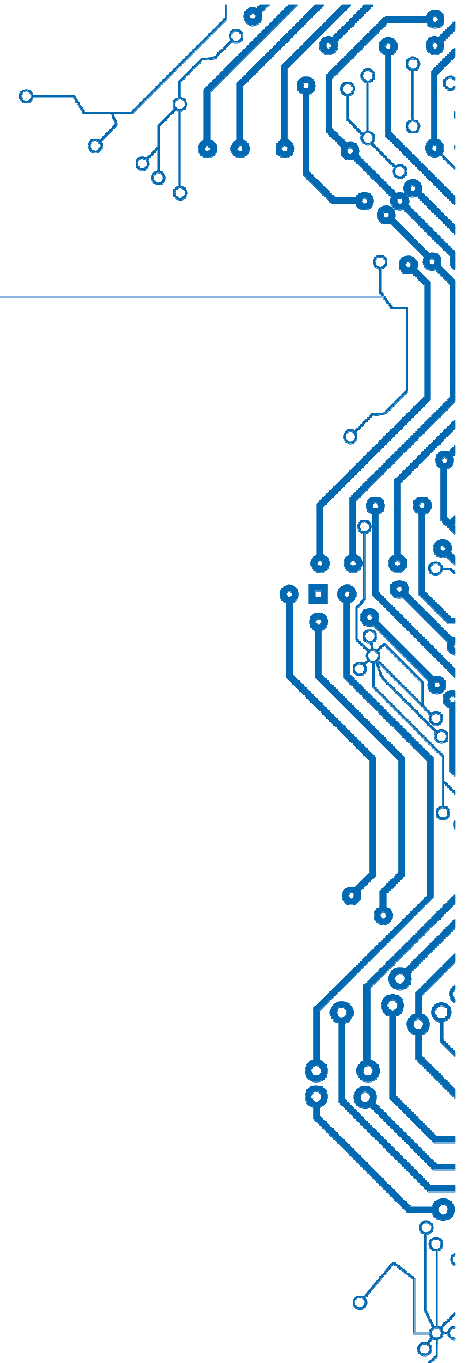


ENG

STAR CONFERENCE MILANO

March 15th, 2016

GEFRAN



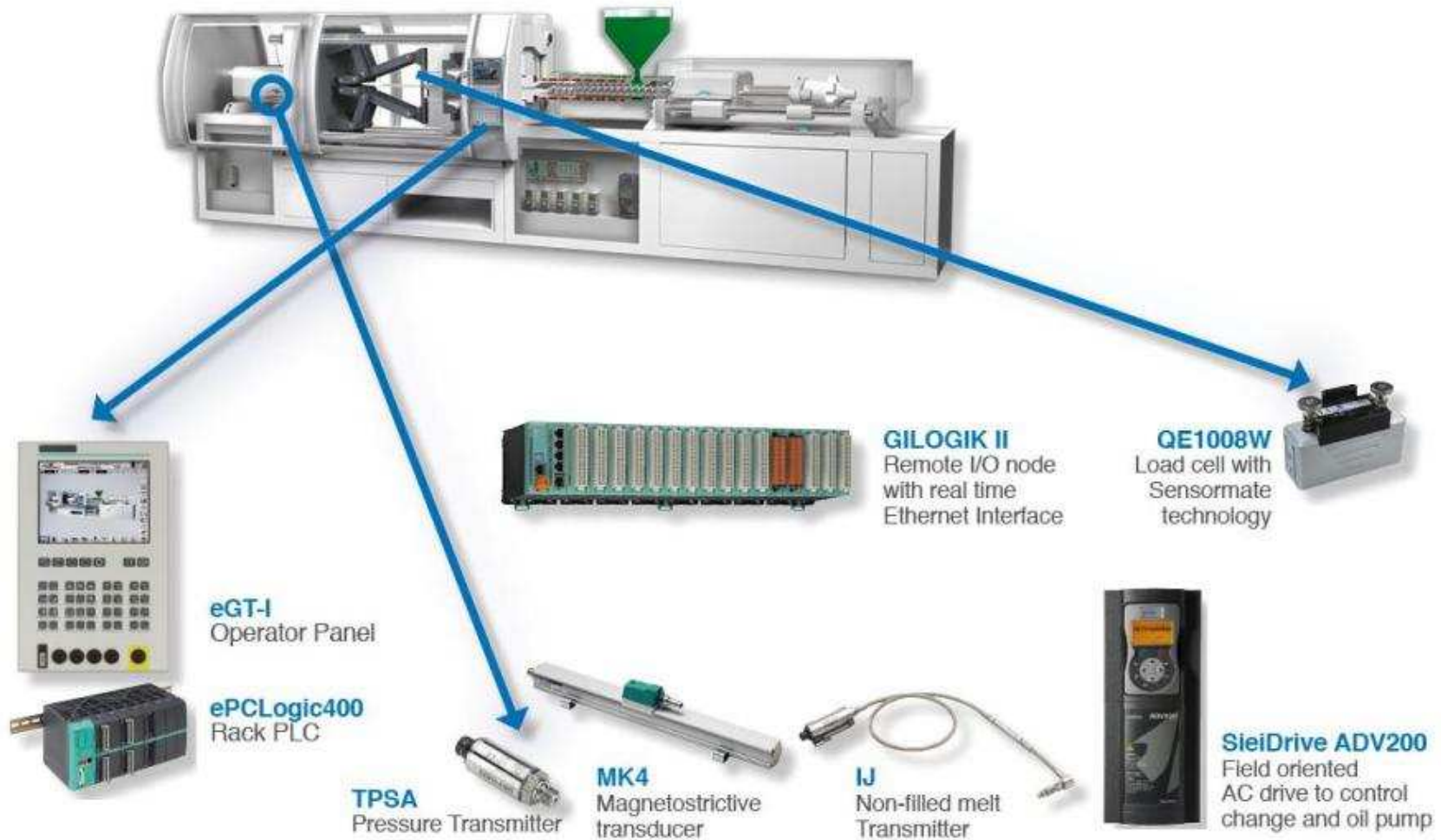
PRODUCT PORTFOLIO IN THE INDUSTRIAL AUTOMATION BUSINESS



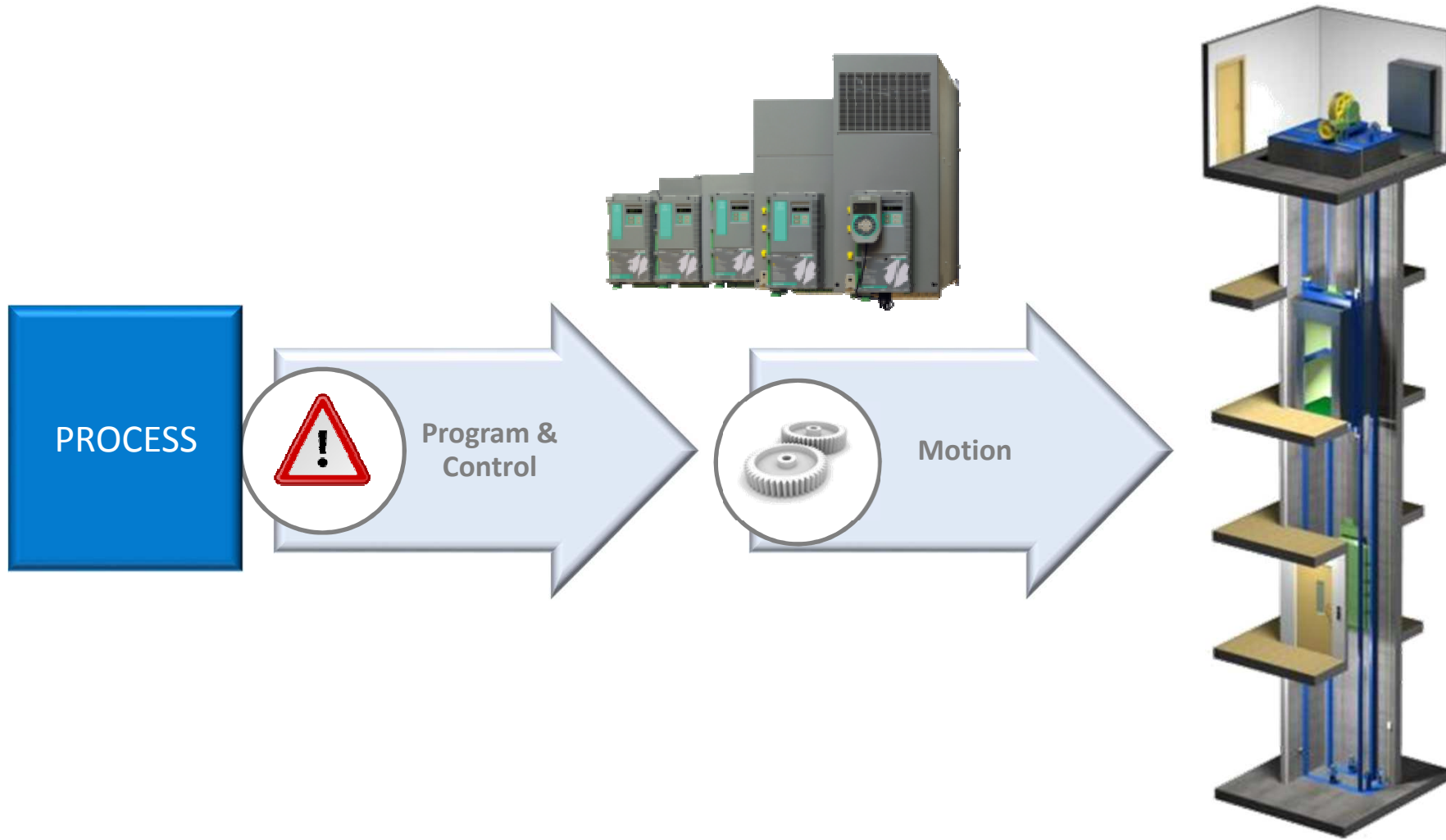
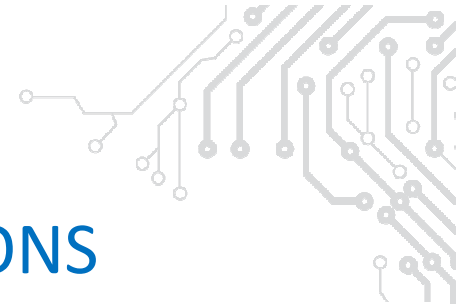
WE COVER THE AUTOMATION SUPPLY CHAIN WITH SPECIFIC PRODUCTS



WE ARE SPECIALIST IN SPECIFIC APPLICATIONS

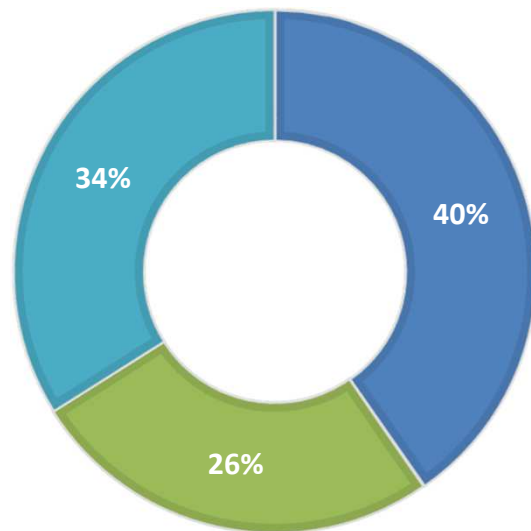


WE ARE SPECIALIST IN SPECIFIC APPLICATIONS

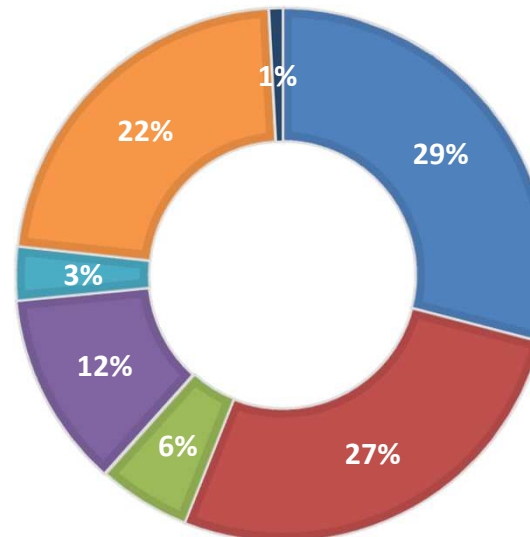


WE DIRECTLY COVER MATURE AND EMERGING MARKETS WITH A BALANCED PORTFOLIO

- A well balanced business portfolio, with about **70% of products dedicated to industrial applications**
- Gefran exports about two thirds of its revenues (1H2014 data)



■ Sensors
■ Componenti
■ Motion Control



■ Italy
■ UE
■ Europe non UE
■ North America
■ South America
■ Asia
■ RoW

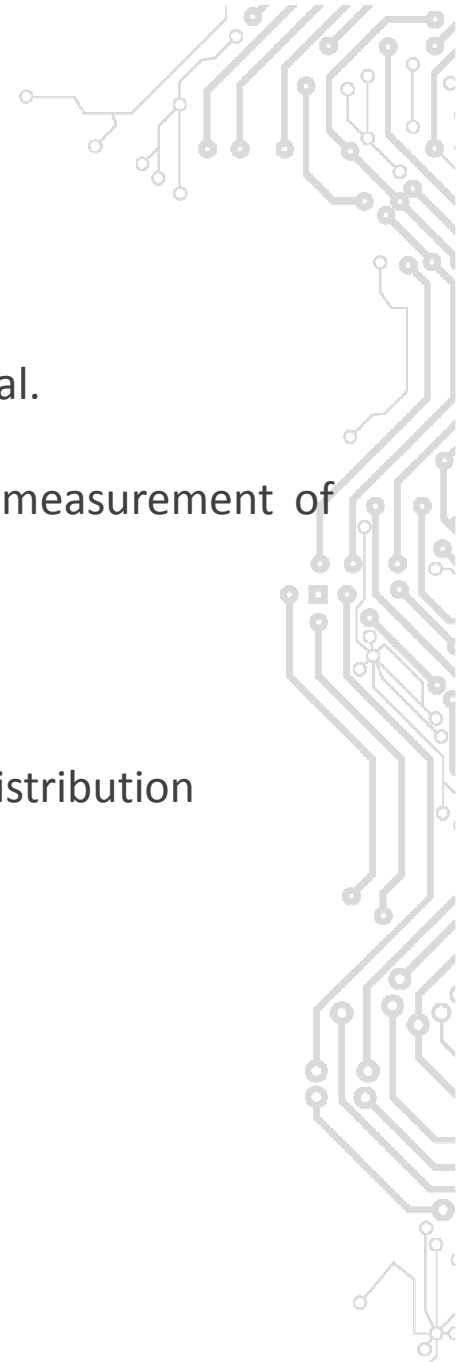
SENSORS

SENSORS – Devices that convert a physical quantity in an electric signal.

Gefran SENSORS ensure **HIGH ACCURACY** and **RELIABILITY** to the measurement of process variables: **PRESSURE, POSITION, TEMPERATURE** and **FORCE**.

Gefran sensors are used in a variety of industries.

Critical success factors: technology, product quality, presence in the distribution channels, in-house design and production of key elements



AUTOMATION COMPONENTS

COMPONENTS - Hardware and software for indication and regulation of process variables.

Gefran instruments have set market standards.

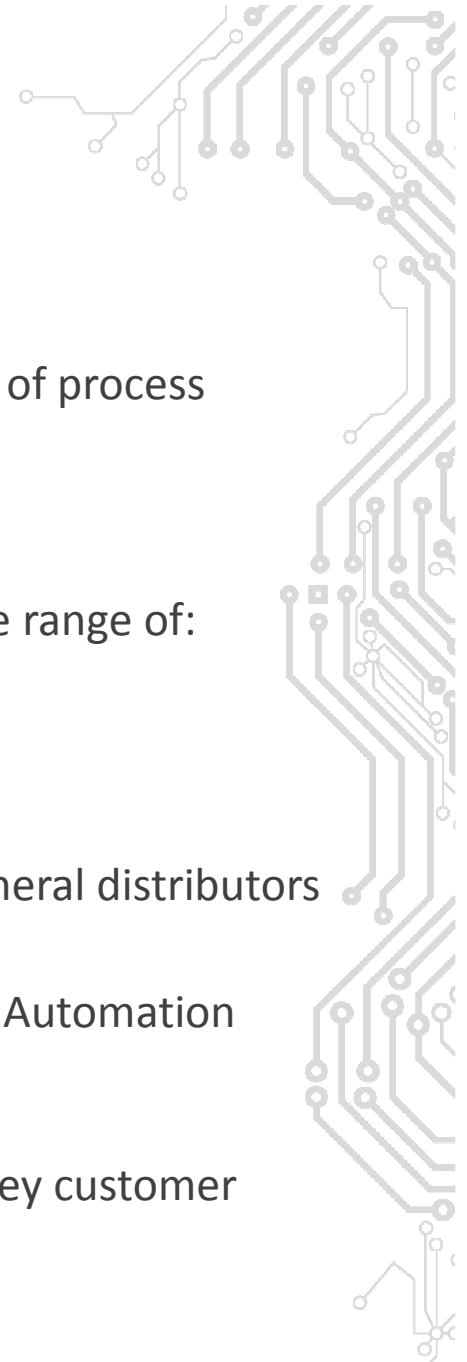
Gefran is leader in temperature controllers segment thanks to its wide range of:

- Indicators
- High performance controllers and programmers

Critical success factors: wide distribution network, specialised and general distributors

PC e PLC - Hardware and software for regulation of process variables: Automation platforms, HMI, PC & PLC, Software

Critical success factors: reputation, pre-post sales technical support, key customer references, know-how on specific application.





MOTION CONTROL

MOTION CONTROL - Inverters for the speed control of AC, DC and brushless motors.

INVERTERS FOR INDUSTRIAL APPLICATIONS – High power inverters with or without combination with regenerative power supplies, with different technological levels of product.

Critical success factors: wide product range, performance and reliability

LIFT INVERTERS - SIEI drive lift, a wide range of dedicated products, options and accessories specific for civil lift applications

Critical success factors: technology, specific application know-how, performance

CUSTOM PROJECT - Inverters that meet different application requirements, are based on specific application software. Examples: Plastic – Wellness

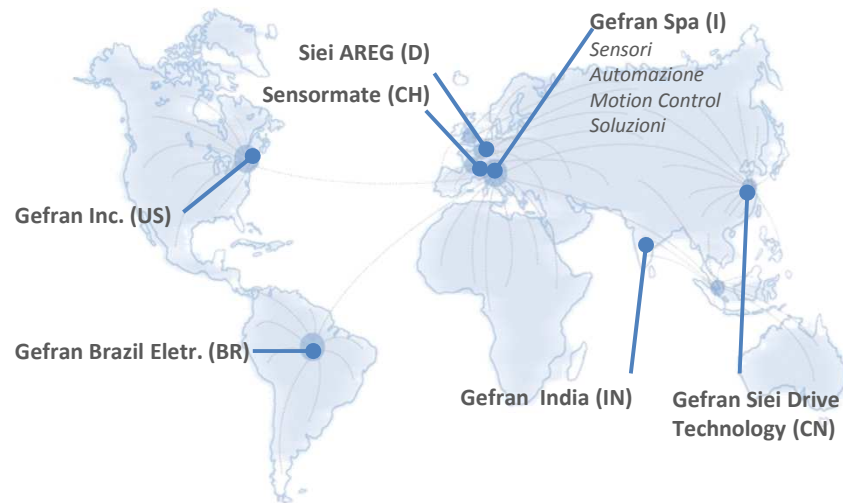
OUR COMPETITIVE ADVANTAGE

R&D – TECHNOLOGY DEVELOPEMENT
DESIGN AND PRODUZION FLEXIBILITY
APPLICATION KNOW HOW

The technological evolution of its products is an important factor for potential future growth, **Gefran typically invests more than 6% of its turnover to R&D activities** which are concentrated mainly in Italy in company laboratories located in Provaglio d’Iseo and Gerenzano. **10% of the total workforce is dedicated to R&D activities**



WE ARE PRESENT IN RELEVANT MARKETS WITH PRODUCTION SITES AND COMMERCIAL SUBSIDIARIES

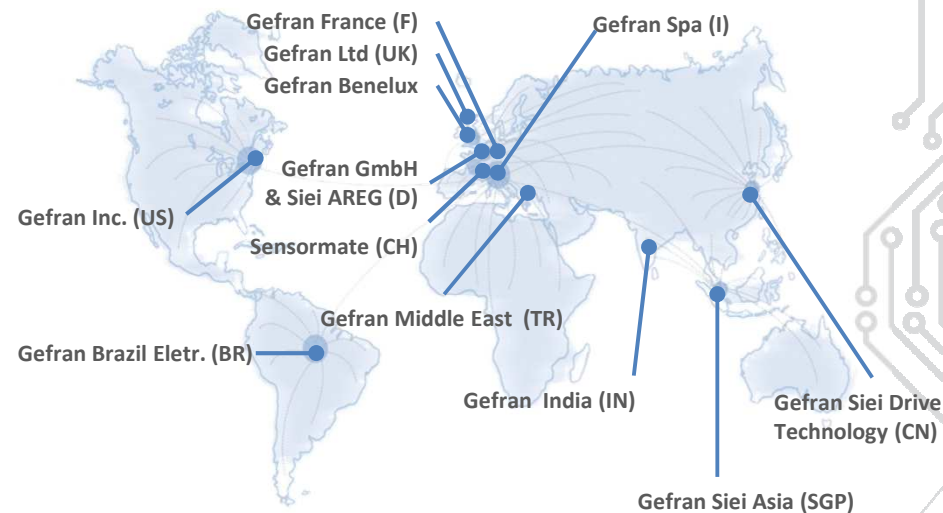


11 production sites

- 4 Sensors
- 2 Automation components
- 4 Motion Control
- 1 Solutions

52 paesi serviti con 16 trade organisations

- 6 subsidiaries in Europe oltre Gefran Spa
- 4 subsidiaries in Asia
- 1 subsidiary in Latin America
- 1 subsidiary in US

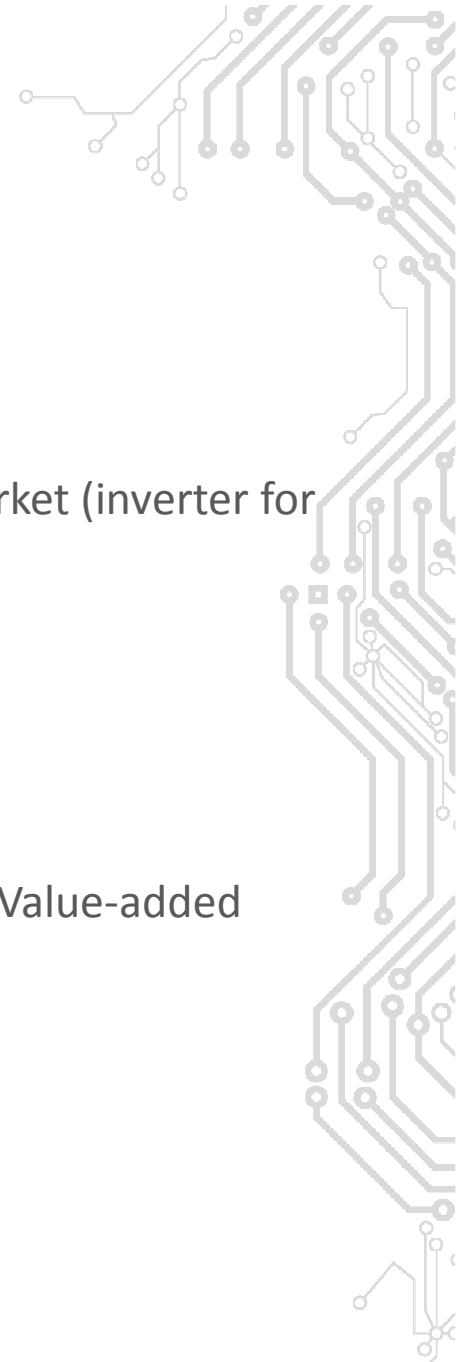


2015 RESULTS

€'000	2015	2014	
REVENUES	115.352	129.627	- 11%
VALUE ADDED	76.046	79.912	
EBITDA	5.681	12.936	+4%
EBIT	(630)	6.581	

2015 KEY FACTS

- Revenue down 11%
- Suffering in Asia (-38.6%), sharp decrease of revenues in the Lift market (inverter for lifts-business drives)
- Difficulties in the South American market.
- Well North America and Europe, driven by Germany
- The growth in sensors has a positive impact on the development of Value-added
- Sharp decrease of margins due to the decrease in volumes
→reorganization and restructuring



REVENUES AND MARGINS BY BUSINESS

	Motion Control			Sensors			Components		
in €'000	2015	2014	Δ	2015	2014	Δ	2015	2014	Δ
REVENUES	40.134	57.342	-30%	47.630	44.703	+6,5%	30.432	30.798	-1,2%
EBITDA	(6.656)	1.288		11.949	10.995		388	653	
EBITDA %	(16,6%)	2,2%		25,1%	24,6%		1,3%	2,1%	
EBIT	(8.835)	(1.215)		9.837	9.015		(1.632)	(1.219)	
EBIT %	(22%)	(2,1%)		20,7%	20,2%		(5,4%)	(4 %)	

REVENUES BY GEOGRAPHY

in €'000	2015	%	2014	%	Δ
ITALIY	33.475	29%	34.070	26,3%	-1,7%
EU	31.100	27%	29.297	22,6%	+6,1%
EUROPA NON EU	6.412	5,6%	6.389	4,9%	+0,35%
NORTH AMERICA	13.679	11,9%	11.050	8,5%	+23,7%
SOUTH AMERICA	3.755	3,3%	4.963	3,8%	-24%
ASIA	25.960	22,5%	42.292	32,6%	-38,6%
ROW	971	0,8%	1.566	1,2%	-37,9%

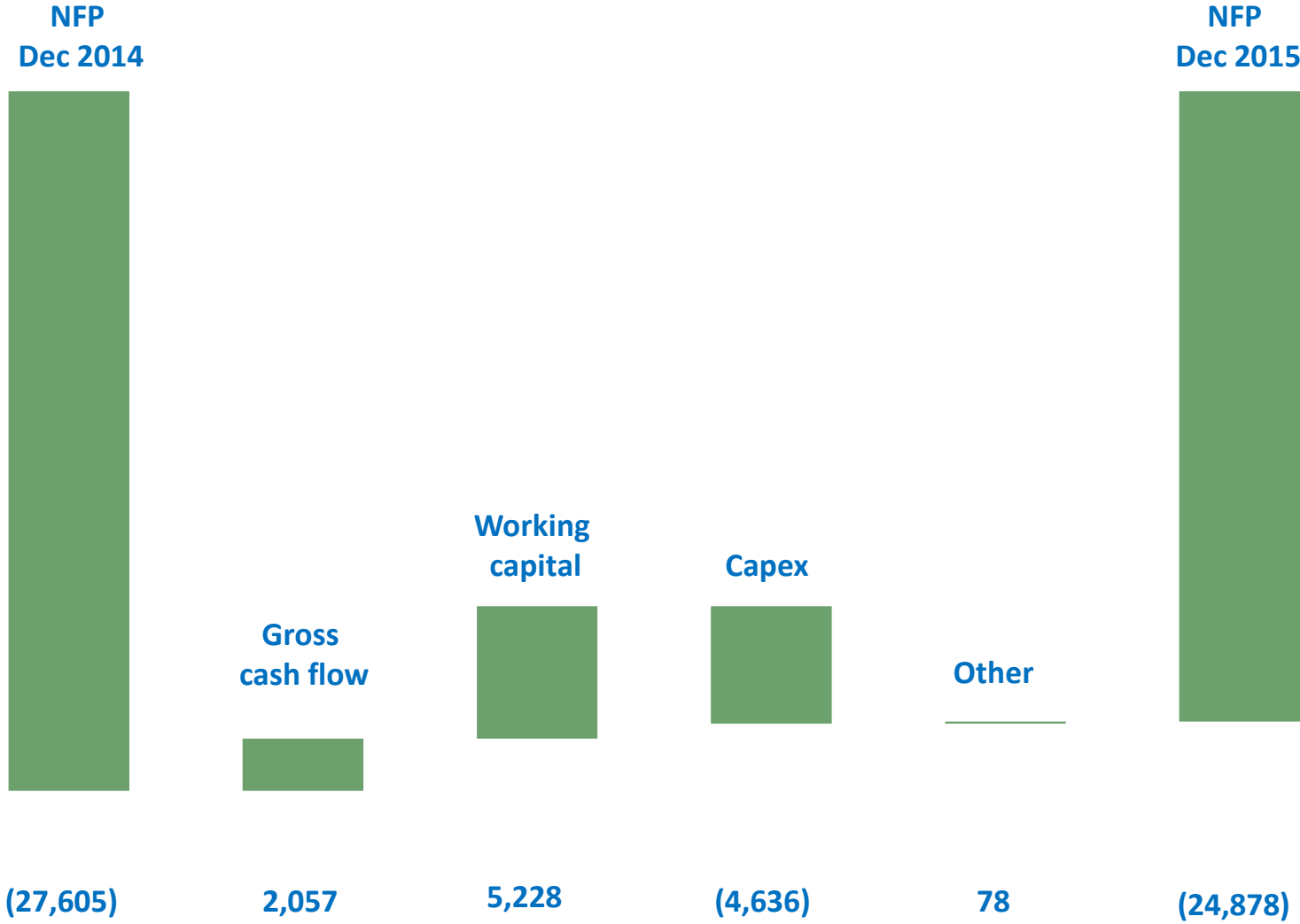
BALANCE SHEET

€'000	31-dic-15	31-dic-14
Net fixed assets	62.717	64.760
Net Working Capital	40.166	45.394
Other net assets/payables	-8.246	-9.485
Working Capital	31.920	35.909
Other non current assets	-8.129	-8.438
Asset available for sales	1.354	1.354
Net Invested Capital	87.862	93.585
Shareholders' Equity	62.984	65.980
Short-term Financial Debt	13.999	1.646
Long-term Financial Debt	10.879	25.959
Net Financial Position	24.878	27.605
Total Sources of Funding	87.862	93.585

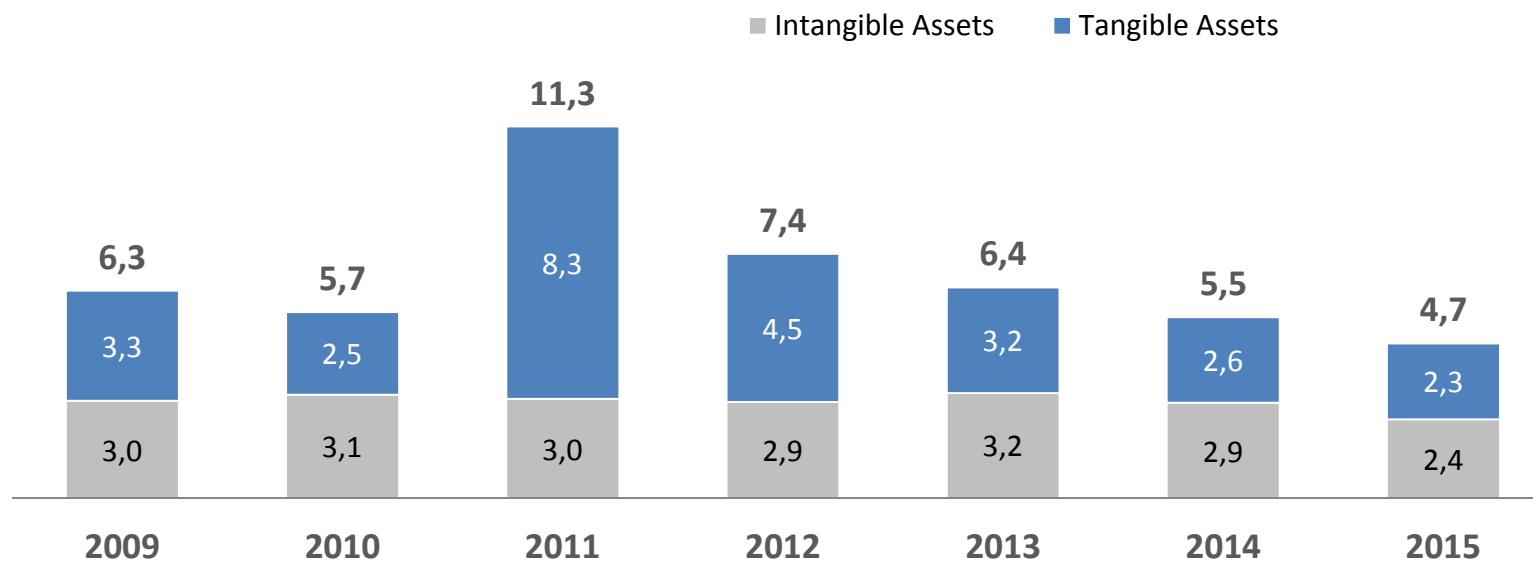
CASH FLOW

€'000	Dec, 31 2015	Dec, 31 2014
Gross Cash flow	2.057	4.892
Change in Working Capital	5.228	(5.718)
Operating Cash flow	7.285	(826)
Cash flow used in Capex and investment activities	(4.636)	(3.297)
Free Cash flow	2.649	(4.123)
Cash flow from(to) financing activities	765	(593)
Dividends paid and Other	456	408
Opening Cash & Cash equivalents	20.732	25.040

NET FINANCIAL POSITION AT THE END OF 2015 (€'000)

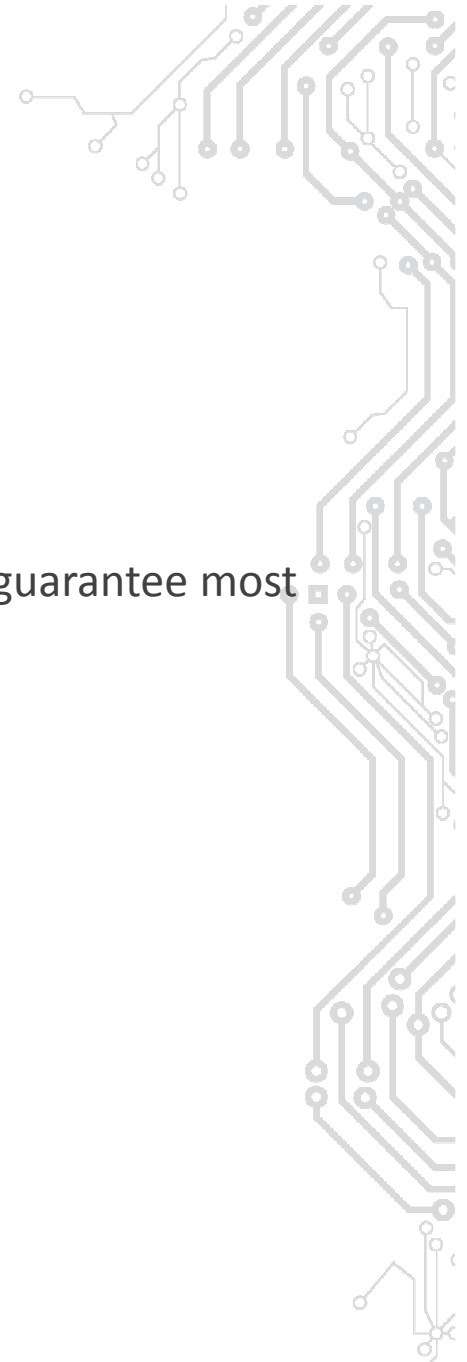


CAPEX



2016 TARGET

- Sustainable growth: return to profitability
- Investments and commercial actions aimed at the world of sensors guarantee most of the Group's business margins
- Performance increasing for components
- Decreasing of absorption of resources by the business Motion



2016 TARGET

- SENSORS AND COMPONENTS → Integration for sales and marketing of sensors and components to increase efficiency and optimize the synergies
- MOTION CONTROL → Specialized sales force, driven independently and with direct actions on the market: in the short term we are aiming to improve margins and not to a revenue growth
- Restructuring plan in Gefran Spa: April - December 2016
- Cost savings and structures easing

TURNOVER +8%

EBITDA 8%

EBIT 3 / 3,5%

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