

# Bit Market Services

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Informazione  
Regolamentata

Nome utilizzatore : GEFRANN04 - FRANCESCHETTI

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Diffusione presunta

Oggetto : Gefran: the Board of Directors approves  
the draft financial statements for the year  
ending 31 December 2015

*Testo del comunicato*

Vedi allegato.

# GEFRAN

Gefran: the Board of Directors approves the draft financial statements for the year ending 31 December 2015

- Revenues declined by 11% compared to 2014.
- EBITDA of EUR 5.7 million.
- EBIT was negative by EUR 630 thousand.
- Net debt of EUR 24.9 million.
- The Shareholders' Meeting is convened for 21 April 2016.

Consolidated income statement figures (Euro /000)	31 December 2015		31 December 2014		4Q 2015		4Q 2014	
Revenues	115,352	100.0%	129,627	100.0%	28,728	100.0%	36,086	100.0%
EBITDA	5,681	4.9%	12,936	10.0%	2,421	8.4%	3,790	10.5%
EBIT	(630)	-0.5%	6,581	5.1%	838	2.9%	2,357	6.5%
Profit (loss) before tax	(1,634)	-1.4%	5,931	4.6%	971	3.4%	1,889	5.2%
Result from operating activities	(4,582)	-4.0%	2,752	2.1%	(641)	-2.2%	556	1.5%
Profit (loss) from assets held for sale	(187)	-0.2%	(2,976)	-2.3%	0	0.0%	(785)	-2.2%
Group net profit (loss)	(4,769)	-4.1%	(224)	-0.2%	(641)	-2.2%	(229)	-0.6%

Consolidated statement of financial position figures (Euro /000)	31 December 2015	31 December 2014
Net invested capital	86,508	92,231
Net working capital	40,166	45,394
Shareholders' equity	62,984	65,980
Net financial position	(24,878)	(27,605)

(EUR /000)	31 December 2015	31 December 2014
Operating cash flow	7,285	(826)
Investments	4,733	5,462

**Provaglio d'Iseo (BS), 10 March 2016** – The Board of Directors of GEFran S.p.A. met today under the chairmanship of Ennio Franceschetti at the Company's headquarters in Provaglio d'Iseo (BS), and unanimously approved the results for the year ending 31 December 2015.

**Revenues** came in at EUR 115,352 thousand for the year ending 31 December 2015, compared with EUR 129,627 thousand of 2014, and contracted by 11% relative to the previous year.

A breakdown of revenues by **geographical region** shows significant growth in North America (+23.8%) partly thanks to the currency, and in the European Union (+6.2%); positive results, albeit to a marginal extent, were also recorded in Europe outside the EU (+0.4%). The South American region contracted, partly because of the decline of the Brazilian Real relative to the Euro, which significantly affected revenues.

In Asia, the reduction in revenues, amounting to 38.6% compared to 2014, is the result of a substantial break-even of the first quarter compared to the year 2014, while the remaining quarters declined by 46.8% on average.

The breakdown of **revenues by business area** shows growth of EUR 2,927 thousand (+6.5%) in the sensor business, mostly thanks to the Melt family and to the attainment of synergies in the distribution of Sensormate products. The revenues of the automation Components business, amounting to EUR 30,432 thousand, declined slightly compared to 2014 (EUR 366 thousand) because of the slowdown recorded in the second quarter of the year. Lastly, the Drives business, with EUR 40,134 thousand in revenues, declined by 30.0% and this significant change is entirely due to the contraction of revenues in the Chinese and Singapore affiliates.

**Added value** at 31 December 2015 amounted to EUR 76,046 thousand (EUR 79,912 thousand at 31 December 2014) and it is equal to 65.9% of revenues, up by 4.3 points compared to the value of 2014 (61.6% of revenues). This improvement, obtained in spite of the contraction in volumes that absorbs EUR 9,411 thousand of added value, is due to savings on raw material purchases and to the improvement in margins and the mix of products sold, which had a positive impact of EUR 5,545 thousand.

**Personnel costs** at 31 December 2015 amounted to EUR 46,313 thousand, compared with the cost of EUR 47,381 thousand of 31 December 2014. The 2014 figure includes non recurring costs of EUR 1,023 thousand for restructuring costs. In the fourth quarter 2015 alone, personnel costs amounted to EUR 10,335 thousand, compared with EUR 11,866 thousand of the same period of 2014; the reduction by EUR 1,531 thousand reflects mainly the benefits deriving from the significant reorganisation of the Group's subsidiaries, which at the end of December 2015 led to the termination of the employment of 39 workers from all subsidiaries.

**EBITDA** was positive at EUR 5,681 thousand in 2015 (EUR 12,936 thousand at 31 December 2014), thus down by EUR 7,255 thousand compared to 2014 and amounting to 4.9% of revenues. The **EBITDA** of the fourth quarter amounted to EUR 2,421 thousand (EUR 3,790 thousand in the fourth quarter of 2014) and it was equal to 8.4% of revenues (10.5% in 2014).

**EBIT** for the year ended 31 December 2015 was negative by EUR 630 thousand, compared with a positive value of EUR 6,581 thousand in 2014. The reasons for EBIT performance are the same as those commented with regard to the change in EBITDA. In the fourth quarter 2015, the figure amounted to EUR 838 thousand, compared with an EBIT of EUR 2,357 thousand of the same period of 2014.

**Charges from financial assets/liabilities** were EUR 1,123 thousand at 31 December 2015 (EUR 686 thousand at 31 December 2014).

Current **taxes** and deferred tax assets and liabilities were negative and amounted to EUR 2,948 thousand at 31 December 2015, compared with negative taxes of EUR 3,179 thousand in 2014.

The **Group net loss** amounted to EUR 4,769 thousand in 2015 and it compares with the loss of EUR 224 thousand of the year 2014 (the loss amounted to EUR 989 thousand when the effect of all non recurring components in 2014 is excluded). The figure was also negative in the fourth quarter and amounted to EUR 641 thousand and it compares with a loss of EUR 229 thousand in the same period of 2014.

Net **non-current assets** at 31 December 2015 were EUR 62,717 thousand, compared with EUR 64,760 thousand at 31 December 2014.

**Net Working capital** was EUR 31,920 thousand at 31 December 2015, compared with EUR 35,909 thousand at 31 December 2014, an overall decrease of EUR 3,989 thousand.

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**Provisions for risks and future liabilities** amounted to EUR 1,856 thousand, in decline by EUR 211 thousand compared to 31 December 2014. They include provisions for legal disputes in progress and other funds for miscellaneous risks. The decrease is due to the use of accruals, including non-recurring, made in the previous year, particularly by the Parent Company.

**Shareholders' equity** was EUR 62,984 thousand at 31 December 2015, compared with EUR 65,980 thousand at 31 December 2014. The decrease was mainly generated by the loss of EUR 4,769 for the year, partially offset by the change in the other reserves, which was positive by EUR 1,773 thousand overall.

**Net debt** at 31 December 2015 was EUR 24,878 thousand, an improvement by EUR 2,727 thousand compared to 31 December 2014.

*“The lower than expected result highlighted the need to stop the negative trend of the Group’s performance, with immediate initiatives on organisational and managerial structures” - Chief Executive Officer **Maria Chiara Franceschetti** thus commented on the results – “The priority for the current year is to recover margins, regardless of the growth planned in past years: the strategies defined will be compatible with the revenues recorded in recent years, focusing our actions on the most profitable products and applications.”*

*Gefran’s portfolio will maintain the revenue breakdown recorded in 2015 with the higher share realised by the Sensors, an important restructuring initiative was planned in Italy and, lastly, a sharper focus on economies of scale and on the dimensional aspects of the corporate structure is the object of the management's attention.*

*Vertical integration remains one of the fundamentals, one of the strengths of the Gefran Group, and for this reason the level of investment is expected to remain high not only in research and development for the new product ranges, but also in the innovation of production processes through machinery and technological lines to be installed in the plants.*

In the absence of currently unforeseeable events, therefore, consolidated revenues in the current year are expected to be higher by 8% compared to the previous year, with a recovery of EBITDA margin, forecast at approximately 8% of revenues, and EBIT between 3% and 3.5%.

## **Gefran S.p.A., draft financial statements**

Concerning **Gefran S.p.A., revenues** for 2015 amounted to EUR 74,771 thousand, a decrease by 6.9% compared to 2014. **EBIT** was negative by EUR 3,735 thousand: this result is due to the reduction in sales revenues, as well as the costs recorded in the company's decision to waive claims against its subsidiary Gefran South Africa and begin the settlement process, which have impacted altogether for EUR 2,402 thousand, of which EUR 1,139 thousand direct reduction of the operating result.

**Net non-current assets** amounted to EUR 73,407 thousand, **working capital** was EUR 14,531 thousand and **Shareholders' equity** amounted to EUR 46,698 thousand. **Net debt** amounted to EUR 36,531 thousand, down compared to 31 December 2014.



## Notice of Ordinary Shareholders' Meeting

The Ordinary Shareholders' Meeting will be held at the registered office of GEFRAN S.p.A., at Via Statale Sebina 74, Provaglio d'Iseo (BS), at 5 p.m. on 21 April 2016 (first call), and if necessary, at the same time and place on 22 April 2016 (second call), to discuss and vote on the following

### AGENDA

**1. Annual financial statements for the year ending 31 December 2015.**

1.1. Approval of the annual financial statements for the year ending 31 December 2015; reports of the Board of Directors, Board of Statutory Auditors and External Auditors.

1.2. Coverage of the loss for the year.

**2. Appointment of the Independent Audit Firm.**

2.1. Assignment to audit the accounts for the years from 2016 to 2024, in accordance with Article 13, Paragraph 1 of Italian Legislative Decree no. 39 of 27 January 2010.

2.2. Approval of the related compensation.

**3. General Group Remuneration Policy. Consultation on the first section of the Report on Remuneration, pursuant to paragraph 6, article 123-ter of Italian Legislative Decree no. 58/1998.**

**4. Revoking of the previous authorisation to buy and sell own shares and release of new authorisation.**

### Result for the year

Regarding the result for the year 2015, the Board of Directors has decided to propose to the Shareholders' Meeting that the loss of EUR 1,345,760 be covered using available reserves and that dividends should not be paid.

### Authorisation to buy own shares

The Board of Directors has resolved to ask the Shareholders' Meeting to authorise the purchase and disposal of ordinary shares in the Company up to a maximum of 1,440,000 shares, equivalent to 10% of the share capital. The authorisation is requested for a period of 18 months from the date of the shareholders' resolution.

Authorisation to buy and dispose of own shares is required for the following purposes:

- to trade on the market, in accordance with the regulations in force;
- to offer shareholders an additional tool to monetise investments.

Acquisitions and disposals of own shares, which must comply with market practices and the regulatory provisions in force, will involve the 225,828 own shares currently in the portfolio, representing 1.57% of the share capital.

Own shares will be purchased at a unit price that is not less than their nominal value and not higher than the average price over the last three trading days prior to the purchase date plus 15%.

The sale price will be established on each occasion by the Board, based on the share price trend prior to the transaction and in the Company's best interest. The minimum price may not be more than 10% lower than the price registered during the trading session prior to each disposal; this price limit shall not be applied in the case of a disposal other than sale.

For further details, please see the Explanatory Report on items on the agenda of the Shareholders' Meeting, published on the Company's website [www.gefran.com](http://www.gefran.com).

*Fausta Coffano, the Director responsible for drawing up the company's accounting statements, hereby declares, pursuant to paragraph 2, article 154-bis of the Testo Unico della Finanza law, that the information contained in this press release accurately represents the figures contained in the Group's accounting records.*

# GEFRAN

Please note that the draft financial statements and the consolidated financial statements for the year ending 31 December 2015, together with the associated reports, the Annual report on corporate governance and ownership structure, and the Report on Remuneration, will be available from 30 March 2016 at the Company's registered office and at Borsa Italiana S.p.A.. They can also be viewed on the Company's website [www.gefran.com](http://www.gefran.com).

Please note that the financial statements figures are currently subject to audit by the Board of Statutory Auditors and by the Independent Audit Firm.

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The **Gefran Group** operates directly on the main international markets, through sales branches in Italy, France, Germany, Switzerland, the UK, Belgium, Spain, Turkey, the US, Brazil, China, Singapore and India, as well as through manufacturing branches in Germany, Switzerland, Brazil, China and the US.

**Gefran** currently has 800 employees.

The key factors behind the company's success are specialist know-how, design and production flexibility, capacity for innovation and the quality of its processes and products. Absolute control of process technology and application know-how also enable **Gefran** to produce instruments and integrated systems for specific applications in a variety of industrial sectors: including the processing of plastics, the food and pharmaceutical industries, packaging and die casting machines.

**Gefran**, which has been listed on the Italian Stock Exchange since 9 June 1998, became part of the STAR (high-requisite stock) segment in 2001 and has been listed in the ALL STAR class since 31 January 2005 (which became the FTSE Italia STAR Index on 1 June 2009).

**Attachments: Income statement and statement of financial position figures of the listed company Gefran S.p.A., Consolidated income statement, Consolidated Statement of Financial Position, Consolidated Cash Flow Statement**

# GEFRAN

## INCOME STATEMENT FIGURES OF GEFRAN S.P.A. (Auditing still in progress)

(EUR /000)	31 December 2015		31 December 2014	
Revenues	74,771	100.0%	80,282	100.0%
EBITDA	1,332	1.8%	5,193	6.5%
EBIT	(3,735)	-5.0%	(2)	0.0%
Profit (loss) before tax	(412)	-0.6%	3,868	4.8%
Result from operating activities	(1,170)	-1.6%	2,348	2.9%
Profit (loss) from assets held for sale	(175)	-0.2%	(2,665)	-3.3%
Group net profit (loss)	(1,346)	-1.8%	(318)	-0.4%

## STATEMENT OF FINANCIAL POSITION FIGURES OF GEFRAN S.P.A. (Auditing still in progress)

(EUR /000)	31 December 2015	31 December 2014
Net invested capital	81,881	85,630
Net working capital	20,320	24,652
Shareholders' equity	46,698	48,129
Net financial position	(36,531)	(38,849)
Operating cash flow	9,486	4,994
Investments	4,123	5,462

## CONSOLIDATED INCOME STATEMENT (Auditing still in progress)

(EUR /000)	2015			2014			Chg '15-'14	
	Esc. non rec.	Comp. non rec.	Final	Esc. non rec.	Comp. non rec.	Final	esc. non rec. Value	%
a Revenues	115,352		115,352	128,922	(705)	129,627	(13,570)	-10.5%
b Consumption of materials and products	39,306		39,306	49,715		49,715	(10,409)	-20.9%
c Added value (a-b)	76,046	0	76,046	79,207	(705)	79,912	(3,161)	-4.0%
d Other operating costs	25,801		25,801	23,199	1,383	21,816	2,602	11.2%
e Personnel costs	46,313		46,313	46,358	(1,023)	47,381	(45)	-0.1%
f Increases for internal work	1,749		1,749	2,221		2,221	(472)	-21.3%
g EBITDA (c-d-e+f)	5,681	0	5,681	11,871	(1,065)	12,936	(6,190)	-52.1%
h Depreciation, amortisation and impairments	6,311		6,311	6,355		6,355	(44)	-0.7%
i EBIT (g-h)	(630)	0	(630)	5,516	(1,065)	6,581	(6,146)	-111.4%
l Gains (losses) from financial assets/liabilities	(1,123)		(1,123)	(686)		(686)	(437)	63.7%
m Gains (losses) from shareholdings valued at equity	119		119	36		36	83	230.6%
n Profit (loss) before tax (i+l+m)	(1,634)	0	(1,634)	4,866	(1,065)	5,931	(6,500)	-133.6%
o Taxes	(2,948)		(2,948)	(3,179)		(3,179)	231	-7.3%
p Result from operating activities (n+o)	(4,582)	0	(4,582)	1,687	(1,065)	2,752	(6,269)	-371.6%
q Profit (loss) from assets held for sale	(187)		(187)	(2,676)	300	(2,976)	2,489	-93.0%
r Group net profit (loss) (p+q)	(4,769)	0	(4,769)	(989)	(765)	(224)	(3,780)	382.2%

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Auditing still in progress)

	31-Dec-15	%	31-Dec-14	%
<i>(EUR /000)</i>				
Intangible assets	15,126	17.2	14,550	15.5
Tangible assets	39,389	44.8	40,997	43.8
Financial assets	8,202	9.3	9,213	9.8
<b>Net fixed assets</b>	<b>62,717</b>	<b>71.4</b>	<b>64,760</b>	<b>69.2</b>
Inventories	22,674	25.8	21,004	22.4
Trade receivables	34,023	38.7	42,232	45.1
Trade payables	(16,531)	(18.8)	(17,842)	(19.1)
Other assets/liabilities	(8,246)	(9.4)	(9,485)	(10.1)
<b>Working capital</b>	<b>31,920</b>	<b>36.3</b>	<b>35,909</b>	<b>38.4</b>
Provisions for risks and future liabilities	(1,856)	(2.1)	(2,067)	(2.2)
Deferred tax provisions	(868)	(1.0)	(760)	(0.8)
Employee benefits	(5,405)	(6.2)	(5,611)	(6.0)
<b>Invested capital from operations</b>	<b>86,508</b>	<b>98.5</b>	<b>92,231</b>	<b>98.6</b>
<b>Invested capital from assets held for sale</b>	<b>1,354</b>	<b>1.5</b>	<b>1,354</b>	<b>1.4</b>
<b>Net invested capital</b>	<b>87,862</b>	<b>100.0</b>	<b>93,585</b>	<b>100.0</b>
Shareholders' equity	62,984	71.7	65,980	70.5
Medium- to long-term financial payables	10,879	12.4	25,959	27.7
Short-term financial payables	38,352	43.7	22,061	23.6
Financial liabilities for derivatives	274	0.3	343	0.4
Financial assets for derivatives	(25)	(0.0)	(26)	(0.0)
Cash and cash equivalents and short-term financial receivables	(24,602)	(28.0)	(20,732)	(22.2)
<b>Net debt relating to operations</b>	<b>24,878</b>	<b>28.3</b>	<b>27,605</b>	<b>29.5</b>
<b>Total sources of financing</b>	<b>87,862</b>	<b>100.0</b>	<b>93,585</b>	<b>100.0</b>



# GEFRAN

## CONSOLIDATED CASH FLOW STATEMENT *(Auditing still in progress)*

<i>(EUR /000)</i>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
<b>A) CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD</b>	<b>20,732</b>	<b>25,040</b>
<b>B) CASH FLOW GENERATED BY (USED IN) OPERATIONS IN THE PERIOD:</b>		
Net profit (loss) for the period	(4,769)	(224)
Depreciation/amortisation	6,311	6,355
Capital losses (gains) on the sale of non-current assets	(4)	(1,671)
Net result from financial operations	1,004	946
Change in provisions for risks and future liabilities	(417)	(1,473)
Change in other assets and liabilities	(1,239)	55
Change in deferred taxes	1,171	904
Change in trade receivables	8,209	(4,467)
Change in inventories	(1,670)	2,125
Change in trade payables	(1,311)	(3,376)
<b>TOTAL</b>	<b>7,285</b>	<b>(826)</b>
<b>C) CASH FLOW GENERATED BY (USED IN) INVESTMENT ACTIVITIES</b>		
Investments in:		
- Property, plant & equipment and intangible assets	(4,733)	(5,462)
- Equity investments and securities	0	700
- Acquisitions net of acquired cash	0	0
- Financial receivables	0	0
Disposal of non-current assets	97	1,465
<b>TOTAL</b>	<b>(4,636)</b>	<b>(3,297)</b>
<b>D) FREE CASH FLOW (B+C)</b>	<b>2,649</b>	<b>(4,123)</b>
<b>E) CASH FLOW GENERATED BY (USED IN) FINANCING ACTIVITIES</b>		
New financial payables	18,000	9,000
Repayment of financial payables	(17,791)	(12,370)
Increase (decrease) in current financial payables	1,002	2,955
Interest received (paid)	(1,311)	(1,633)
Change in shareholders' equity reserves	865	1,455
Dividends paid	0	0
<b>TOTAL</b>	<b>765</b>	<b>(593)</b>
<b>F) CASH FLOW FROM CONTINUING OPERATIONS (D+E)</b>	<b>3,414</b>	<b>(4,716)</b>
<b>G) CASH FLOW FROM OPERATIONS AVAILABLE FOR SALE</b>	<b>-</b>	<b>(523)</b>
H) Currency translation differences on cash at hand	456	931
<b>I) NET CHANGE IN CASH AT HAND (F+G+H)</b>	<b>3,870</b>	<b>(4,308)</b>
<b>J) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+I)</b>	<b>24,602</b>	<b>20,732</b>

Fine Comunicato n.0136-11

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