

9M 2016 RESULTS

NICE PRESENTATION

November 2016, 11th

TheNiceGroup



9M 2016 RESULTS

FINANCIAL OVERVIEW

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9M 2016 RESULTS

HIGHLIGHTS

- Consolidated Sales: **€ 230.0m** (+7.3% vs. 9M 2015)
- Gross margin: **53.1%** (vs. 54.9% in 9M 2015)
- EBITDA margin: **15.0%** (vs. 15.8% in 9M 2015)
- Group Net Income margin *adjusted* (2): **6.2%** (vs. 5.8% in 9M 2015)
- Operating Free Cash Flow: **€ 3.0m** (vs. € 5.7m in 9M 2015)
- NFP: **€ -25.9m** (vs. € -7.8m as of 30 September 2015)
- Extraordinary operation: acquisition of Hy-Security Gate Inc. and sale of FontanaArte business

€m	9M 2016		9M 2015		Δ %	Δ % ⁽¹⁾
Net Sales	230.0	100.0%	214.4	100.0%	7.3%	10.6%
Gross Profit	122.1	53.1%	117.8	54.9%	3.6%	
EBITDA	34.5	15.0%	33.8	15.8%	2.0%	
Group Net Income <i>adjusted</i> (2)	14.2	6.2%	12.4	5.8%	14.7%	
Operating Free Cash Flow	3.0		5.7			
Net Financial Position	-25.9		-7.8			

⁽¹⁾ At constant exchange rates

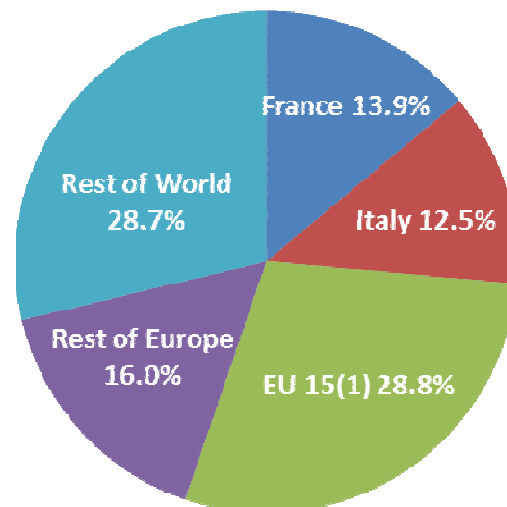
⁽²⁾ Excluding impairment net result of 4.9 mil Euro in 9M2016

9M 2016 RESULTS

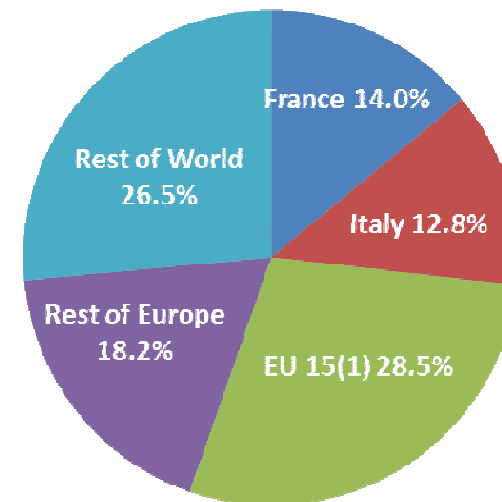
NET SALES BREAKDOWN BY REGION

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9M 2016



9M 2015



€m	9M 2016	9M 2015	Δ %	Δ % ⁽²⁾
France	32.0	30.0	6.8%	6.8%
Italy	28.7	27.5	4.5%	4.5%
EU 15 ⁽¹⁾	66.3	61.2	8.4%	9.0%
Rest of Europe	36.9	39.1	(5.6%)	(2.0%)
Rest of World	66.1	56.7	16.5%	25.9%
Net Sales	230.0	214.4	7.3%	10.6%

(1) Excluding Italy and France

(2) At constant exchange rates

9M 2016 RESULTS

PROFIT & LOSS

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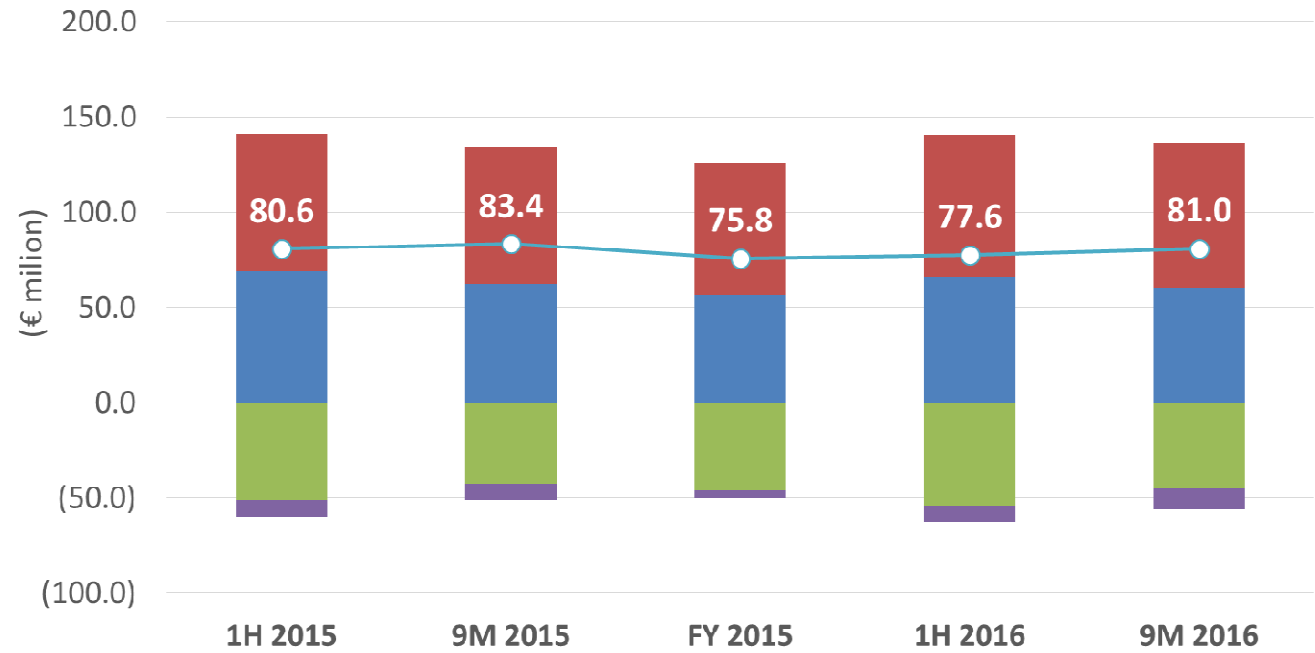
(in millions of Euro)	9M 2016	%	9M 2015	%	Δ %
Revenues	230.0	100.0%	214.4	100.0%	7.3%
Cost of goods sold	(108.0)	-46.9%	(96.6)	-45.1%	
Gross Profit	122.1	53.1%	117.8	54.9%	3.6%
Industrial costs	(7.7)	-3.3%	(7.1)	-3.3%	
Marketing costs	(6.3)	-2.7%	(6.8)	-3.2%	
Trade costs	(11.1)	-4.8%	(10.6)	-4.9%	
General costs	(19.1)	-8.3%	(18.4)	-8.6%	
Personnel costs	(43.4)	-18.9%	(41.1)	-19.2%	
Total Operating Costs	(87.5)	-38.1%	(84.0)	-39.2%	
EBITDA	34.5	15.0%	33.8	15.8%	2.0%
Depreciation and amortisation	(13.7)	-6.0%	(6.1)	-2.9%	
EBIT	20.8	9.0%	27.7	12.9%	
EBIT adjusted (1)	27.6	12.0%	27.7	12.9%	-0.5%
Financial management and other costs	(2.5)	-1.1%	(3.2)	-1.5%	
Pre-tax profit	18.3	8.0%	24.5	11.4%	
Taxes	(8.8)	-3.8%	(11.9)	-5.5%	
Net profit/loss	9.5	4.1%	12.7	5.9%	
Net profit/loss adjusted (1)	14.4	6.3%	12.7	5.9%	14.0%
Profit/Loss attributable to non-controlling interests	0.2	0.1%	0.2	0.1%	
Group net profit/loss	9.3	4.0%	12.4	5.8%	
Group net profit/loss adjusted (2)	14.2	6.2%	12.4	5.8%	14.7%

(1) The adjustment refers to the one-off impairment applied on FontanaArte's brand and building that houses the activity of FontanaArte, written down respectively for Euro 4.8 million and Euro 2.0 million.

(2) The adjustment refers to impairment described in note (1) plus its tax effect amounting to 1.9 million.

9M 2016 RESULTS

WORKING CAPITAL



Trade receivables Inventory Trade payables Other curr. assets / (Liab.) Net Working Capital

Working Capital / LTM Net Sales equivalent

27.2%

28.3%

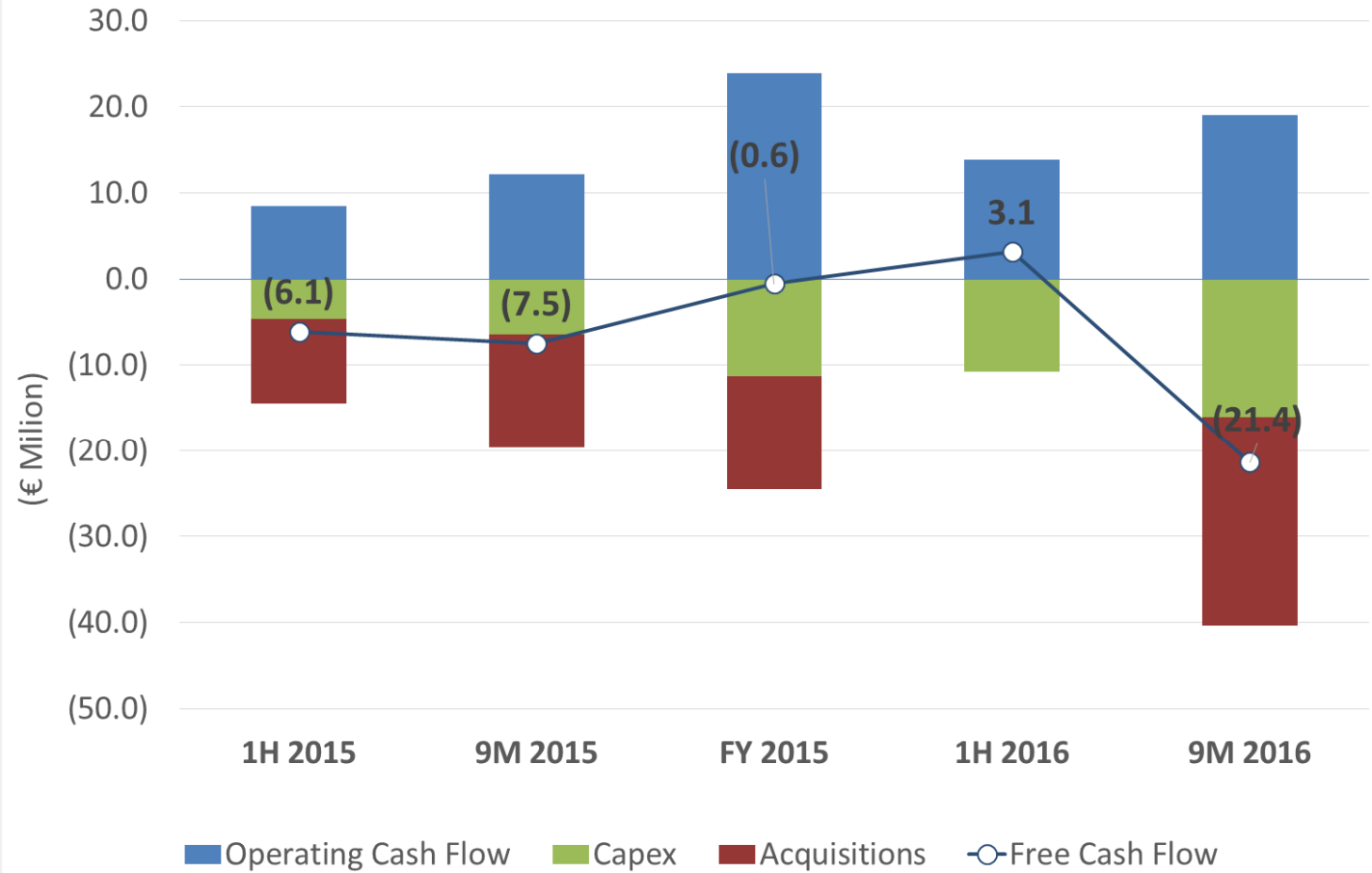
25.8%

26.3%

25.2%

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FREE CASH FLOW



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STATEMENT OF FINANCIAL POSITION

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€m	9M 2016	FY 2015	9M 2015
Intangible assets	112.9	86.9	89.1
Tangible assets	48.7	41.8	39.2
Other fixed assets	15.9	13.1	13.9
Fixed Assets	177.5	141.8	142.2
Trade receivables	60.7	56.6	62.3
Inventory	76.2	69.5	72.1
Trade payables	(45.1)	(46.2)	(42.6)
Other curr. assets / (Liab.)	(10.7)	(4.1)	(8.4)
Net Working Capital	81.0	75.8	83.4
Severance and other funds	(22.5)	(15.5)	(17.4)
Net Invested Capital	236.0	202.1	208.3
Shareholders' equity	211.6	204.6	202.4
Minorities	(1.5)	(2.0)	(1.9)
Total Shareholders' Equity	210.1	202.6	200.5
Cash & cash equivalents	(52.4)	(65.1)	(56.3)
Financial assets	(4.8)	(4.5)	(4.8)
Total debt	83.0	69.0	68.9
Net Debt	25.9	(0.5)	7.8
Net Capital Employed	236.0	202.1	208.3

9M 2016 RESULTS

CASH FLOW
STATEMENT

€m	9M 2016	FY 2015	9M 2015
Net profit	9.5	15.6	12.7
D&A and other non cash items	12.1	11.1	7.2
Change in Net Working Capital	(2.6)	(2.7)	(7.6)
Operating Cash Flow	19.0	23.9	12.2
Capex	(16.1)	(11.3)	(6.4)
Operating Free Cash Flow	3.0	12.6	5.7
Acquisitions	(24.3)	(13.2)	(13.2)
Free Cash Flow	(21.4)	(0.6)	(7.5)
Dividend paid out	(7.8)	(5.3)	(5.3)
Net Financial Position of the acquired companies	0.1	1.0	1.0
Remaining debt for Acquisitions	0.0	(2.2)	(2.2)
Other	2.6	(4.0)	(5.4)
Subtotal	(5.1)	(10.5)	(11.8)
Variation of Net Financial Position	(26.4)	(11.0)	(19.3)
Initial Net Financial Position	0.5	11.6	11.6
Final Net Financial Position	(25.9)	0.5	(7.8)

9M 2016 RESULTS

THE PATH AHEAD

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2016: The Opportunities

- Ongoing launch of new products
- New applications for Interiors
- Continuous investments in new technologies and quality manufacturing capacity
- Solid cash generation
- The Place: social hub to share ideas and facilitate knowledge flows
- Start up project to develop smart home solutions

Further International Expansion

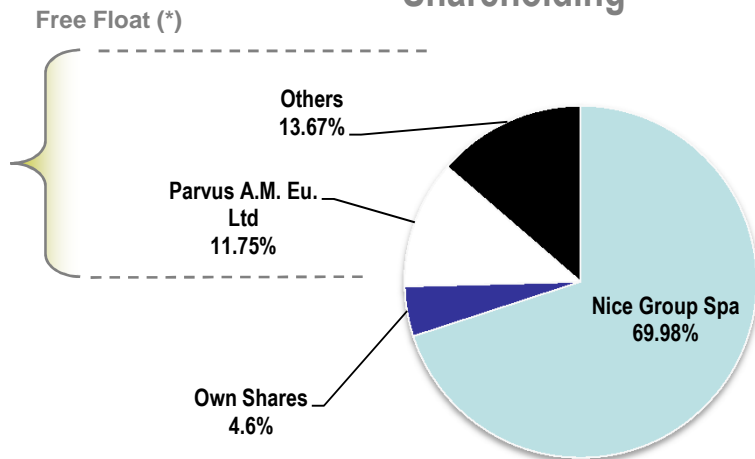
- Growth by acquisition
- Accelerated sales growth outside Europe
- Growth in core markets

Further Actions

- Increase our market share in «Gate and Screen» automation business

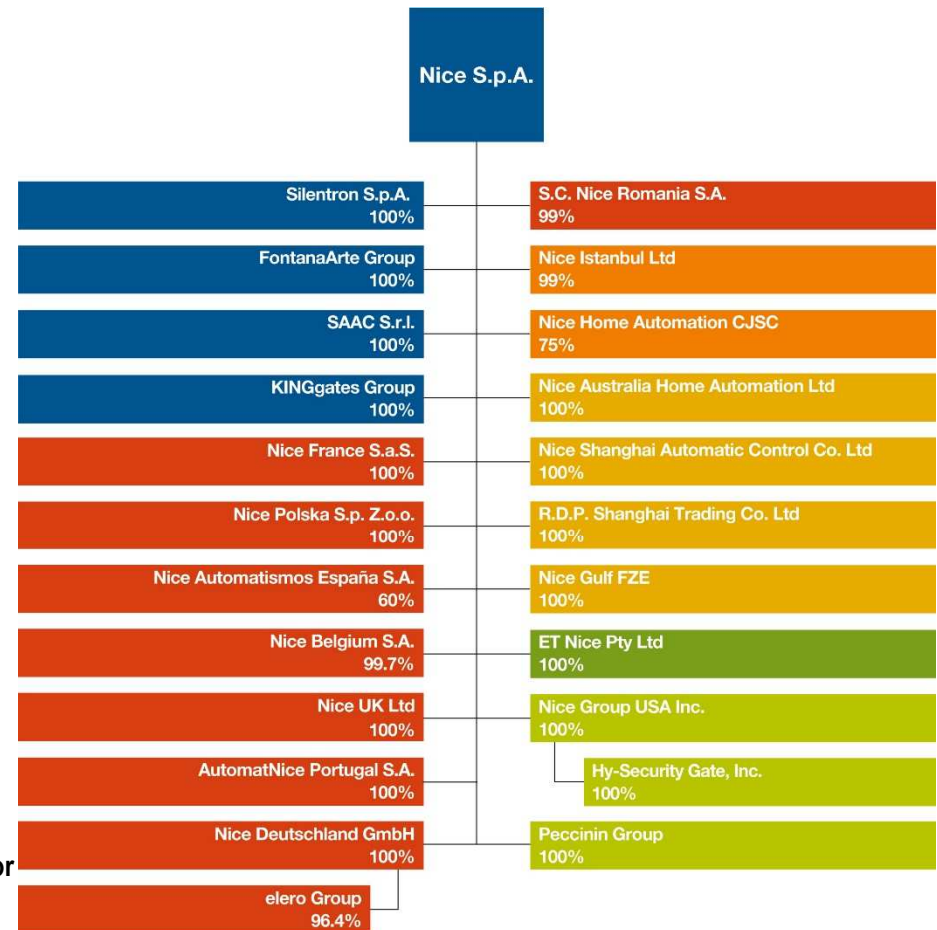
THE GROUP STRUCTURE (situation as at 30/09/2016)

Shareholding



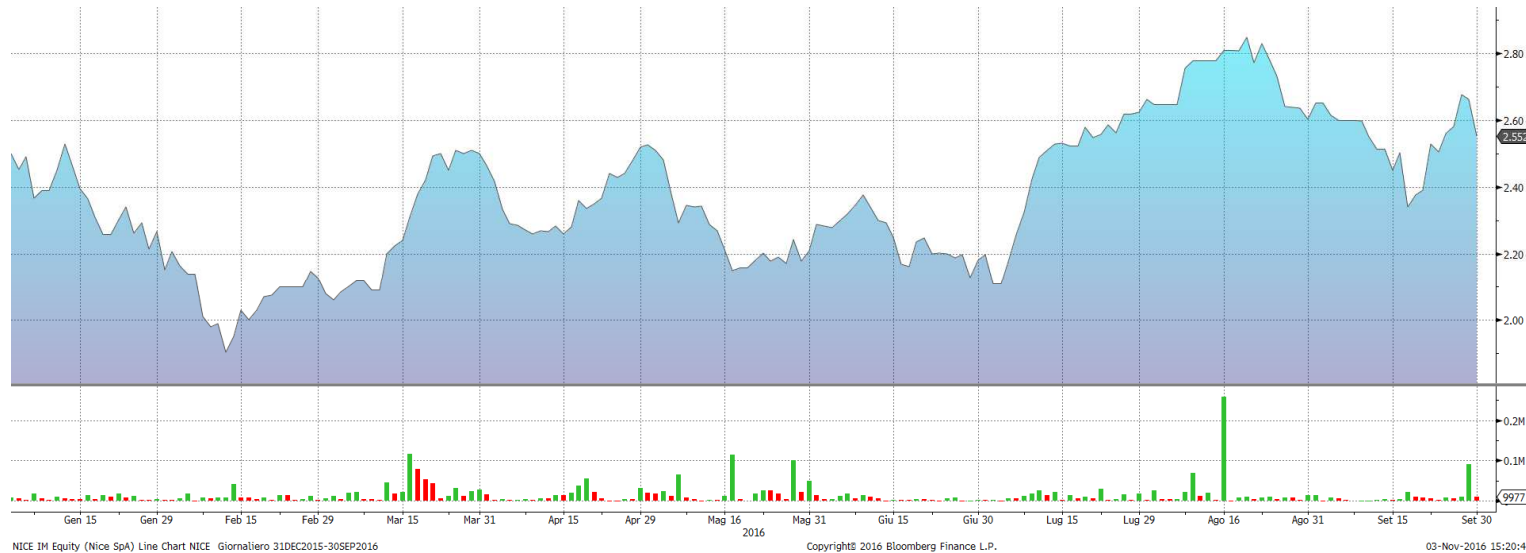
BOARD OF DIRECTORS

- | | |
|---|--|
| Lauro Buoro – Chairman | Giorgio Zanutto – Director |
| Roberto Griffa - Chief Executive Officer | Lorenzo Galberti - Director |
| Denise Cimolai – Director | Antonio Bortuzzo - Independent Director |
| Emanuela Banfi – Independent Director | Chiara Mio - Director |



- Italy
- European Union
- Rest of Europe
- Asia and Oceania
- Africa
- America

Stock Chart⁽¹⁾



(1) From 01/01/2016 to 30/09/2016
Source: Bloomberg

Share Information

N. of shares outstanding: 116.000.000

Ipo Price: € 5.70

Price as of 30/09/2016: € 2.552

Market Capitalization: € 296m

**Italian Stock Exchange –
STAR segment**

**Specialist:
UBI BANCA**

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