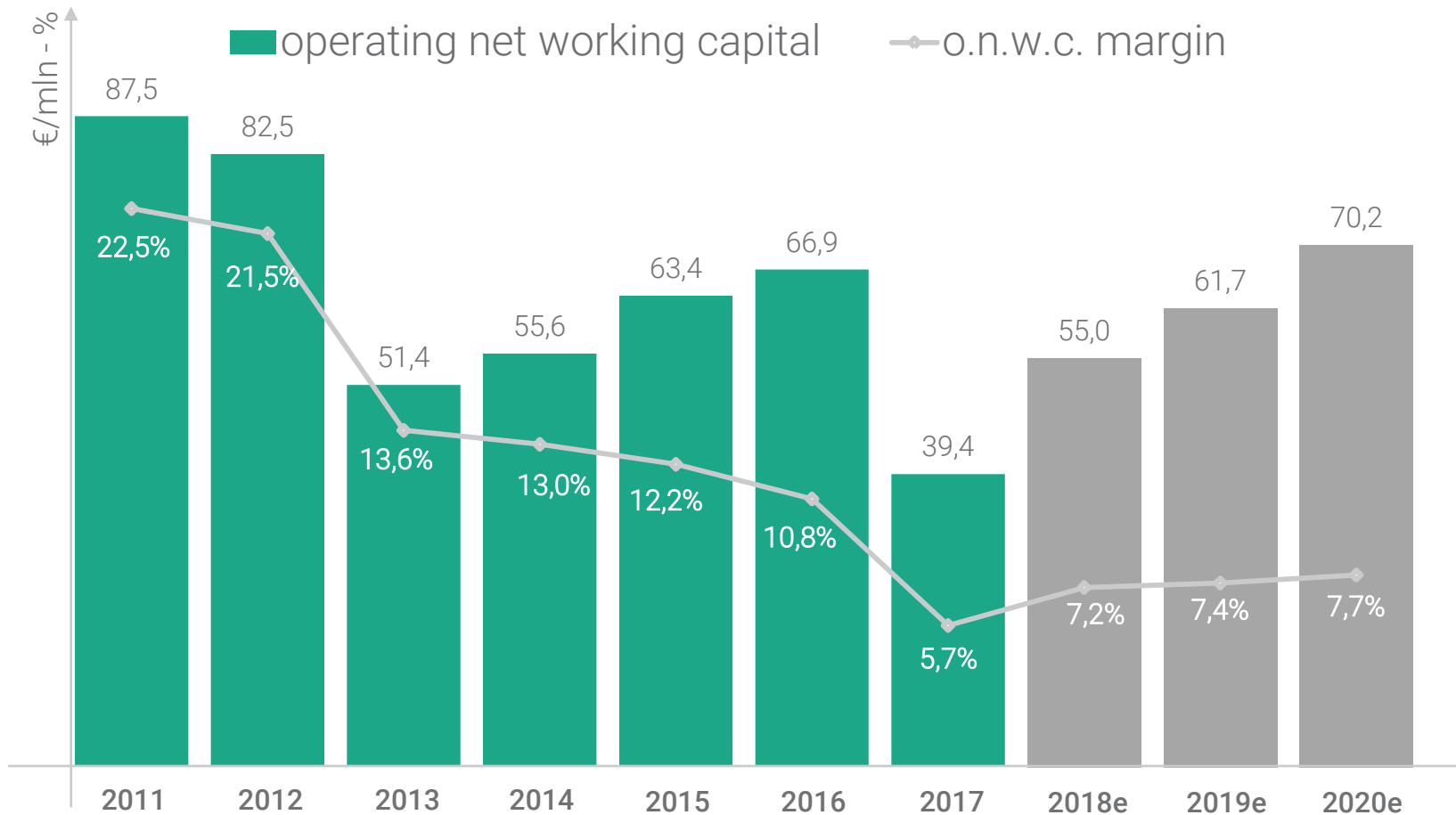
# NET FINANCIAL POSITION



## Positive cash flow.

- ✓ Starting point: huge, **positive Net Financial Position** at the end of 2017
- ✓ Continuing to invest in **R&D around 1.5% of Net Sales (capitalized) – effective 4%**
- ✓ **Cash Flow** finances the projected increasing CAPEX to support our growth forecast
- ✓ Already paid yearly **dividends** (since 2014 for four years) for a total amount of > € 34 mln - projected dividend policy 30% of the expected Group net profit

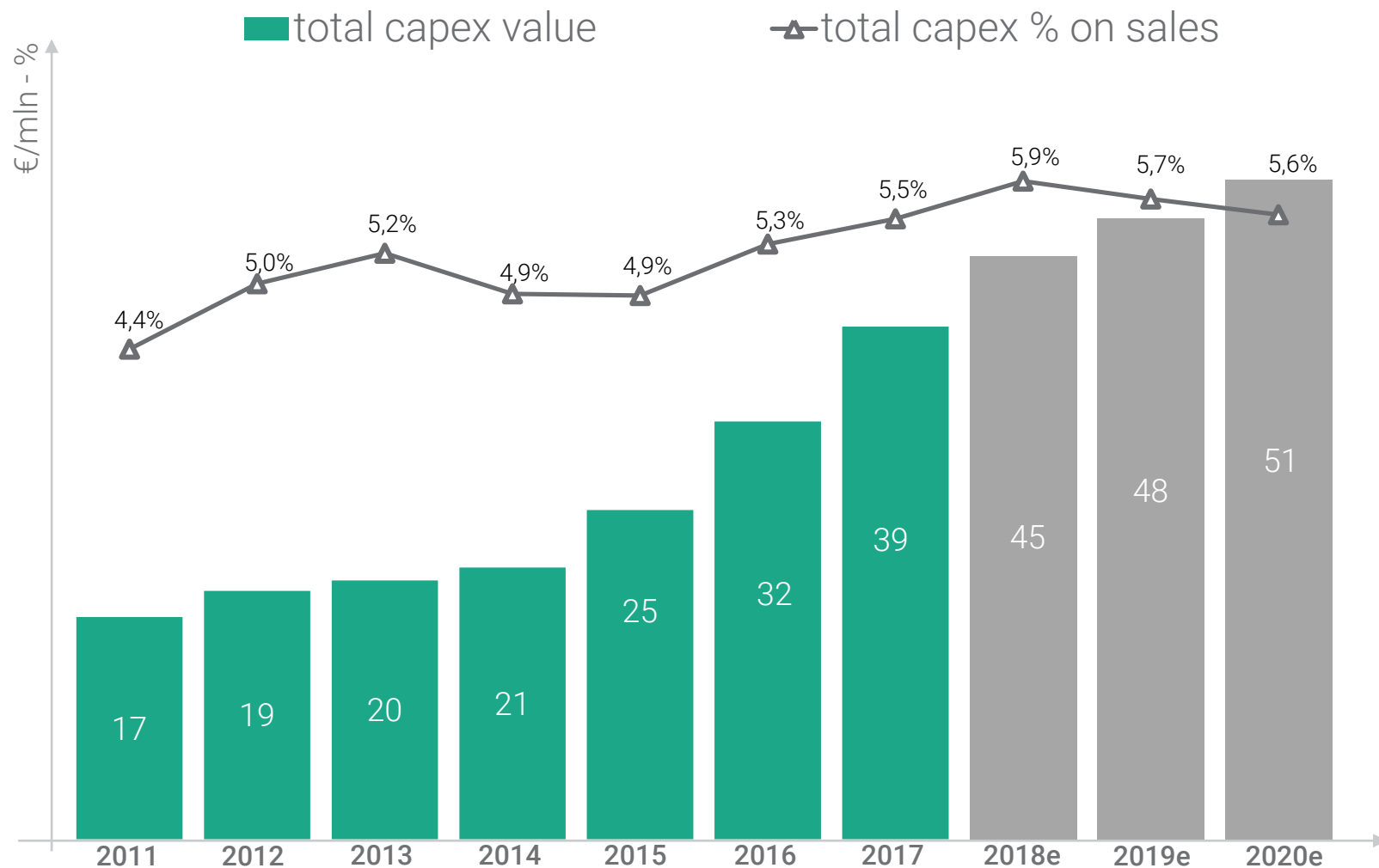
# OPERATIVE NET WORKING CAPITAL



**control** our Operating Net Working Capital.

- ✓ Maintaining **Operating Net Working Capital** incidence on Net Sales **below 9-10%**
- ✓ Maintaining our Group **inventories** below **22%** incidence on Net Sales
- ✓ Maintaining our Group **DSO** around **50 -55 days max**
- ✓ Maintaining our Group **DPO** around **110-120 days**

# CAPEX\*



\*potential growth strategy through M&A not included

continue our growth path through investments.

## 2018e

tangible: € 27.4mln

intangible: € 17.6mln

main investments drivers:

- ✓ **Indian** investment in durable goods
- ✓ **Uniteam** improvement of the production plant
- ✓ **Mechatronics** Italian plant (HSD S.p.A.) components production machines
- ✓ **Metal Working** (internal phase): improvement of the components production
- ✓ **I.T.:** digital factory – PLM & CRM – Oracle Subsidiaries implementation
- ✓ **R&D constant investment.** Around 1.5% on net sales every year



# CAPEX: TANGIBLES



- ✓ **Indian** Manufacturing durable goods investments to meet the projected productive expansion improving the quality



- ✓ **Housing** ( Uniteam Wood Division): improvement production plant – durable goods investments ,

continue our growth path  
through investments

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## TANGIBLE ASSETS

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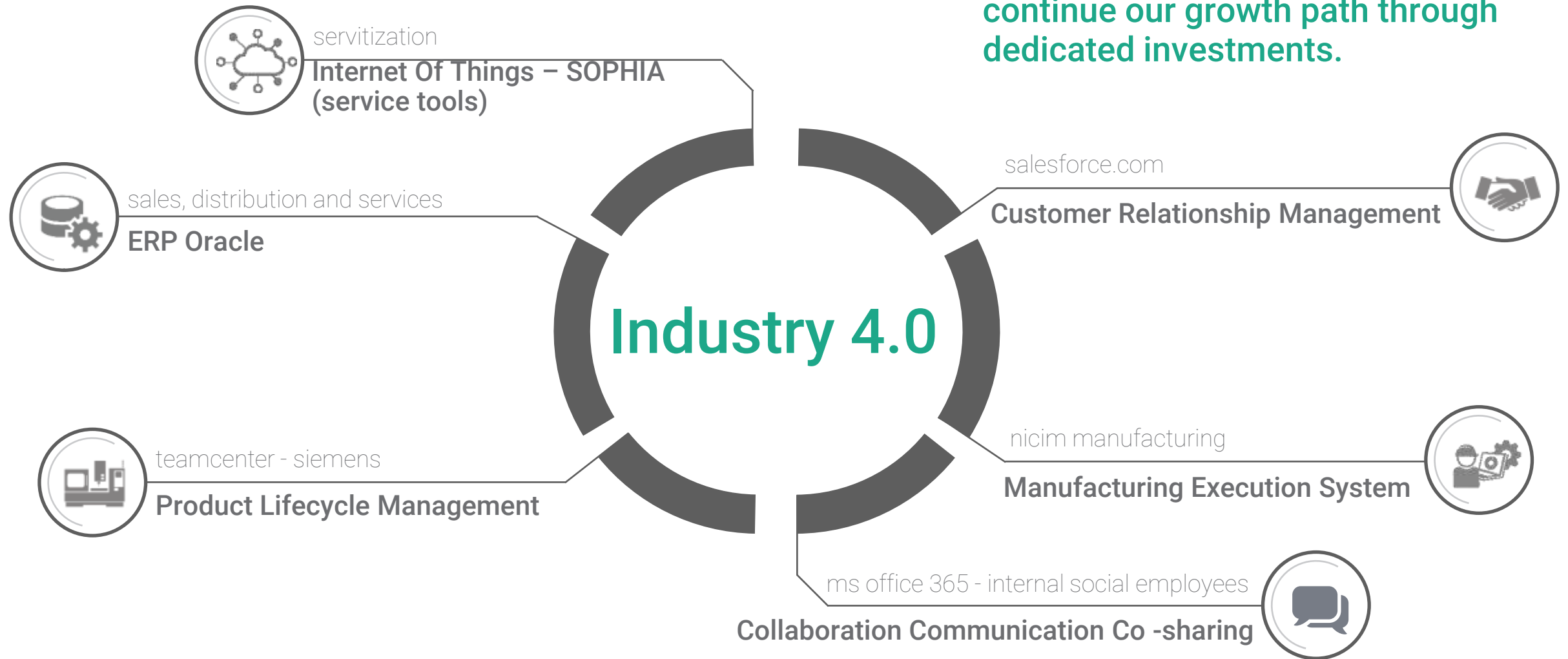


- ✓ **Mechatronics** Italian plant (HSD S.p.A.) components production machines (rotary tables) and production plant



- ✓ **Metal working** (internal phase): improvement of the components production – durable goods investments ,

# CAPEX: INTANGIBLES



continue our growth path through  
dedicated investments.

# EXTRACT OF THE P&L

€/mln	2013	2014	2015	2016	2017		2020e	Targets
<b>Net sales</b> <i>year -1</i>	<b>378.4</b> <b>-1.2%</b>	<b>427.1</b> <b>+12.9%</b>	<b>519.1</b> <b>+21.5%</b>	<b>618.5</b> <b>+19.1%</b>	<b>690.1</b> <b>+11.6%</b>	<b>CAGR</b> <b>9.5%</b>	<b>906.2</b>	
Cost of good sold	155.9 41.2%	177.6 41.6%	206.1 39.8%	245.1 39.6%	270.1 39.1%		348.1 38.4%	
<b>Value added</b> %	<b>147.0</b> <b>38.8%</b>	<b>167.8</b> <b>39.3%</b>	<b>212.4</b> <b>40.9%</b>	<b>252.4</b> <b>40.8%</b>	<b>288.6</b> <b>41.8%</b>	<b>CAGR 10.8%</b>	<b>393.1</b> <b>43.4%</b>	
Labour cost	112.7 29.8%	128.2 30.0%	148.2 28.6%	176.6 28.6%	199.1 28.9%		266.0 29.3%	<b>&lt; 30%</b> incidence
overhead	81.8 21.6%	91.0 21.3%	104.7 20.2%	124.5 20.1%	136.1 19.7%		167.7 18.5%	<b>&lt; 20%</b> incidence
<b>EBITDA</b> %	<b>34.3</b> <b>9.1%</b>	<b>39.6</b> <b>9.3%</b>	<b>64.1</b> <b>12.4%</b>	<b>75.8</b> <b>12.3%</b>	<b>89.5</b> <b>13.0%</b>	<b>CAGR%</b> <b>12.4%</b>	<b>127.1</b> <b>14.0%</b>	
<b>EBIT</b> %	<b>18.1</b> <b>4.8%</b>	<b>24.8</b> <b>5.8%</b>	<b>43.7</b> <b>8.4%</b>	<b>55.1*</b> <b>8.9%</b>	<b>63.6*</b> <b>9.2%</b>	<b>CAGR</b> <b>14.6%</b>	<b>95.7</b> <b>10.6%</b>	

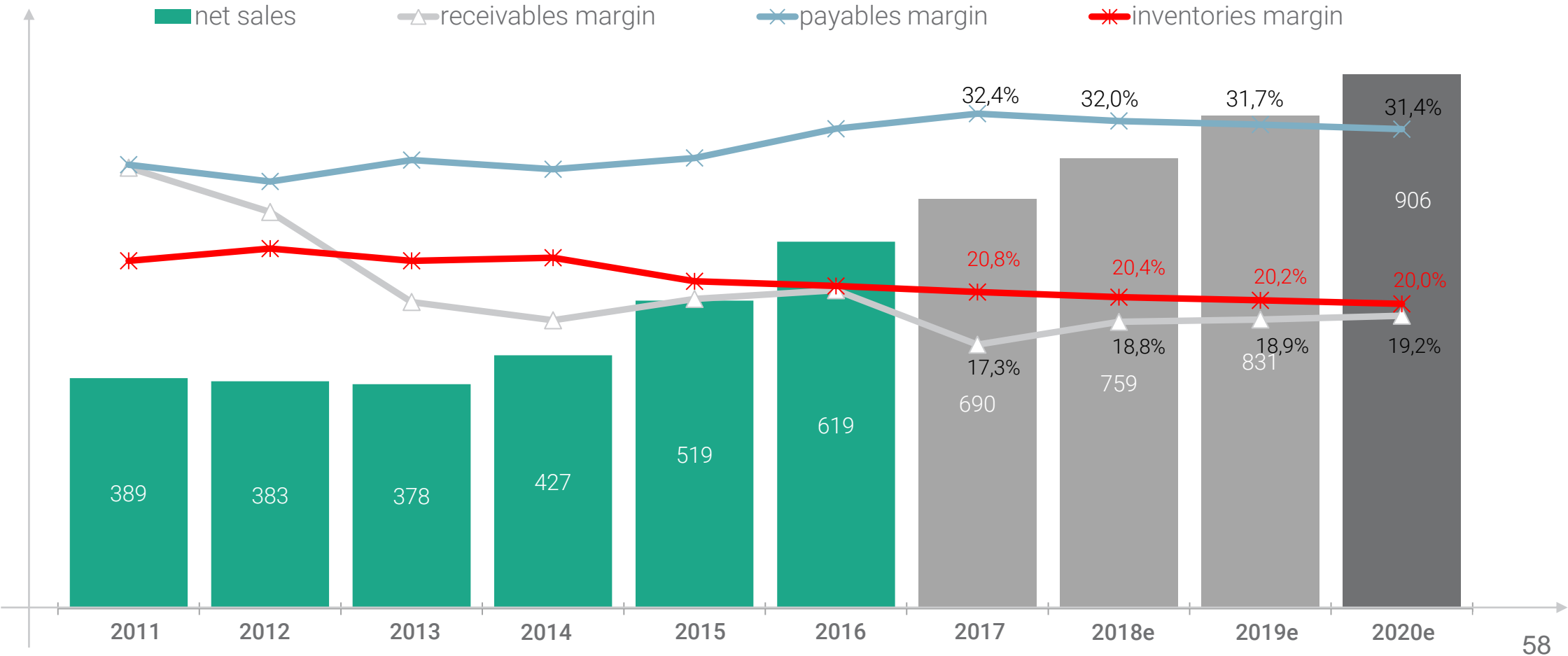
\*after non recurring items

tax rate 29.6%

# OPERATIVE NET WORKING CAPITAL

€/mln	2013	2014	2015	2016	2017	2020e	Targets
Inventories % net sales	22.8%	23.0%	21.5%	21.1%	20.8%	20.0%	<22%
Receivables % net sales	20.1%	18.9%	20.3%	20.8%	17.3%	19.2%	DSO 55 days
Payables % net sales	29.4%	28.8%	29.5%	31.1%	32.4%	31.4%	DPO 120 days
Operating Net Working Capital	51.4	55.6	63.4	66.9	38.7	70.2	
% net sales	13.6%	13.0%	12.2%	10.8%	5.6%	7.7%	

# RECEIVABLES PAYABLES INVENTORIES



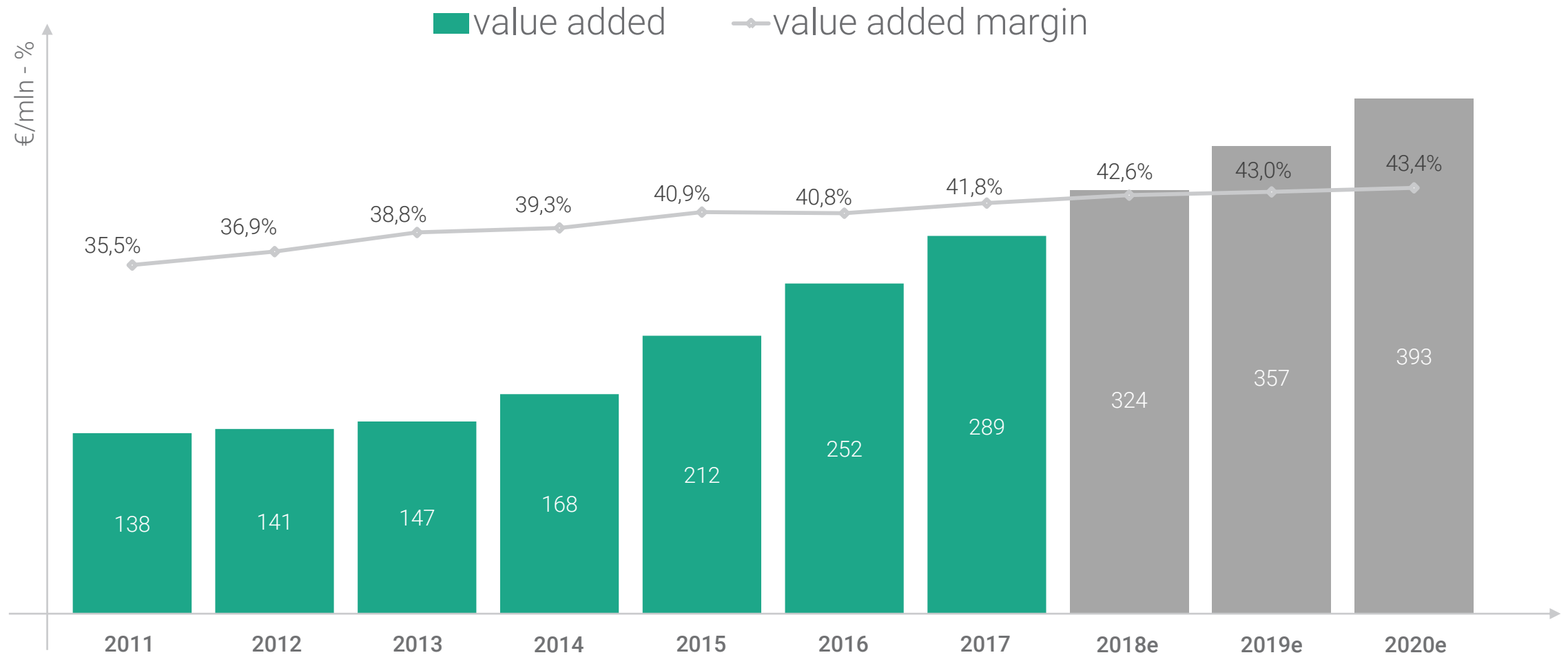


# CASHFLOW

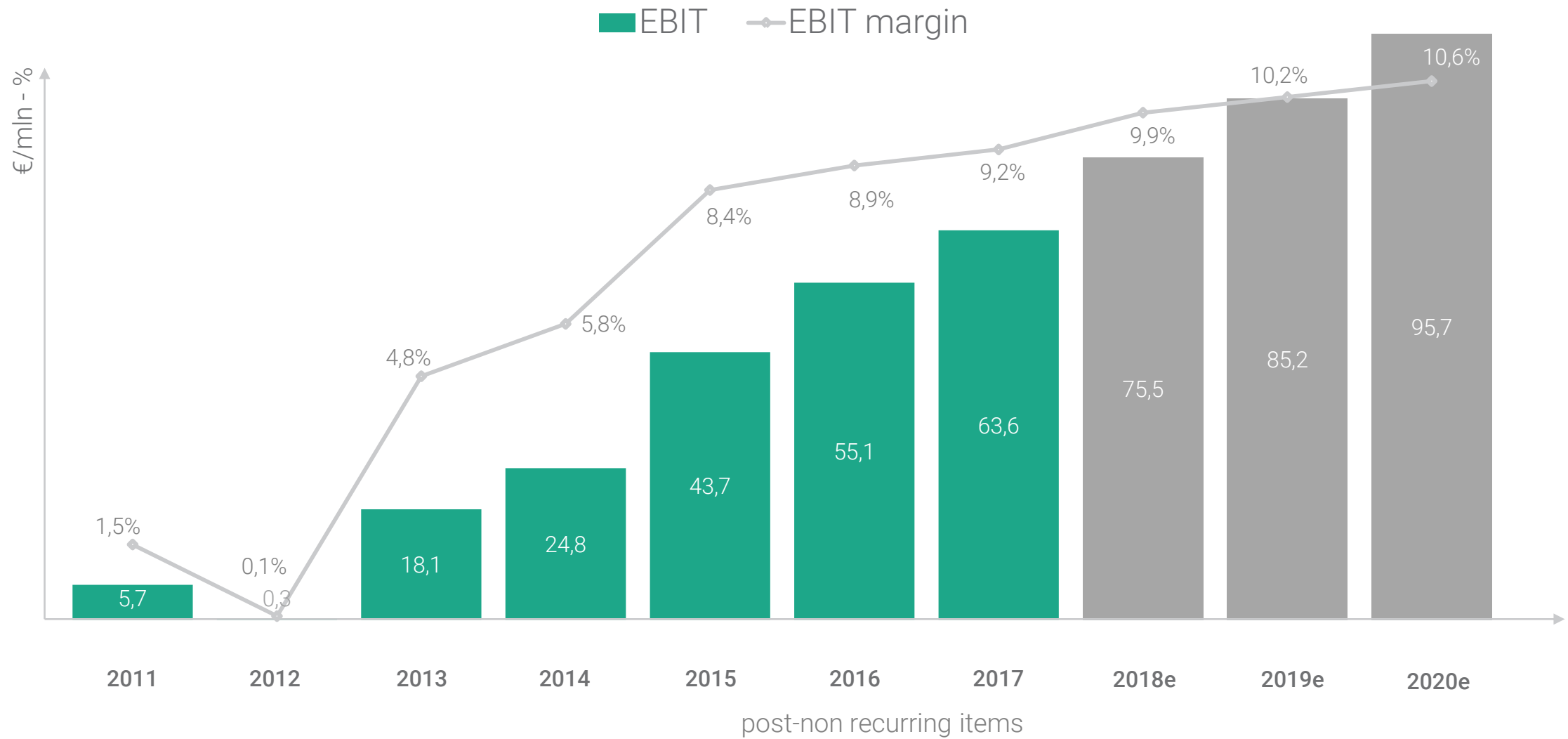
€/mln	2013	2014	2015	2016	2017	2020e
Gross Cashflow % net sales	52.0 13.8%	38.3 9.0%	46.3 8.9%	45.8 7.4%	75.4 10.9%	95.2 10.5%
Investments % net sales	-19.8 5.2%	-20.8 4.9%	-25.2 4.9%	-32.0 5.2%	-39.2 5.7%	-50.5 5.6%
Net Cashflow % net sales	32.2 8.5%	17.5 4.1%	21.1 4.1%	13.8 2.2%	36.2 5.2%	44.7 4.9%
dividends		-4.8 0.18 per share	-9.8 0.36 per share	-9.8 0.36 per share	-9.8 0.36 per share	-16.6 30% of net profit
Δ Net Debt		12.7	11.3	4.0	26.4	€ 28.1 vs 2019e
Net Debt	-23.9	-11.3	0.0	4.0	30.4	104.7



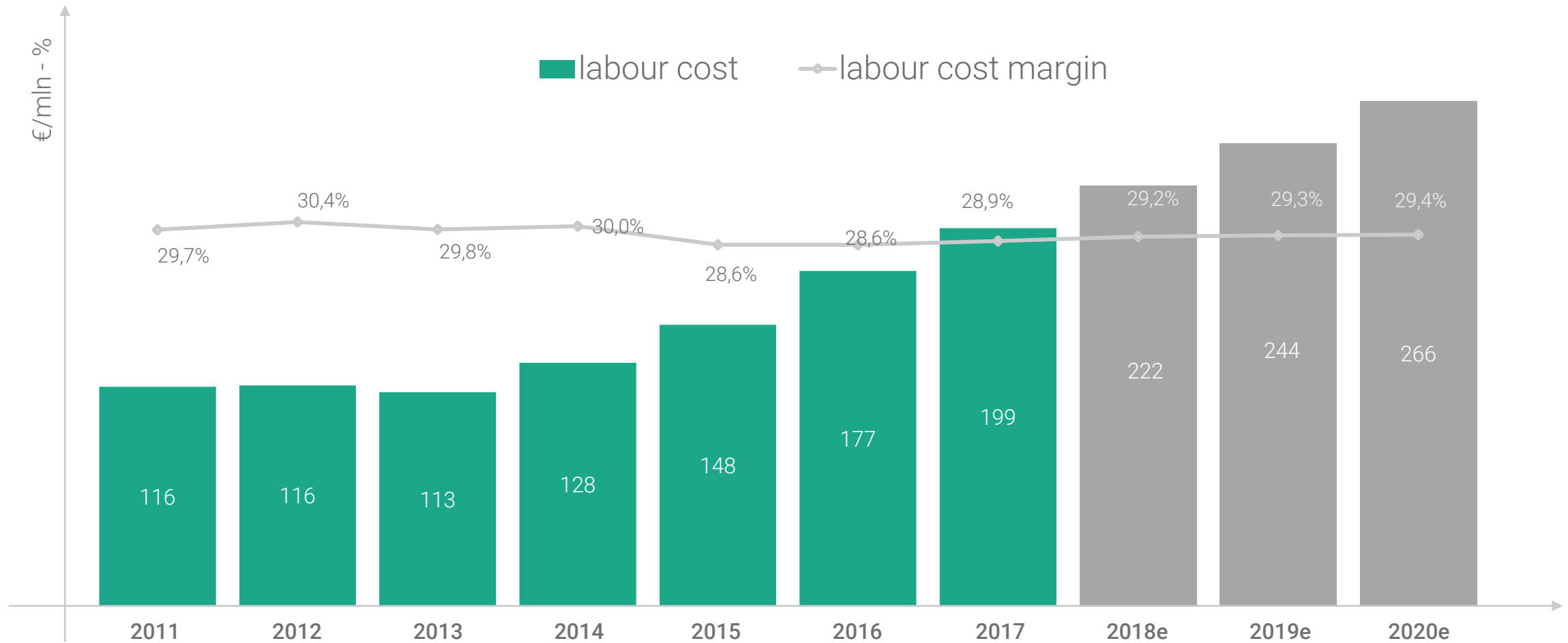
# VALUE ADDED



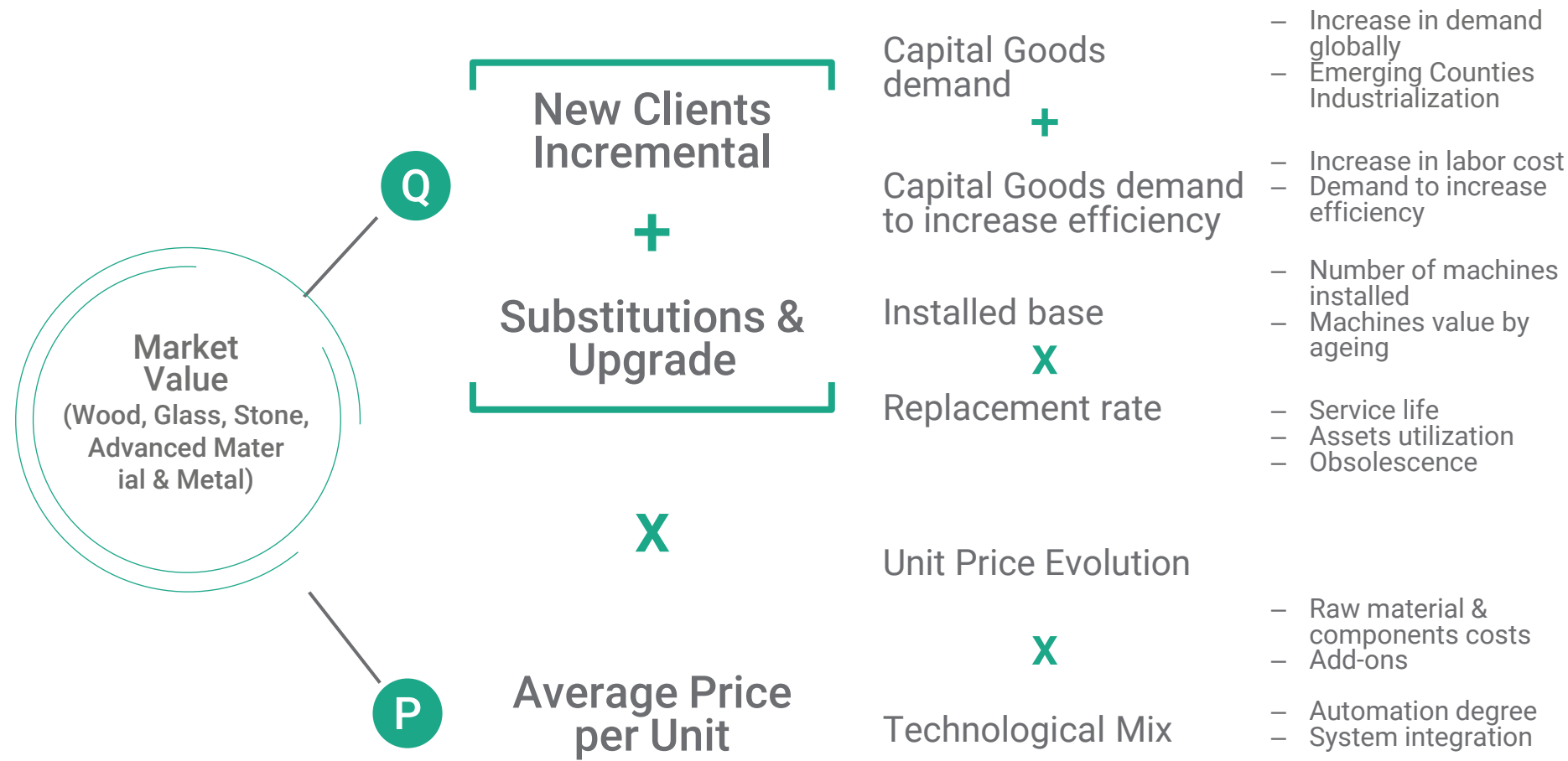
# EBIT



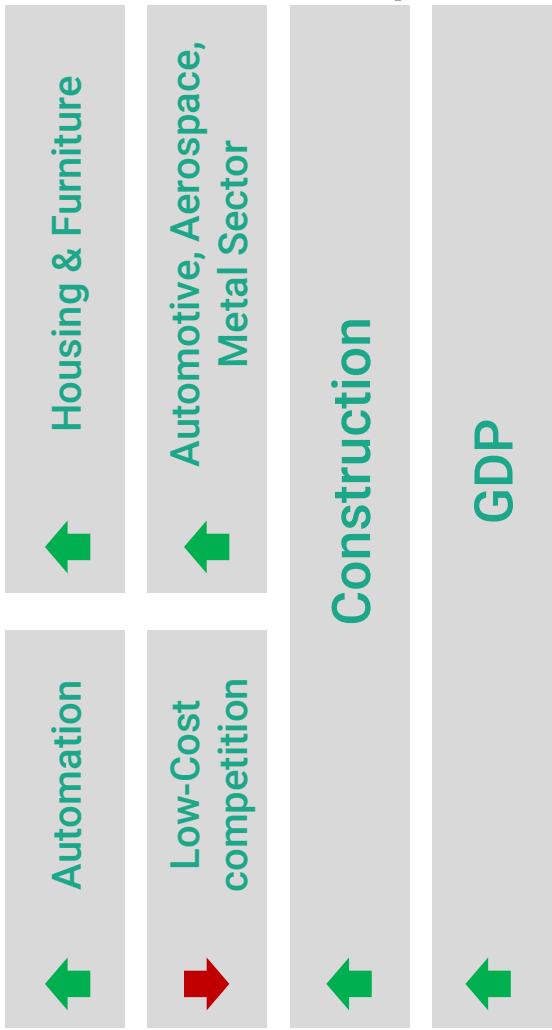
# LABOUR COST



# MACHINES MARKET VALUE



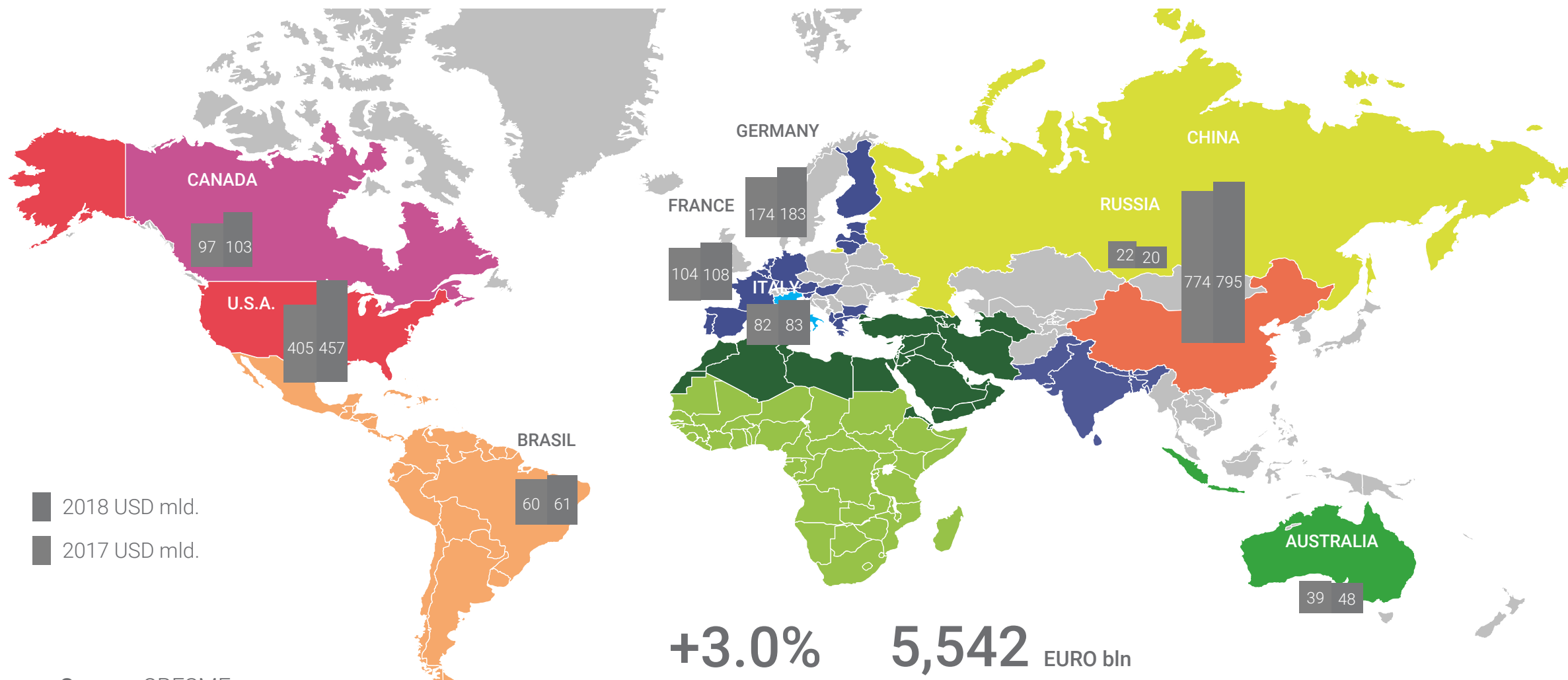
## Drivers and impact






# MAIN REFERENCE MARKETS:HOUSING

 **BIESEGROUP**



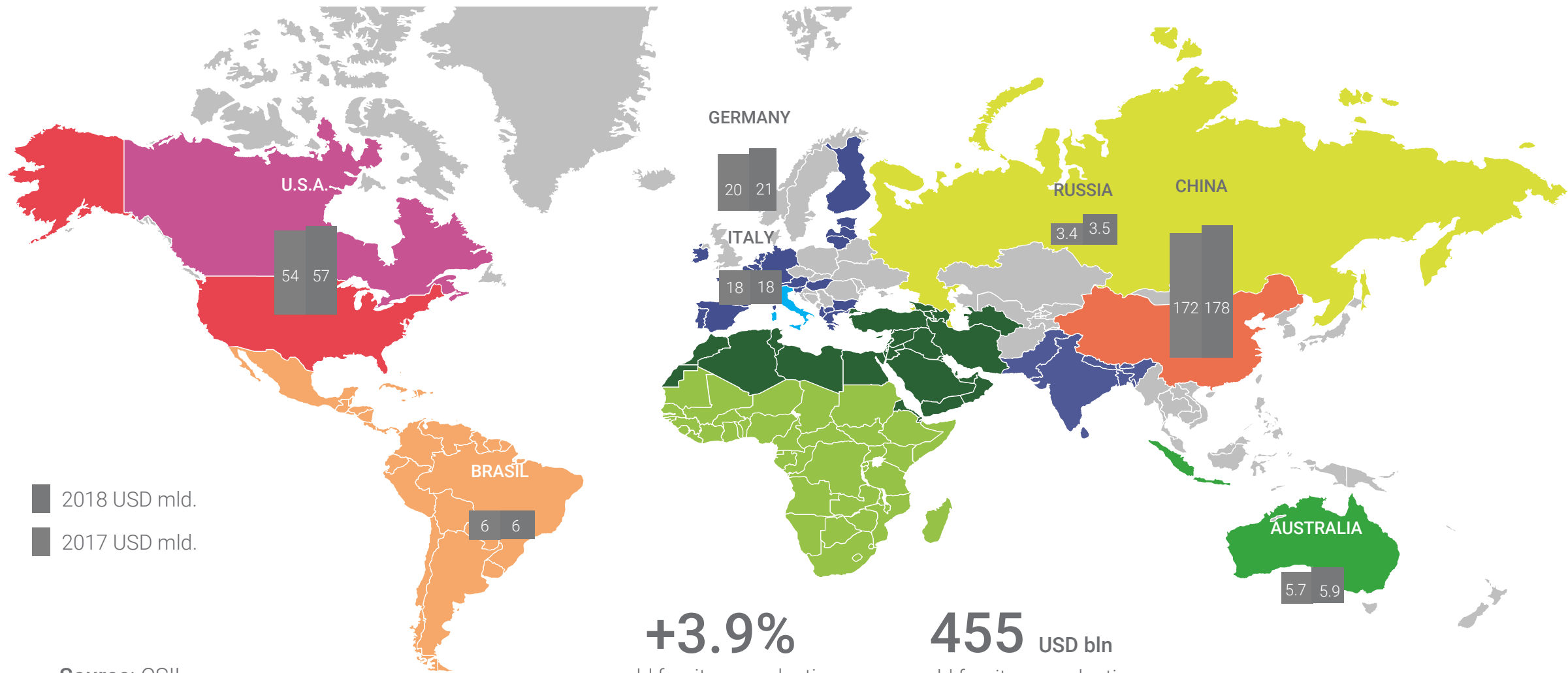
 2018 USD mld.  
 2017 USD mld.

Source: CRESME

**+3.0%**  
housing projected  
investments 2018

**5,542** EURO bln  
world housing investments  
(dimension)

# MAIN REFERENCE MARKETS:FURNITURE



■ 2018 USD mld.  
■ 2017 USD mld.

Source: CSIL

**+3.9%**

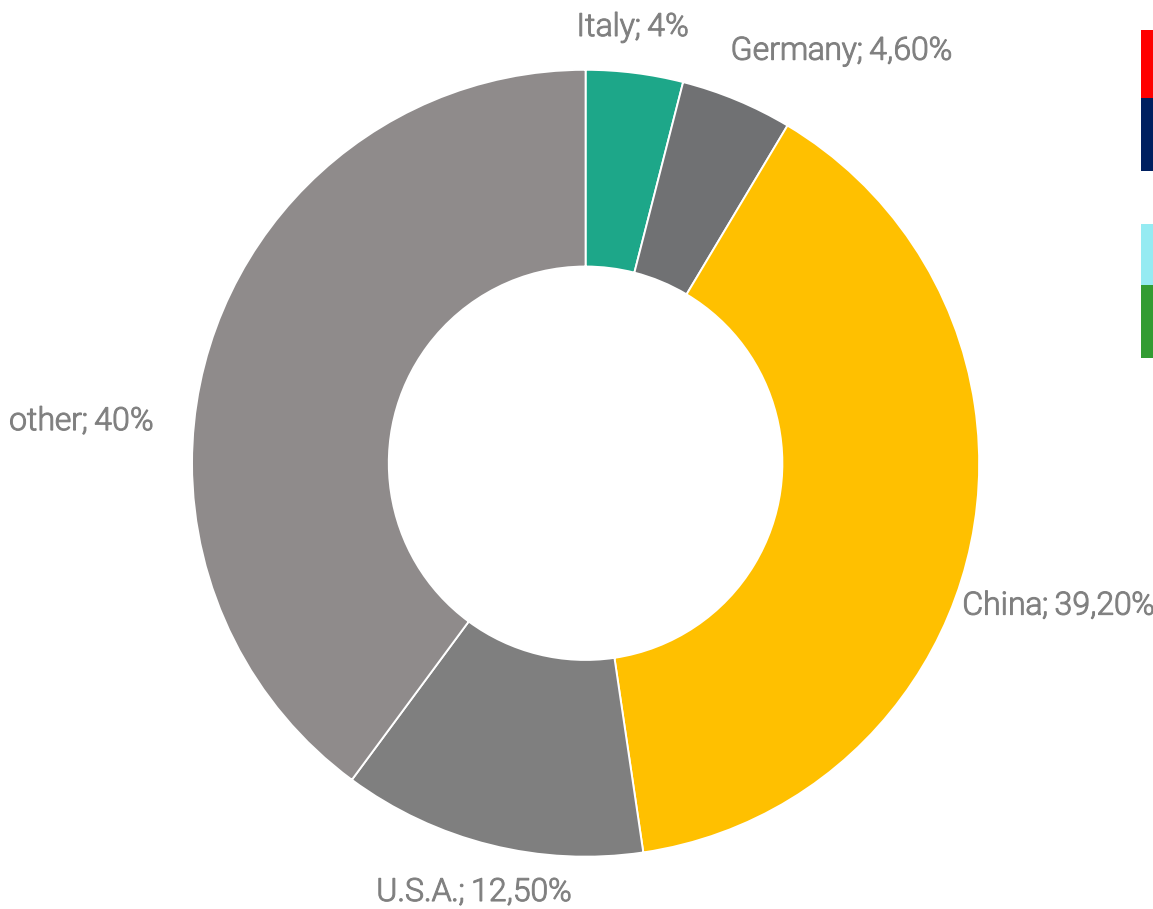
world furniture production  
projection 2018

**455** USD bln

world furniture production  
(dimension)

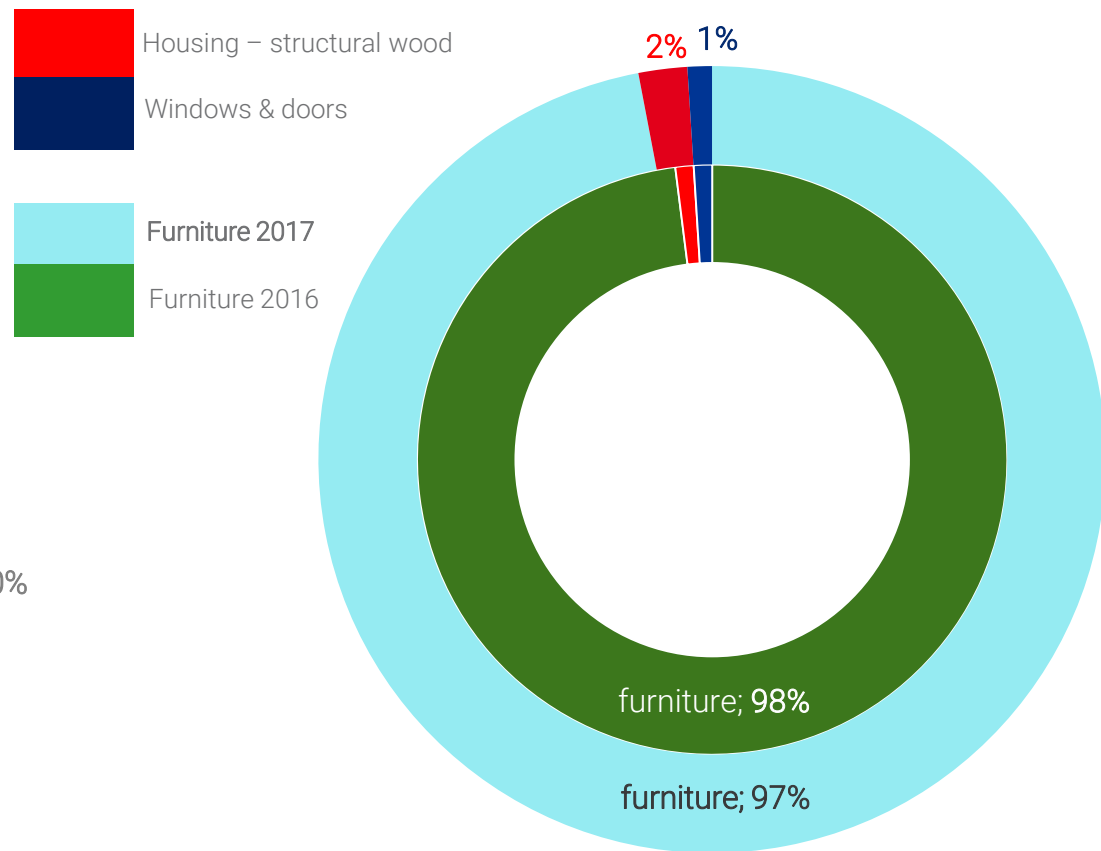
# MAIN REFERENCE MARKETS:

furniture consumption by countries



Source: CSIL

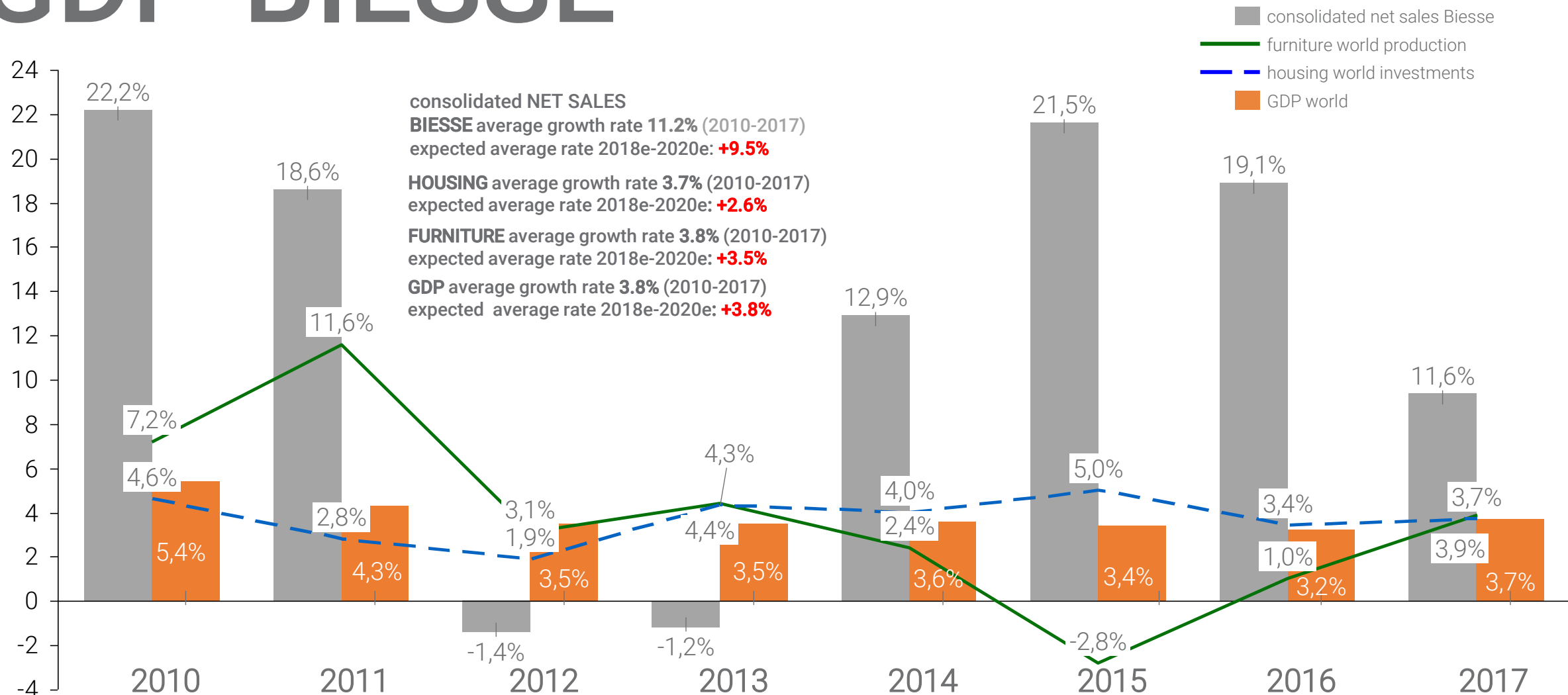
where Biesse is insisting - % of sales per macro-sectors:



Source: Biesse

# HOUSING-FURNITURE GDP-BIESSE

 **BIESSE**GROUP



# first quarter 2018

[BIESSEGROUP.COM](http://BIESSEGROUP.COM)



# Biesse highlights IQ 2018

orders intake: **+10.5%**

backlog: **+24.2%**

group: nr. **4,161**

*(including temporary people)*

net sales: € 162.3 (+0.5%)

net financial position.: positive € 18.9

ebitda: € 19.8 (incidence on sales 12.2%)

ebit: € 13.9 (incidence on sales 8.6%)

net result: € 8,1 (incidence on sales 5.0%)

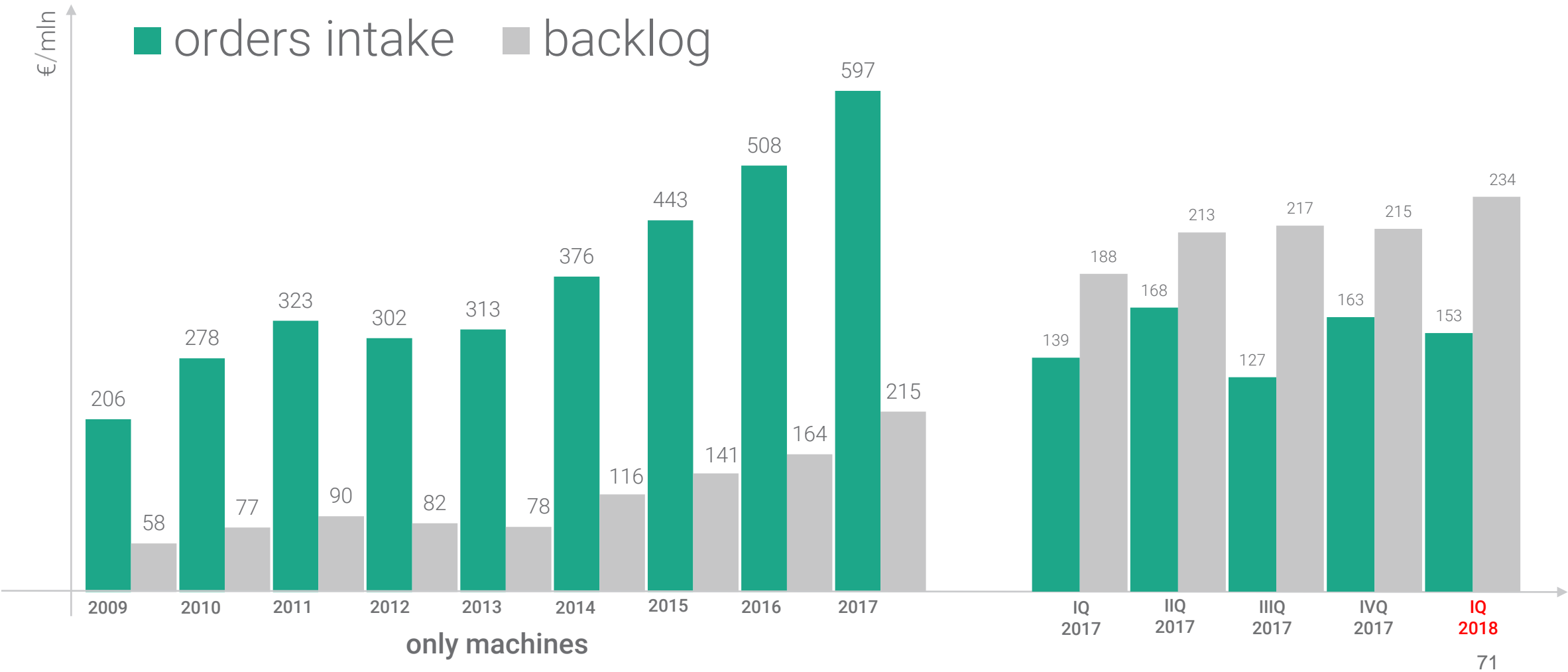
 **BIESSEGROUP**

# Extract of the P&L – IQ 2018

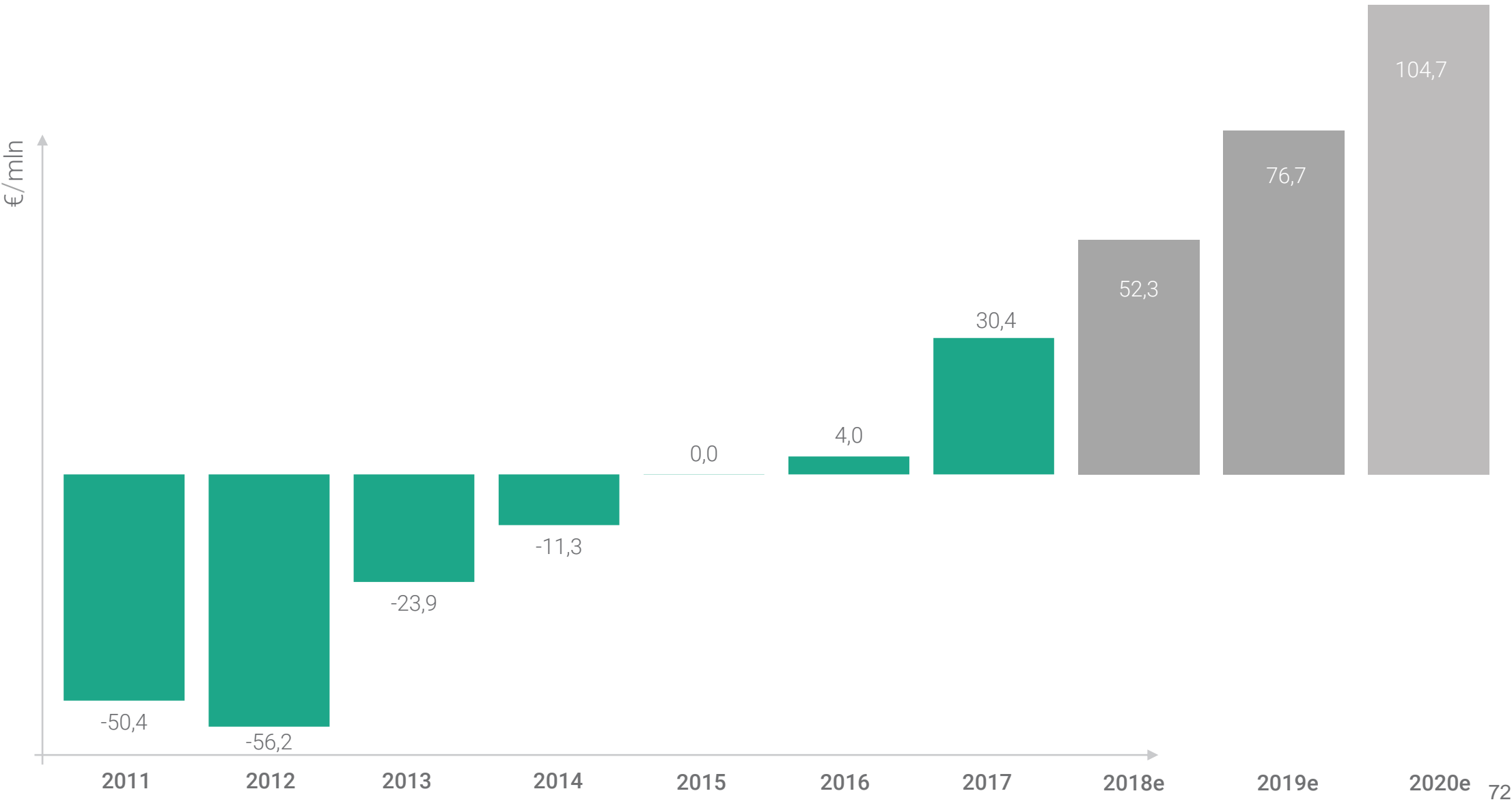
€/mln	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	<i><b>IQ 2017</b></i>	<i><b>IQ 2018</b></i>
<b>Net sales</b> year -1	378.4 -1.2%	427.1 +12.3%	513.1 +21.5%	618.5 +19.1%	690.1 +11.6%	<i><b>161.5</b></i>	<i><b>162.3</b></i>
<b>Value added</b> %	143.5 37.3%	163.1 33.6%	212.4 40.3%	252.4 40.8%	288.6 41.8%	<i><b>69.7</b></i> <i><b>43.2%</b></i>	<i><b>69.7</b></i> <i><b>43.0%</b></i>
<b>Labour cost</b> %	112.7 23.8%	128.2 30.0%	148.2 28.6%	176.6 28.6%	199.1 28.9%	<i><b>48.2</b></i> <i><b>29.8%</b></i>	<i><b>50.0</b></i> <i><b>30.8%</b></i>
<b>EBITDA</b> %	30.3 8.2%	40.3 3.6%	64.1 12.4%	75.8 12.3%	89.5 13.0%	<i><b>21.6</b></i> <i><b>13.4%</b></i>	<i><b>19.8</b></i> <i><b>12.2%</b></i>
<b>EBIT</b> %	18.1 4.8%	26.5 6.2%	43.8 8.4%	55.1 8.9%	63.6 9.2%	<i><b>16.1</b></i> <i><b>10.0%</b></i>	<i><b>13.9</b></i> <i><b>8.6%</b></i>
					tax rate	36.8%	37,2%

# GROUP ORDERS INTAKE & BACKLOG

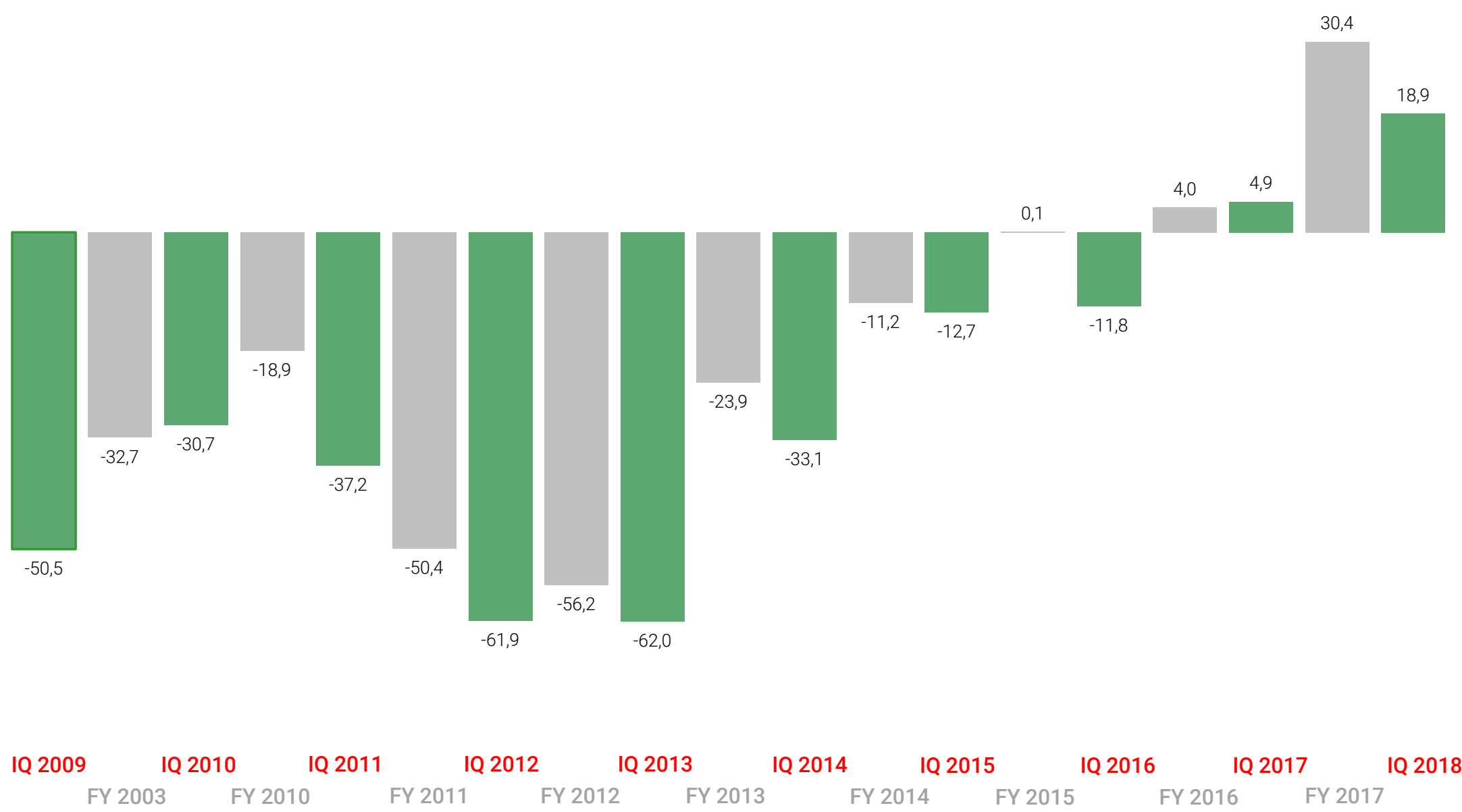
- ✓ IQ 2018 Group orders intake **+10.5%** (vs. IQ 2017)
- ✓ IQ 2018: Group backlog **+24%** (vs. IQ 2017)



# NET DEBT



# Net Financial Position – first quarters trend



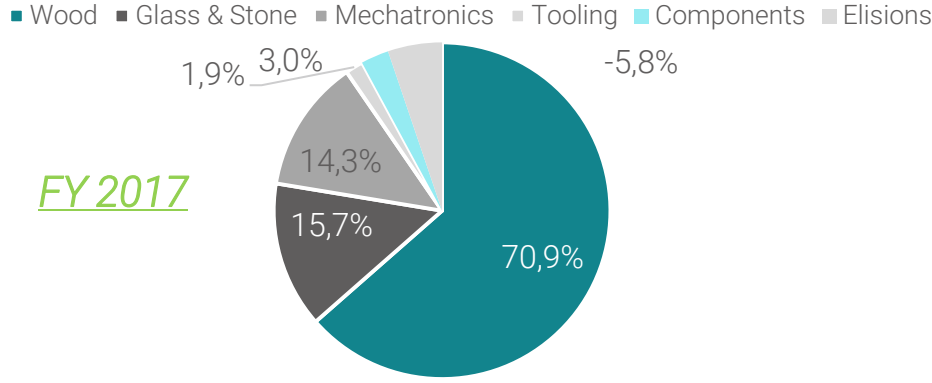
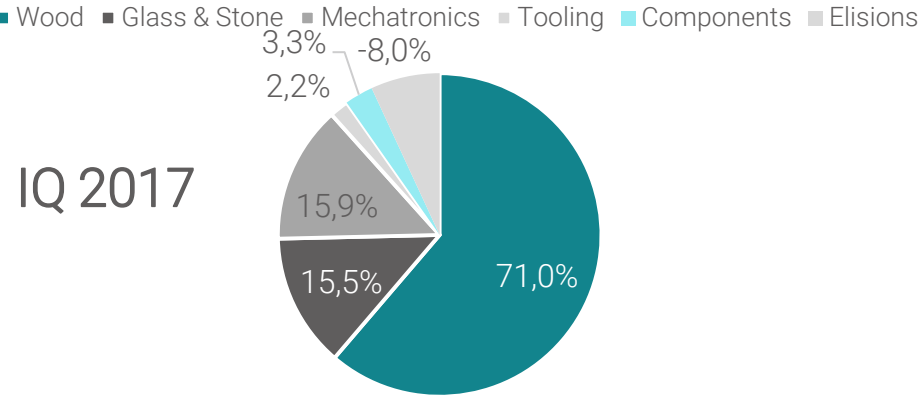
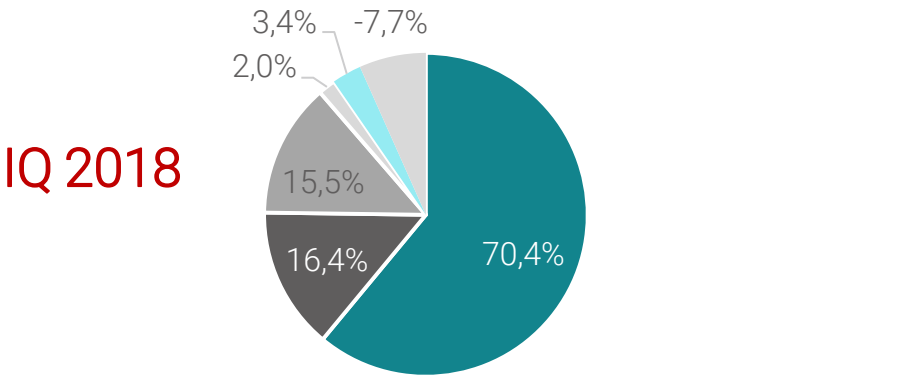
# CASHFLOW NET DEBT

€/mln	2013	2014	2015	2016	2017	<b><i>IQ 2018</i></b>	2020e
<b>Gross Cashflow</b> % net sales	52.0 <b>13.8%</b>	38.3 <b>9.0%</b>	46.3 <b>8.9%</b>	45.8 <b>7.4%</b>	75.4 <b>10.9%</b>	-2.5 <b>-1.6%</b>	95.2 <b>10.5%</b>
Investments % net sales	-19.8 5.2%	-20.8 4.9%	-25.2 4.9%	-32.0 5.2%	-39.2 5.7%	-8,9 5.5%	-50.5 5.6%
<b>Net Cashflow</b> % net sales	32.2 <b>8.5%</b>	17.5 <b>4.1%</b>	21.1 <b>4.1%</b>	13.8 <b>2.2%</b>	36.2 <b>5.2%</b>	-11.4 <b>-7.0%</b>	44.7 <b>4.9%</b>
dividends		-4.8 0.18 per share	-9.8 0.36 per share	-9.8 0.36 per share	-9.8 0.36 per share	0	-16.6 30% of net profit
Δ Net Debt		12.7	11.3	4.0	26.4	-11.5	
<b>Net Debt</b>	<b>-23.9</b>	<b>-11.3</b>	<b>0.0</b>	<b>4.0</b>	<b>30.4</b>	<b><i>18.9</i></b>	<b>104.7</b>



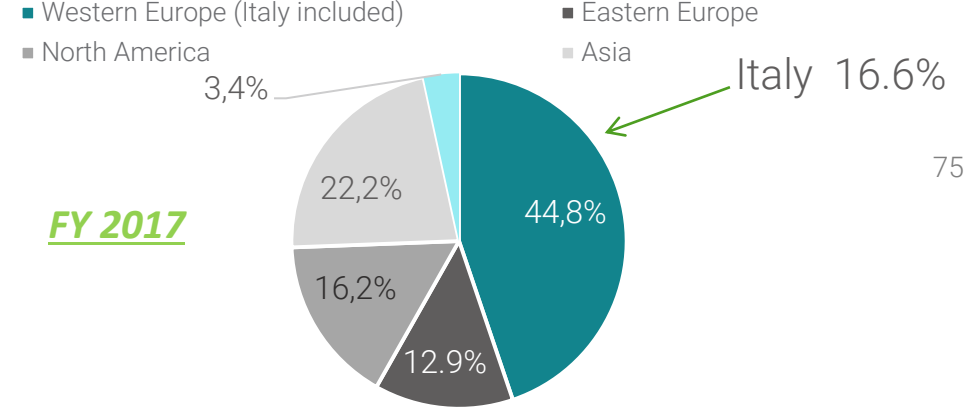
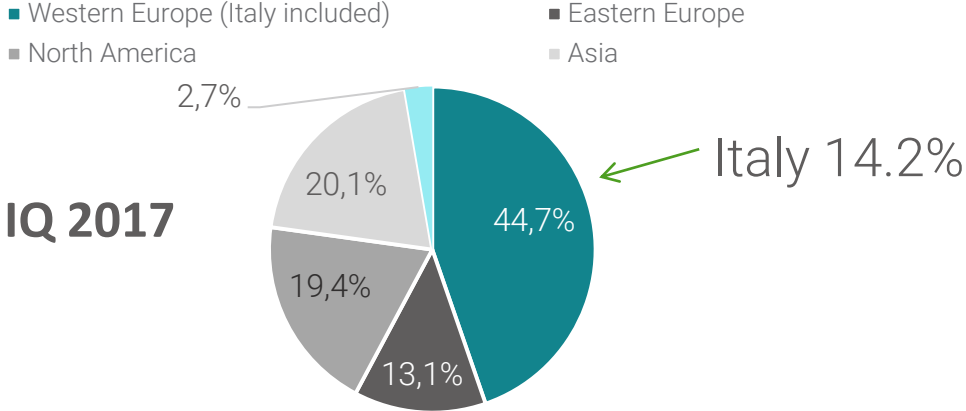
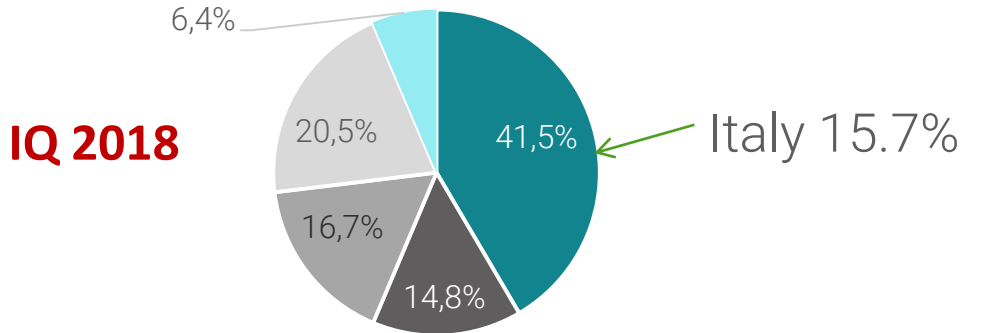
# Sales breakdown- March 2018

by business divisions



■ Wood ■ Glass & Stone ■ Mechatronics ■ Tooling ■ Components ■ Elisions

by main geo-areas



■ Western Europe (Italy included) ■ Eastern Europe ■ North America ■ Asia

# People distribution

(without interim people)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2016	FY 2016	FY 2017	<b>IQ 2018</b>
<b>Production</b> % of total people	965 41%	1.250 46%	1.265 45%	1.175 44%	1.201 42%	1.335 42%	1.482 41%	1.494 39%	1.550 39%
<b>Service &amp; After sale</b> % of total people	568 24%	577 21%	574 21%	613 22%	628 22%	690 22%	803 22%	894 23%	920 23.2%
<b>R&amp;D</b> % of total people	293 12%	316 12%	338 12%	321 12%	361 13%	383 13%	436 12%	479 12.5%	498 12.5%
<b>Sales &amp; Marketing</b> % of total people	340 13%	361 13%	364 13%	351 13%	439 15%	495 15%	587 16%	641 17%	654 16%
<b>G &amp; A</b> % of total people	202 9%	233 9%	242 9%	235 9%	252 9%	273 9%	310 8.5%	338 8.8%	346 8.7%
<b>ITALY</b> % of total people	1.660 70%	1.656 61%	1.646 59%	1.547 57%	1.605 56%	1.780 56%	2.009 56%	2.176 56%	2.296 58%
<b>OUTSIDE ITALY**</b> % of total people	708 30%	1.081 39%	1.136 41%	1.148 43%	1.276 44%	1.396 44%	1.609 44%	1.670 44%	1.672 42%
<b>TOTAL</b>	<b>2.368</b>	<b>2.737</b>	<b>2.782</b>	<b>2.695</b>	<b>2.881</b>	<b>3.176</b>	<b>3.618</b>	<b>3.846</b>	<b>3.968</b>

Alberto Amurri  
Investor Relator Manager  
0039 - 0721439107  
0039 - 3351219556

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