



SPAFID CONNECT

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Diffusione presunta

Oggetto : Significant growth in profitability in the first
nine months of 2017

Testo del comunicato

Vedi allegato.



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The Board of Directors of Nice S.p.A. approves the Interim Financial Report as at 30 September 2017

Significant growth in profitability in the first nine months of 2017

- **Consolidated turnover of Euro 242.8 million (+10.1% at current exchange rates compared to the first nine months of 2016 in the Home and Building Automation business)**
- **EBITDA of Euro 40.3 million (16.6% of sales), up 16.7% compared to Euro 34.5 million (15.0% of sales) in the first nine months of 2016**
- **Group net profit Euro 18.3 million, up 28.6% compared to Euro 14.2 million in the first nine months of 2016 adjusted¹**
- **Net financial position Euro -14.3 million compared to Euro -25.9 million as at 30 September 2016**

Oderzo (TV), 14 November 2017 – The Board of Directors of Nice S.p.A. – listed on the STAR segment of Borsa Italiana – approved the Consolidated Third Quarter Report as at 30 September 2017

Lauro Buoro, Nice Chairman, commented: *“The results achieved by the Nice Group in the first nine months of 2017 show a solid increase in turnover and a robust growth in profitability at all levels of the income statement. This trend confirms the Group’s ability to create lasting and sustainable value in the implementation of the strategic guidelines defined by the management. With the goal of improving future performance, seizing the opportunities offered by the market, we are continuing with determination in the ambitious plans for the development of new technologies, products, processes and systems”.*

Consolidated Revenues

In the first nine months of 2017, revenues achieved by the Nice Group, in the specific business of Home and Building Automation, increased by 10.1% at current exchange rates and by 8.5% at constant exchange rates compared to the same period of the previous year. Sales for the period amounted to Euro 242.8 million compared to Euro 220.5 million in the first nine months of 2016, highlighting significant progress in emerging markets and in some historical markets.

Geographical Sales Breakdown – Home and Building Automation Business²

The following is an analysis of revenues in the Home and Building Automation business in the first nine months of 2017 compared to the corresponding period the previous year.

¹ The adjustment as at 30 September 2016 was referred to the exclusion of the impairment loss on the FontanaArte brand as well as the building that housed FontanaArte’s activity following their measurement at fair value. They were written down by Euro 4.8 million and Euro 2.0 million, respectively, resulting in an overall Euro 1.9 million tax impact.

² 2016 results were pro-forme excluding sales in the operating unit FontanaArte.



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(€ Million)	9M 2017	%	9M 2016 ⁽³⁾	%	Δ %	Δ % ⁽²⁾
France	32.6	13.4%	30.8	13.9%	5.9%	5.9%
Italy	24.7	10.2%	25.0	11.3%	-1.0%	-1.0%
Europe 15 ⁽¹⁾	65.3	26.9%	64.2	29.1%	1.7%	2.3%
Rest of Europe	43.1	17.8%	40.6	18.4%	6.3%	6.1%
Rest of the world	77.1	31.7%	60.0	27.2%	28.4%	22.0%
Total revenues	242.8	100.0%	220.5	100.0%	10.1%	8.5%

(1) Excludes France and Italy

(2) At constant exchange rates

(3) Some items relating to 30 September 2016 were reclassified for comparability with figures as at 30 September 2017

As at 30 September 2017, sales in France totalled Euro 32.6 million , up 5.9% compared with the same period of the previous year.

In Italy, turnover amounted to Euro 24.7 million, down 1.0% compared to the first nine months of 2016.

Revenues generated in the rest of Europe 15, in the first nine months of 2017 amounted to Euro 65.3 million, up 1.7% at current exchange rates and 2.3% at constant exchange rates compared to the first nine months of the previous year.

With reference to the Rest of Europe, sales totalled Euro 43.1 million, rising 6.3% at current exchange rates and 6.1% at constant exchange rates compared to the corresponding period of the previous year.

In the first nine months of 2017, sales in the Rest of the World, which accounts for 31.7% of Group turnover, grew by 28.4% at current exchange rates and by 22.0% at constant exchange rates compared to the corresponding period of the previous year, with turnover of Euro 77.1 million.

Geographical Sales Breakdown

For completeness of information, below is the breakdown of revenues by geographical area compared to the overall revenues of the Nice Group in the first nine months of 2016.

In the first nine months of 2017, the Nice Group achieved revenues of Euro 242.8 million, up 5.5% at current exchange rates and 4.0% at constant exchange rates compared to the first nine months of 2016.

(€ Million)	9M 2017	%	9M 2016 ⁽³⁾	%	Δ %	Δ % ⁽²⁾
France	32.6	13.4%	32.0	13.9%	1.8%	1.8%
Italy	24.7	10.2%	28.7	12.5%	-14.0%	-14.0%
Europe 15 (1)	65.3	26.9%	66.3	28.8%	-1.5%	-0.9%
Rest of Europe	43.1	17.8%	41.1	17.9%	4.9%	4.8%
Rest of the world	77.1	31.7%	61.9	26.9%	24.5%	18.3%
Total revenues	242.8	100.0%	230.0	100.0%	5.5%	4.0%

(1) Excludes France and Italy

(2) At constant exchange rates

(3) Some items relating to 30 September 2016 were reclassified for comparability with figures as at 30 September 2017



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Profitability Indicators

In the first nine months of 2017, gross profit (calculated as the difference between revenues and cost of goods sold) totalled Euro 130.6 million, up 7.0% compared to Euro 122.1 million in the first nine months of 2016 and with a margin on turnover of 53.8%, compared to 53.1% in the corresponding period of the previous year.

As at 30 September 2017, EBITDA totalled Euro 40.3 million with a margin on sales of 16.6%, compared to Euro 34.5 million with a 15.0% margin on sales in the first nine months of 2016.

The Group net profit in the first nine months of 2017 was Euro 18.3 million compared to Euro 14.2 million adjusted³ (Euro 9.3 million reported) in the first nine months of 2016.

Statement of Financial Position and Cash Flow Statement

Net working capital as at 30 September 2017 amounted to Euro 70.4 million, compared to Euro 81.0 million as at 30 September 2016 and to Euro 62.2 million as at 31 December 2016.

As at 30 September 2017, the Group's net financial position was Euro -14.3 million, compared to Euro -25.9 million as at 30 September 2016.

Nice S.p.A.

Established in the early 1990s and listed on the STAR Segment of Borsa Italiana, Nice S.p.A. is international reference Group in the Home and Building Automation business, with a comprehensive offering of integrated automation systems for gates, garage doors, parking systems, wireless alarm systems and solar screens, for residential, commercial and industrial buildings.

The Nice Group has proceeded with strategic plans of geographical expansion and strengthening in markets with high growth potential; extension, completion and integration of the product lines in the different business units; branding actions to compete in new market segments. Nice exports its products, which combine technological innovation and design, to over 100 countries, generating more than 85% of the Group's consolidated revenues abroad.

www.thenicegroup.com

Statement of the Financial Reporting Manager

Under Article 154-bis, paragraph 2 of the Italian Consolidated Finance Act, the Financial Reporting Manager, Ms Denise Cimolai, states that the accounting information contained in this press release complies with all documentary evidence, books and accounting records.

This Press release is available on the Company's website www.thenicegroup.com and on the authorised storage mechanism eMarket Storage (www.emarketstorage.com).

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³ See footnote (1).



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Attachments:

Nice Consolidated Report⁴

Income Statement

(€ Million)	9M 2017	%	9M 2016	%	Δ %
Revenues	242.8	100.0%	230.0	100.0%	5.5%
Cost of goods sold	(112.2)	-46.2%	(108.0)	-46.9%	
Gross profit	130.6	53.8%	122.1	53.1%	7.0%
Industrial costs	(6.8)	-2.8%	(7.7)	-3.3%	
Marketing costs	(7.1)	-2.9%	(6.3)	-2.7%	
Trade costs	(10.6)	-4.4%	(11.1)	-4.8%	
General costs	(18.4)	-7.6%	(19.1)	-8.3%	
Personnel costs	(47.3)	-19.5%	(43.4)	-18.9%	
Total operating costs	(90.3)	-37.2%	(87.5)	-38.1%	
EBITDA	40.3	16.6%	34.5	15.0%	16.7%
Depreciation and amortisation	(7.5)	-3.1%	(13.7)	-6.0%	
EBIT	32.8	13.5%	20.8	9.0%	
EBIT adjusted (1)	32.8	13.5%	27.6	12.0%	19.0%
Financial management and other costs	(3.9)	-1.6%	(2.5)	-1.1%	
Pre-tax profit/loss	28.9	11.9%	18.3	8.0%	
Taxes	(10.1)	-4.2%	(8.8)	-3.8%	
Net profit/loss	18.8	7.7%	9.5	4.1%	
Net profit/loss adjusted (1)	18.8	7.7%	14.4	6.3%	29.9%
Profit/Loss attributable to non-controlling interests	0.4	0.2%	0.2	0.1%	
Group net profit/loss	18.3	7.5%	9.3	4.0%	
Group net profit/loss adjusted (2)	18.3	7.5%	14.2	6.2%	28.6%

¹ As at 30 September 2016, the adjustment was referred to the one-off impairment applied on FontanaArte's brand and building that housed the activity of FontanaArte, written down respectively for Euro 4.8 million and Euro 2.0 million.

² As at 30 September 2016, the adjustment referred to as outlined in note (1) and the related tax effect applied for a total of Euro 1.9 million.

⁴ Results as at 30 September 2017 and 30 September 2016 have not been audited. Financial results as at 31 December 2016 have been fully audited.

This press release includes some non-IFRS Alternative Performance Measures in order to provide a better understanding of the Group's financial performance and financial position. Here below are the alternative performance measures:

- "Gross Profit" is defined as the difference between revenue and the cost of goods sold (consisting of the sub-items "Purchase of basic components", "Outsourced processing" and "Change in inventories").
- "EBITDA" represents net profit before depreciation & amortisation, impairment, finance income & expenses, and taxes.
- "Net working capital" is defined as the sum of inventories, trade receivables, tax receivables, other current assets, trade payables, tax payables (due within 12 months) and other current liabilities when related to ordinary operations.
- "Net capital invested" is defined as the algebraic sum of Net working capital (as defined above), fixed assets, other non-current assets and non-current liabilities (the latter net of medium/long-term loans).
- "Net financial debt" or "Net financial position" is a measure of the Company's financial structure and is defined as current and non-current financial debts less cash and cash equivalents.
- "Free Cash Flow" is defined as the sum of cash flows from/(used in) operating activities and cash flows from/(used in) investing activities.



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Statement of financial position

(€ Million)	30/09/2017	31/12/2016
Intangible fixed assets	110.8	114.0
Tangible fixed assets	57.3	51.2
Other fixed assets	10.7	13.0
Fixed assets	178.7	178.2
Trade receivables	60.0	56.7
Inventories	64.7	62.6
Trade payables	(43.9)	(49.9)
Other current assets/(liabilities)	(10.4)	(7.3)
Net Working Capital	70.4	62.2
<i>% on sales (12 months)</i>	21.9%	19.4%
Severance and other funds	(18.1)	(28.1)
Net Invested Capital	231.0	212.3
Group equity	217.5	219.4
Equity attributable to non-controlling interests	(0.8)	(1.2)
Total Shareholders' Equity	216.7	218.2
Cash and cash equivalents	(47.3)	(70.6)
Financial assets	(3.8)	(4.8)
Total debt	65.5	69.4
Net Debt	14.3	(5.9)
Net Invested Capital	231.0	212.3



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Statement of cash flows

(€ Million)	9M 2017	9M 2016
Net profit/loss	18.8	9.5
Amortisation, depreciation and other non-monetary changes	10.2	12.1
Change in Net working capital	(9.9)	(2.6)
Cash flow from operating activities	19.0	19.0
Investments	(14.7)	(16.1)
Operating free cash flow	4.3	3.0
Acquisitions	(12.7)	(24.3)
Free cash flow	(8.4)	(21.4)
Net Financial Position of the acquired companies	0.0	0.1
Dividend paid out	(11.1)	(7.8)
Other changes	(0.7)	2.6
Subtotal	(11.8)	(5.1)
Changes in the net financial position	(20.2)	(26.4)
Initial net financial position	5.9	0.5
Final net financial position	(14.3)	(25.9)

Fine Comunicato n.0809-60

Numero di Pagine: 8