

COMPANY PRESENTATION

APRIL 5TH 2019

PARIS, 37TH ESN EUROPEAN CONFERENCE

 **BIESSE**GROUP



Disclaimer

- ☑ This presentation has been prepared independently by Biesse S.p.A. and can be used during meetings with investors and financial analysts. It's solely for information purposes and it may contain statements regarding future financial performances and Company's expectations
- ☑ Any forward looking statements are not guarantees of future performances and is related only of the date of this document. They are based on the Group's current state of knowledge, future expectations and projections about the future events. By their nature they are subject to inherent risks and uncertainties.
- ☑ Further information concerning the Group results, including factors that could materially affect the Company itself (i.e. IFRS) will be included and detailed in the Financial Statement of the Group.
- ☑ For further details on the Biesse S.p.A. reference should be made to publicly available information, including the Quarterly Reports, the Half Annual Report, the Annual Reports and the Three Years Business Plan.
- ☑ Any reference to past performance of the Biesse S.p.A. shall not be taken as an indication of future performance.
- ☑ This document does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.
- ☑ By attending the presentation you agree to be bound by the foregoing terms.

3-YEAR BUSINESS PLAN

EXTRACT

2019-2021

 **BIESSE**GROUP



IT'S THE FUTURE THAT MAKES HISTORY.

WE HAVE BEEN DESIGNING INNOVATION
FOR FIFTY YEARS, DRIVEN BY AN
INCREDIBLE ENGINE, POWERED BY
PEOPLE, PASSION AND PRECISION.

 **BIESSEGROUP**



OUR IDENTITY

OUR VALUES

 **BIESSE GROUP**
3 -Year Business Plan

Biesse Group is a global leader founded in Pesaro in 1969 by Giancarlo Selci.
listed on the Borsa Italiana since 2001 – STAR segment.
The Group has a strong Italian identity and strongly believe in:

INNOVATION

RELIABILITY

RESPECT

THE VISION

 **BIESSE GROUP**
3 -Year Business Plan

Biesse Group's vision is embodied by the word THINKFORWARD:

a stimulus to **LOOK AHEAD** and **ANTICIPATE**
THE FUTURE setting new standards to drive
TECHNOLOGICAL INNOVATION and
DIGITAL transformation.

ONE INDUSTRIAL GROUP

BIESSE GROUP
3 -Year Business Plan

We manufacture technology for processing wood, glass, stone, advanced materials and metal through specialised business units and 12 manufacturing sites in Italy and worldwide. We operate worldwide with our own key brands: Biesse, Intermac, Diamut, HSD.

4

MAIN BUSINESS DIVISIONS

12

PRODUCTION SITES

Winstore 3D K2

ALL OVER THE WORLD



 **BIESSE GROUP**
3 -Year Business Plan

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 + 300

**SUBSIDIARIES AND
REPRESENTATIVE
OFFICES**

**SELECTED
DISTRIBUTORS**

 **BIESSE**
 **INTERMAC**

SUPPORTING OUR CUSTOMERS

 **BIESSE GROUP**
3 -Year Business Plan

Customers in 120 Countries.
Manufacturers of furniture, design items and door/window frames, producers of elements for the building, nautical and aerospace industries.

CUSTOMERS IN
120
COUNTRIES

WITH OUR PEOPLE

BIESSEGROUP
3 -Year Business Plan

We acknowledge that People are essential to our development, because the ability to innovate and pursue excellence in the realisation of products is the consequence of the passion and dedication of all those are part of the Biesse family.

4400

**(temporary workers included)*

EXCELLENCE

EXCELLENCE

 **BIESSE** GROUP
3 -Year Business Plan

A virtuous circle of
excellence
for a constant growth.

Revenue

01

Profit

02

Cash

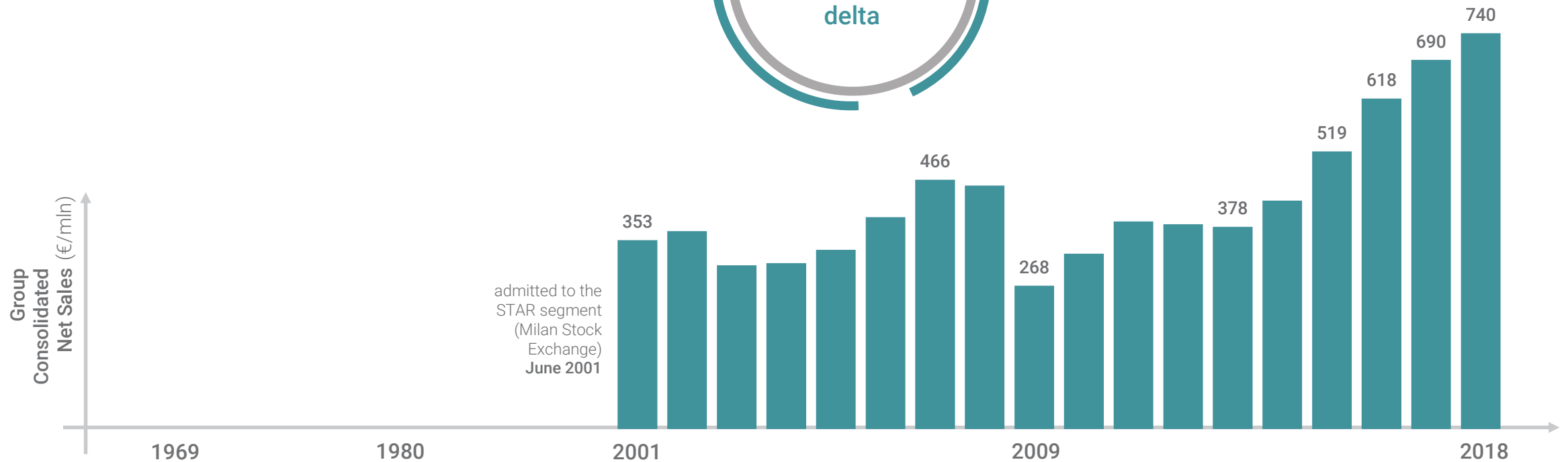
03

 **BIESSE**

REVENUE

AN HISTORY OF GROWTH

BIESSEGROUP
3 -Year Business Plan



Wood



Glass



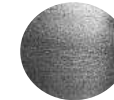
Stone



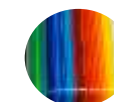
Mechatronics



bSoft
(software)



Metal



Plastic & Advanced
Materials

SOPHIA

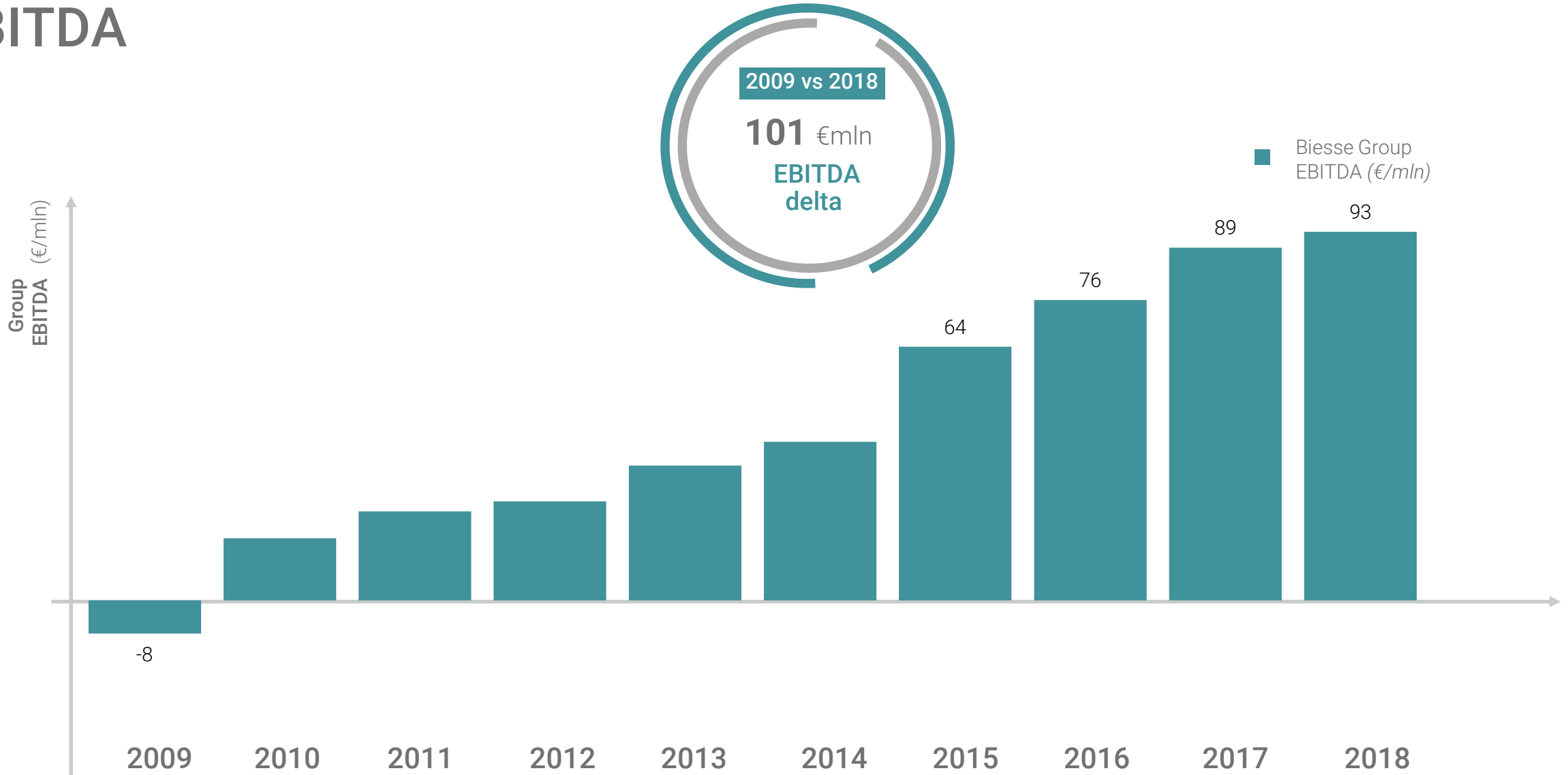


Housing

PROFIT

EBITDA

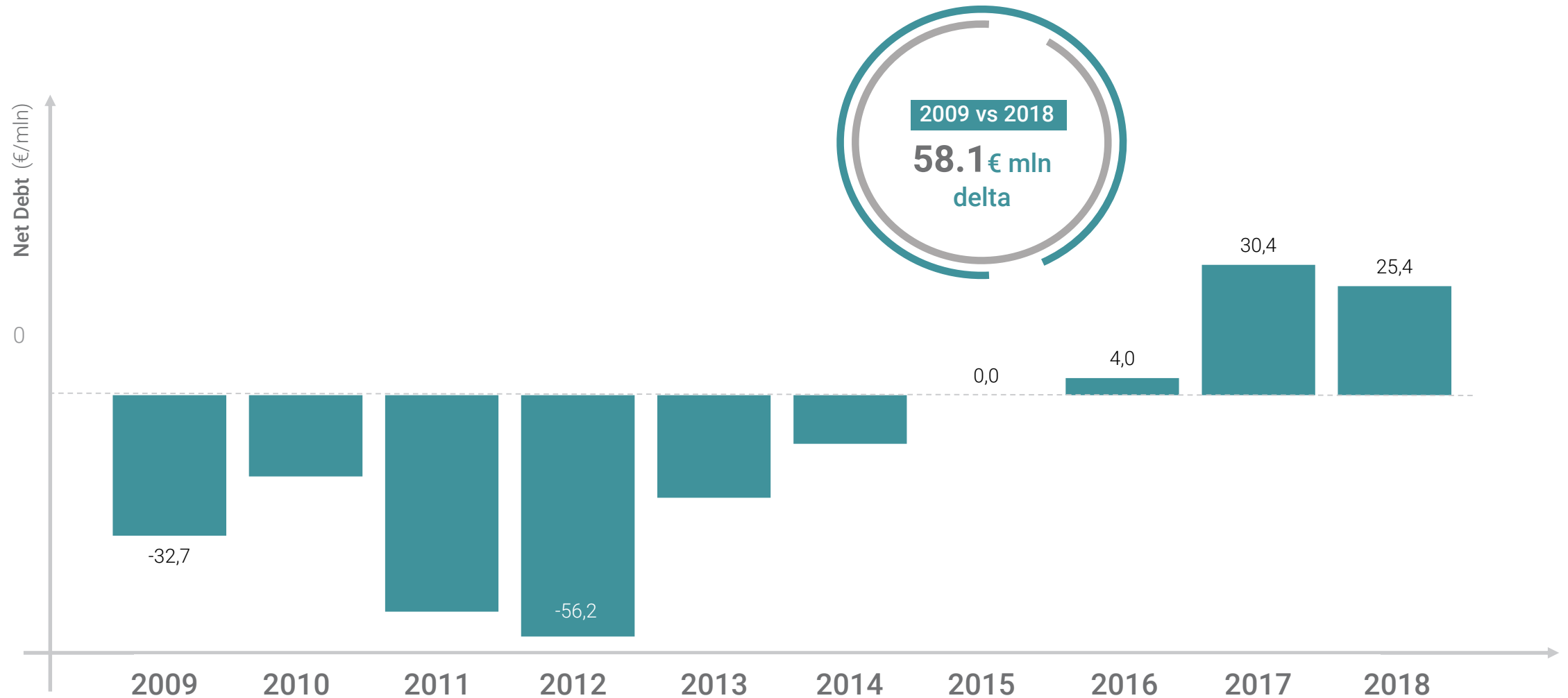
 **BIESSE** GROUP
3 -Year Business Plan



CASH

NET FINANCIAL POSITION

 **BIESSE GROUP**
3 -Year Business Plan



BUSINESS MODEL

PRODUCTS

 **BIESSEGROUP**
3 -Year Business Plan

01 Machines

We design, manufacture and distribute a comprehensive range of machinery and technologies for processing wood, glass, stone, metal and advanced materials

02 Systems

We create engineered solutions, from plant design to production, implementation, installation and maintenance

03 Mechatronics

We design, manufacture and deliver high-tech mechanical and electronic components for machinery INDUSTRY 4.0 ready.

04 Tooling

We manufacture tools for the processing of glass, stone and ceramic. Its synergy with Intermac has enabled it to develop a range of tools, which in terms of reliability, have become a benchmark in the market.

05 Service

Through dedicated personnel, we provide professional pre-sale consulting services, and continuous after sales assistance to ensure the correct installation and start-up of machinery, software and Systems.

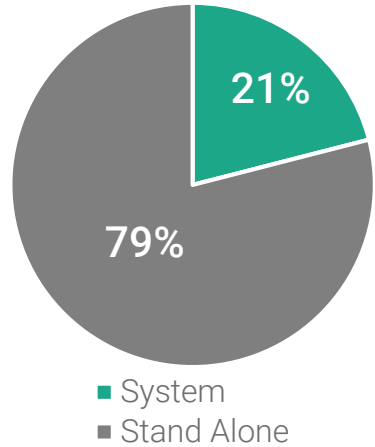
06 Software

We have developed our software solutions by closely observing the work carried out by the customer every day, with simple interfaces, designed to make everyday use of the machine practical.

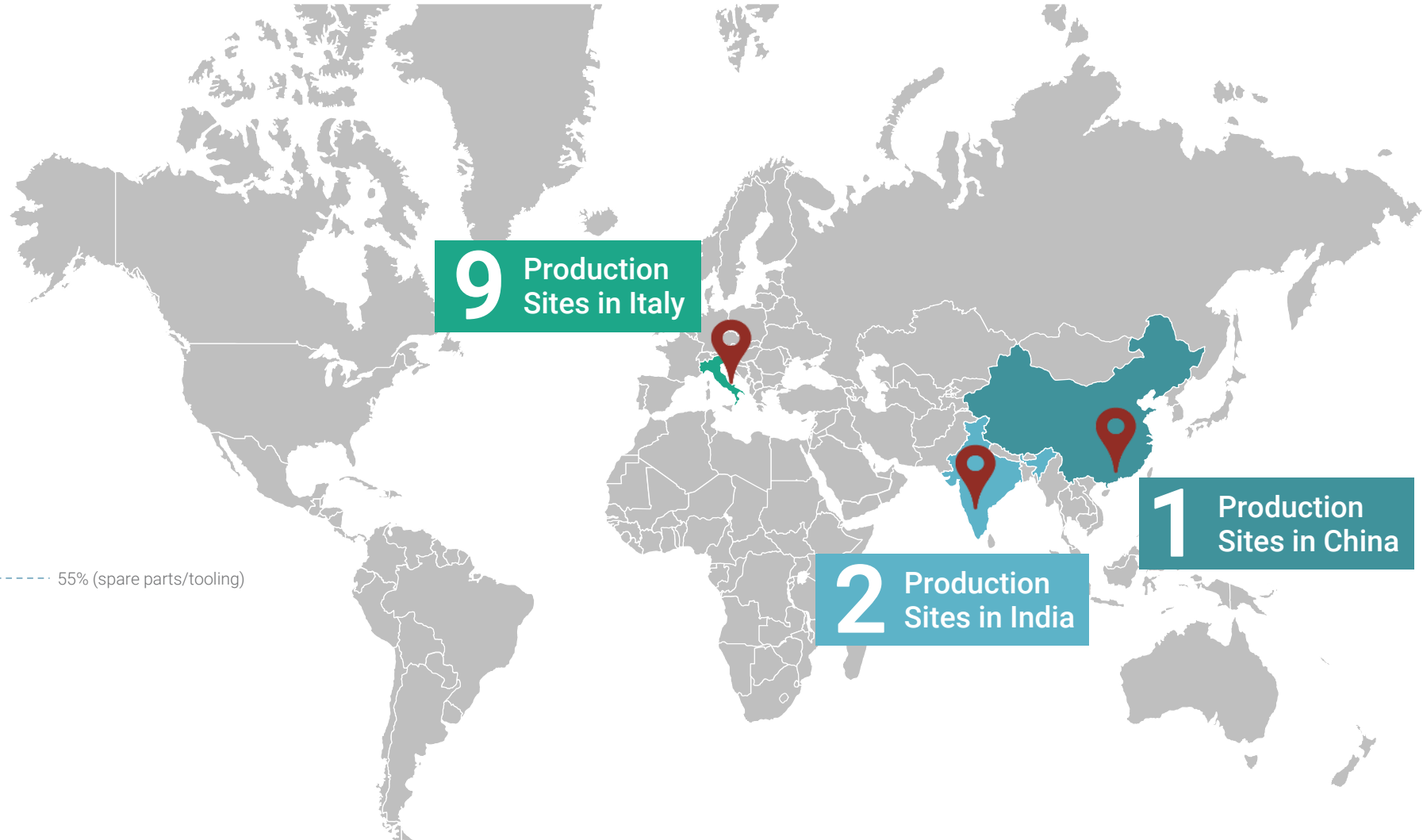
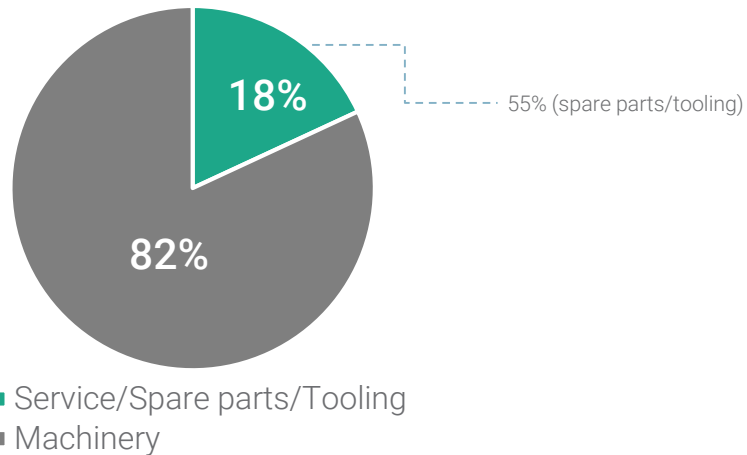
FOOTPRINT

BIESSE GROUP
3 -Year Business Plan

Sales breakdown
by type on machines sales



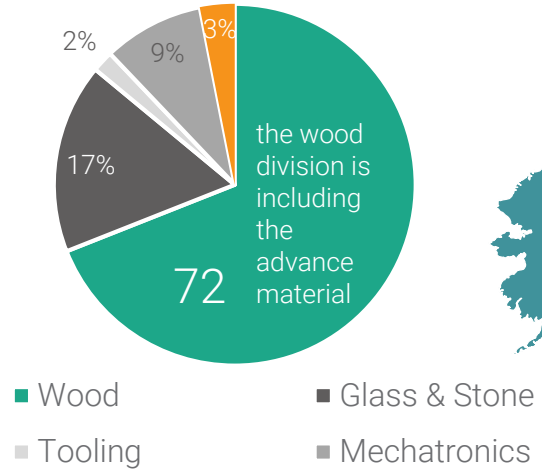
Sales breakdown by
offering



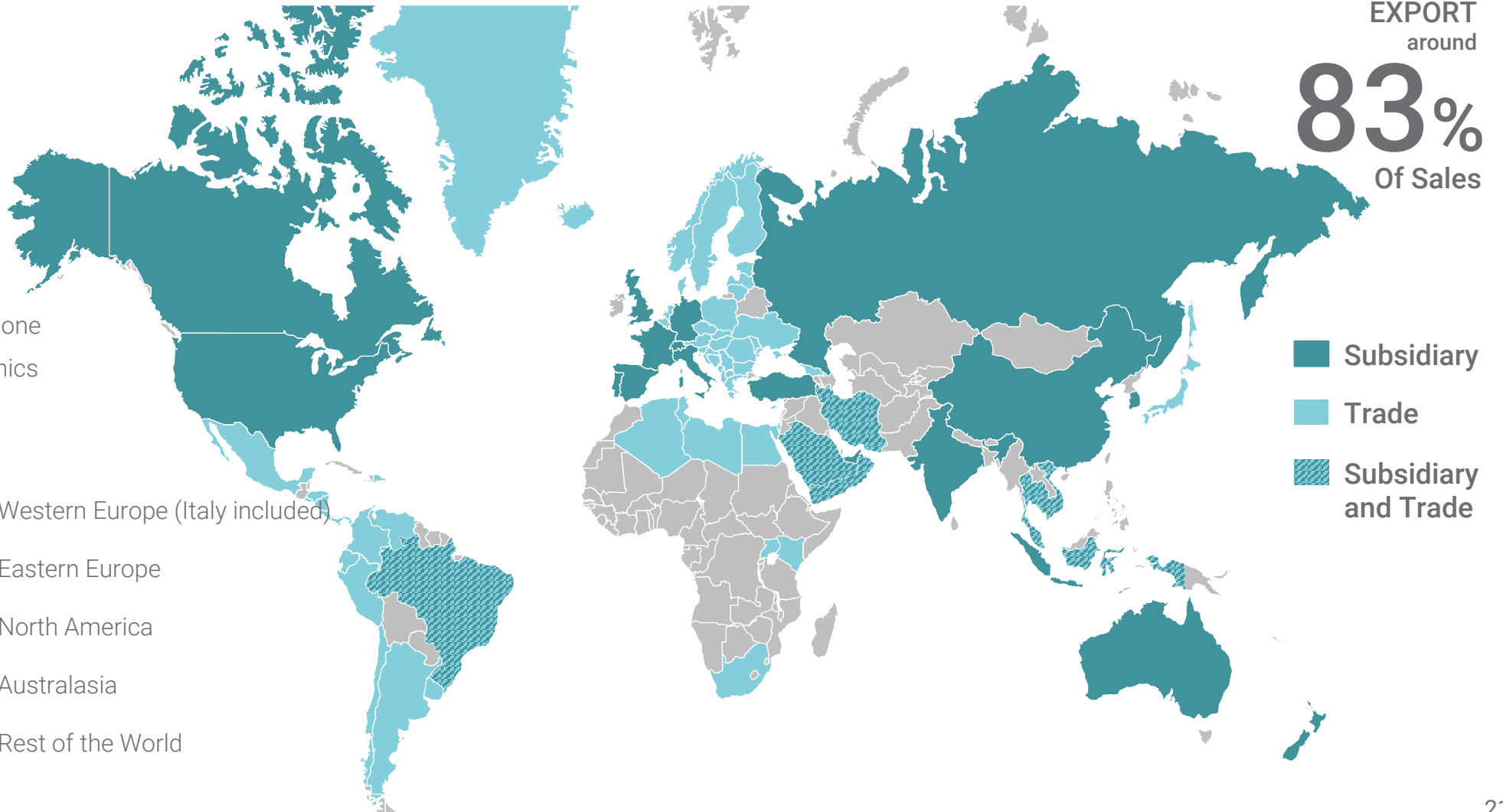
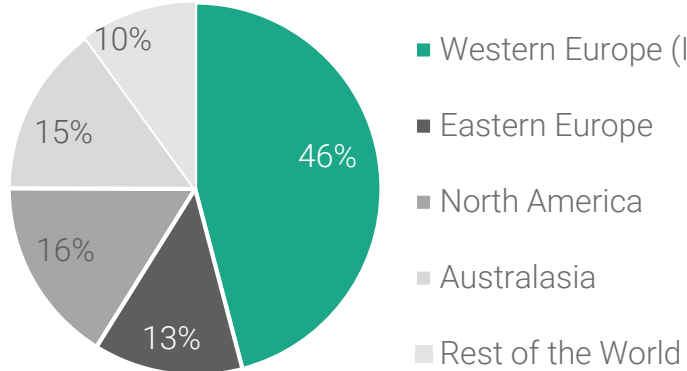
DISTRIBUTION

BIESSEGROUP
3 -Year Business Plan

Sales breakdown by
division



Sales breakdown by
geo-areas



CUSTOMERS

(BY SEGMENT)

BIESSEGROUP
3 -Year Business Plan



CUSTOMERS

(BY SEGMENT)

BIESSEGROUP
3 -Year Business Plan



CUSTOMER SALES

BIESSEGROUP
3 -Year Business Plan

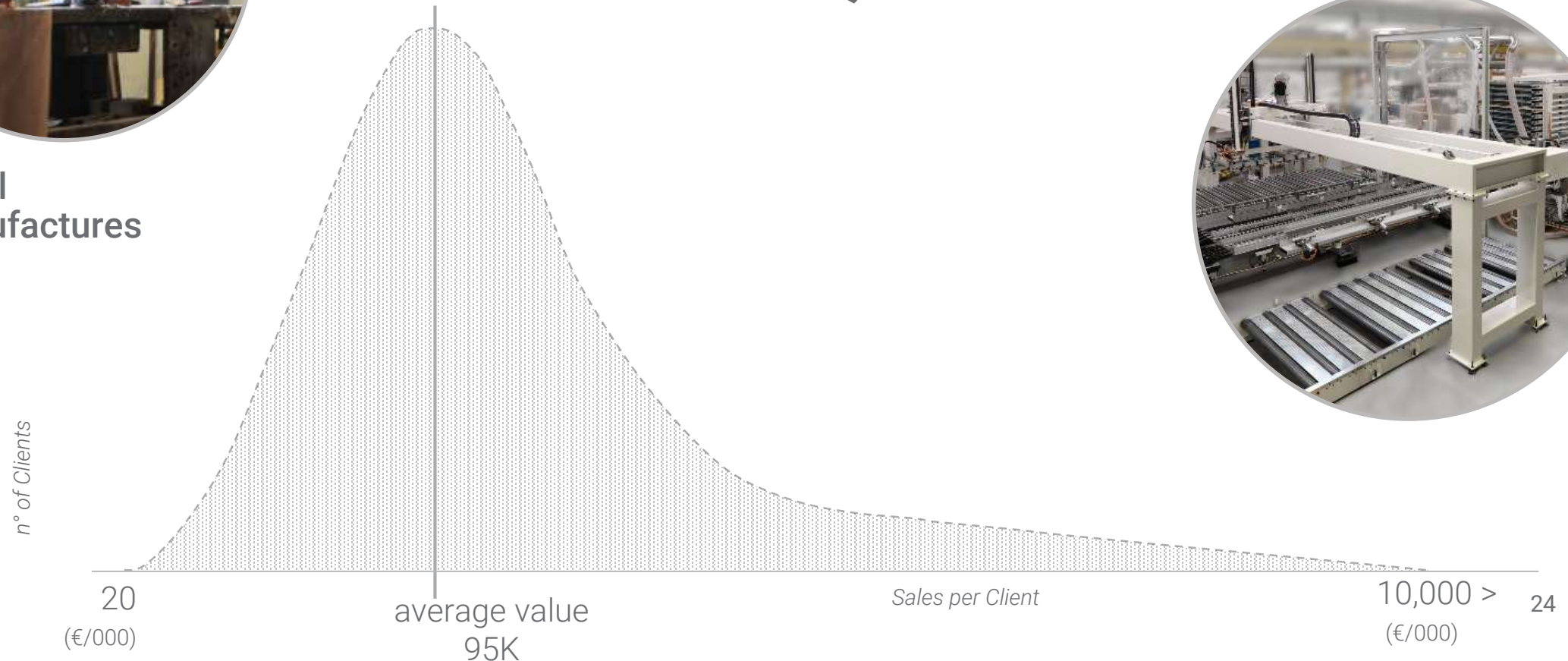
a wide and fragmented customer base with no risk of concentration

> 66,000

Medium/Large
manufactures

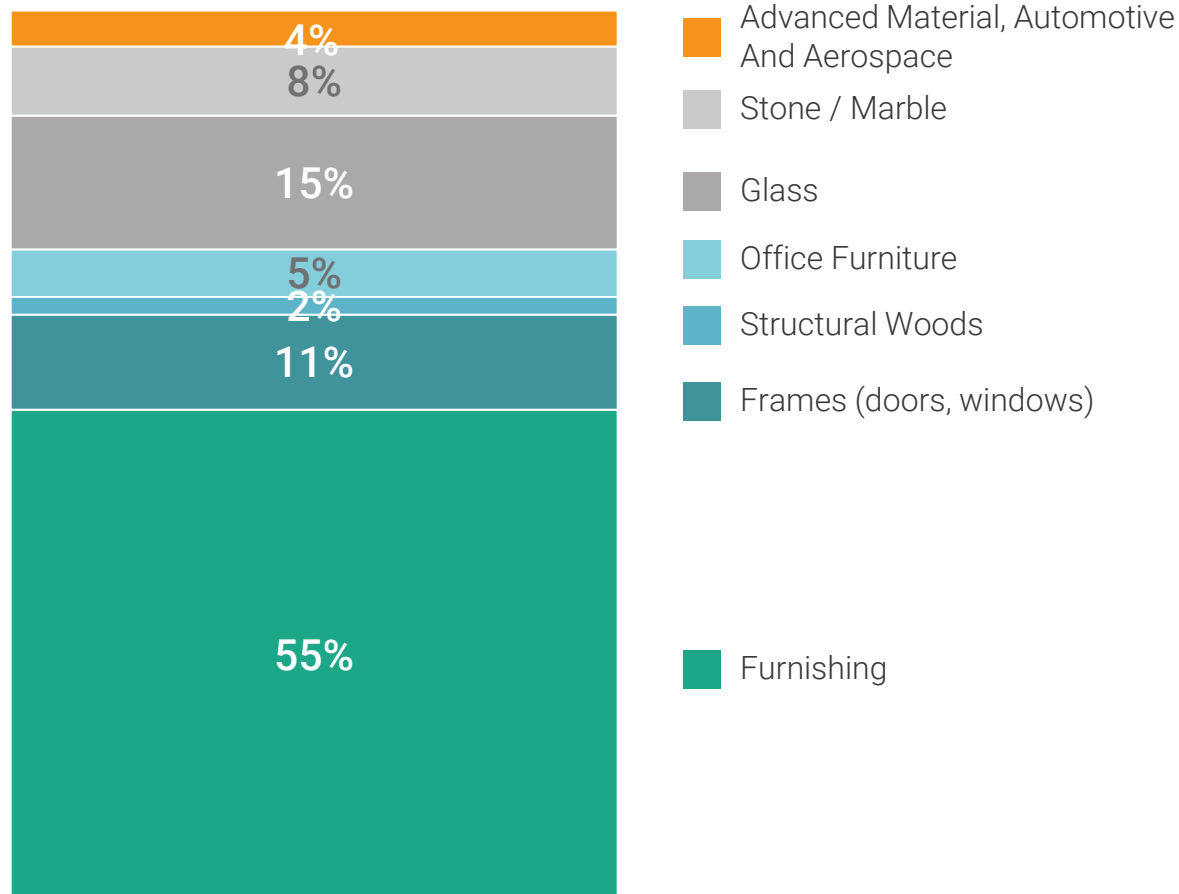


Small
manufactures



CUSTOMERS - MAIN REFERENCE MARKETS

% breakdown of Biesse machines sales by macro-sector



2018



POLITICAL AND ECONOMIC UNCERTAINTIES

THE TIME OF UNCERTAINTY

 **BIESSE GROUP**
3 -Year Business Plan



Trade War

China - U.S.A.
(decoupling & custom duties)

Political uncertainties & turmoil

Russia - Turkey - Iran - Venezuela

Brexit

Worldwide slowdown and downgrade in economic growth

(i.e. China)

Internal Conflicts

(i.e. "Yellow Vest" protest)

Growing populism and nationalism

Change of economic Strategy

RISK PERCEPTION

In the Global Risks Perception Survey, nearly 1,000 decision-makers assess the risks facing the world. Nine out of 10 respondents expect worsening economic and political confrontations between major powers.

Economic confrontation / frictions between major powers

Erosion of **multilateral trading rules**

Political frictions between major powers

Cyber-attack: Theft of data-money

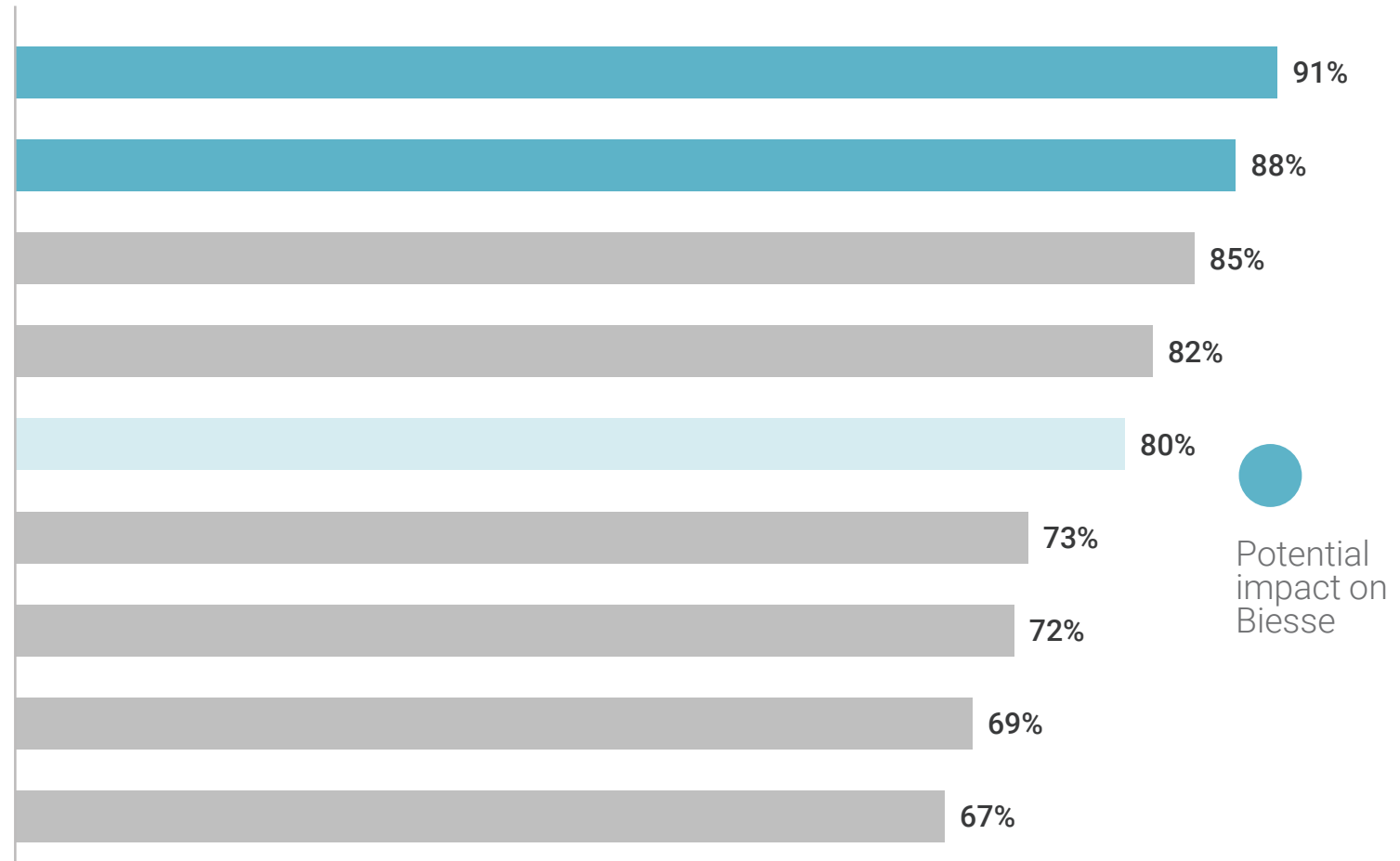
Cyber-attack: Disruption of operations and infrastructures

Loss of confidence in collective security alliances

Populist and nativist agenda

Media echo chambers and "fake news"

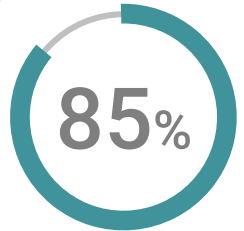
Domestic political polarization



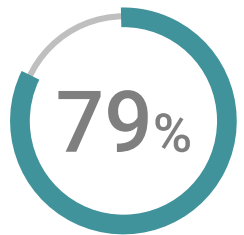
NEW DIGITAL PARADIGM

BIESSEGROUP
3 -Year Business Plan

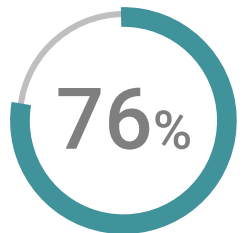
What will impact Business Model over next years?



Digital channels and technologies will significantly improve our **interactions** with **business customer**



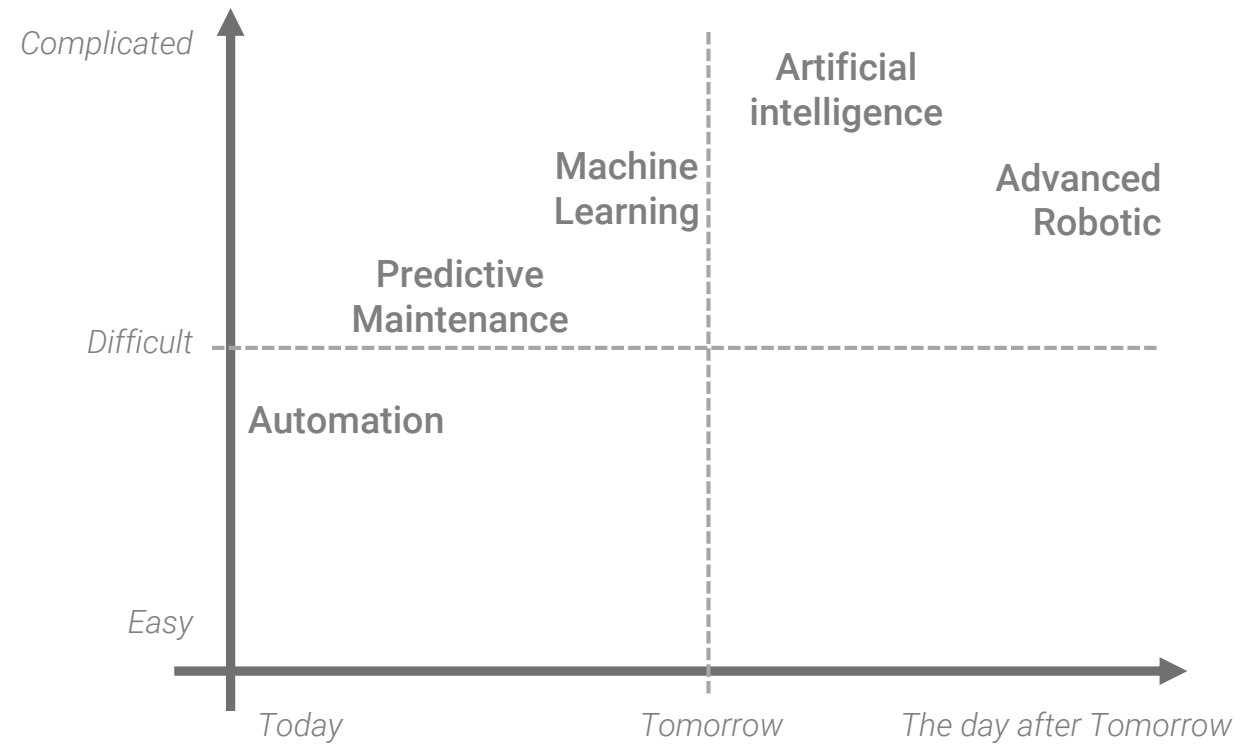
Digital will provide **significant** opportunities to **reduce cost**



Digital will help us **engage** our **partner** like never before

Source: Accenture Survey

How, When, What will impact our business



DISRUPTIVE GROWTH

What are the top technologies that will drive business disruption over the next three years?
A survey to 750 Global Industry Leaders (C-Level).



The Internet of Things

Connected devices are becoming intelligent things

20%



Robotics

Robots and automation are changing the limitations of what humans can do

11%



Artificial Intelligence

AI is designed to simulate how humans brain learns, reasons and make decisions that results in an action

10%

Impact on Business Model and Business Benefits

Higher productivity

25%

Faster innovation

19%

Cost reduction

13%

Increased profitability

11%

36%

14%

11%

9%

28%

10%

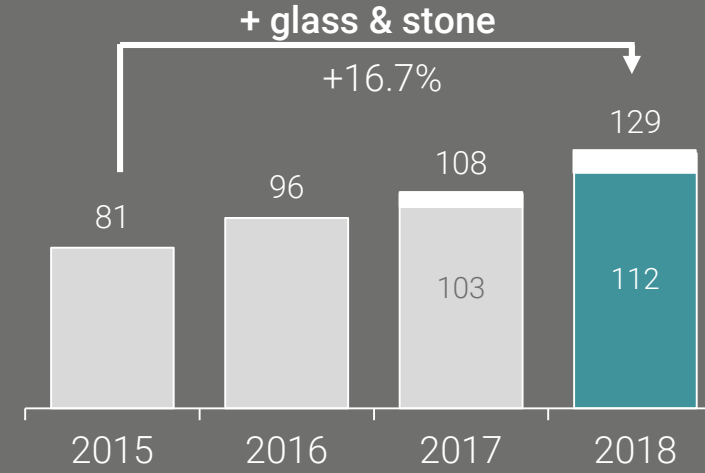
16%

14%

CONTINUOUS GROWTH

OUR TRACK RECORD

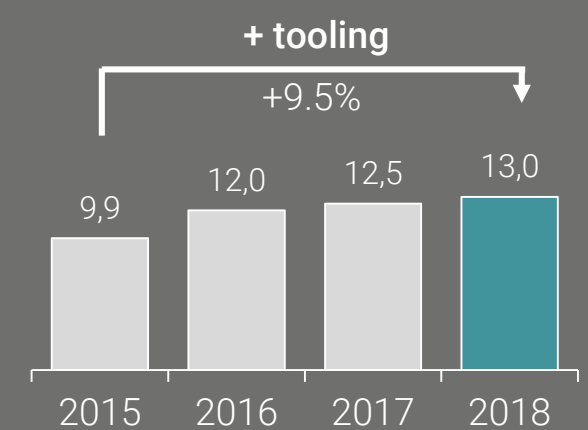
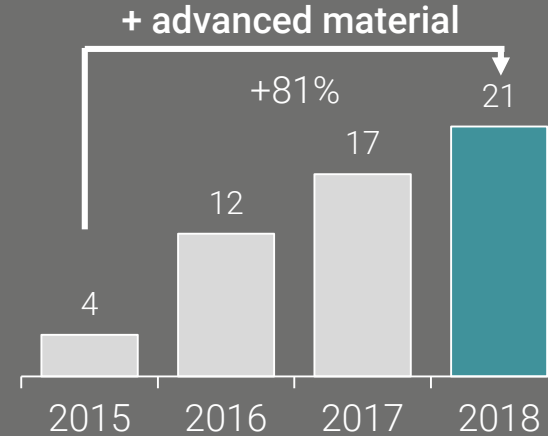
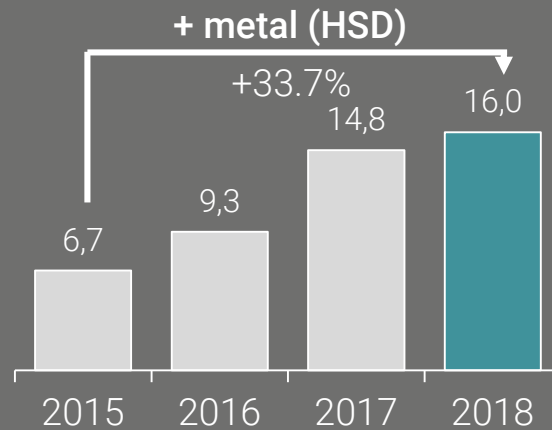
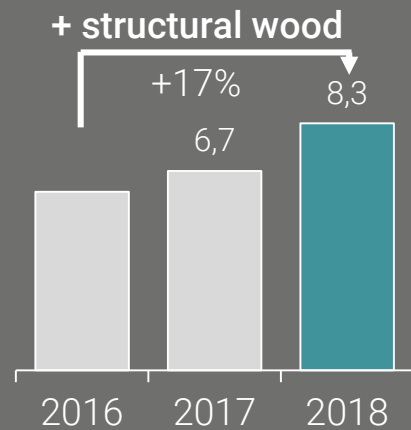
CAGR
2015-2018



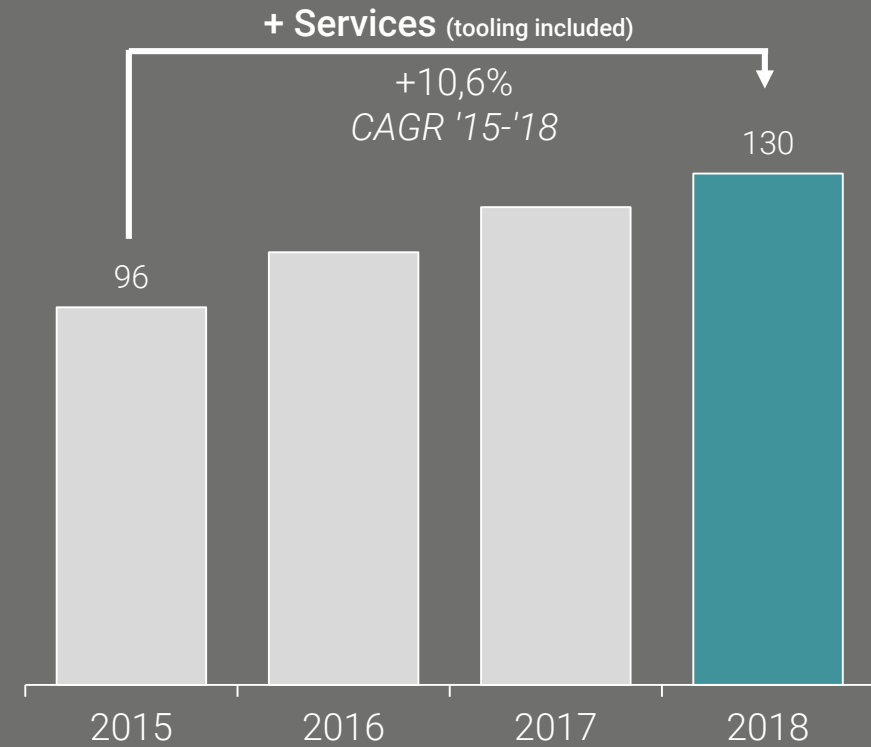
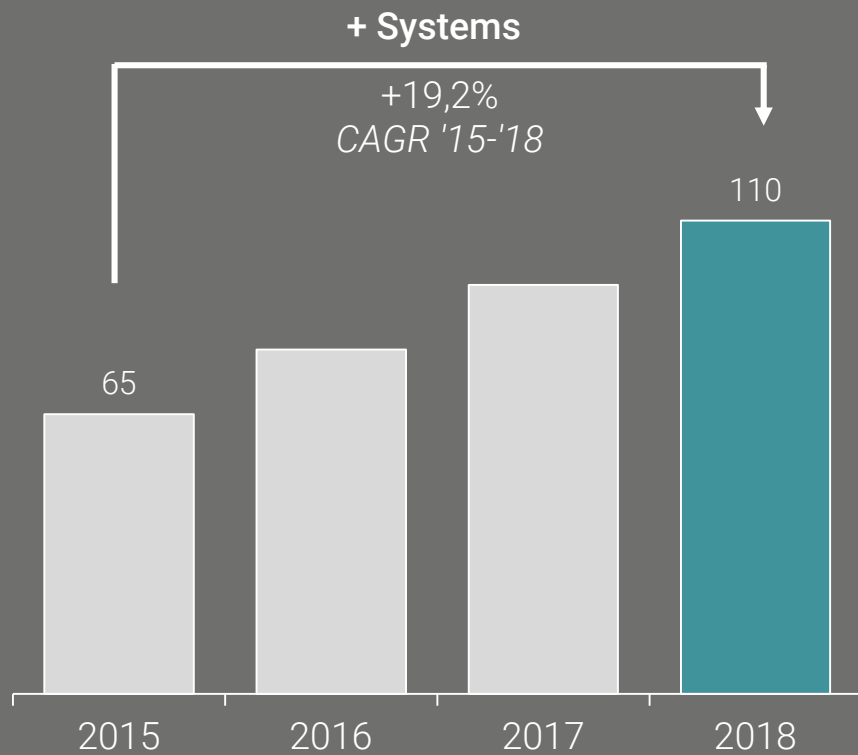
Movetro and Montresor

In 2018, 17 mln/€ of which 11 mln/€ Full Year Effect

In 2017, 5 months impact on sales for 5 mln/€



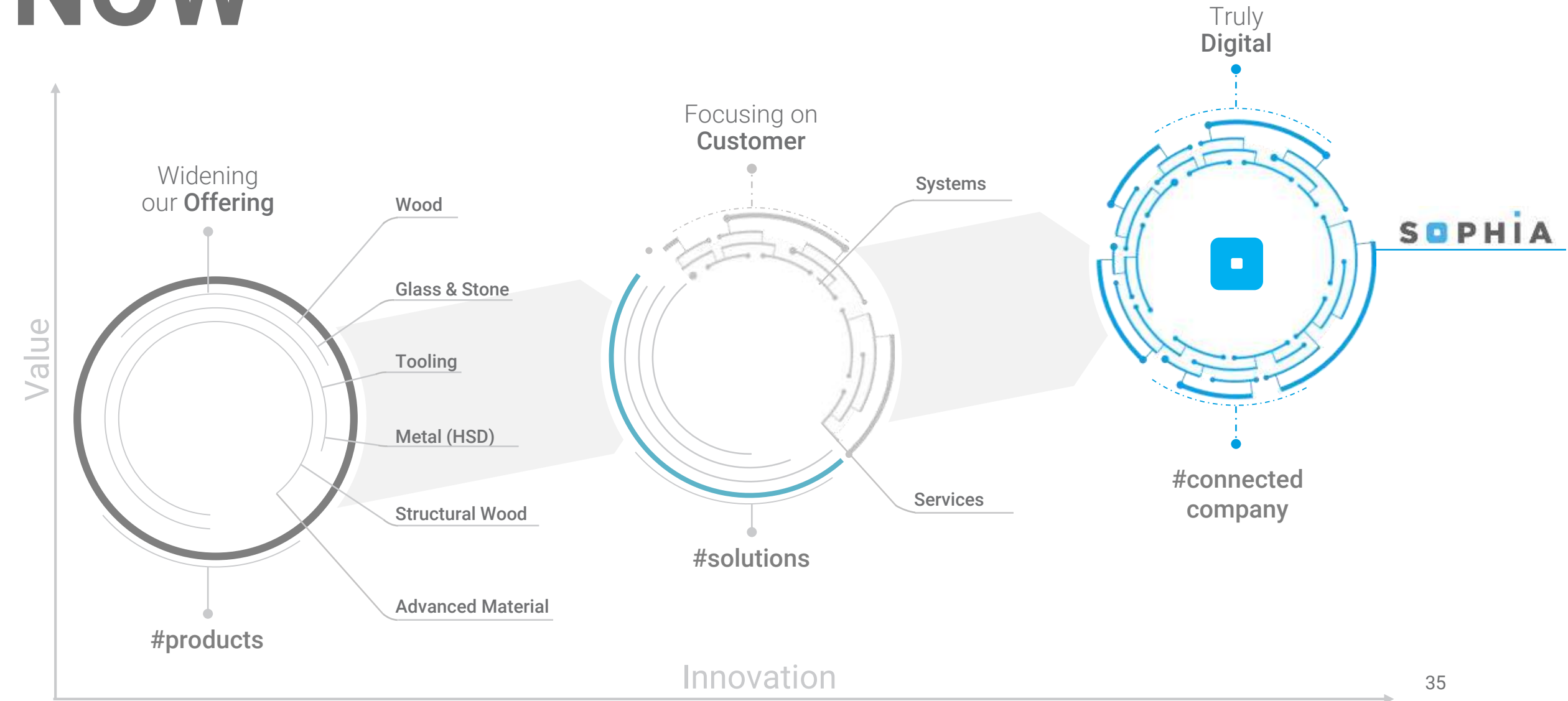
OUR TRACK RECORD



STRATEGY

FUTURE IS NOW

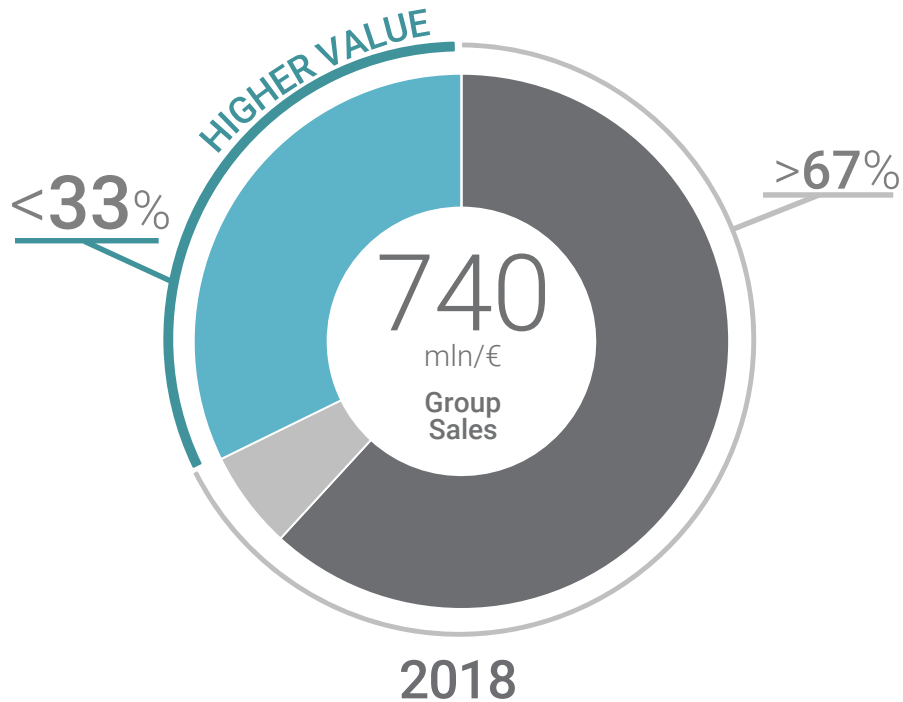
BIESSE GROUP
3 -Year Business Plan



OUR STRATEGY IN FIGURES

BIESSE GROUP
3 -Year Business Plan

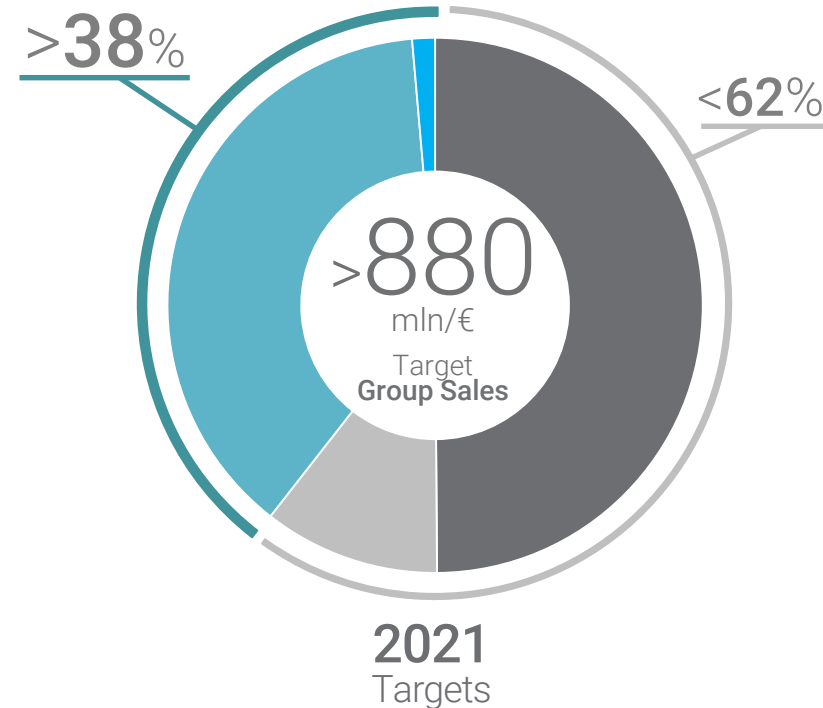
Widening our offering



Focusing on Customer



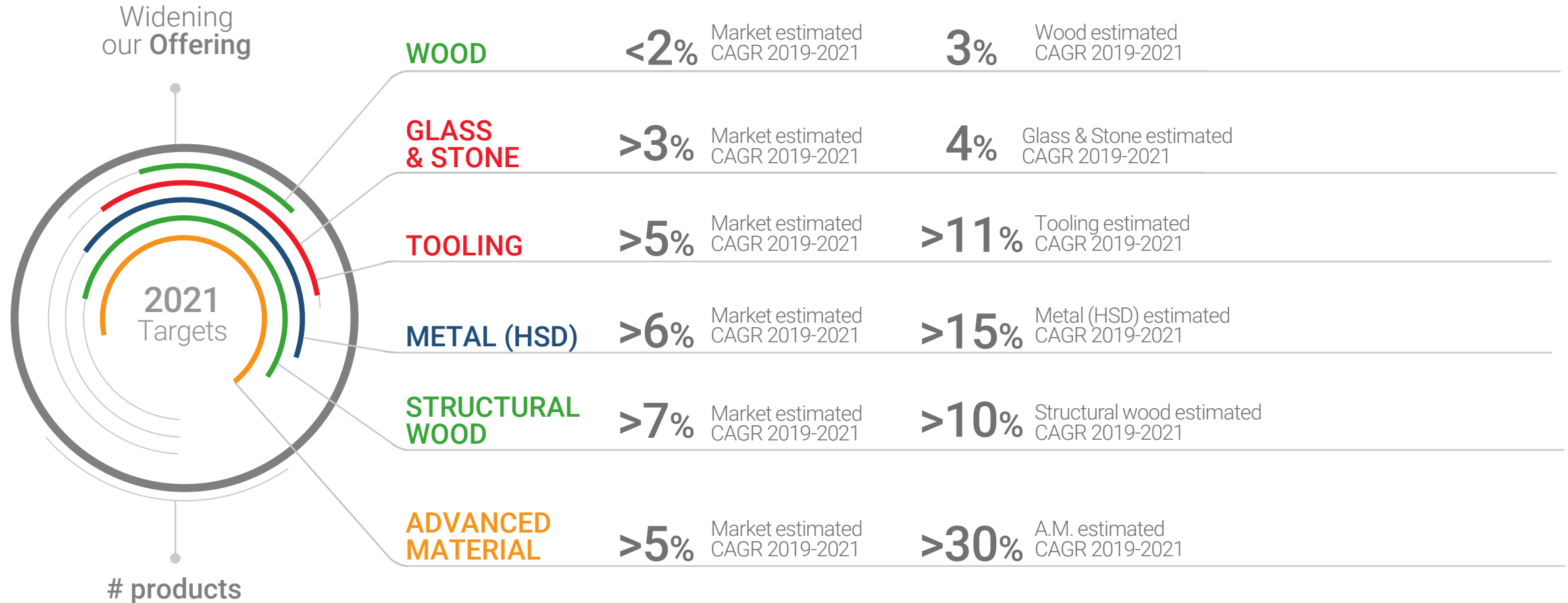
Truly Digital



#PRODUCTS

TARGETS

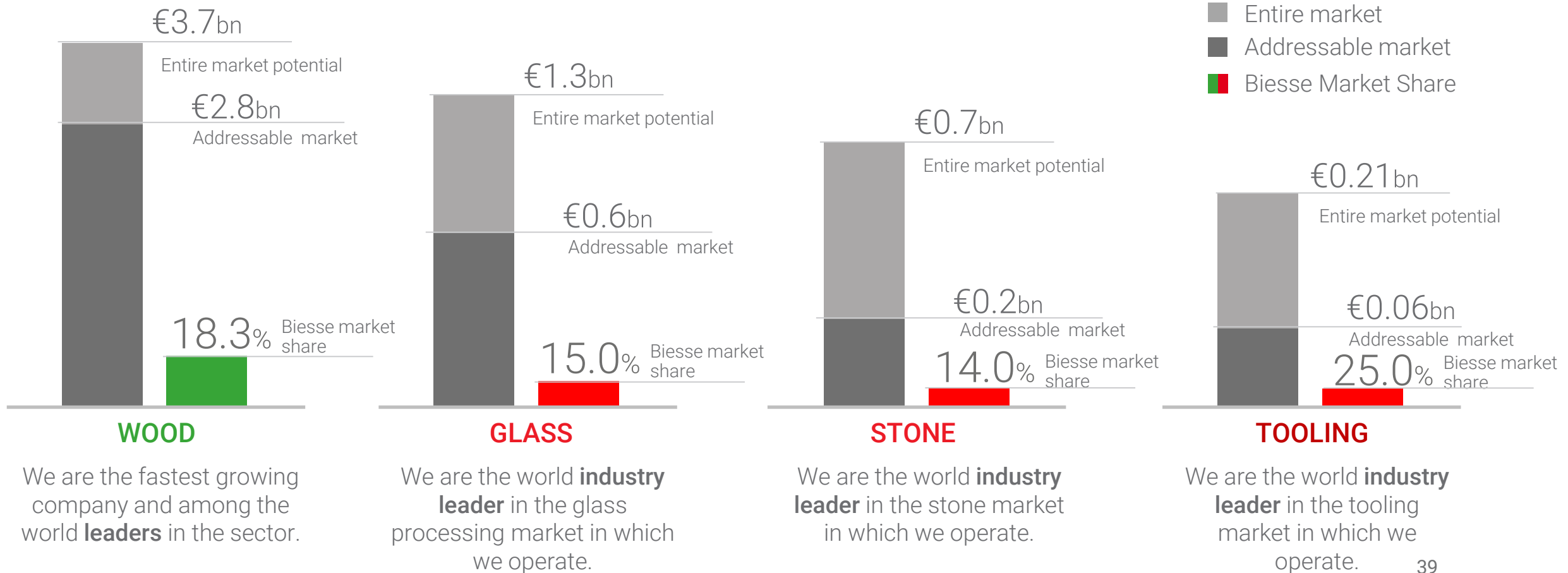
BIESSEGROUP
3 -Year Business Plan



CORE SEGMENTS MARKET 2018

 **BIESSE** GROUP
3 -Year Business Plan

We are among leaders in our reference markets: Wood, Glass, Stone working machinery and Tooling



3%

Wood Estimated
CAGR 2019-2021

<2%

Market Estimated
CAGR 2019-2021

We defined guidelines of the **Action Plan** to achieve our targets:

01

Expand our **product offering** to meet **Customers** needs for **more automation, more flexibility** and **easy-use machines**

02

Enlarge our offering of **Full Liner products** and machines integrated with our **handling** and **storage solutions**

03

Strengthen our R&D on **innovative solutions** to **process furnishing** (new materials)

GLASS & STONE

 **BIESSE GROUP**
3 -Year Business Plan

4%

G&S Division Estimated
CAGR 2019-2021

3%

Market Estimated
CAGR 2019-2021

We defined guidelines of the **Action Plan** to achieve our targets:

01

Expand our offering in **Automation** and **Full Liner**.

02

Focus on the **new product range** for **space, storage** and **handling** needs of **Ceramic working** Factories

03

Protect our leading position in the **stand-alone** machines segment.

TOOLING

>11%

Tooling Division Estimated
CAGR 2019-2021

>5%

Market Estimated
CAGR 2019-2021

We defined guidelines of the **Action Plan** to achieve our targets:

01

In **2018** Biesse Group made its **debut in the Ceramic sector**. The Group approached this new segment through an **innovative range of tools and solutions** dedicated to the squaring, lapping and polishing of all **ceramic materials**.

In next three years we want to enlarge our offering of **tooling products** for ceramic **CNC machines**.

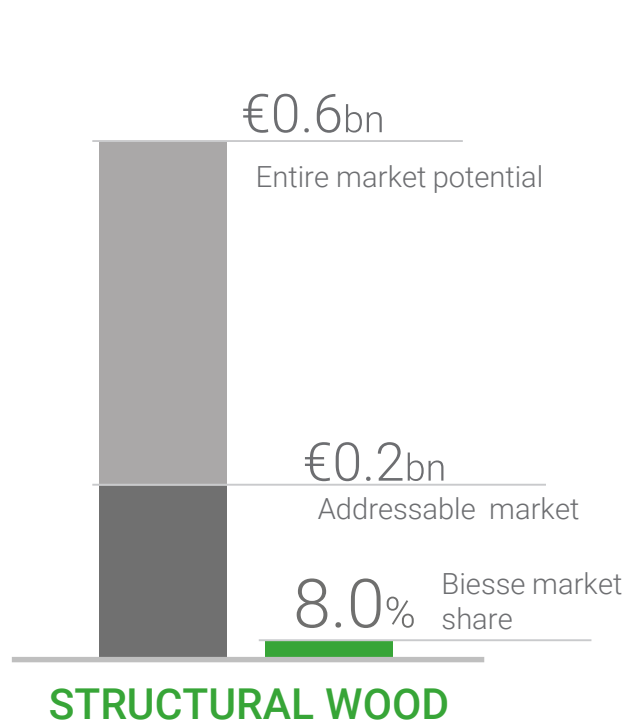
02

Expand our presence in the U.S. market, through a **dedicated production line** inside the Biesse America Campus.

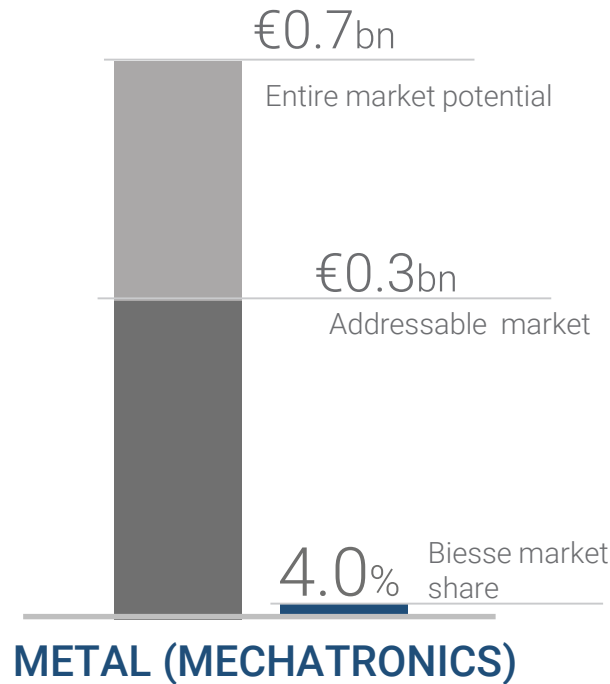
NEW SEGMENTS MARKET 2018

BIESSEGROUP
3 -Year Business Plan

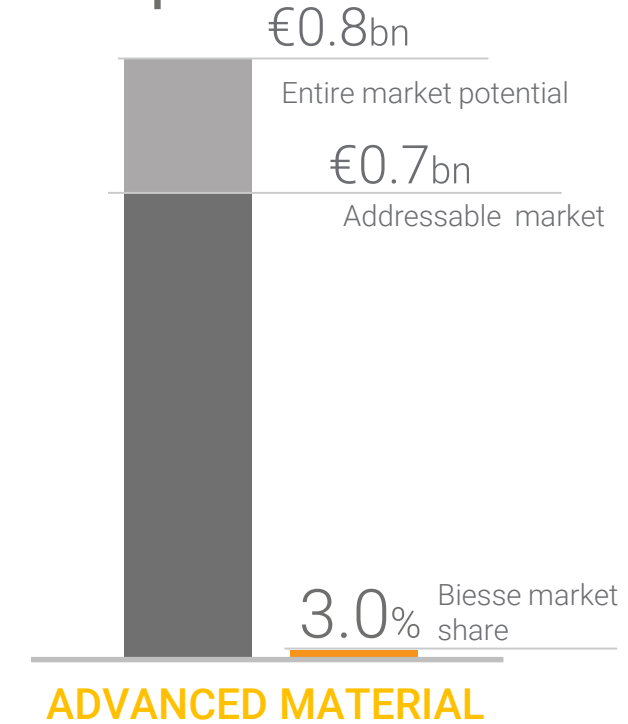
We entered in new market segment, we want to continue increase our market penetration.



Our competitors are mainly located in Germany and in Italy. The most important are **Hundegger** (the Market Leader), **HOMAG** and **Weinmann**.



Our main competitors are **KESSLER**, **IBAG**, **GMN**, **WEISS** (Siemens), **FISHER** and **STEPTEC**.



Highly fragmented market, our main competitors are **Geiss**, **Belotti CMS Industrie**, **Breton**, **Mecanumeric**, and **Multicam**.

***Advanced materials**

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

STRUCTURAL WOOD

 **BIESSE**GROUP
3 -Year Business Plan

>10%

Estimated CAGR 2019-2021

We defined guidelines of the **Action Plan** to achieve our targets:

- 01 Expand our offering, introducing **new products** both **in high-end and mid-end segment**: RC and CLT series
- 02 **Empower our salesforce** team especially in Key Markets
- 03 Increase our **production capacity (Italy)**

MECHATRONICS

 **BIESSE GROUP**
3 -Year Business Plan

6%

Market
Estimated
CAGR 2019-2021

15%

metal spindle sales
estimated
CAGR 2019-2021

We defined guidelines of the **Action Plan** to achieve our targets:

01

Introduce a new product category: rotary tables, that allows a more effective metal working process.

02

Enlarge our product offering for metal working machines.

03

Expand abroad, especially in Asian (Taiwan) and Western Europe Market

04

Increase our **production capacity (Italy)**

ADVANCED MATERIALS

>30%

Estimated CAGR 2019-2021

We defined guidelines of the **Action Plan** to achieve our targets:

01

Invest in **Commercial development**, empowering our **sales organization worldwide** with special focus on the **American market**

02

Enlarge our product offering for Advanced Materials working also in **Full Liner solutions**

03

Invest to **increase our production capacity** of Advanced Materials Machines

***Advanced materials**

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

ENLARGE OUR PRODUCT OFFERING

BIESSEGROUP
3 -Year Business Plan

New **thermoforming** machine.

Development of **System** for
Advanced Material working.

Expansion and complete **renewal**
of the Rover and Materia product
lines.

New projects based on **additive
manufacturing** from 2021.



#SOLUTIONS

SYSTEM TARGETS

>10%

Systems Sales
Estimated
CAGR 2018-2021

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**:

- Define lead times
- Increase Automation
- Improve Stock Management
- Solutions modularity
- Total Quality

SYSTEM ACTION PLAN

BIESSE GROUP
3 -Year Business Plan



We defined guidelines of the **Action Plan** to achieve our targets:

- 01 **Automaction:** strong focus on **Industry 4.0** oriented solutions
- 02 Introduce and integrate **new software solution** (MES - Manufacturing Execution System) to manage the entire factory production processes
- 03 Becoming leader in the **engineering solutions sector**, focusing also on small and medium Clients
- 04 Approach the market with **Global Key Accounts** for large manufacturing companies

AUTOMACTION

BIESSEGROUP
3 -Year Business Plan

Automaction

Automaction is a Biesse's new concept that represents the concreteness of the new technological innovations developed by the company.

Robot

The company's spirit of innovation takes a huge step forward in the evolution of robotic systems for panel handling

B_Avant

Automated supervisor (software) for the integrated and efficient management of all production flows according to machining requirements.



SERVICE TARGETS

 **BIESSE GROUP**
3 -Year Business Plan

We will focus on Services development, increasing **covering** and **efficiency**.

21.5%

Expected Service Contribution to net sales
in 2021

We defined guidelines of the **Action Plan** to achieve our targets:

01

Increase services sales using **SOPHIA** and **Predictive Maintenance Services**

02

Services market place development: **Parts**

03

Integration of **Self Diagnostic Systems** on machines

04

Establish the **Academy Service** in **Headquarter** (Italy), **Asia** and **America**

50%

Target of **Spare Parts Orders made with Sophia** in 2021

<1h

2021 target **response time** on machine down for **Sophia Customers**

ONE SERVICE One Company

Empower **corporate culture** to achieve greater results.



BIESSEGROUP
3 -Year Business Plan

01

"One Service" wants to be the way to work well and efficiently together and with Lean processes.

02

Training, through the Biesse Academy we intend to manage the skills of the Services resources and to increase knowledge about products and processes.

03

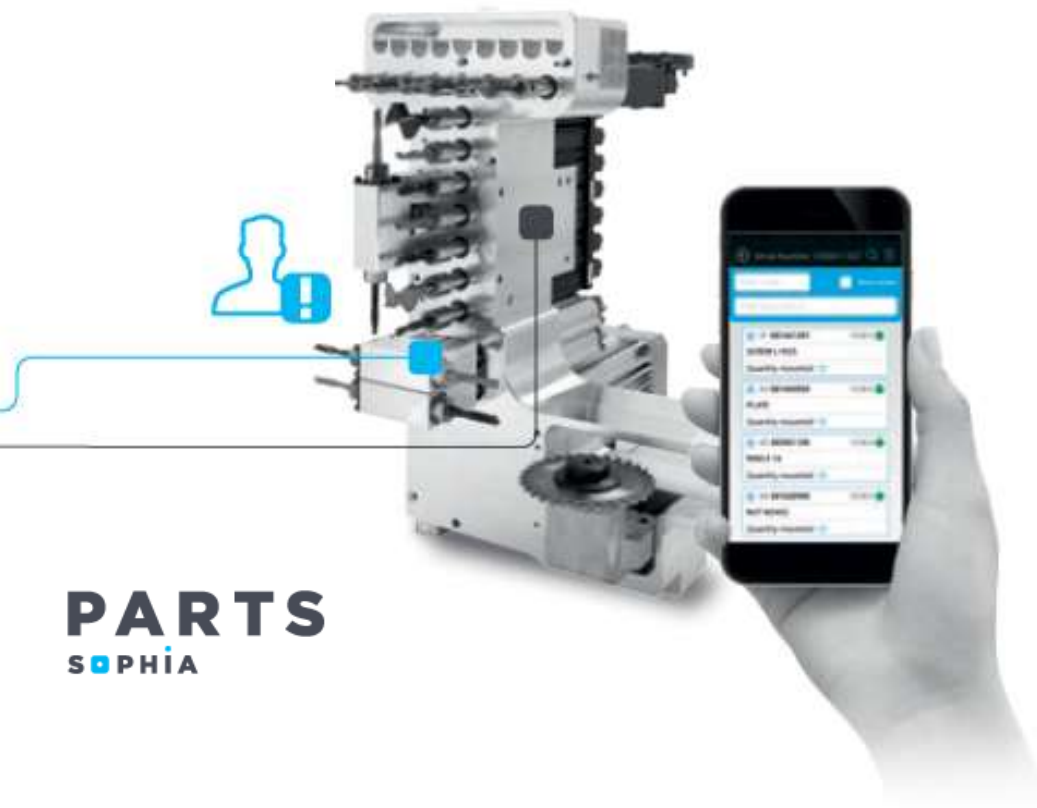
After the successful experience of the CRM project for the Commercial Area, Biesse has also activated **Salesforce teams to support the Service processes**.

04

New Global Organization, to simplify the relation with our Client introducing the **Customer Care Manager**

PARTS

BIESSEGROUP
3 -Year Business Plan



PARTS
SOPHIA

Parts Sophia is the easy, **intuitive and personalized** new tool for **ordering Biesse spare parts**

The **main features of Parts** services are:

- the **automatic creation** of a **spare parts basket** following an IoT maintenance task
- the **opening** of a **technical intervention request** via the portal or PARTS - SOPHIA app

#DIGITAL

LEADING THE CHANGE

BIESSE GROUP
3 -Year Business Plan

With **SOPHIA**, Biesse is defining new standards in **digital technologies** that **enable Smart Factory**.

SOPHIA is **Biesse's IIoT** (Industrial Internet of Things) **platform**, developed with Accenture and Microsoft, that **enable new services**: long distance diagnostics, analysis and proactive maintenance, analysis of manufacturing events in order to optimize our Client's production.

SOPHIA is made up of **two integrated areas: IoT and Parts**. They're linked with two apps so that the customer can easily access the functions offered by the platform.

SOPHIA

IoT

PARTS

SOPHIA TO SUPPORT BIESSE CUSTOMERS

 **BIESSE** GROUP
3 -Year Business Plan

SERVICES

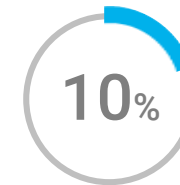
Biesse supports its customers, offering technological connectivity, sharing of expertise, professional consulting services, training and ongoing assistance.

PREDICTIVE

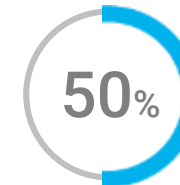
SOPHIA helps to prevent problems that could damage customer production. Biesse takes proactive steps to contact customers, reducing machine downtime and inefficient wasted time.

ANALYSIS

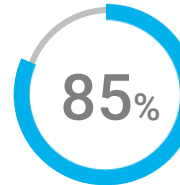
The information gathered and analysed is transformed into useful indications for optimising customer production and product quality, providing extremely opportunities for growth.



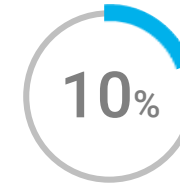
Increase in productivity



Reduction in machine downtime



Reduction in the time necessary for diagnostic



Cost reduction for Biesse Customer

SOPHIA TARGETS

BIESSE GROUP
3 -Year Business Plan

>1,000

Machines already sold having
SOPHIA package

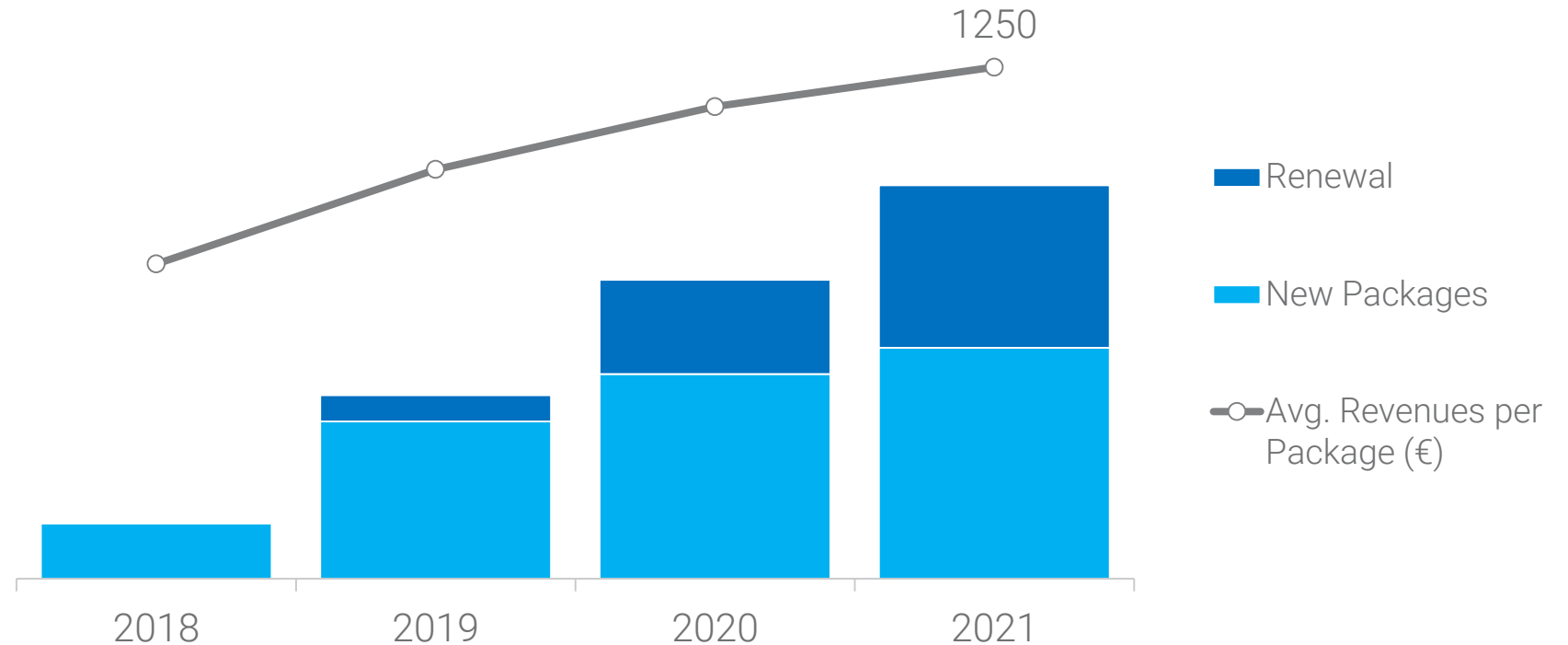
Route to the future

Digital innovation creates the future: an inevitable process, that is yet to be developed in machinery industry.

SOPHIA paves the way for the future of Industry 4.0, starting now.

Number of Machines sold with SOPHIA Packages and average revenues per package 2018-2021

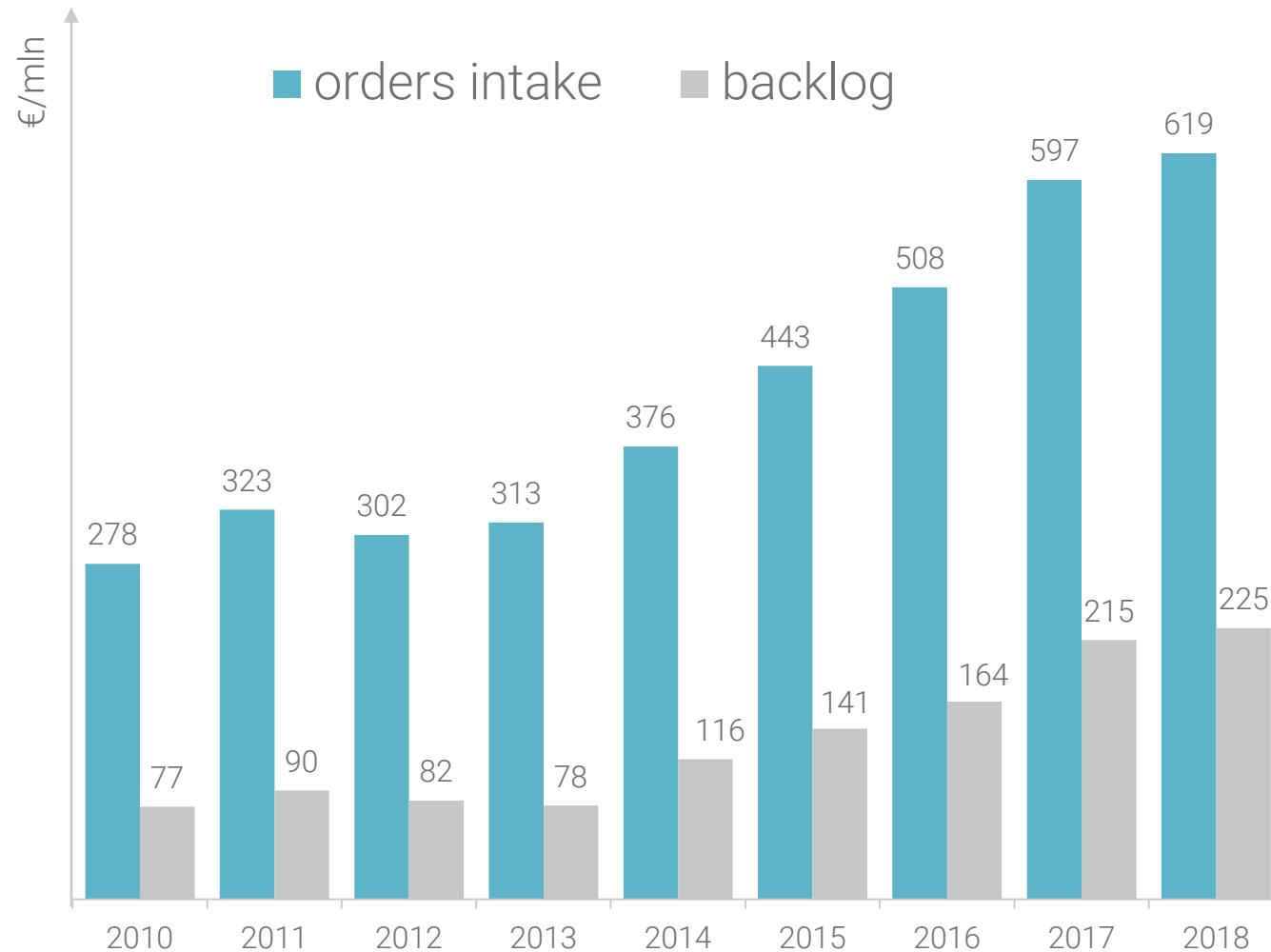
SOPHIA will connect
>7,000
machines by 2021 and make
them intelligent.



OUR FUTURE IN FIGURES

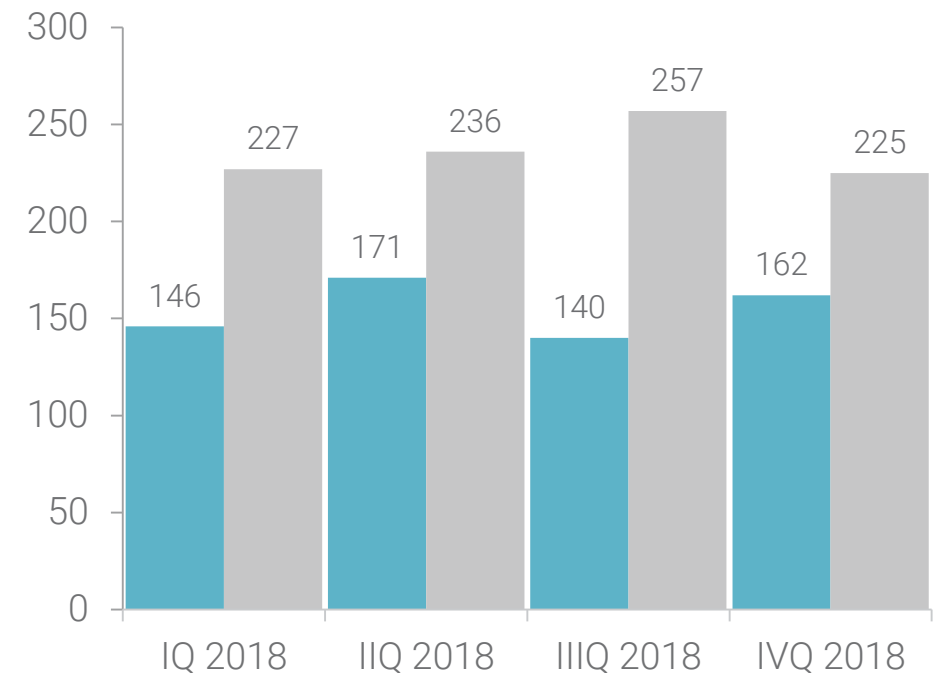
GROUP ORDERS INTAKE & BACKLOG

 **BIESSE GROUP**
3 -Year Business Plan



✓ 2018: Group orders intake **+3.7% (vs. 2017)**

✓ 2018: Group backlog **+4.9% (vs. 2017)**



only machines

STABILIZE THE PROFITABILITY



6%

Net sales
CAGR 2019-2021 vs 2018

<40%

Target COGS
incidence on Net Sales

<30%

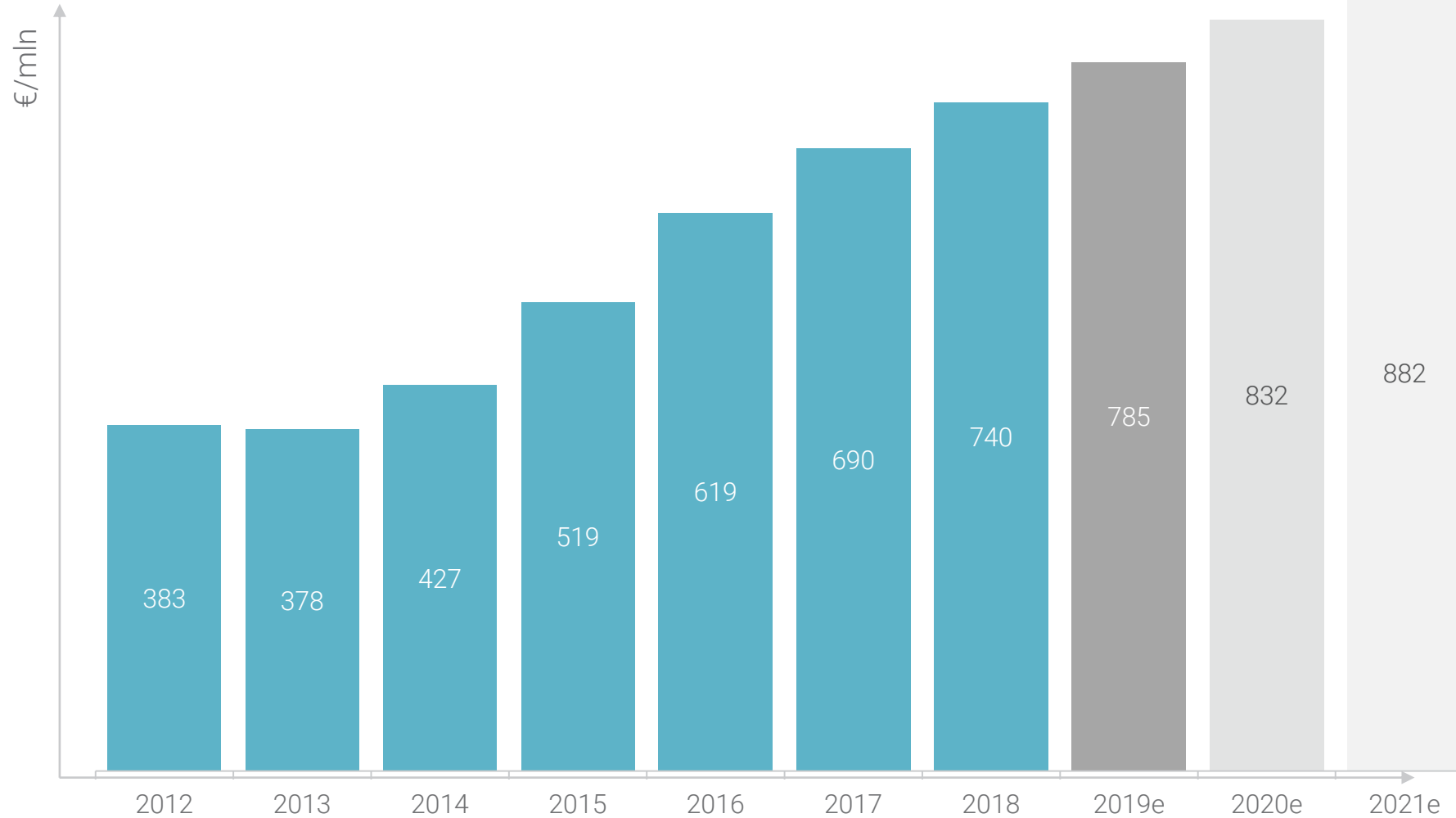
Target labour Cost
incidence on Net Sales

<20%

Target Overhead Cost
Incidence on Net Sales

NET SALES

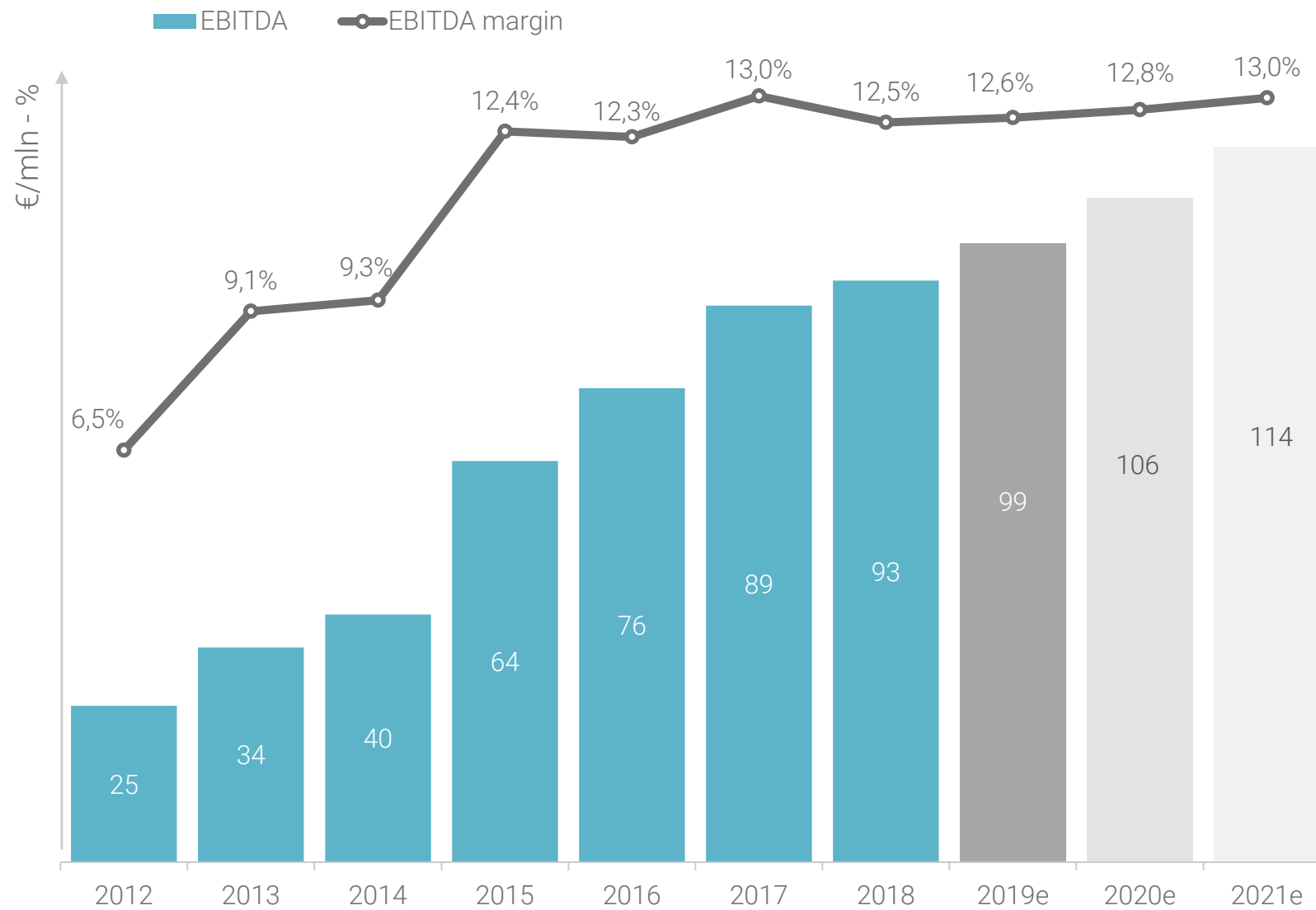
 **BIESSE GROUP**
3 -Year Business Plan



organic growth

EBITDA

BIESSE GROUP
3 -Year Business Plan



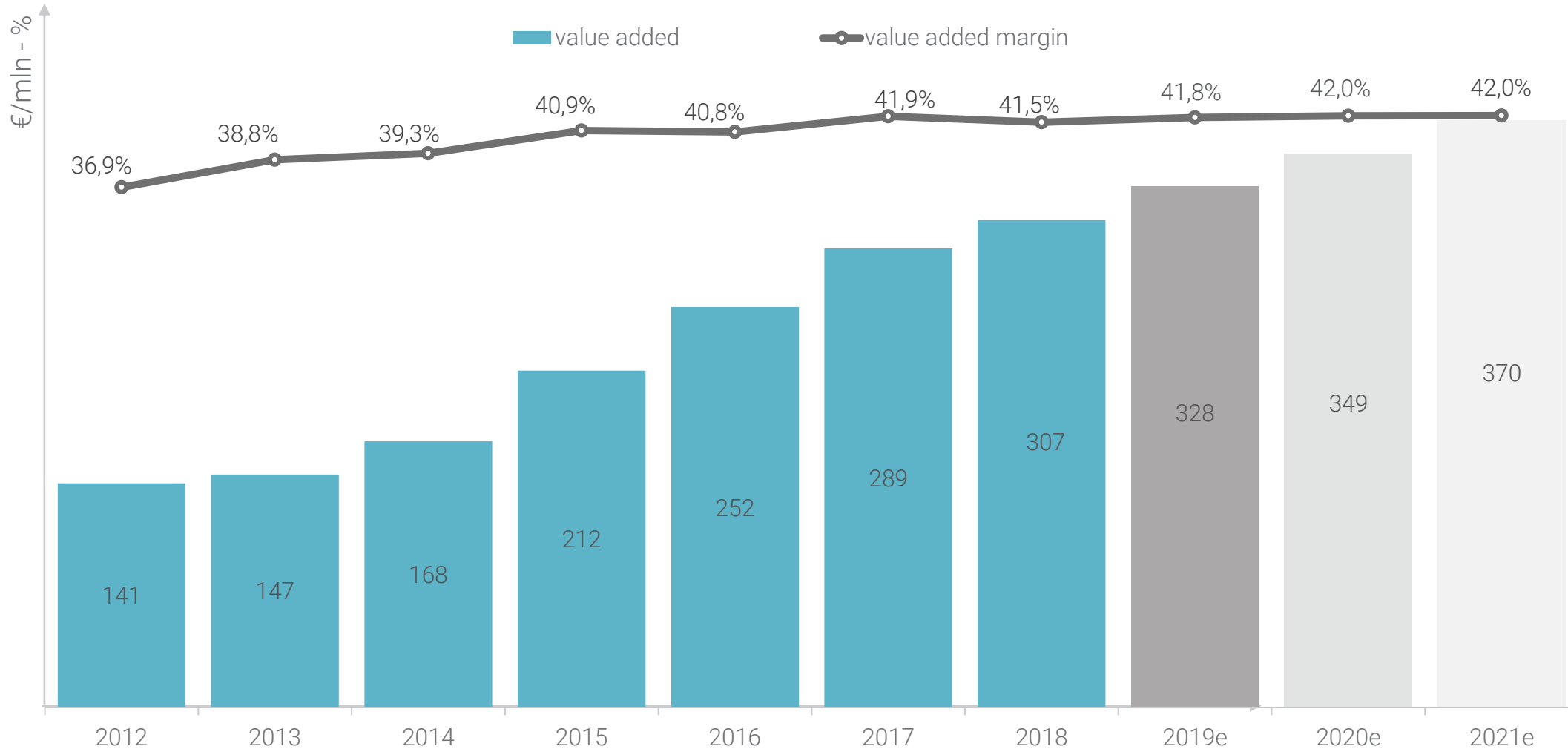
without IFRS impacts

- ✓ **COGS** on Net Sales below **40%**
- ✓ **labour Cost** on Net Sales less than **30%**
- ✓ **overhead** on Net Sales less than **20%**

13.7%
EBITDA margin
2018-2020 plan

VALUE ADDED

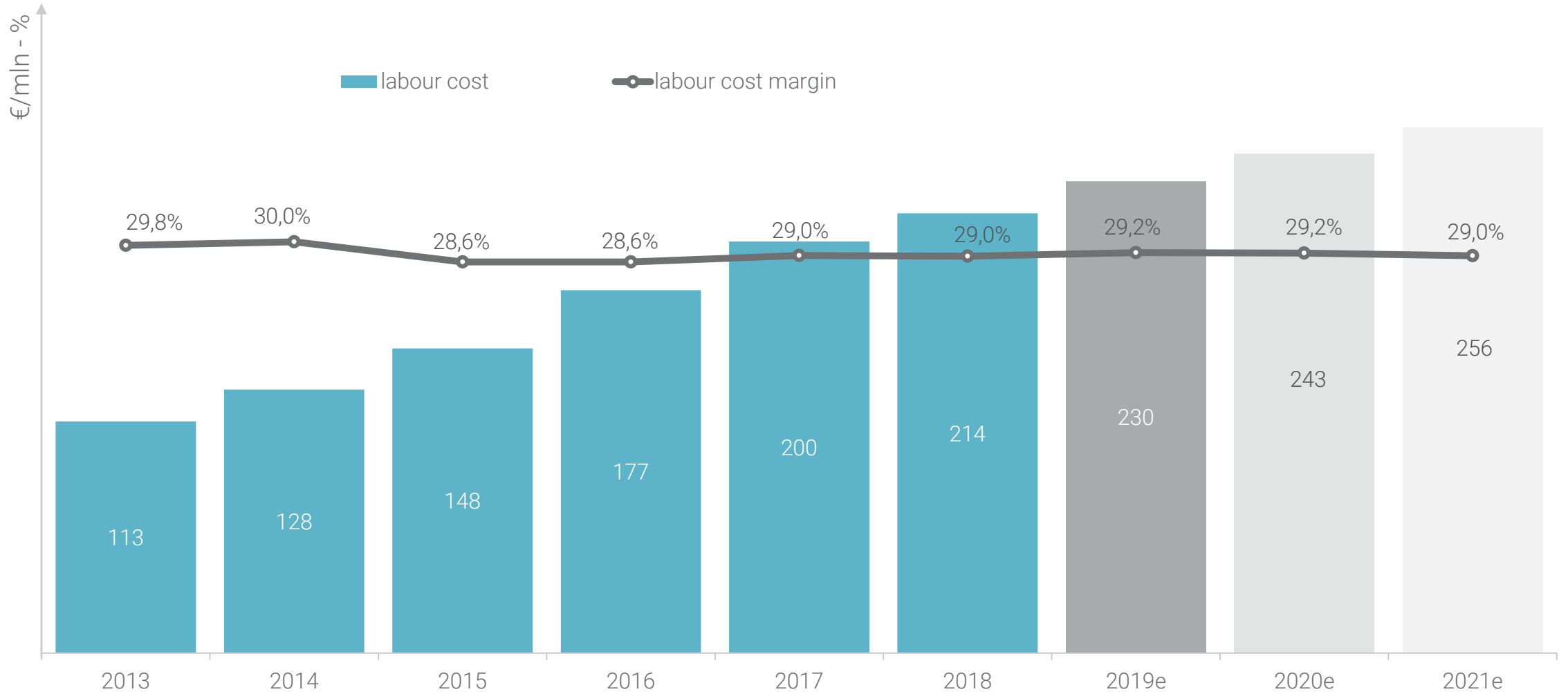
BIESSE GROUP
3 -Year Business Plan



43%
Value Added margin 2018-2020 plan

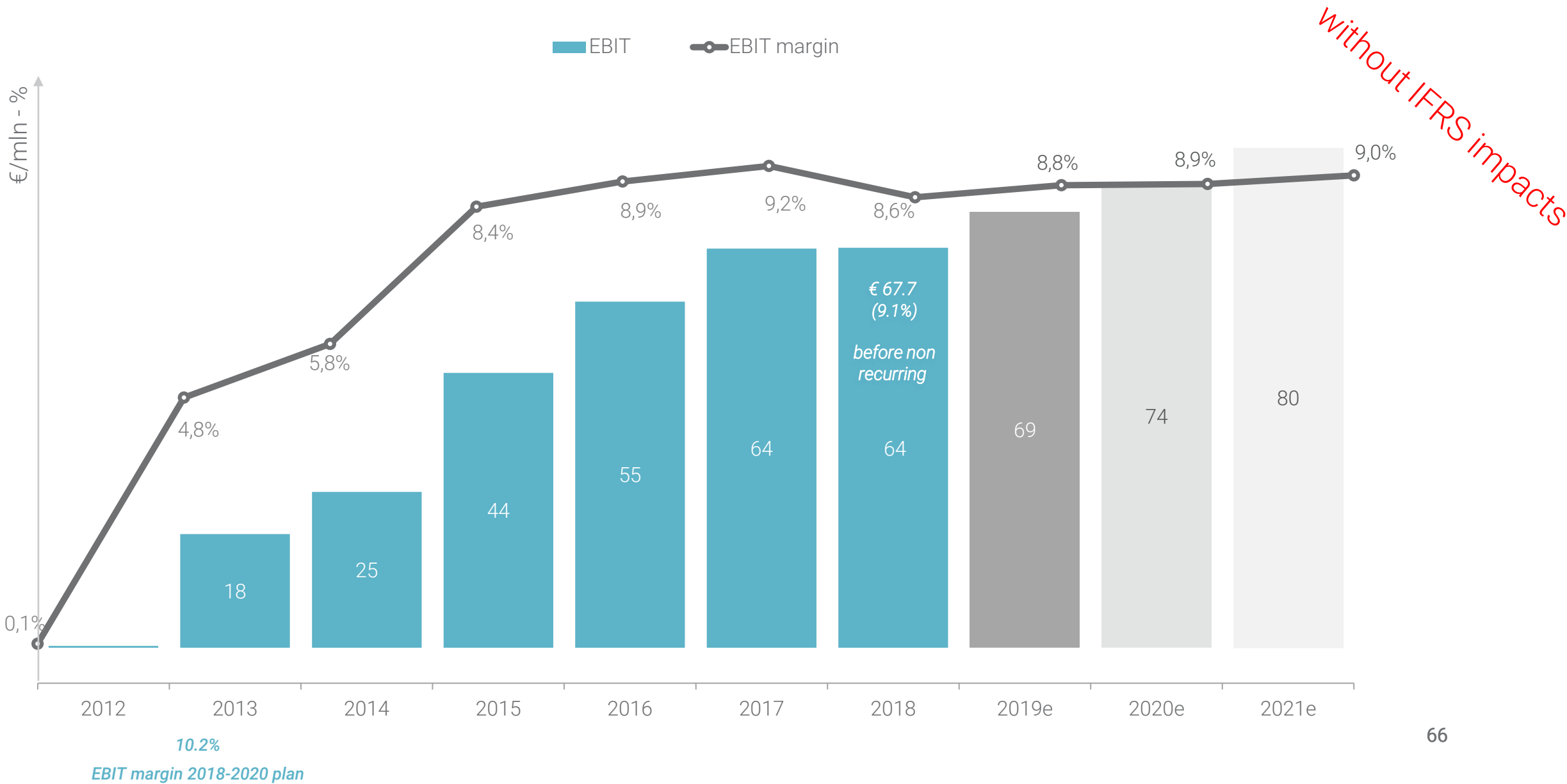
LABOUR COST

BIESSE GROUP
3 -Year Business Plan



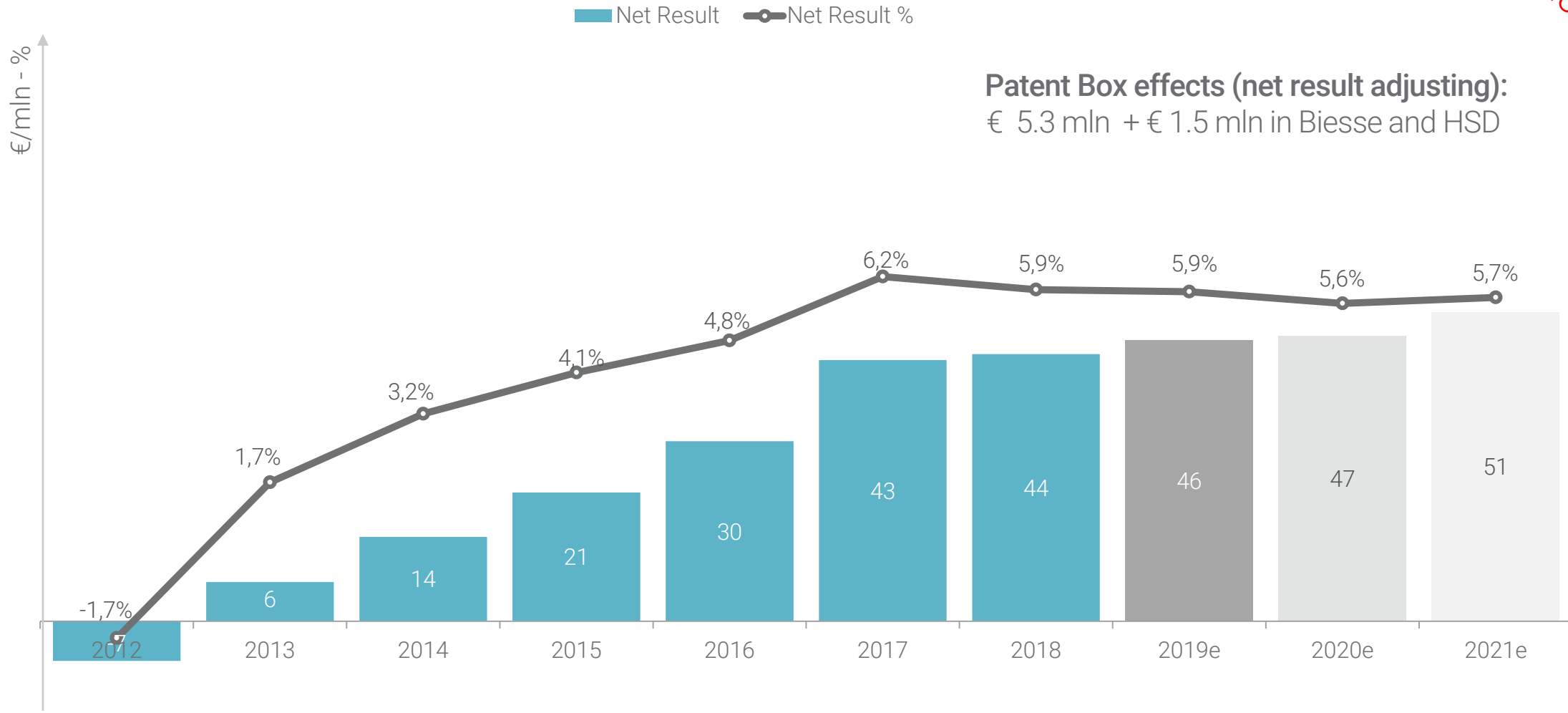
29.3%
Labour Cost margin 2018-2020 plan

EBIT



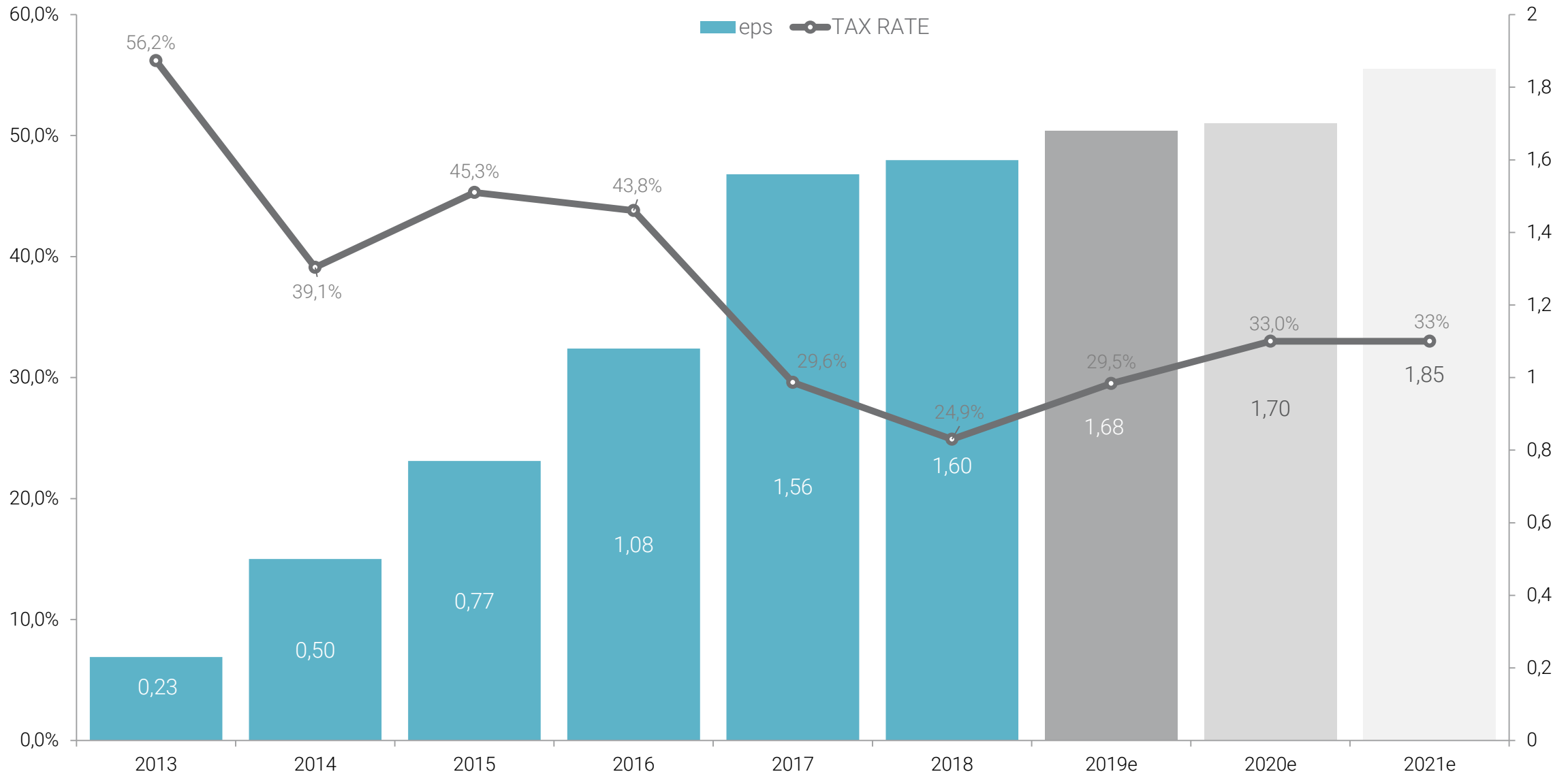
NET RESULT

BIESSEGROUP
3 -Year Business Plan



EPS – TAX RATE

BIESSE GROUP
3 -Year Business Plan



EXTRACT OF THE P&L

 **BIESSE** GROUP
3 -Year Business Plan

€/mln	2014	2015	2016	2017	2018
Net sales <i>year -1</i>	427 +12.9%	519 +21.5%	618 +19.1%	690 +11.6%	740 +7.3%
Cost of goods sold	178 41.6%	206 39.8%	245 39.6%	270 39.1%	295 39.9%
Value added %	168 39.3%	212 40.9%	252 40.8%	289 41.8%	307 41.5%
Labour cost	128 30.0%	148 28.6%	177 28.6%	199 28.9%	214 29.0%
Overhead	91 21.3%	105 20.2%	125 20.1%	136 19.7%	144 19.5%
EBITDA %	40 9.3%	64 12.4%	76 12.3%	89 13%	93 12.5%
EBIT %	25 5.8%	44 8.4%	55 8.9%	64 9.2%	64* 8.6%

CAGR
2009-2018
11.9%

2021e
882
349 39.6%
370 42.0%
256 29.0%
168 19.0%
114 13.0%
80 9.0%

Without IFRS impacts

< **30.0%**
incidence

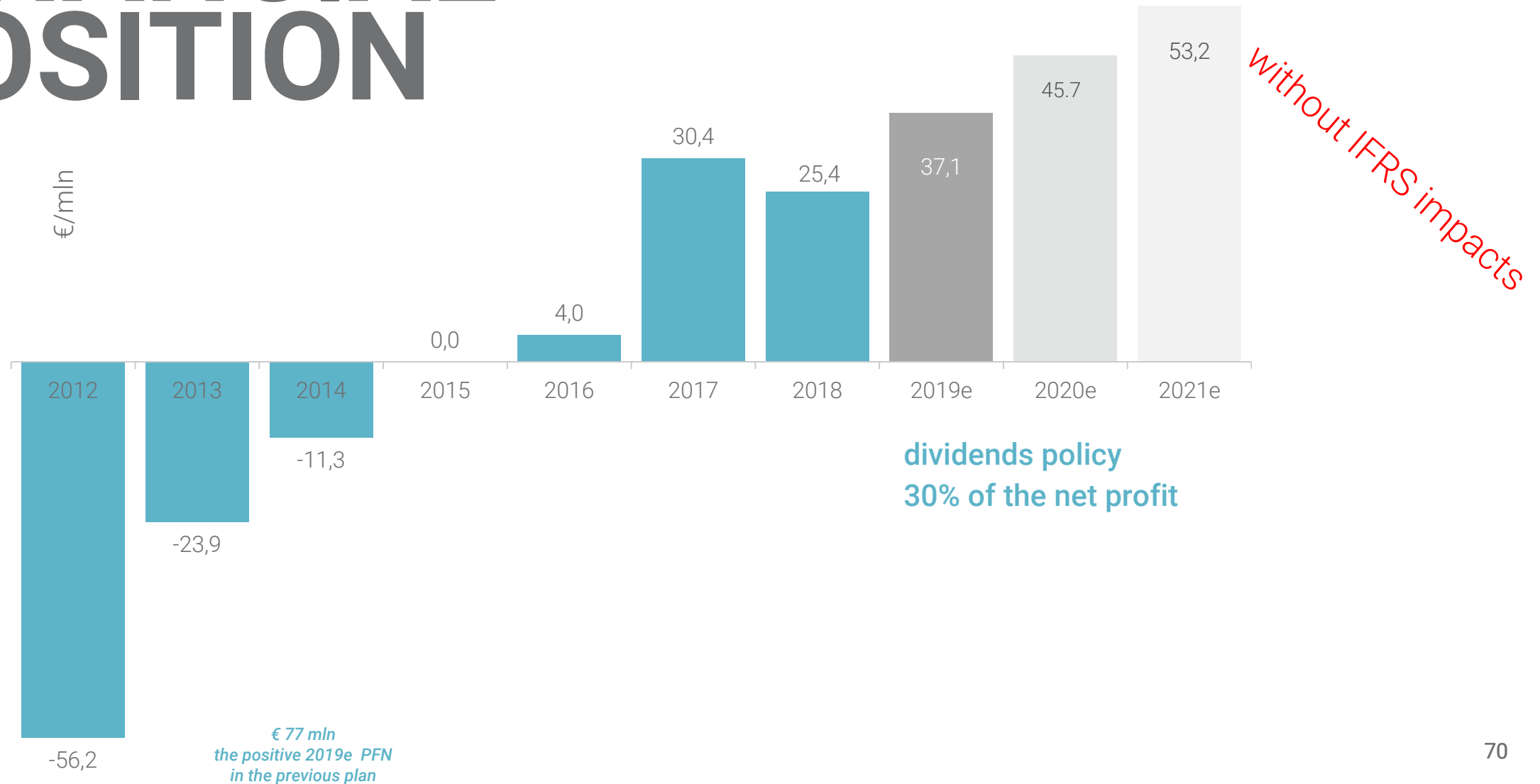
< **20.0%**
incidence

*after non recurring items

before € 67.7 (9.1%)

NET FINANCIAL POSITION

BIESSE GROUP
3 -Year Business Plan



CASHFLOW

 **BIESSE** GROUP
3 -Year Business Plan

without IFRS impacts

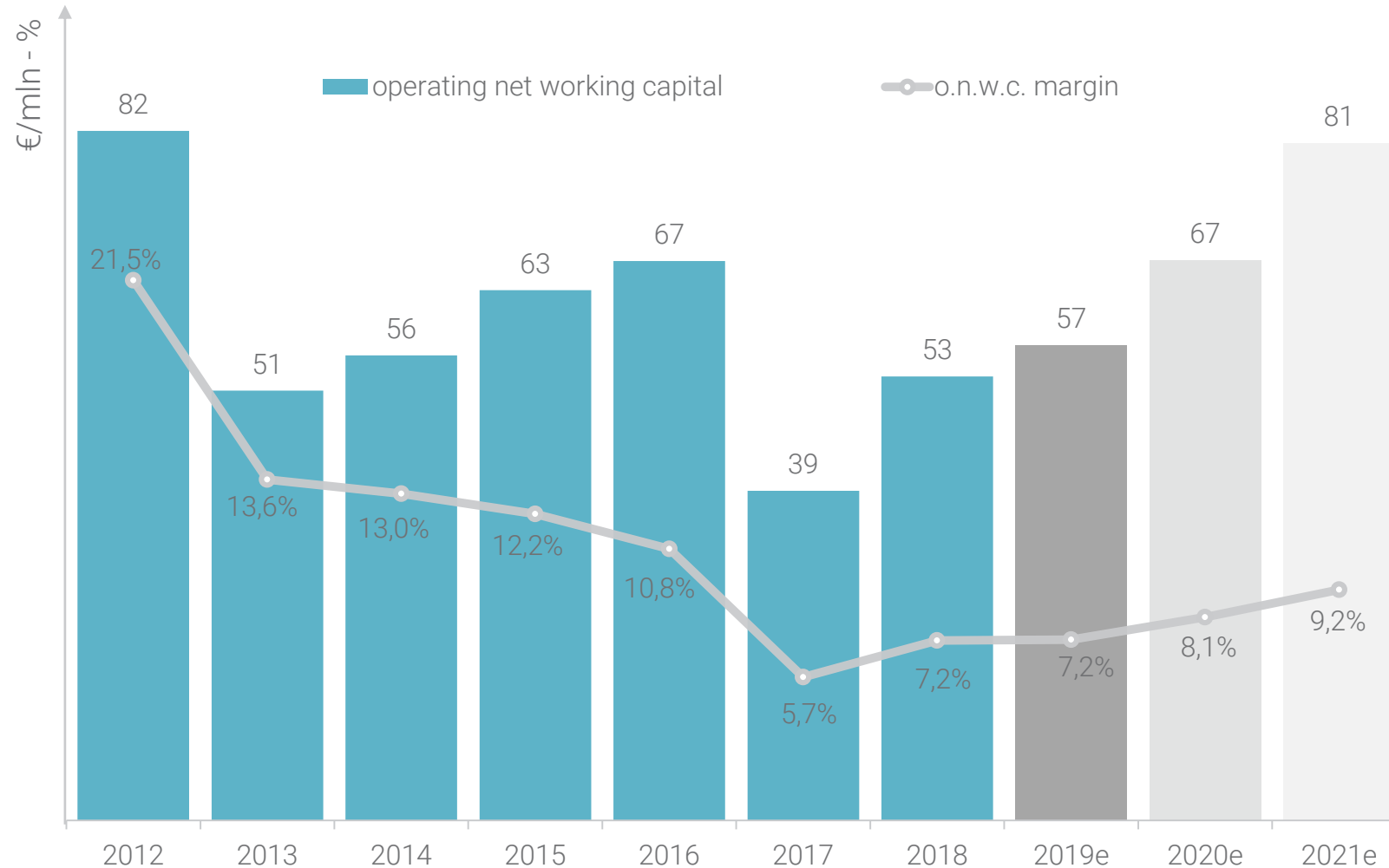
€/mln	2014	2015	2016	2017	2018	2021e
Gross Cashflow(*) % net sales	38 9.0%	46 8.9%	47 7.4%	74 10.9%	53 7.1%	69 7.9%
Capex % net sales	-21 4.9%	-25 4.9%	-32 5.2%	-39 5.7%	-45 6.1%	-48 5.4%
Net Cashflow % net sales	17 4.1%	21 4.1%	15 2.2%	35 5.2%	8 1.1%	21 2.4%
Dividends	-4.8 0.18 per share	-9.8 0.36 per share	-9.8 0.36 per share	-9.8 0.36 per share	-13.1 0.48 per share	-14.0 30% of net profit(e)

(*) Gross Cashflow calculated: net profit + amortization + provisions +/- delta operative CCN +/- delta funds (taxes)

without IFRS16 effects

OPERATIVE NET WORKING CAPITAL

BIESSE GROUP
3 -Year Business Plan



- ✓ **inventories** below **22%**
incidence on Net Sales
- ✓ Group **DSO** around **50-60 days**
max
- ✓ Group **DPO** around **105-110**
days

7.4% O.N.W.C. incidence
2018-2020 plan

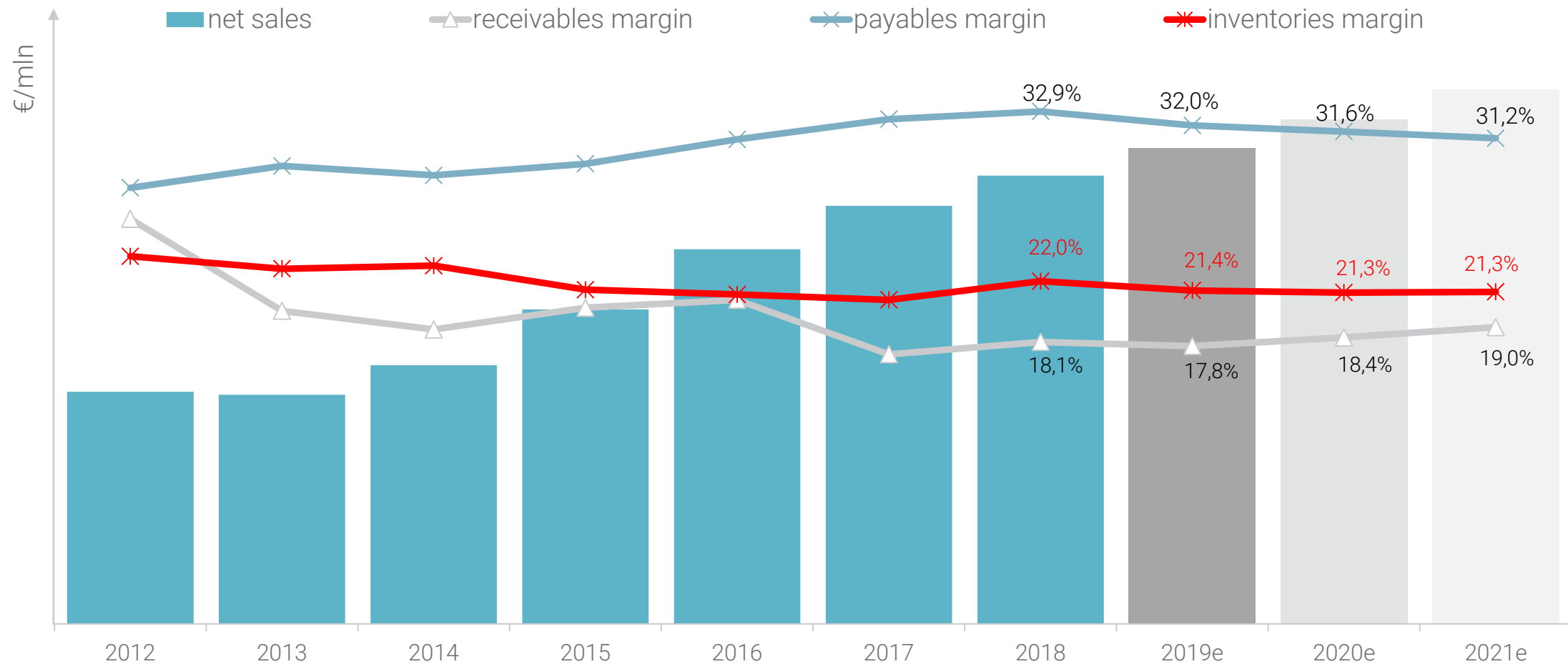
OPERATIVE NET WORKING CAPITAL

 **BIESSE** GROUP
3 -Year Business Plan

€/mln	2014	2015	2016	2017	2018	2021e
Inventories % net sales	23.0%	21.5%	21.1%	20.8%	22.0%	21.3%
Receivables % net sales	18.9%	20.3%	20.8%	17.3%	18.1%	19.0%
Payables % net sales	28.8%	29.5%	31.1%	32.4%	32.9%	31.2%
operative Net Working Capital % net sales	56 13.0%	63 12.2%	67 10.8%	39 5.6%	53.1 7.2%	81 9.2%

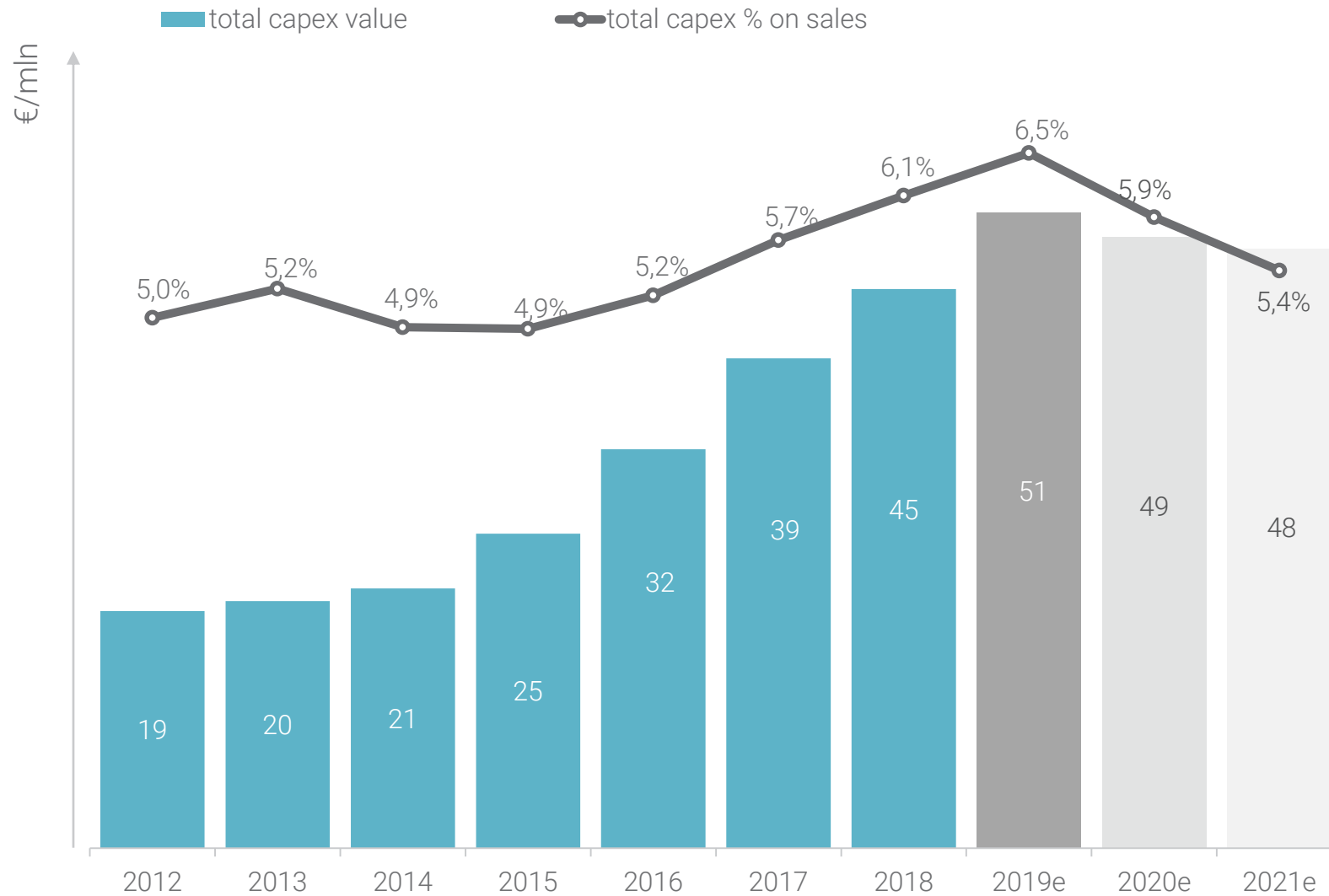
RECEIVABLES PAYABLES INVENTORIES

BIESSE GROUP
3 -Year Business Plan



CAPEX

BIESSEGROUP
3 -Year Business Plan



5.7% capex incidence 2019 2018-2020 plan

2019e

tangible: € 32.9mln

intangible: € 18mln

main investments items:

- ✓ **Mechatronics** – HSD takeover of the Bi.Fin srl leasing (existing site in Gradara)
- ✓ **Wood – stand alone machines** vertical auto-warehouse (traslo)
- ✓ **Subsidiary** Biesse America campus
- ✓ **Components** Cosmec working centers
- ✓ **I.T.** Service CRM – product configurator – I.I.o.T.
- ✓ **R&D** (4% of the net sales)

EMPLOYEES

PEOPLE DISTRIBUTION

 **BIESSE** GROUP
3 -Year Business Plan

(without interim people)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Production % of total people	1,250 46%	1,265 45%	1,175 44%	1,201 42%	1,335 42%	1,482 41%	1,494 39%	1,621 38%
Service & After sale % of total people	577 21%	574 21%	613 22%	628 22%	690 22%	803 22%	894 23%	1,001 24%
R&D % of total people	316 12%	338 12%	321 12%	361 13%	383 13%	436 12%	479 12,5%	551 13%
Sales & Marketing % of total people	361 13%	364 13%	351 13%	439 15%	495 15%	587 16%	641 17%	715 17%
G&A % of total people	233 9%	242 9%	235 9%	252 9%	273 9%	310 8,5%	338 8,8%	339 8%
ITALY % of total people	1,656 61%	1,646 59%	1,547 57%	1,605 56%	1,780 56%	2,009 56%	2,176 56%	2,483 59%
OUTSIDE ITALY % of total people	1,081 39%	1,136 41%	1,148 43%	1,276 44%	1,396 44%	1,609 44%	1,670 44%	1,744 41%
TOTAL	2,737	2,782	2,695	2,881	3,176	3,618	3,846	4,227

PEOPLE EVOLUTION

	FY 2017	FY 2018	DELTA %
Production	1,494	1,621	+8.5
Service & After Sales	894	1,001	+12.0
R&D	479	551	+15.0
Sales & Marketing	641	715	+11.5
G&A	338	339	...
ITALY	2,176	2,483	+ 14.1
OUTSIDE ITALY	1,670	1,744	+ 44.3
TOTAL	3,846	4,227	+9.9

the labour cost increase is EURO 16.3 mln (2018 vs 2017)

interim people at the end of Dec. 2018: 170
interim people at the end of Dec. 2017: 196
interim people at the end of Dec. 2016: 181

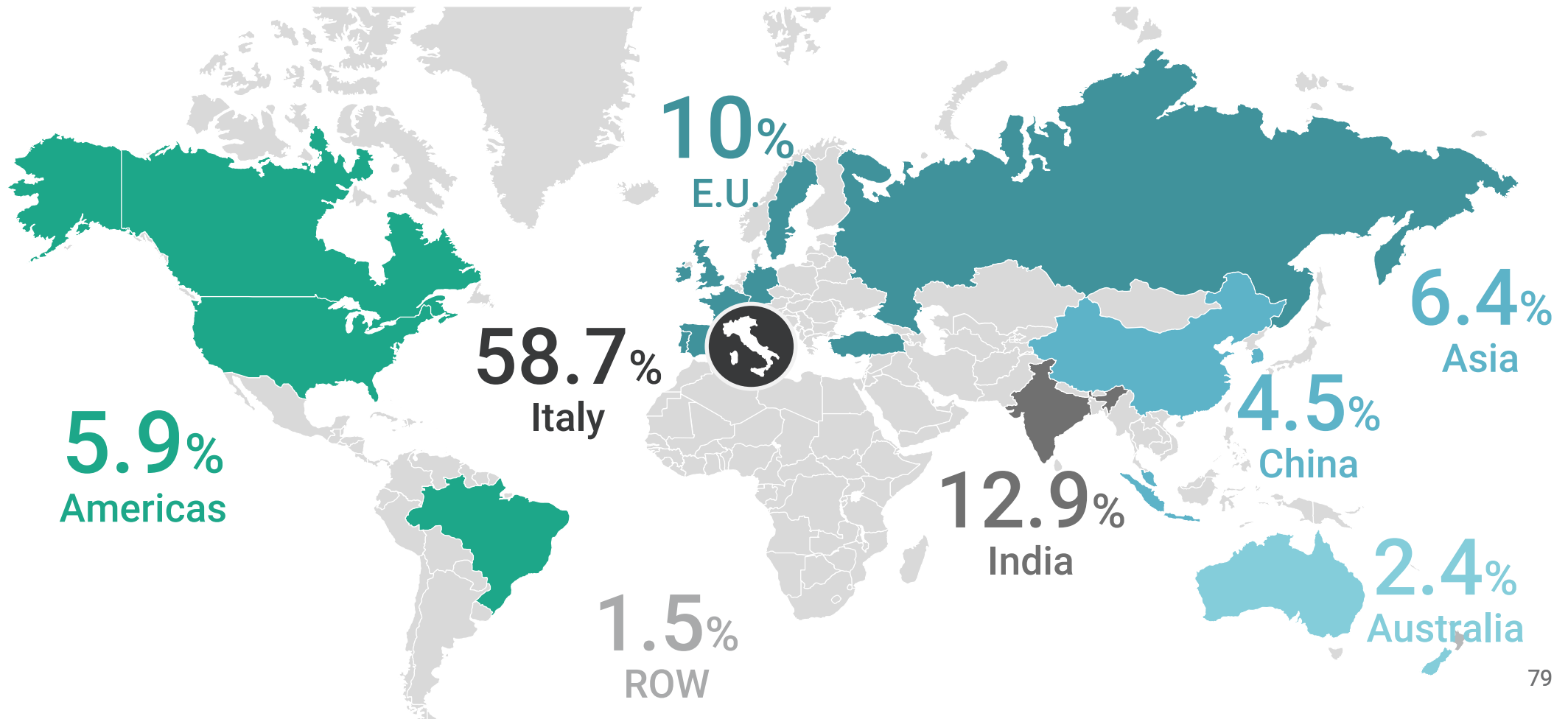
→ employees
4,397
including interim people

PEOPLE DISTRIBUTION

BY MAIN COUNTRIES – 2018

BIESSE GROUP
3 -Year Business Plan

people outside Italy: nr. **1,744**
people in Italy: nr. **2,483**



PEOPLE DISTRIBUTION

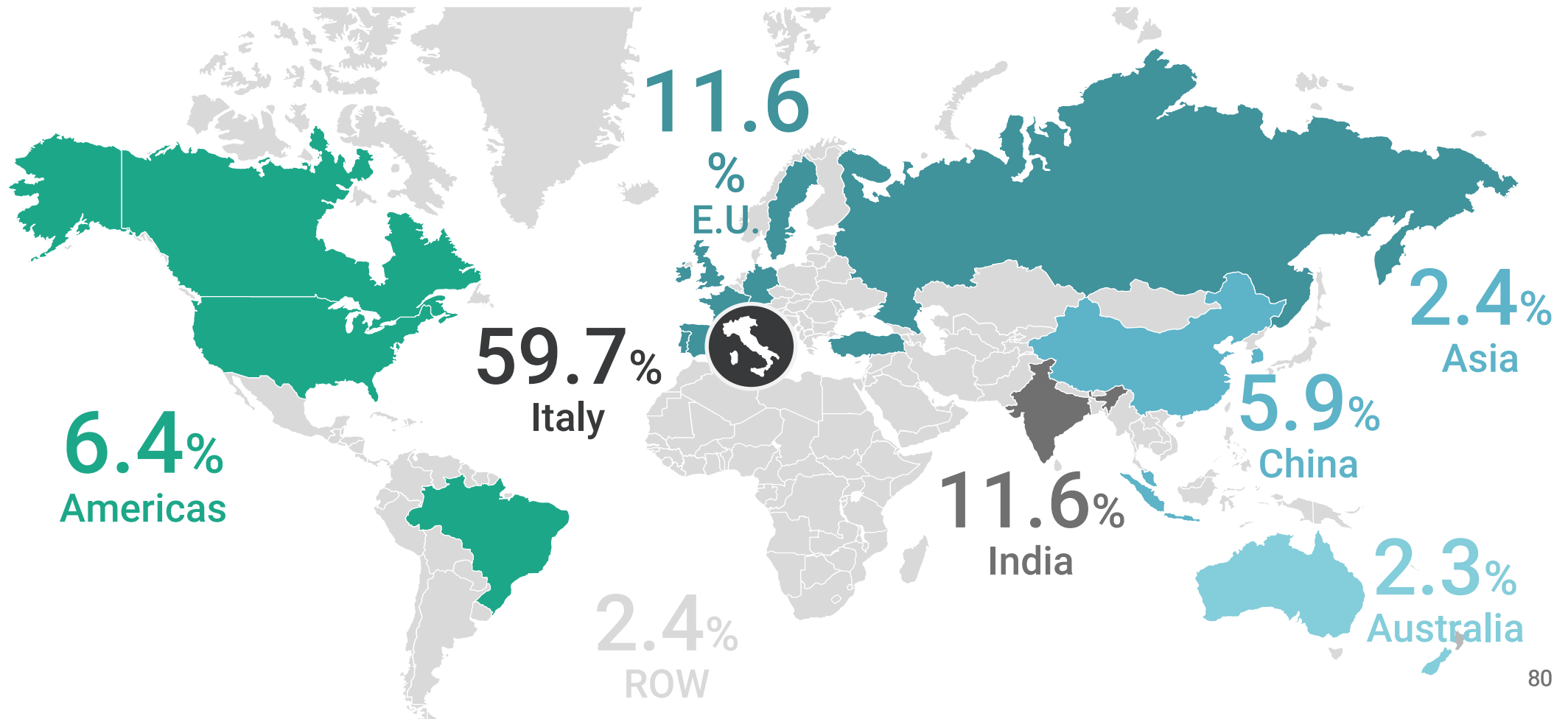
BY MAIN COUNTRIES – 2019e

BIESSE GROUP
3 -Year Business Plan

a) staff outside Italy: nr. 1,915

b) staff in Italy: nr 2,831

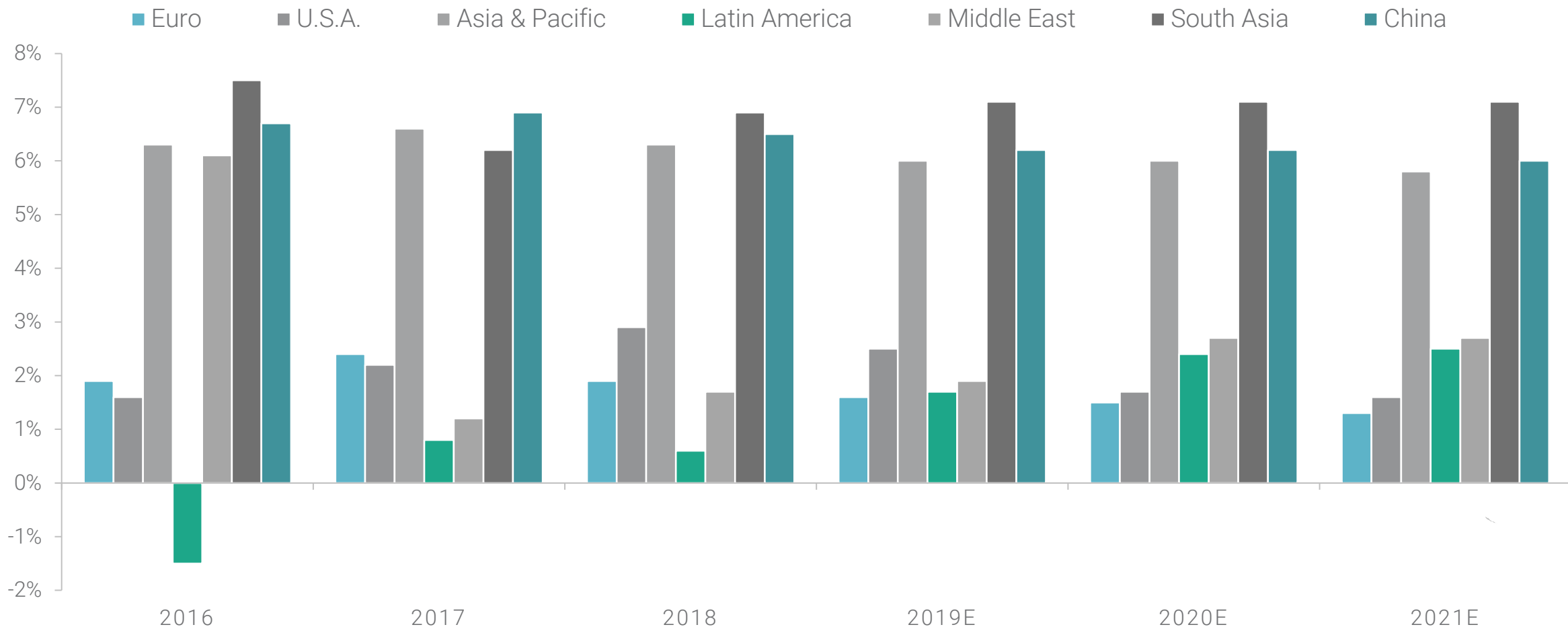
a+b (4,746)= +7.9% vs 2018



MACROECONOMIC CONTEXT - GDP BY COUNTRY

BIESSE GROUP
3 -Year Business Plan

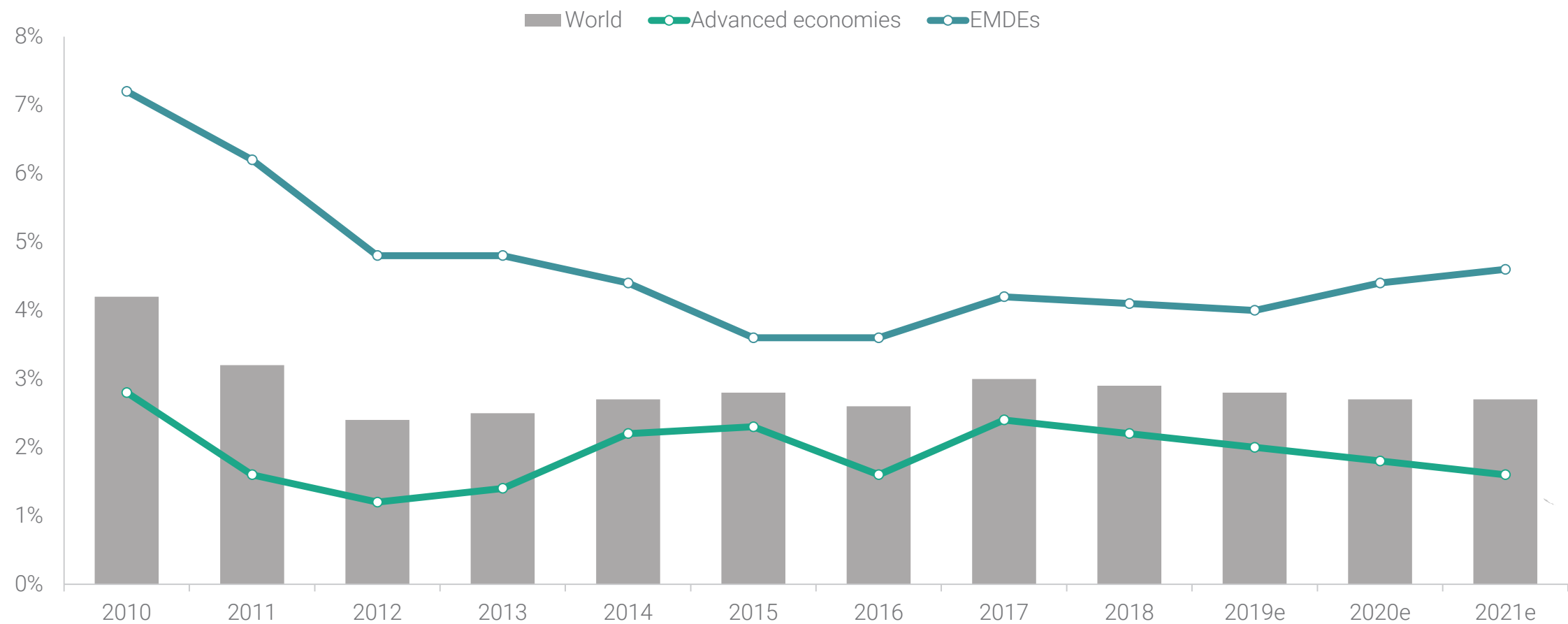
GDP YoY Growth (%)



MACROECONOMIC CONTEXT - GDP BY COUNTRY

BIESSE GROUP
3 -Year Business Plan

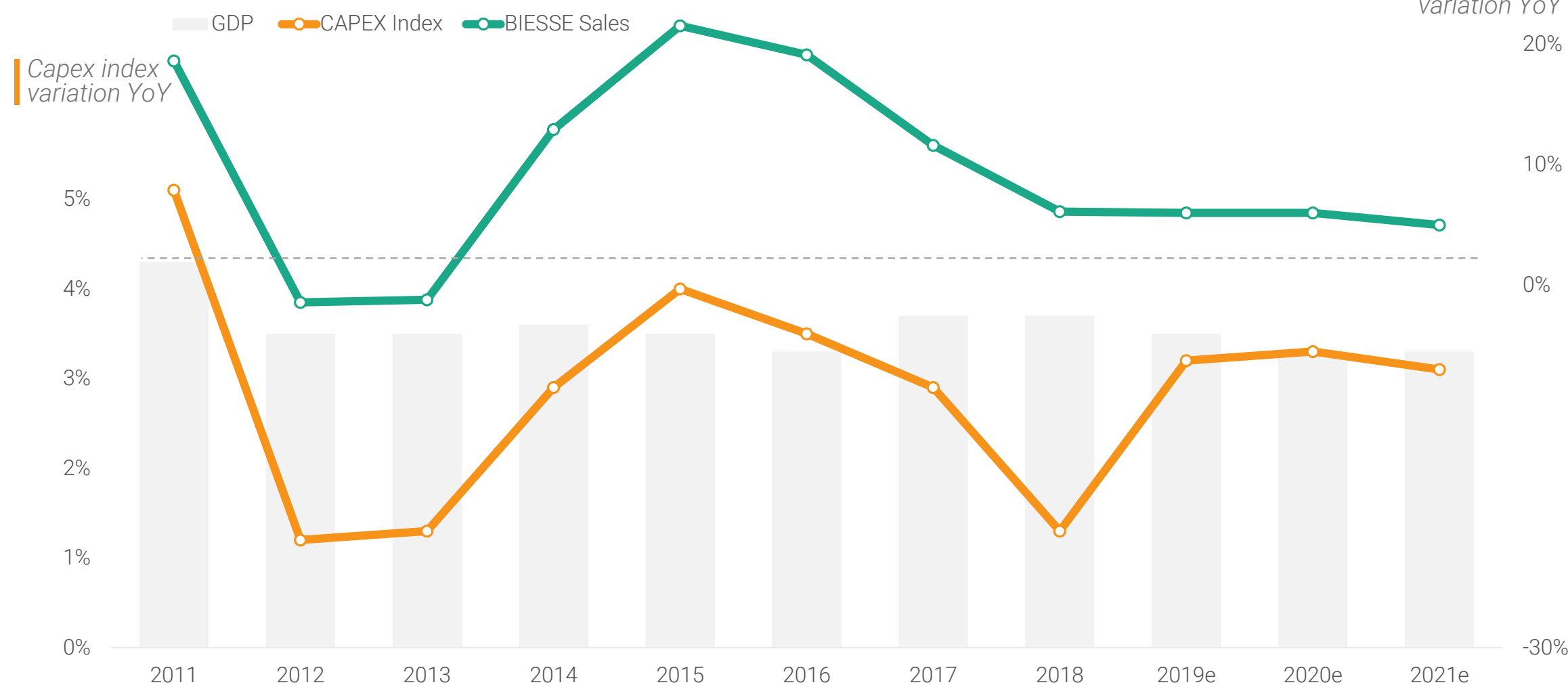
World, Advanced Economies & EMDEs YoY Growth (%)



MACROECONOMIC CONTEXT - BIESSE PERFORMANCE

BIESSE GROUP
3 -Year Business Plan

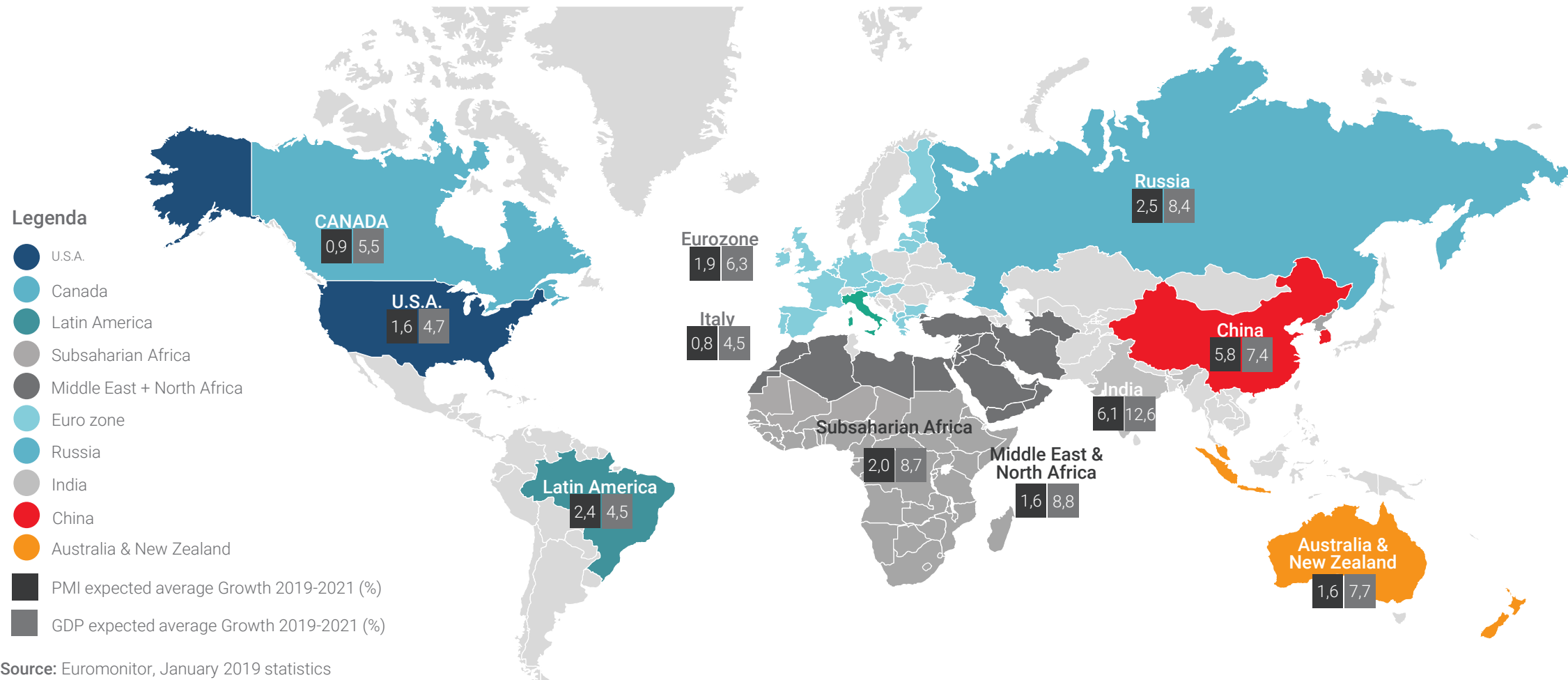
GDP, Capex Index and Biesse sales YoY Growth (%)



Source: Bloomberg, January 2019, Biesse

WORLD GDP & PMI BY MAIN MACRO AREA

BIESSE GROUP
3 -Year Business Plan

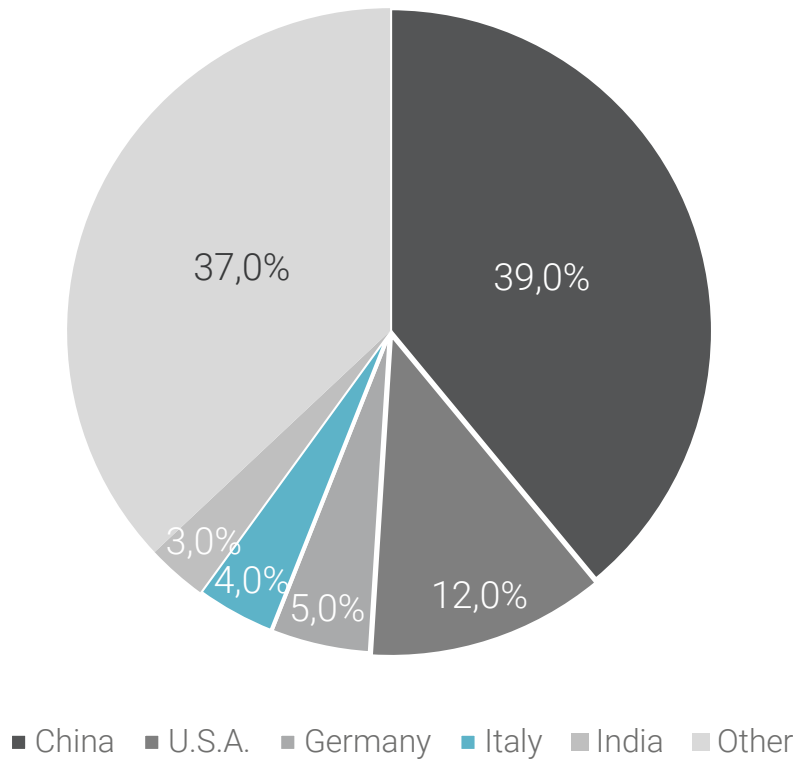


Source: Euromonitor, January 2019 statistics

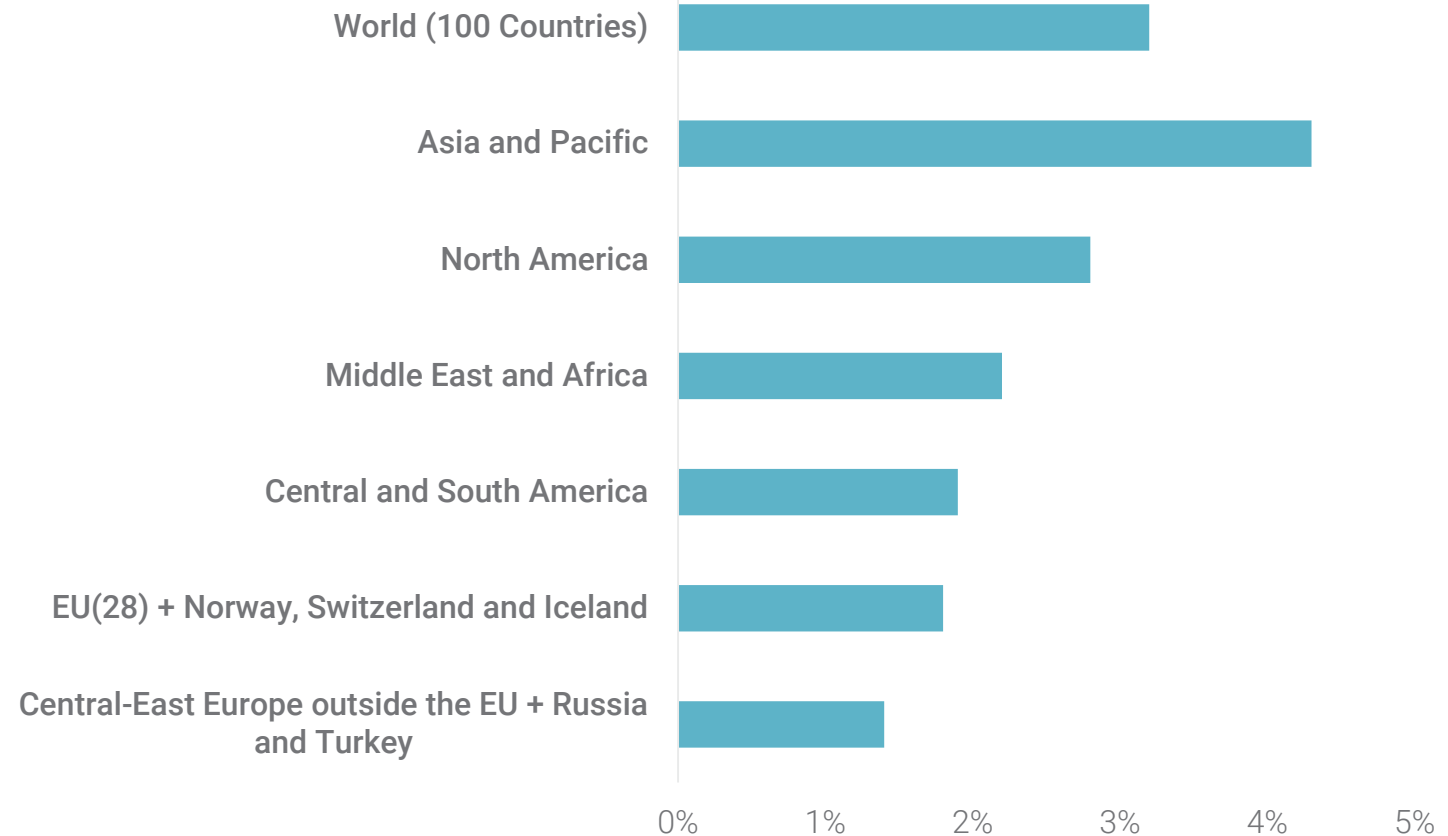
FURNITURE

BIESSE GROUP
3 -Year Business Plan

Furniture demand by countries



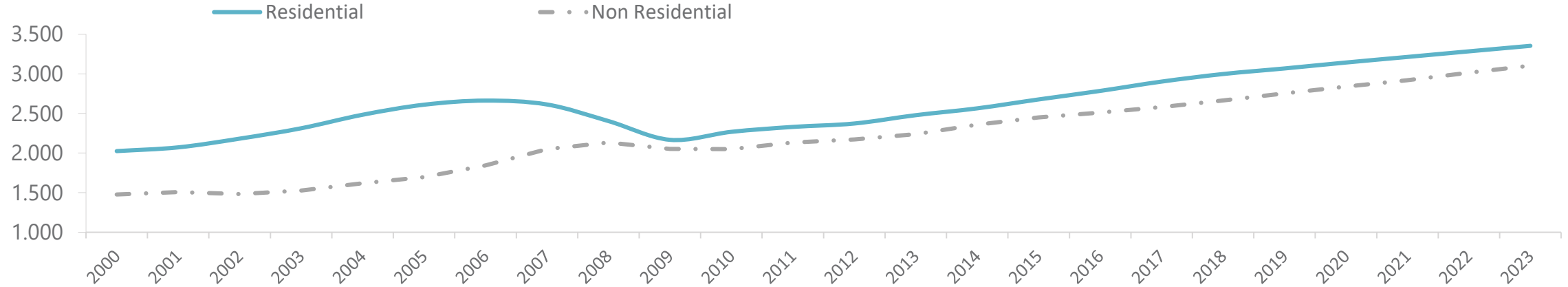
Furniture consumption. Countries grouped by geographical region, 2019. Forecast of yearly changes in real terms.



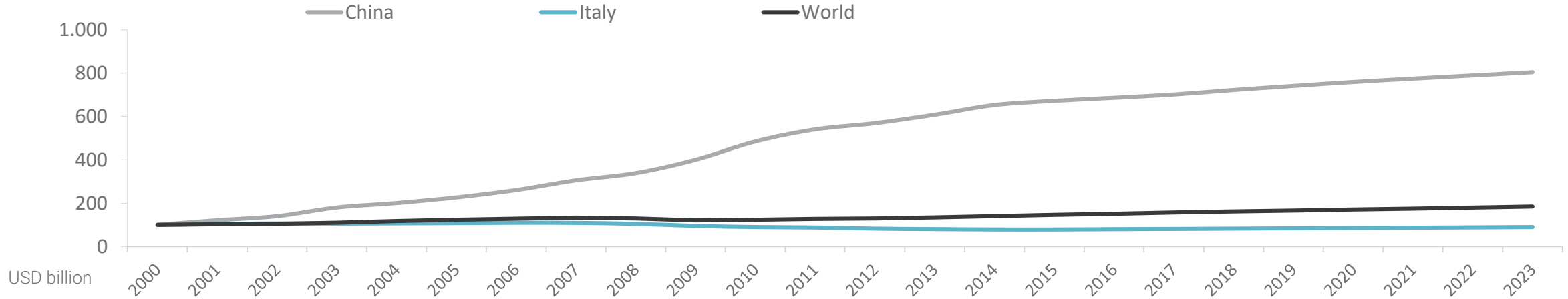
CRESME & CSIL VIEW (1)

BIESSE GROUP
3 -Year Business Plan

Building Investments World trends



Building Investments comparing China, Italy, World



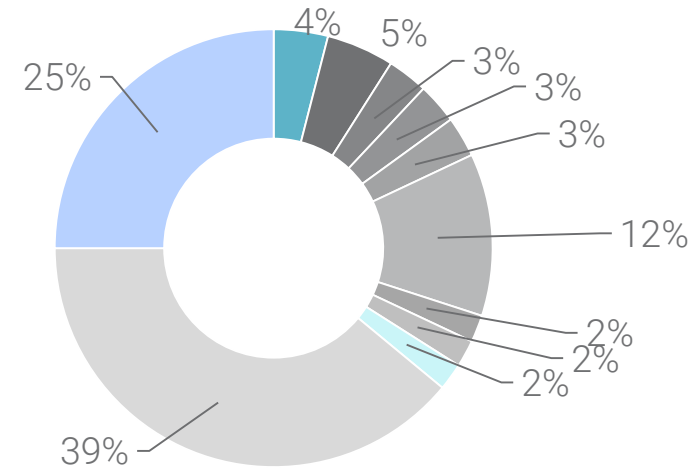
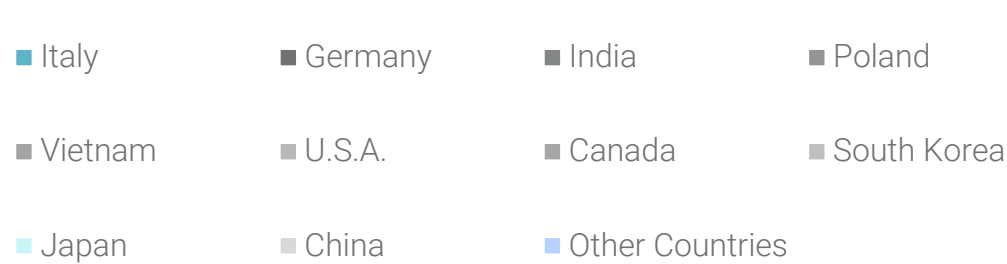
Note: (*) Preliminary; (**) Projected

Source: CSIL 2018

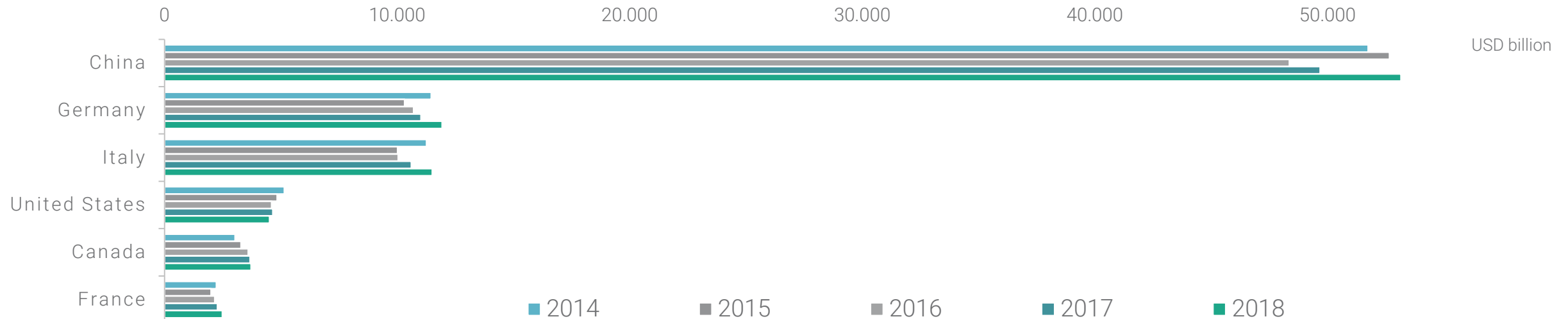
CRESME & CSIL VIEW (2)

BIESSE GROUP
3 -Year Business Plan

% breakdown of world furniture production, 2018



Main furniture exporting countries 2012-2018



■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018

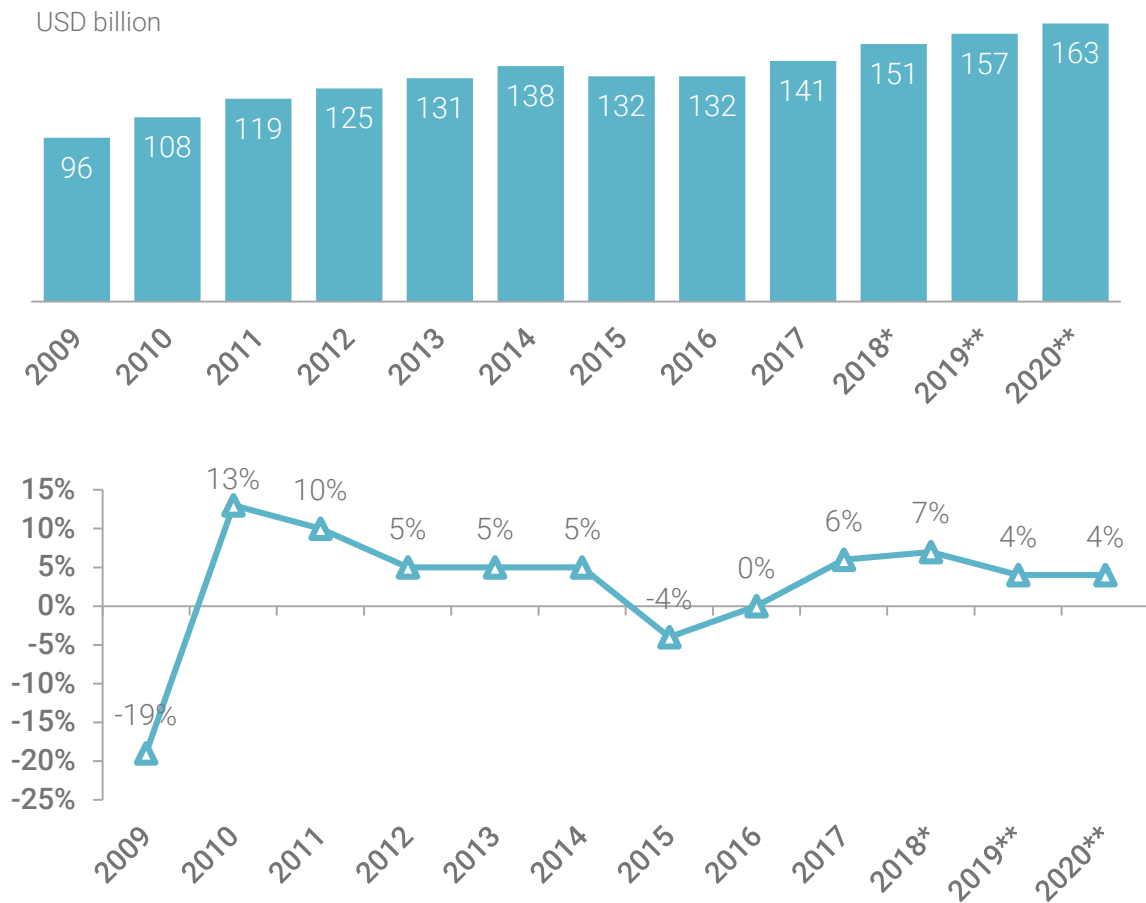
Note: (*) Preliminary; (**) Projected

Source: CSIL 2018

CRESME & CSIL VIEW (3)

BIESSE GROUP
3 -Year Business Plan

World trade of furniture and annual percentage changes.



Note: (*) Preliminary; (**) Projected

Source: CSIL 2018

China – Main furniture trading partners

Origin of furniture imports		Destination of furniture exports	
Italy	18,8%	USA	36,9%
Germany	14,8%	Japan	5,6%
Vietnam	8,5%	UK	4,9%
Poland	7,0%	Australia	3,8%
USA	6,0%	Germany	3,7%
JAPAN	5,7%	Hong Kong	3,3%
South Korea	4,4%	South Korea	3,2%
Taiwan	2,9%	Canada	3,1%
China	2,7%	France	2,4%
UK	2,6%	Singapore	2,2%

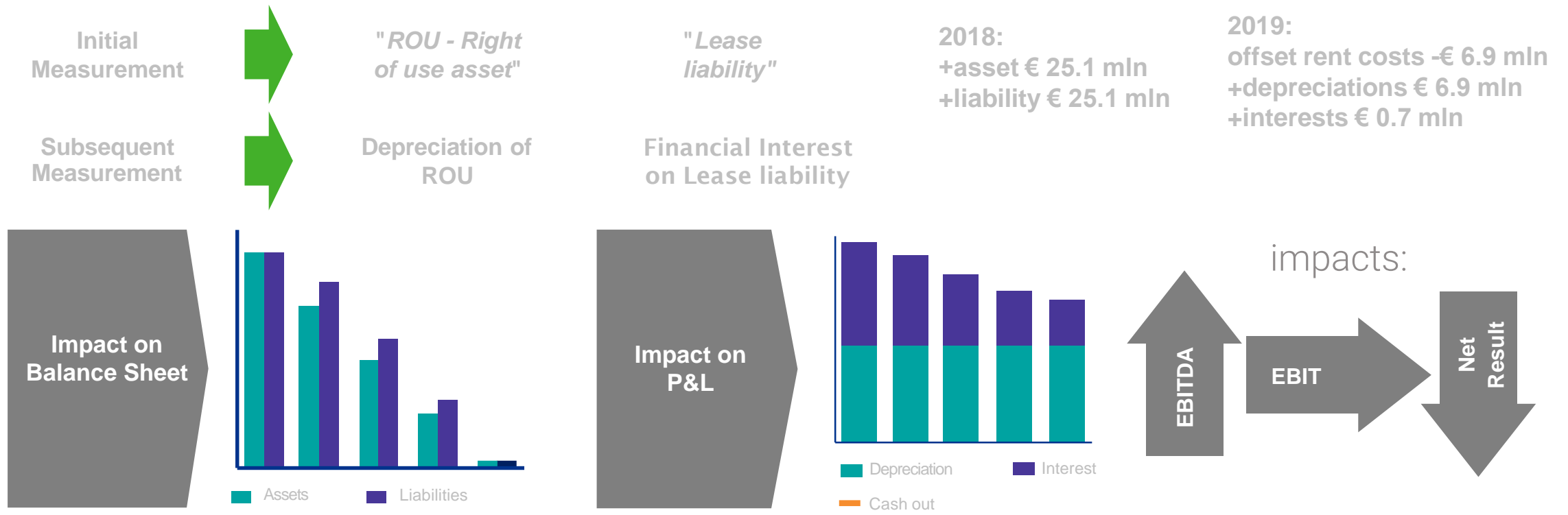
ANNEXES

IFRS IMPACTS (INITIAL EVALUATION)

ORDERS (INTAKE & BACKLOG)

IFRS 16 IMPACTS

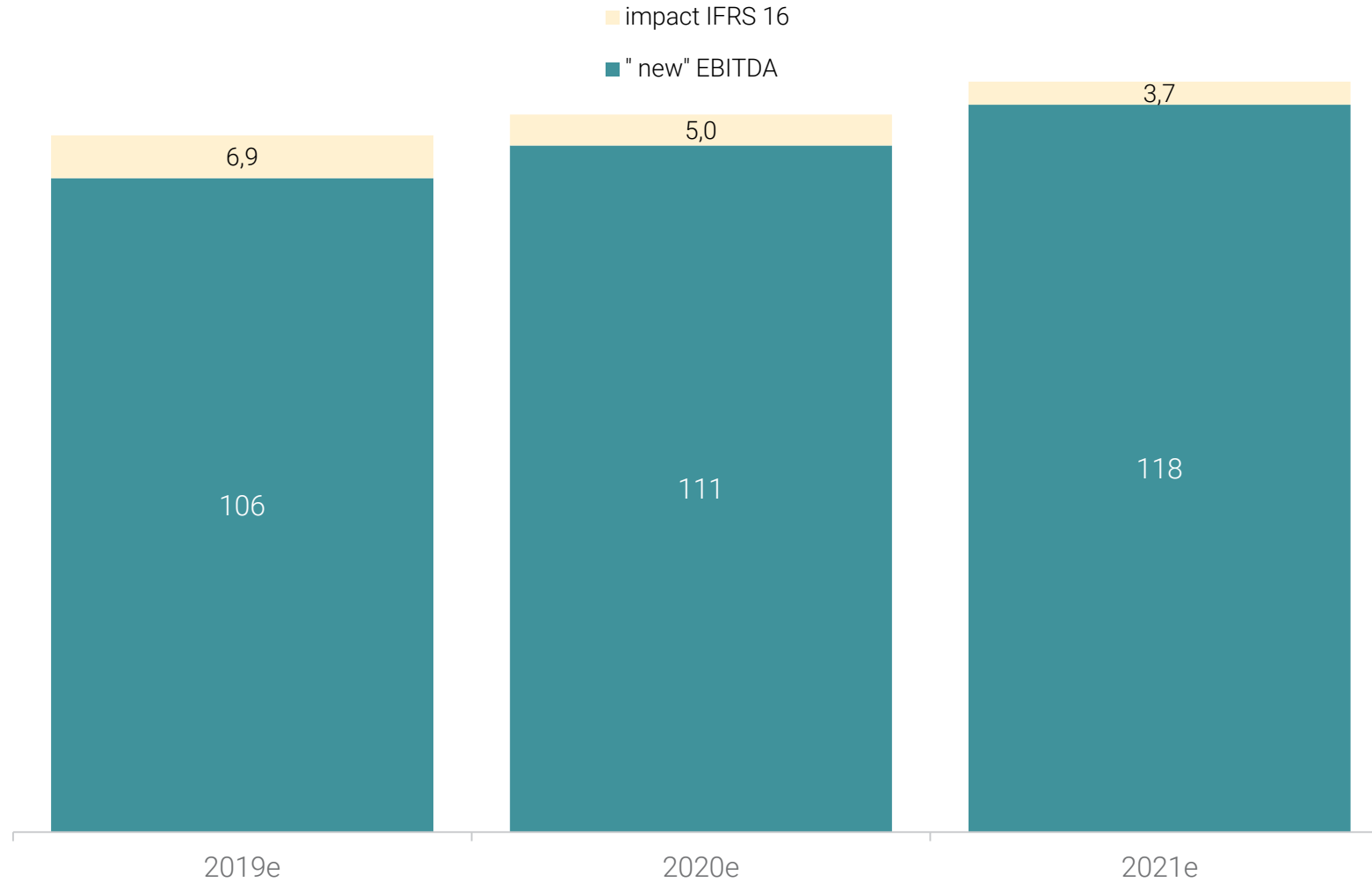
".....IFRS 16 is an International Financial Reporting Standard (IFRS) providing guidance on accounting for leases. IFRS 16 was issued in January 2016 and will be effective for most companies that report under IFRS in 2019. Upon becoming effective, it will replace the earlier leasing standard, IAS 17.The new standard will provide much-needed transparency on companies' lease assets and liabilities, meaning that off balance sheet lease financing is no longer lurking in the shadows. It will also improve comparability between companies that lease and those that borrow to buy....."



EBITDA WITH THE IFRS 16 IMPACTS

BIESSE GROUP
3 -Year Business Plan

€/mln



best scenario without changes

NET FINANCIAL POSITION WITH THE IFRS 16 IMPACTS

 **BIESSE** GROUP
3 -Year Business Plan

€/m

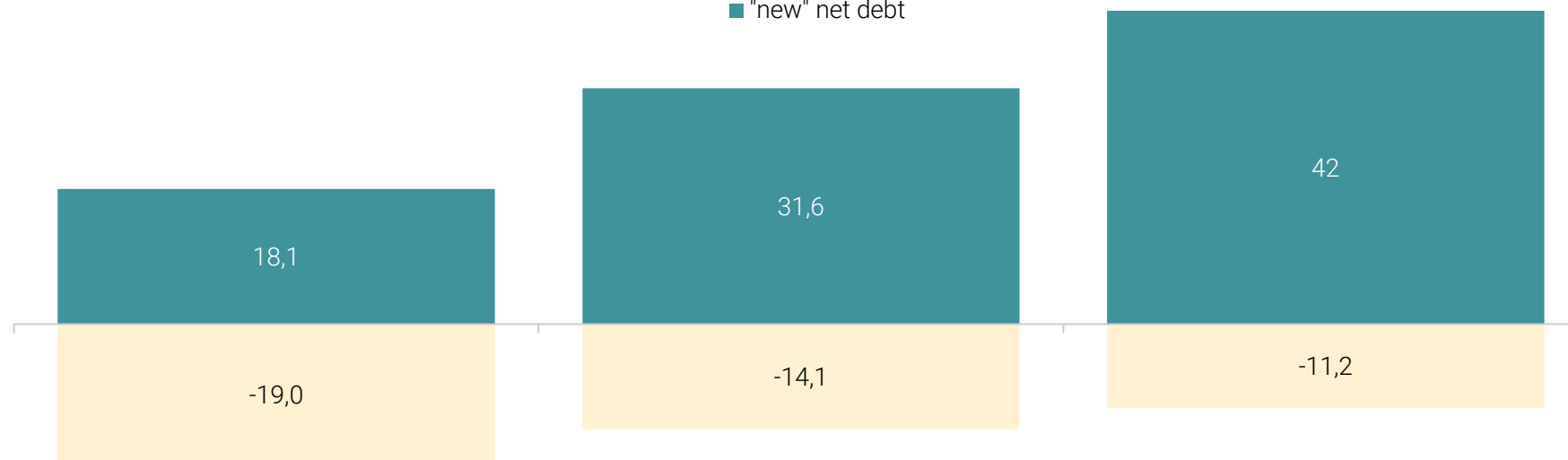
2019e

2020e

2021e

■ impact IFRS 16

■ "new" net debt



best scenario without changes



Alberto Amurri
Investor Relator Manager
0039 - 0721439107
0039 - 3351219556

BIESSEGROUP.COM