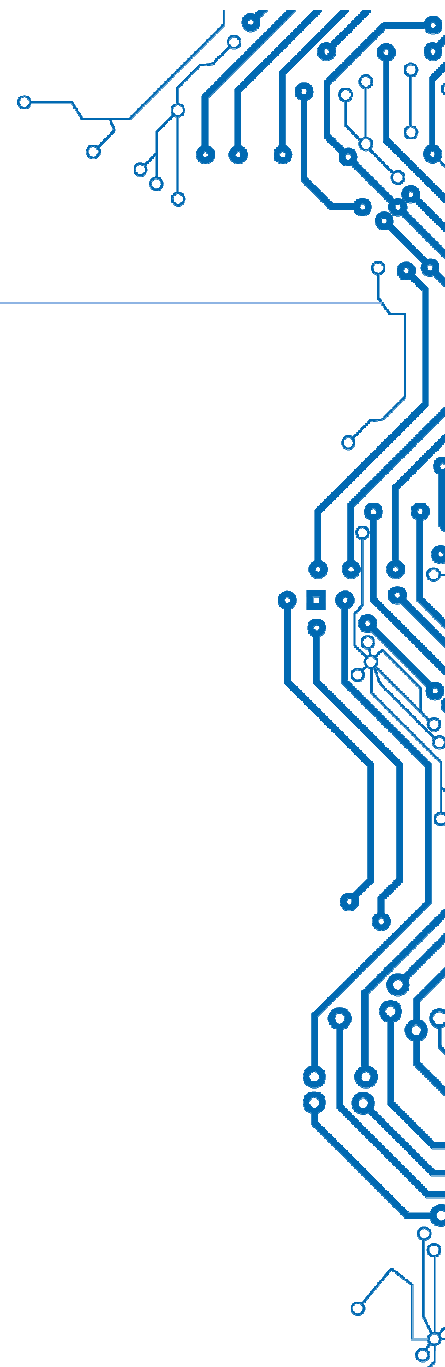


ENG

STAR CONFERENCE MILANO

March 22nd, 2017

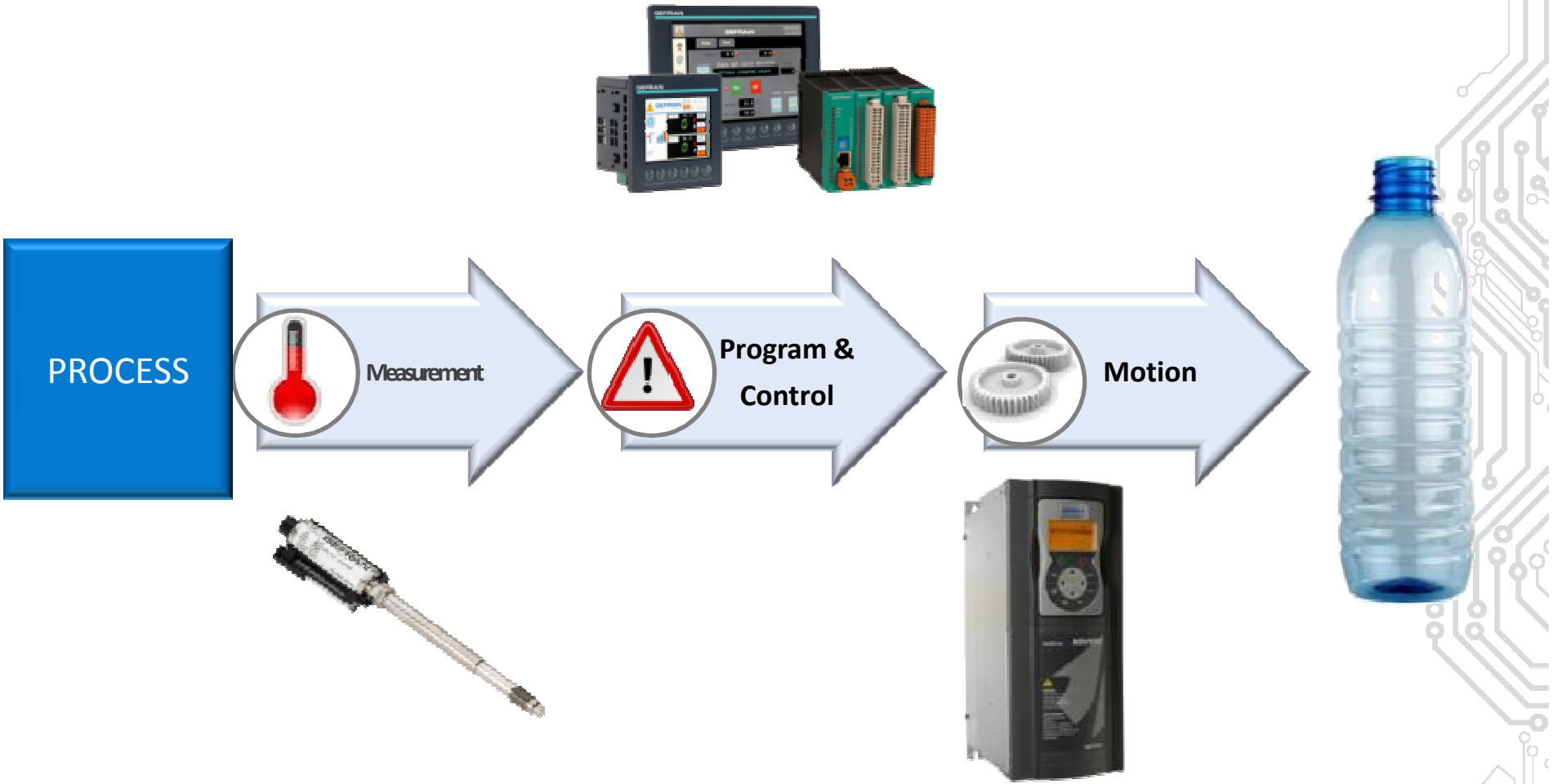
GEFRAN



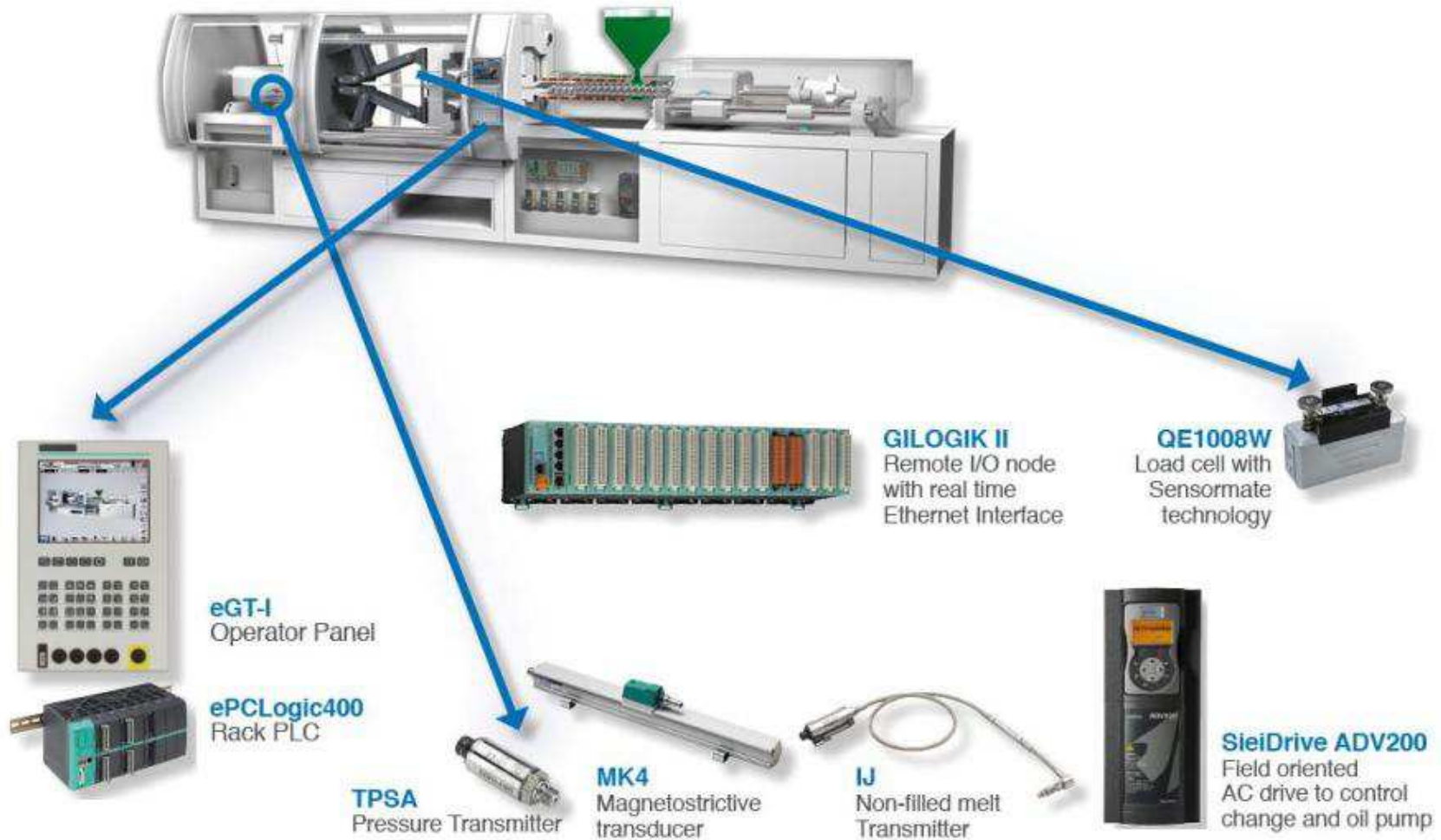
PRODUCT PORTFOLIO IN THE INDUSTRIAL AUTOMATION BUSINESS



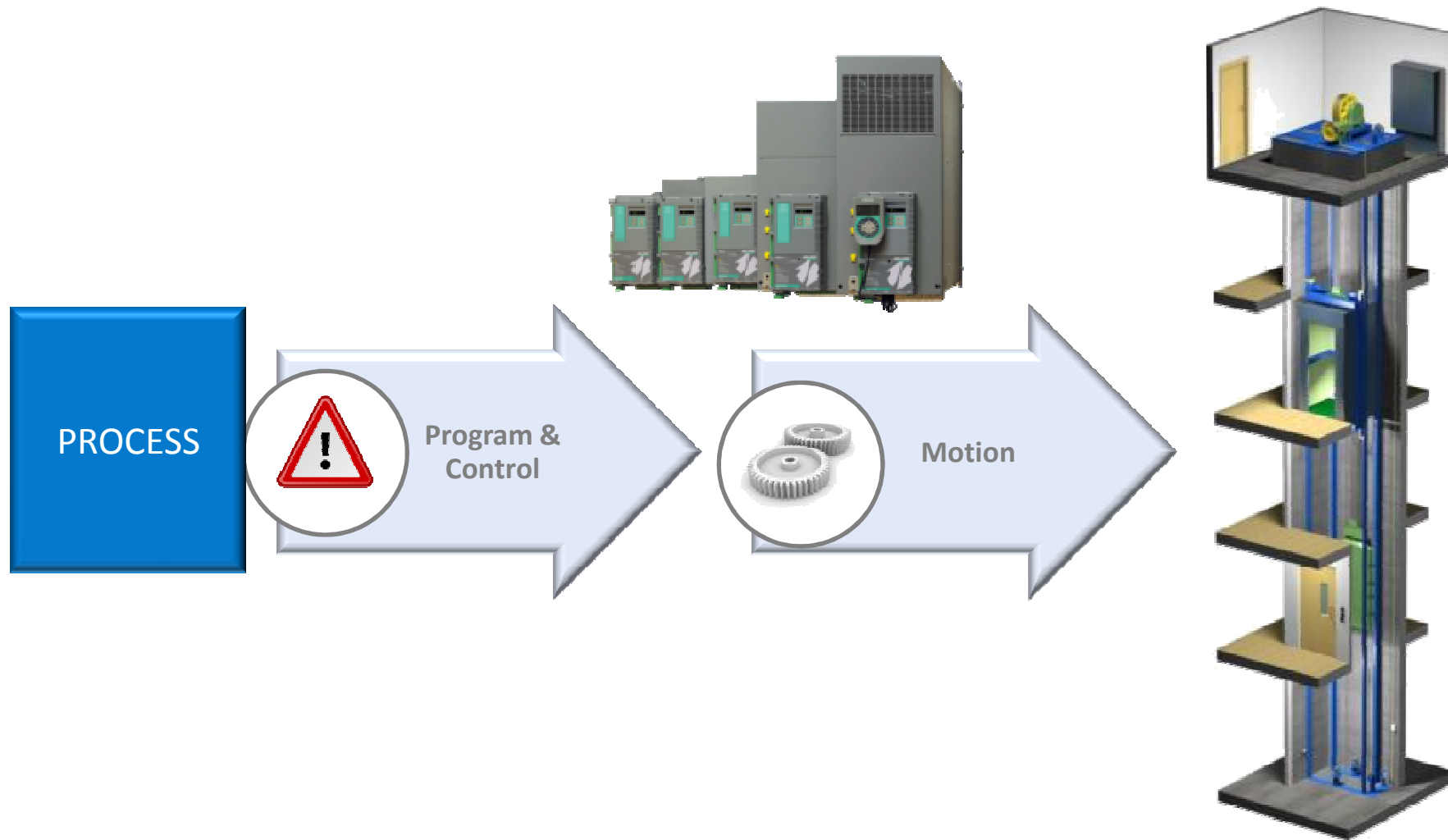
WE COVER THE AUTOMATION SUPPLY CHAIN WITH SPECIFIC PRODUCTS



WE ARE SPECIALIST IN SPECIFIC APPLICATIONS

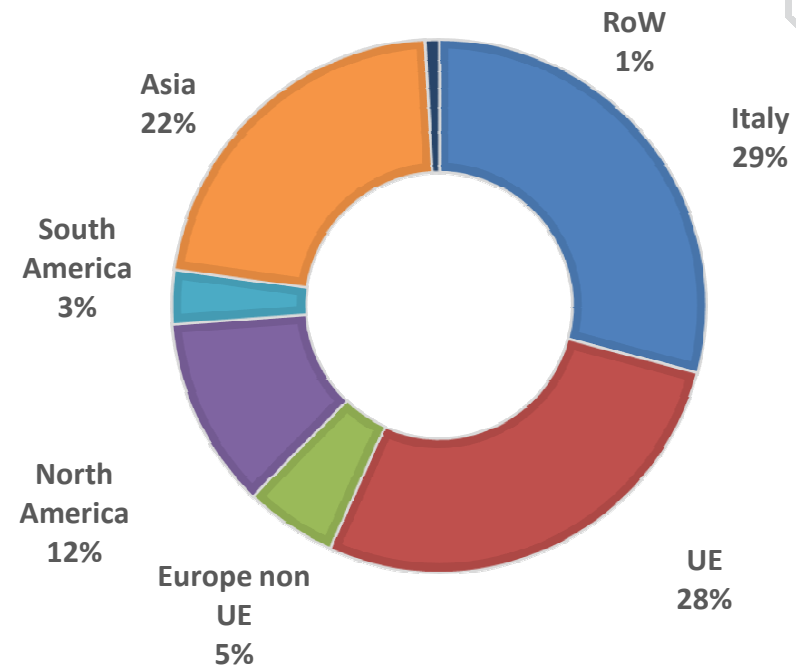
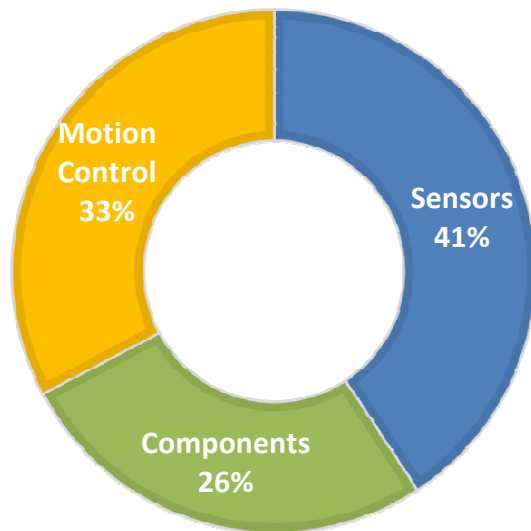


WE ARE SPECIALIST IN SPECIFIC APPLICATIONS



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



At 31th of December 2016

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

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 - SIEldrive 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

Critical success factors: R&D, technology competence, long term partnership



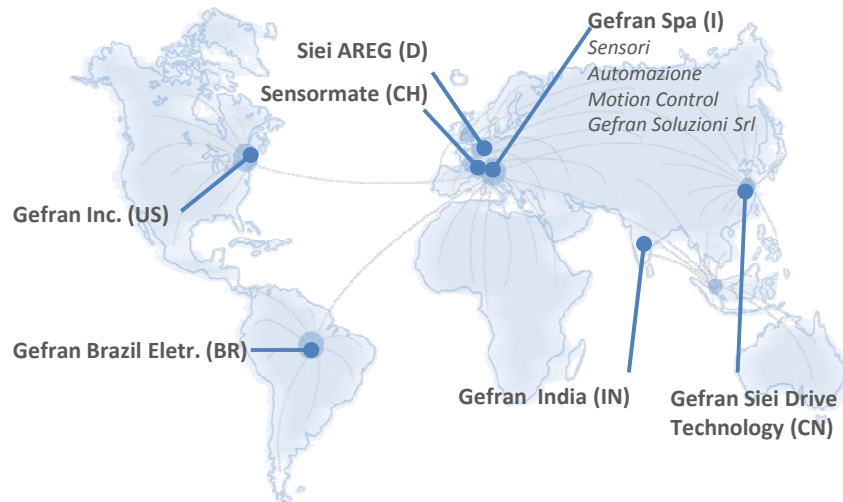
OUR COMPETITIVE ADVANTAGE

R&D – TECHNOLOGY DEVELOPEMENT
DESIGN AND PRODUZTION 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. **15% of the total workforce is dedicated to R&D activities**



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

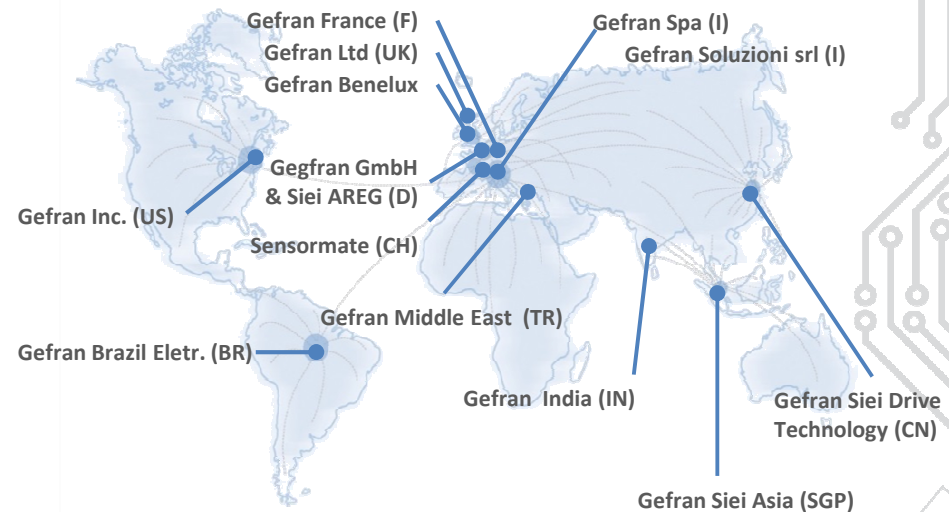


11 production sites

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

52 paesi serviti con 13 trade organisations

- 6 subsidiaries in Europe (besides Gefran spa & Gefran Soluzioni srl)
- 4 subsidiaries in Asia
- 1 subsidiary in Latin America
- 1 subsidiary in US

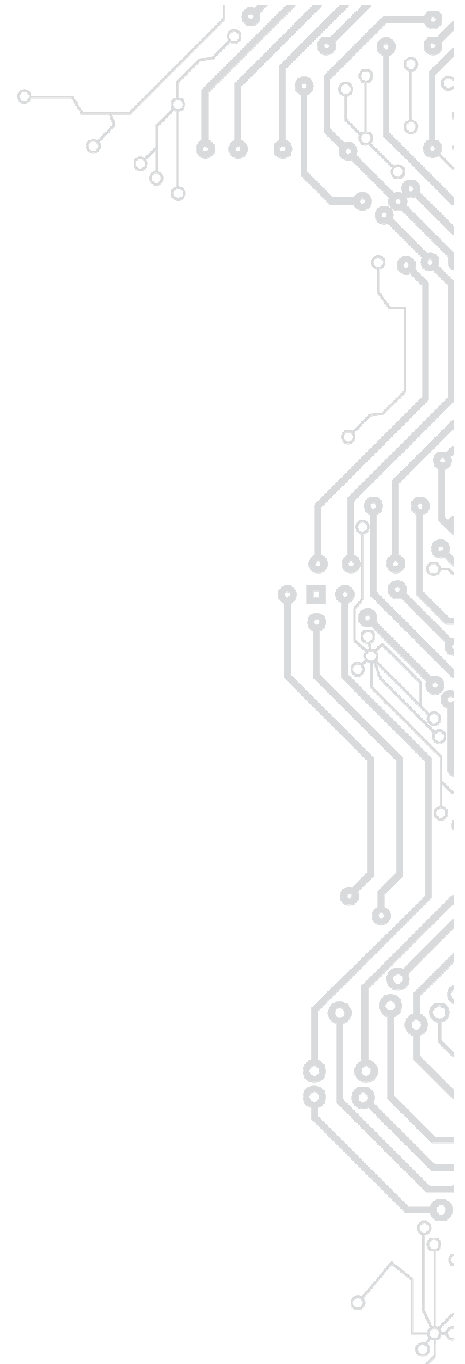


REVENUES 2016

	2016		2015	
	€'000	%	€'000	%
REVENUES	119.330	100,0%	115.352	100,0%
VALUE ADDED	78.723	66,0%	77.795	67,4%
EBITDA	11.324	9,5%	5.681	4,9%
EBIT	5.115	4,3%	-630	-0,5%

2016 KEY FACTS

- Revenues up 3,4% on previous year
 - Strategic growth spread across all strategic regions
 - All lines of business have performed well
- Concluded the reorganization plan of internal processes
- Net debt halved



REVENUES AND MARGINS BY BUSINESS AREA

	Sensors		Automation components		Motion Control	
	2016	2015	2016	2015	2016	2015
REVENUES	50.069	47.630	32.435	30.432	40.217	40.134
EBITDA	13.390	11.949	2.401	388	-4.467	-6.656
EBITDA %	26,7%	25,1%	7,4%	1,3%	-11,1%	-16,6%
EBIT	11.152	9.837	577	-1.632	-6.614	-8.835
EBIT %	22,3%	20,7%	1,8%	-5,4%	-16,4%	-22,0%

41% on
turnover

26% on
turnover

33% on
turnover

REVENUES BY GEOGRAPHICAL AREA

€'000	2016	%	2015	%	Δ
ITALY	34.794	29%	33.475	29%	+3,9%
UE	33.065	27%	31.100	27%	+6,3%
EUROPE NON UE	6.672	5,6%	6.412	5,6%	+4,1%
NORTH AMERICA	13.929	11,9%	13.679	11,9%	+1,8%
SOUTH AMERICA	3.883	3,3%	3.755	3,3%	+3,4%
ASIA	26.377	22,5%	25.960	22,5%	+1,6%
ROW	610	0,8%	971	0,8%	-37,2%

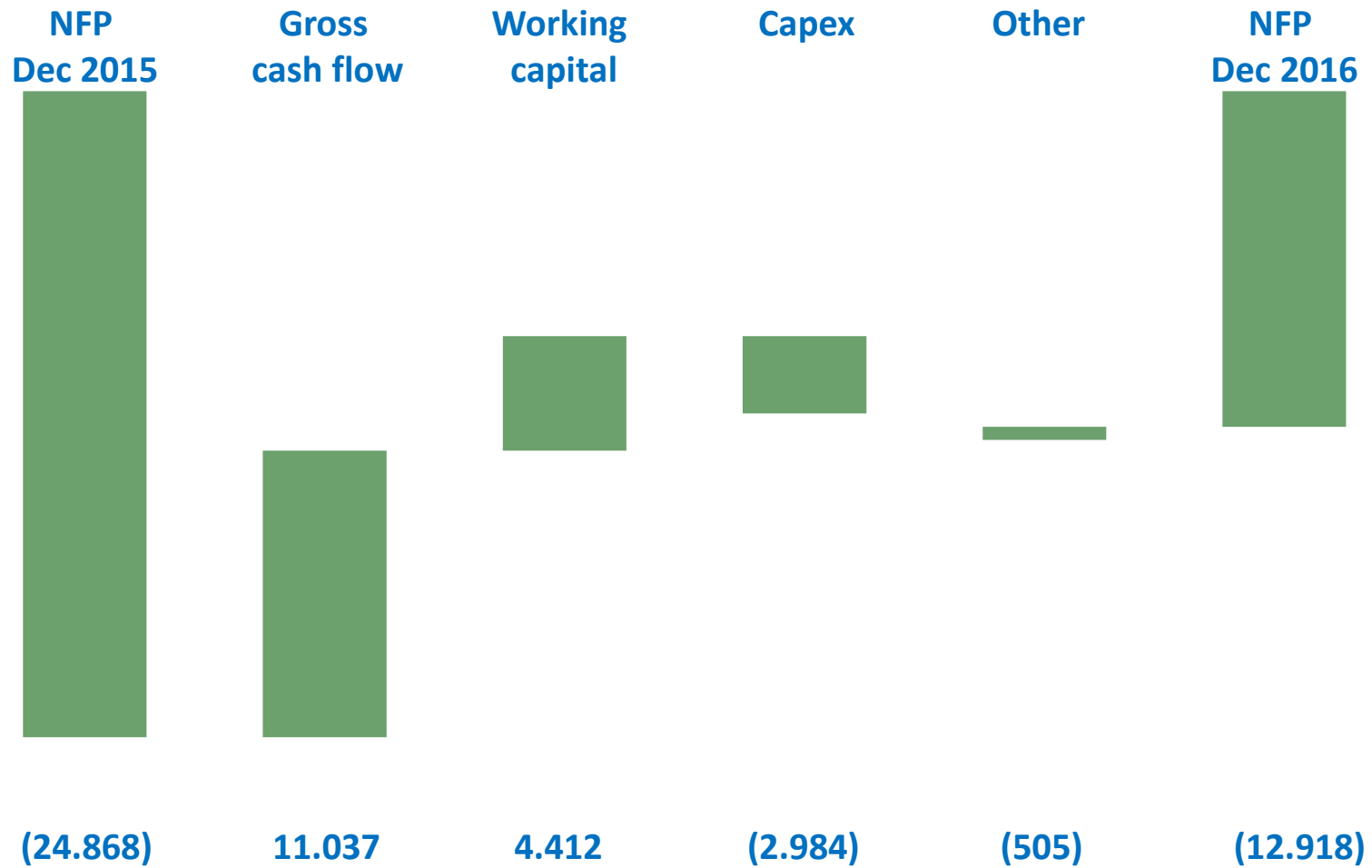
BALANCE SHEET

€'000	31-dic-16	31-dic-15
Net fixed assets	61.460	63.126
Net Working Capital	35.754	40.166
Other net assets/payables	-9.925	-8.655
Working Capital	25.829	31.511
Other non current assets	-8.677	-8.129
Asset available for sales	1.214	1.354
Net Invested Capital	79.826	87.862
Shareholders' Equity	66.908	62.984
Short-term Financial Debt	-3.127	13.999
Long-term Financial Debt	16.045	10.879
Net Financial Position	12.918	24.878
Total Sources of Funding	79.826	87.862

CASH FLOW

€'000	31-dic-16	31-dic-15
Opening Cash	24.602	20.732
Gross Cash flow	11.037	2.057
Change in working capital	4.412	5.228
Operating Cash flow	15.449	7.285
Cash flow used in Capex and investment activities	-2.984	-4.636
Free Cash flow	12.465	2.649
Cash flow from(to) financing activities	-16.970	765
Other	380	456
Net Change in Cash Flow	-4.125	3.870
Closing Cash & Cash equivalent	20.477	24.602

NET FINANCIAL POSITION (€'000)



TARGET 2017

- ✓ Consolidation of the results achieved in 2016 while maintaining high process efficiency
- ✓ widespread revenues growth through targeted projects
- ✓ Investments in support of volumes and high technological level of the Gefran offer
- ✓ dedicated Focus on motion control to bring out the value still unexpressed

REVENUES +6%

EBITDA at 12%

EBIT at 6%

GEFRAN

