



# SPAFID CONNECT

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*Testo del comunicato*

Vedi allegato.



Fabbrica Italiana Lapis ed Affini

# FY2016 FILA Group Results



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# FY2016 Highlights

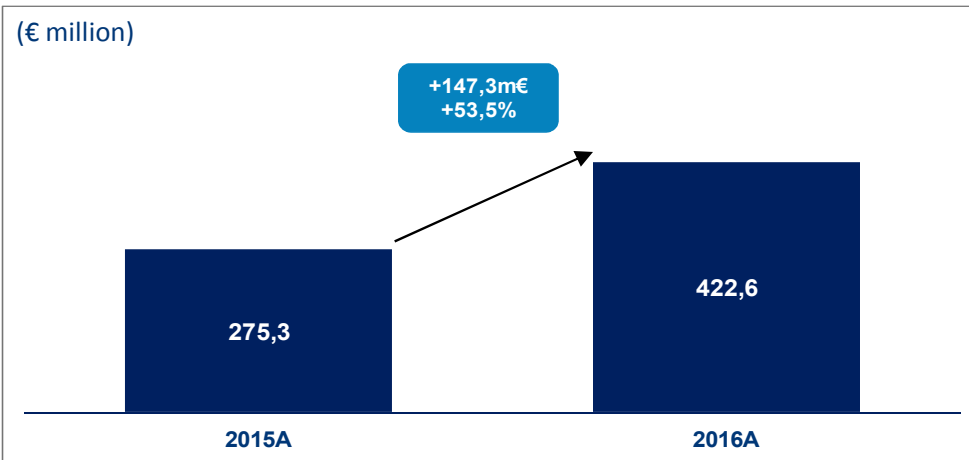
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**FILA closes FY2016 with a increase of sales in all the reference markets, primarily Centre & South America, in particular Mexico, Europe and North America.**

- **Core Business Sales** at 422,6mln €, +53,5% (organic growth, +9,3%)
  - increasing demand from Education and Art & Craft channels
  - Significant growth of the Other Creativity Instruments product line of +15,7%
  - Positive contribution of M&A of 133,3mln €
  - FX negative contribution of 11,8mln €
  - Group market share increase thanks to the Art & Craft segment acquisition and the subsequent distribution synergies
- **Adjusted EBITDA** at 67,2mln €, +41,2%, with an organic growth of 12,8% registering an increase more than proportional than the Sales organic growth.
- **Adjusted Net Profit** at 28,2mln €
- **Net Financial Position** at 223,4mln € at the end of December 2016, mainly affected by M&A effect of 204,8mln € related to Daler & Rowney Group, St. Cuthberts and Canson acquisitions. Working Capital Improvement by approx 20mln € compared FY2015

# FY2016 Core Business Sales



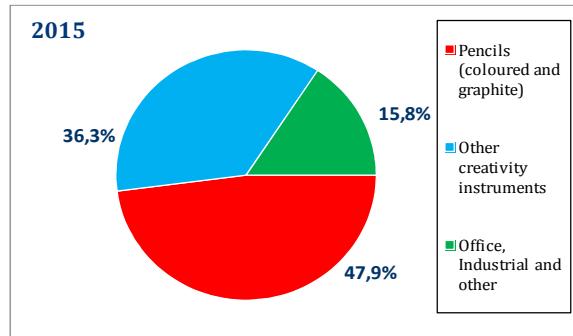
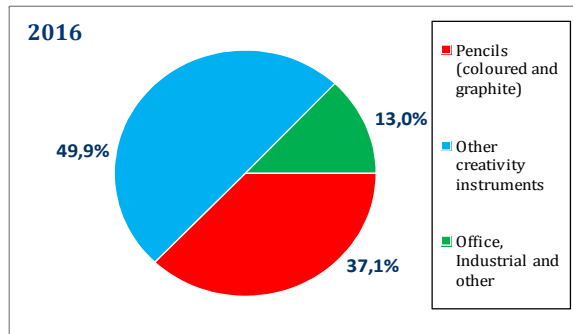
• Core Business Sales +53,5% (+147,3mln €). Organic growth, +25,7mln € (+9,3 %), net of M&A and FX effect, of which:

• By Geographic Area: mainly Centre-South America, +10,5mln € (+19,3%), Europe +6,9mln € (+5,5%), North America +3,9mln € (+4,6%) and Asia +3,8mln € (+42,9%)

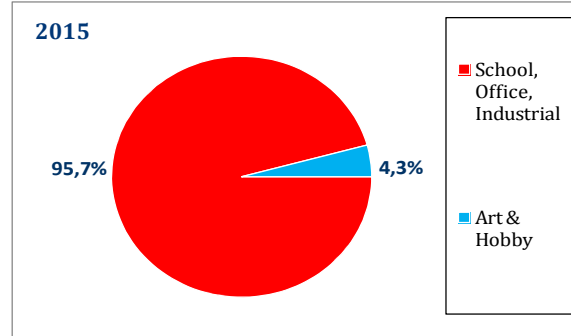
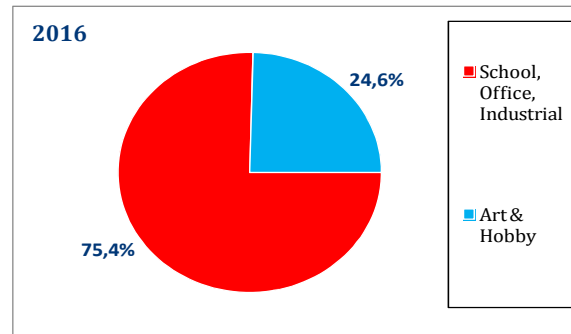
• By Product line: Other Creativity Instruments +15,5mln € (+15,7%), Pencils +6,5mln € (+5,1%), Office and Industrial Products of +3,7mln € (+8,9%)

• M&A effect 133,3 mln € (37,7mln € WFPL/Pioneer, 72,6mln € D&R Group, 21,4 mln € Canson Group and 1,6mln € St Cuthberts Mill)

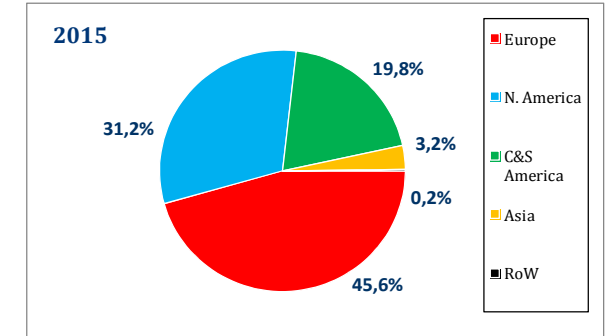
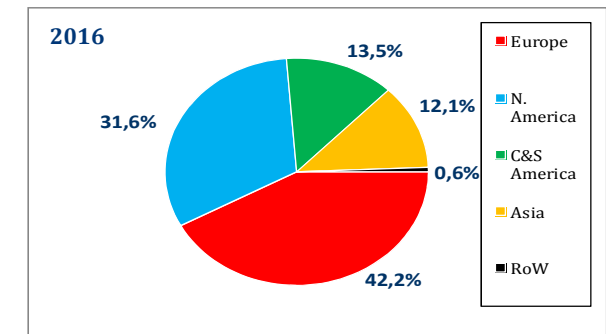
## SALES BY PRODUCT LINE



## SALES BY MARKETING DIVISION



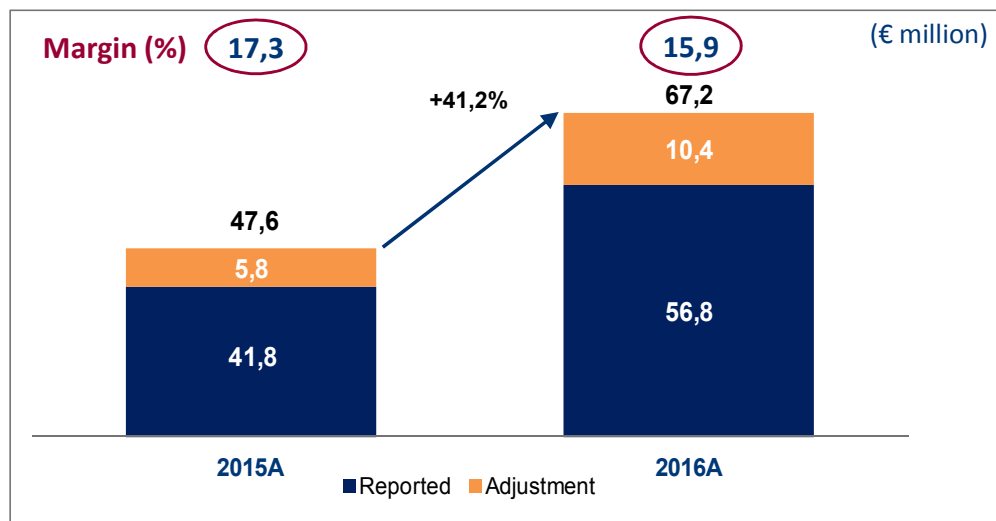
## SALES BY GEOGRAPHICAL AREA



# FY2016 EBITDA

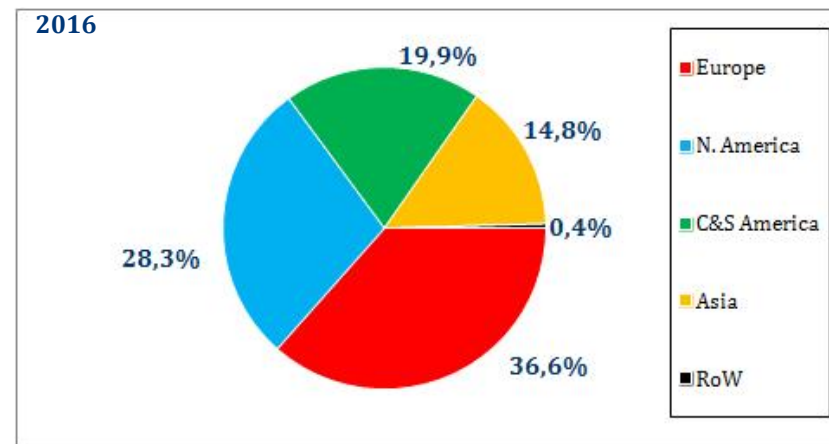
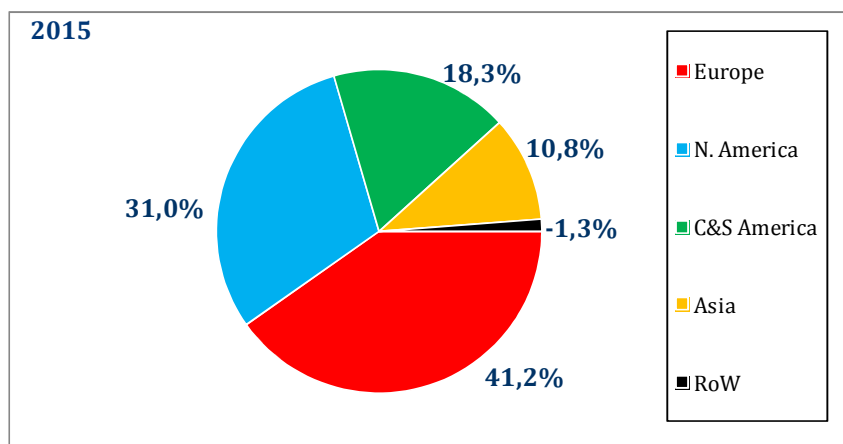


## ADJUSTED EBITDA



- **Adjusted EBITDA + 19,6mln € (+41,2%), Organic Growth + 6,1mln € (+12,8%), net of M&A and FX effect, more than proportional than the Organic Turnover Growth**
- **10,4mln € of extraordinary costs in 2016A**, mainly related to the M&A activities and reorganization cost
- **5,8mln € of extraordinary costs in 2015A**, mainly related to the Space S.p.A merger and listing expenses.
- **M&A effect of 14,7 mln €** (5,6mln € WFPL/Pioneer, 7,8mln € D&R Group, 0,7mln € Canson Group and 0,6mln € St Cuthberts Mill)

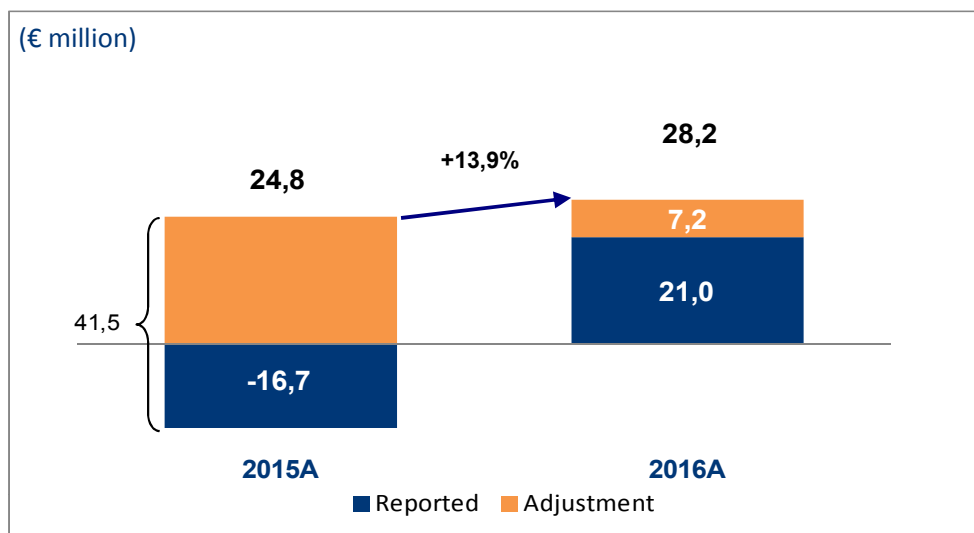
## ADJUSTED EBITDA BREAKDOWN BY GEOGRAPHICAL AREA



# FY2016 Net Income and Net Financial Position

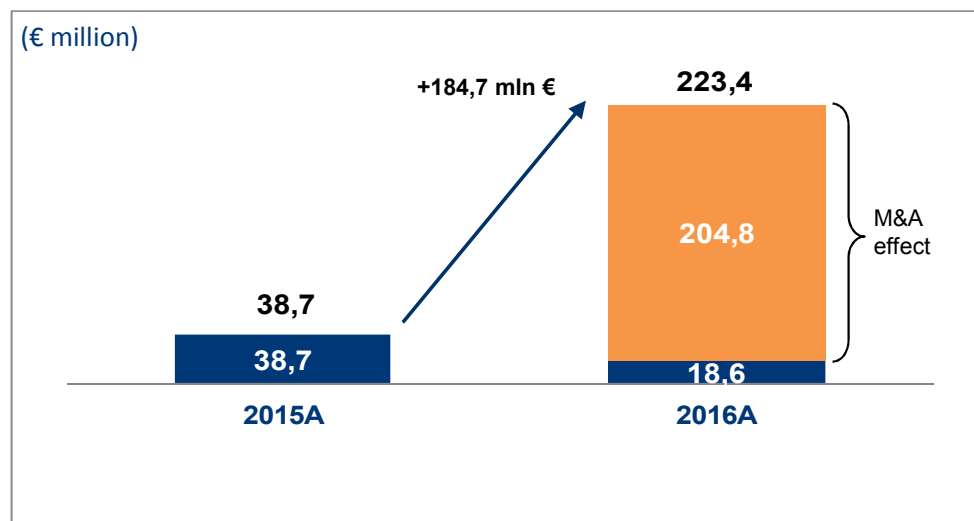


## ADJUSTED NET INCOME



- The normalization of the Group Result in 2016A refers mainly to M&A extraordinary operating costs, net of taxes effects
- Normalization made in 2015A at the Group Result level refers mainly to the non-recurring financial items related to the accounting of the fair value of Space S.p.A. equity at May 31st 2015 (-45.8mln Euro), of Market Warrant (-5,2mln Euro) and WFPL participation revaluation for the step up acquisition (+13,9mln Euro) process, plus extraordinary operating costs, net of taxes effects

## ADJUSTED NET FINANCIAL POSITION



### Net debt change of 184,7mln € mainly due to:

- Negative M&A effect of 204,8mln €, mainly related to shares acquisition (16,9mln € for Daler & Rowney Group, 61mln € for Canson Group, 6,7mln € for St Cuthberts Paper Mill) and Net Debt contribution (86,7mln € Daler & Rowney Group, 32,7 mln € Canson Group and 0,5 mln € Pioner)
- Capex for 12,4 mln € due to new investment in tangible and intangible assets
- Interest paid for 5,8mln €
- Dividend paid for 4,5mln €
- Operating Cash Flow +40,5 mln €
- FX effect +1,1mln €



# Appendix





# FY2016 Income Statement



(€ million)	2015A	% on Sales	2016A	% on Sales
<b>PROFIT &amp; LOSS</b>				
Core Business Sales	275,3		422,6	
Other revenues	7,2		19,7	
<b>Total revenues</b>	<b>282,5</b>		<b>442,3</b>	-
Cost for Raw Materials and Supplies net Increase(decrease) inventory	(108,4)	(39,4%)	(181,0)	(42,8%)
Costs for Services and Use of Third parties Assets	(68,5)	(24,9%)	(101,7)	(24,1%)
Personnel Costs	(55,7)	(20,2%)	(82,4)	(19,5%)
Other Operating Costs	(8,2)	(3,0%)	(20,3)	(4,8%)
<b>Total operating costs</b>	<b>(240,8)</b>	<b>(87,4%)</b>	<b>(385,4)</b>	<b>(91,2%)</b>
<b>EBITDA</b>	<b>41,8</b>	<b>15,2%</b>	<b>56,8</b>	<b>13,4%</b>
Depreciation and Amortization	(6,8)	(2,5%)	(14,9)	(3,5%)
Write-Downs	(1,0)	(0,4%)	(0,8)	(0,2%)
<b>EBIT</b>	<b>34,0</b>	<b>12,3%</b>	<b>41,1</b>	<b>9,7%</b>
Financial income/expenses	(42,6)	(15,5%)	(5,8)	(1,4%)
Income/expenses from associates at equity method	0,4	0,2%	(0,0)	(0,0%)
<b>PBT</b>	<b>(8,2)</b>	<b>(3,0%)</b>	<b>35,3</b>	<b>8,4%</b>
Taxes	(8,3)	(3,0%)	(13,3)	(3,2%)
<b>Net profit (loss) of continuing operating activities</b>	<b>(16,5)</b>	<b>(6,0%)</b>	<b>22,0</b>	<b>5,2%</b>
Net profit (loss) of discontinued operating activities	0,1	0,0%	-	0,0%
<b>Total net profit (loss) of the period</b>	<b>(16,4)</b>	<b>(6,0%)</b>	<b>22,0</b>	<b>5,2%</b>
Total net profit (loss) attributable to non controlling interests	0,3	0,1%	1,0	0,2%
<b>Fila Group's total net profit (loss) of the period</b>	<b>(16,7)</b>	<b>(6,1%)</b>	<b>21,0</b>	<b>5,0%</b>

(€ million)	2015A	% on Sales	2016A	% on Sales
<b>P&amp;L ADJUSTMENTS</b>				
<b>REPORTED EBITDA</b>	<b>41,8</b>	<b>15,2%</b>	<b>56,8</b>	<b>13,4%</b>
<b>Total Adjustments</b>	<b>5,8</b>		<b>10,4</b>	
<b>ADJUSTED EBITDA</b>	<b>47,6</b>	<b>17,3%</b>	<b>67,2</b>	<b>15,9%</b>
<b>REPORTED NET PROFIT</b>	<b>(16,7)</b>	<b>(6,1%)</b>	<b>21,0</b>	<b>5,0%</b>
<b>Total Adjustments</b>	<b>41,5</b>		<b>7,2</b>	
<b>ADJUSTED NET PROFIT</b>	<b>24,8</b>	<b>9,0%</b>	<b>28,2</b>	<b>6,7%</b>

# FY2016 Balance Sheet



(€ million)

	2015A	2016A
<b>BALANCE SHEET</b>		
Intangible assets	88,2	218,4
Tangible Assets	47,9	81,3
Financial Fixed Assets	1,8	3,7
<b>Fixed Assets</b>	<b>137,8</b>	<b>303,4</b>
<b>Other Non Current Assets/Liabilities</b>	<b>13,9</b>	<b>20,7</b>
Inventory	118,5	177,4
Trade Receivables and Other receivables	77,7	113,6
Trade Payables and Other Payables	(53,0)	(90,4)
<b>Trade Working Capital</b>	<b>143,2</b>	<b>200,5</b>
Other Current Assets and Liabilities	3,2	0,2
<b>Net Working Capital</b>	<b>146,4</b>	<b>200,7</b>
<b>Provisions &amp; Funds</b>	<b>(26,2)</b>	<b>(62,4)</b>
<b>Current and not Current Assets/Liabilities Intended for Disposal</b>	<b>-</b>	<b>-</b>
<b>NET CAPITAL EMPLOYED</b>	<b>272,0</b>	<b>462,4</b>
Shareholders equity	(211,7)	(239,0)
Financial Instruments	(21,5)	-
<b>Net Financial Position</b>	<b>(38,7)</b>	<b>(223,4)</b>
<b>TOTAL NET SOURCES</b>	<b>(272,0)</b>	<b>(462,4)</b>

# FY2016 Cash Flow Statement



(€ million)

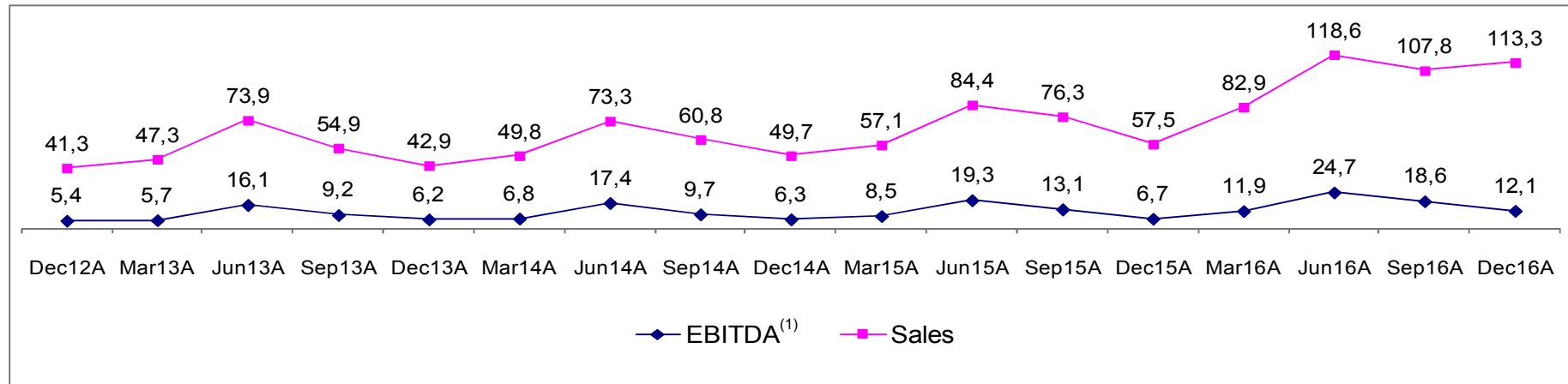
	2015A	2016A
<b>CASH FLOW</b>		
<b>EBIT</b>	<b>34,0</b>	<b>41,1</b>
Adjustments for non monetary costs	7,7	15,7
Adjustments for taxes	(15,5)	(12,0)
<b>Cash-flow from operating activities before changes in NWC</b>	<b>26,2</b>	<b>44,8</b>
<i>Changes in inventories</i>	<i>(18,5)</i>	<i>(16,5)</i>
<i>Changes in trade receivables &amp; others</i>	<i>(2,4)</i>	<i>(4,6)</i>
<i>Changes in trade payables &amp; others</i>	<i>(4,0)</i>	<i>15,4</i>
<i>Changes in other current assets/liabilities</i>	<i>0,2</i>	<i>1,4</i>
<b>Changes in net working capital</b>	<b>(24,7)</b>	<b>(4,3)</b>
<b>Operating cash-flow</b>	<b>1,5</b>	<b>40,5</b>
Investments in tangible and intangible assets	(7,6)	(12,4)
Other investments	(35,6)	(84,8)
<b>Cash-flow from investments</b>	<b>(43,3)</b>	<b>(97,3)</b>
Capital increase/reimbursement	(0,3)	(4,5)
Net interests	(3,8)	(5,8)
<b>Cash-flow from financing</b>	<b>(4,0)</b>	<b>(10,2)</b>
Other changes	(0,2)	1,1
<b>Total cash-flow</b>	<b>(46,0)</b>	<b>(65,9)</b>
Effect of FX rate movements	1,8	1,1
Net financial position of New Companies as at Acquisition Date	63,9	(119,9)
<b>Changes in Net Financial Position</b>	<b>19,7</b>	<b>(184,7)</b>

# Quarterly CB Sales, EBITDA, TWC and NFP



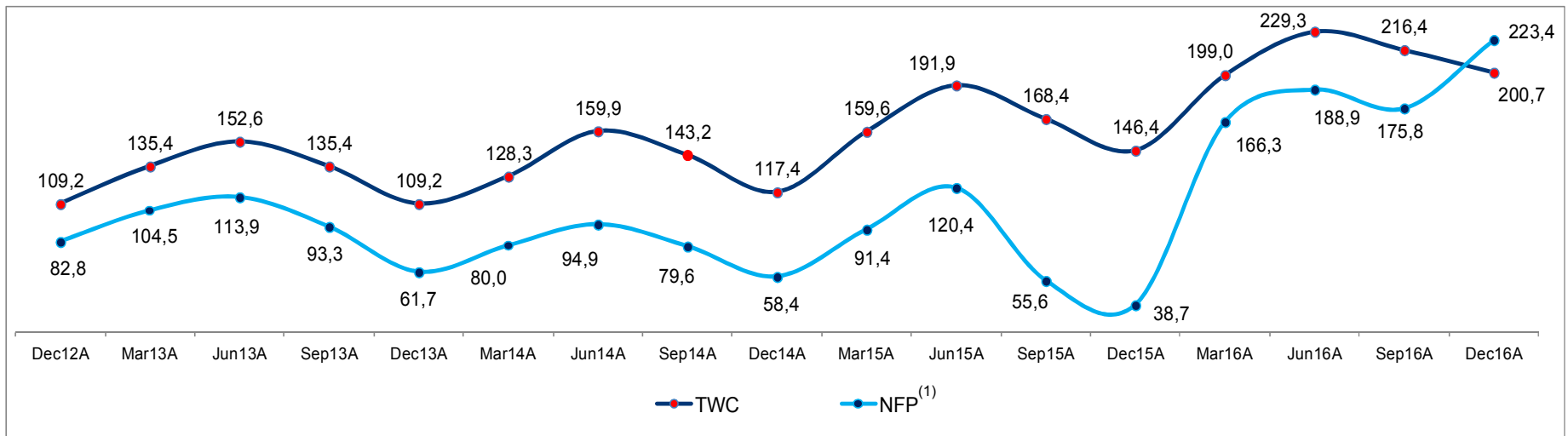
## QUARTERLY CORE BUSINESS SALES AND ADJUSTED EBITDA

(€ million)



(€ million)

## QUARTERLY TWC AND NFP

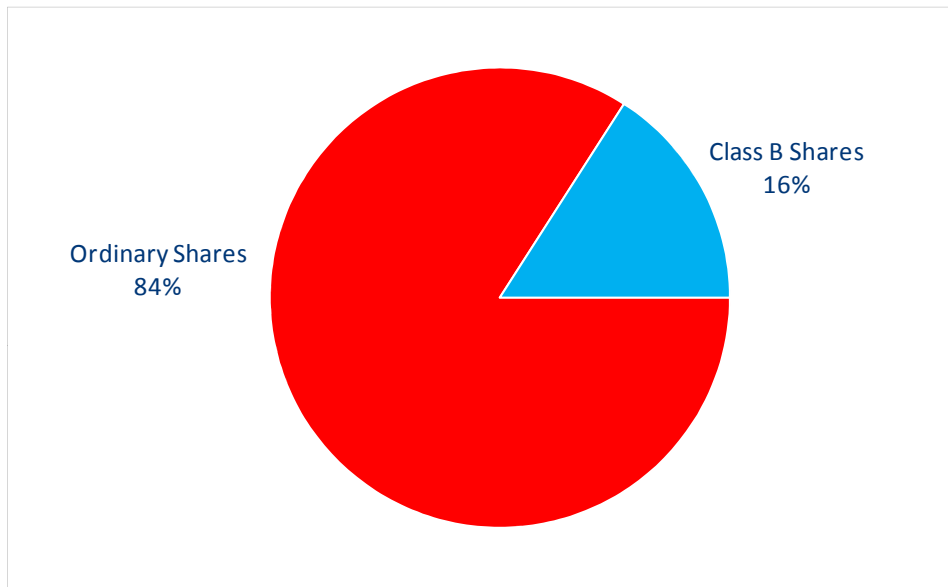


(1) Affected by extraordinary items

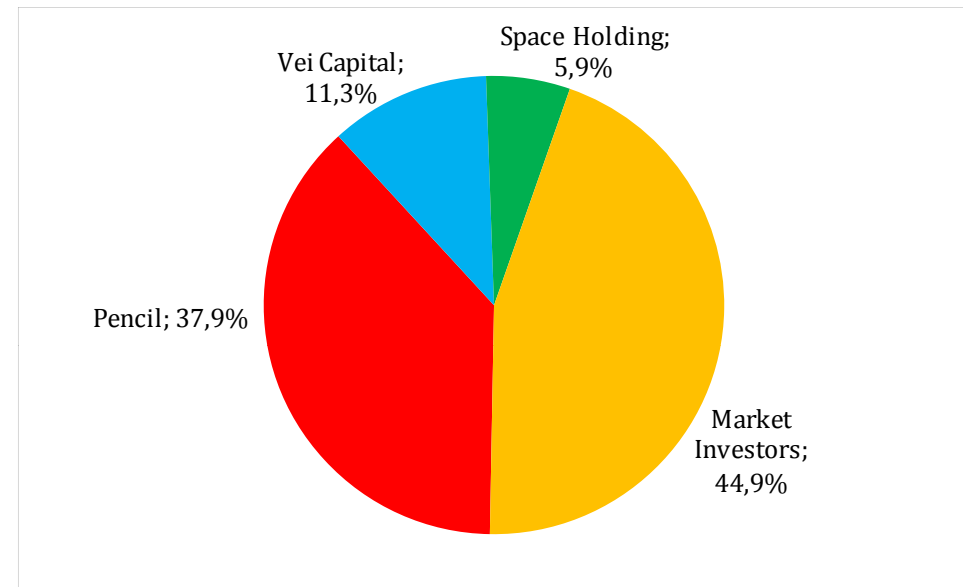
# FILA Shareholders



## Total shares \*



## Ordinary shares only



Total shares 41.232.296, of which : Ordinary shares 34.665.788, Class B shares 6.566.508 (enjoy three votes each in accordance with Article 127-sexies of Legislative Decree No. 58/1998).

*Last update September 9th 2016*

**Investor Relations F.I.L.A.**

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