



European MidCap Event – Frankfurt  
*February 6, 2018*

**Emak Group  
is a global  
player in  
three  
business  
segments**

## Outdoor Power Equipment



## Pumps & High Pressure Water Jetting



## Components & Accessories





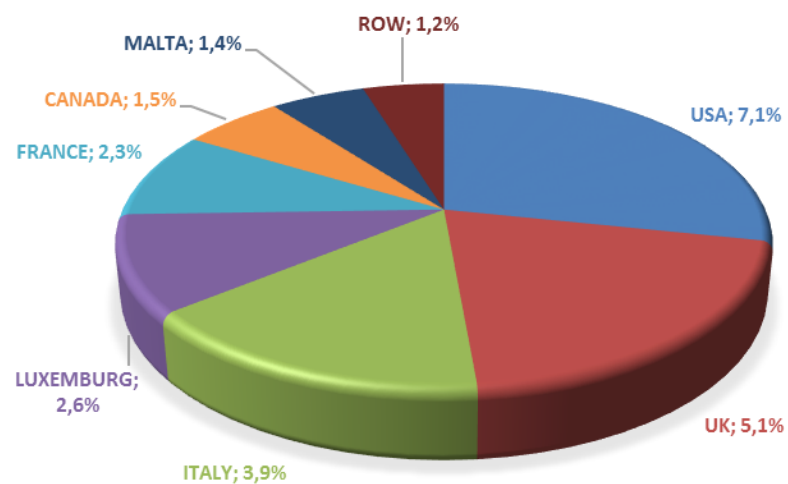
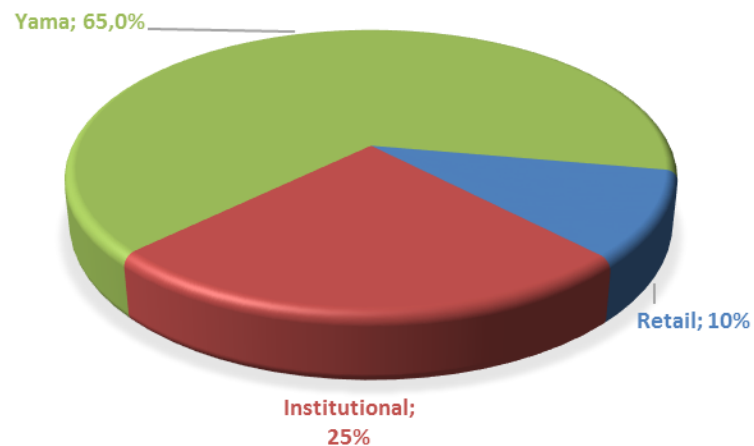
**Direct presence in 13 countries**  
**Distribution network in five continents**  
**Efficient production footprint**  
**≈ 2,000 employees**

Main shareholders	Share of capital %
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Yama S.p.A.	65.2%
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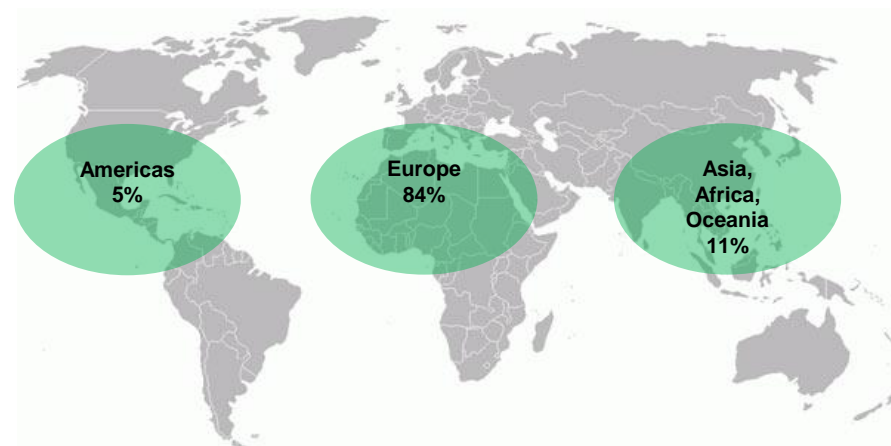
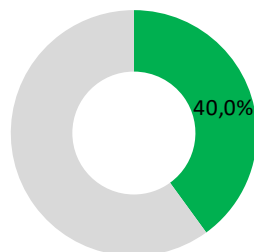
FMR LLC	5.0%
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Treasury shares	0.2%
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	FY 2016
Sales (€m)	178
Ebitda margin	6.2%

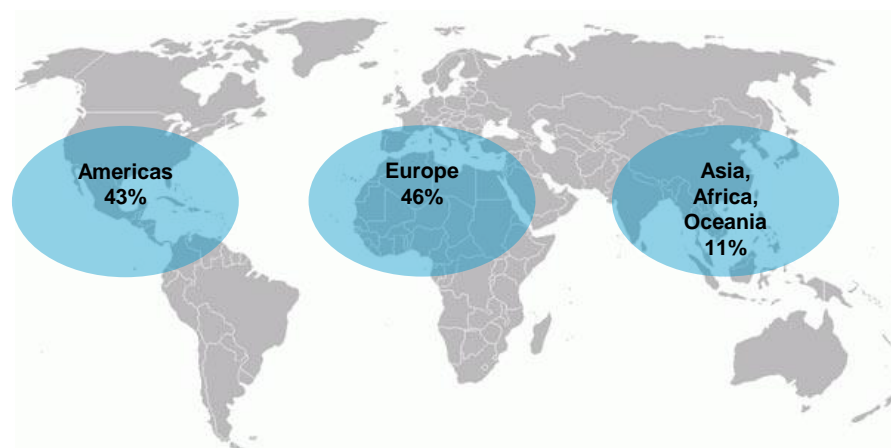
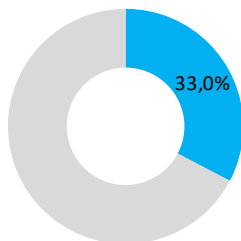
Share of Group sales (2017)



Main brands	Product range	End-users	Distribution channel	Strategic priorities
   	<ul style="list-style-type: none"> <li>Hand held products: trimmers, chainsaws, blowers.</li> <li>Wheeled products: lawnmowers, garden tractors, tillers, transporters.</li> <li>Accessories and spare parts</li> </ul>	<ul style="list-style-type: none"> <li>Professional users</li> <li>High demanding private users (prosumer)</li> </ul>	<ul style="list-style-type: none"> <li>Specialised dealers</li> </ul>	<ul style="list-style-type: none"> <li>Product innovation</li> <li>Distribution network</li> <li>Efficiency</li> </ul>

	FY 2016*
Sales (€m)	104
Ebitda margin	13.4%

Share of Group sales (2017)

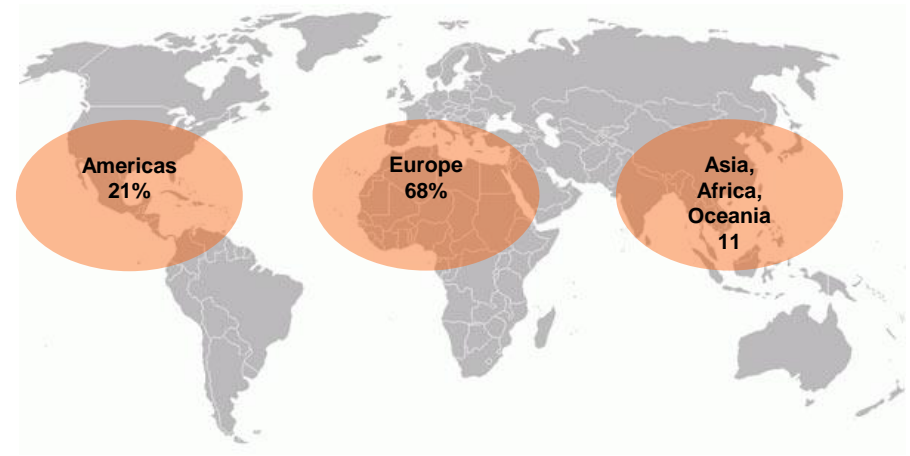
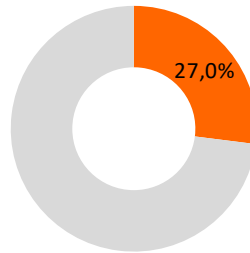


\* Figures don't include contribution of Lavorwash, consolidated starting from July 2017

Main brands	Product range	Application / End user	Clients / distribution channel	Strategic priorities
    	<ul style="list-style-type: none"> <li><b>Agriculture products:</b> diaphragm, centrifugal and piston pumps</li> <li><b>Industrial products:</b> piston pumps, hydrodynamic units and urban cleaning equipment.</li> <li><b>Cleaning products:</b> complete range of high pressure washers, floor care equipment</li> </ul>	<ul style="list-style-type: none"> <li>Agriculture: spraying and weeding</li> <li>Several industries: <ul style="list-style-type: none"> <li>✓ Oil &amp; gas</li> <li>✓ Sugar cane</li> <li>✓ Shipyard</li> <li>✓ Cleaning</li> </ul> </li> <li>Professional</li> <li>Hobby</li> </ul>	<ul style="list-style-type: none"> <li>Manufacturers of spraying and weeding machines</li> <li>Manufacturers of hydrodynamic units and high pressure washers, contractors, independent distributors</li> <li>Specialised dealers and DIY</li> </ul>	<ul style="list-style-type: none"> <li>Product innovation</li> <li>Cost and efficiency improvements</li> <li>Maximize synergies from acquisitions</li> <li>Focus on key attractive segments</li> </ul>

	FY 2016
Sales (€m)	118
Ebitda margin	14.3%

Share of Group sales (2017)



Main brands	Product range	End-users	Distribution channel	Strategic priorities
      	<ul style="list-style-type: none"> <li>Nylon line and heads for trimmers</li> <li>Chain grinders</li> <li>Spray guns</li> <li>Nozzles</li> <li>Control systems</li> </ul>	<ul style="list-style-type: none"> <li>Professional users</li> <li>High demanding private users (prosumers)</li> </ul>	<ul style="list-style-type: none"> <li>Outdoor Power Equipment manufacturers</li> <li>Manufacturers of spraying and weeding machines</li> <li>Manufacturers of hydrodynamic units and high pressure washers</li> <li>Specialised dealers and DIY</li> </ul>	<ul style="list-style-type: none"> <li>Product innovation</li> <li>Strengthening of OEM relations</li> <li>Focus on key attractive segments</li> </ul>

## Innovation

- Continuous product and process innovation.
- Focus on: new technologies, new applications, safety, comfort, emissions control.

## Distribution

- Strengthen the position in the markets with direct presence.
- Expand distribution network in markets with high growth potential.

## Efficiency

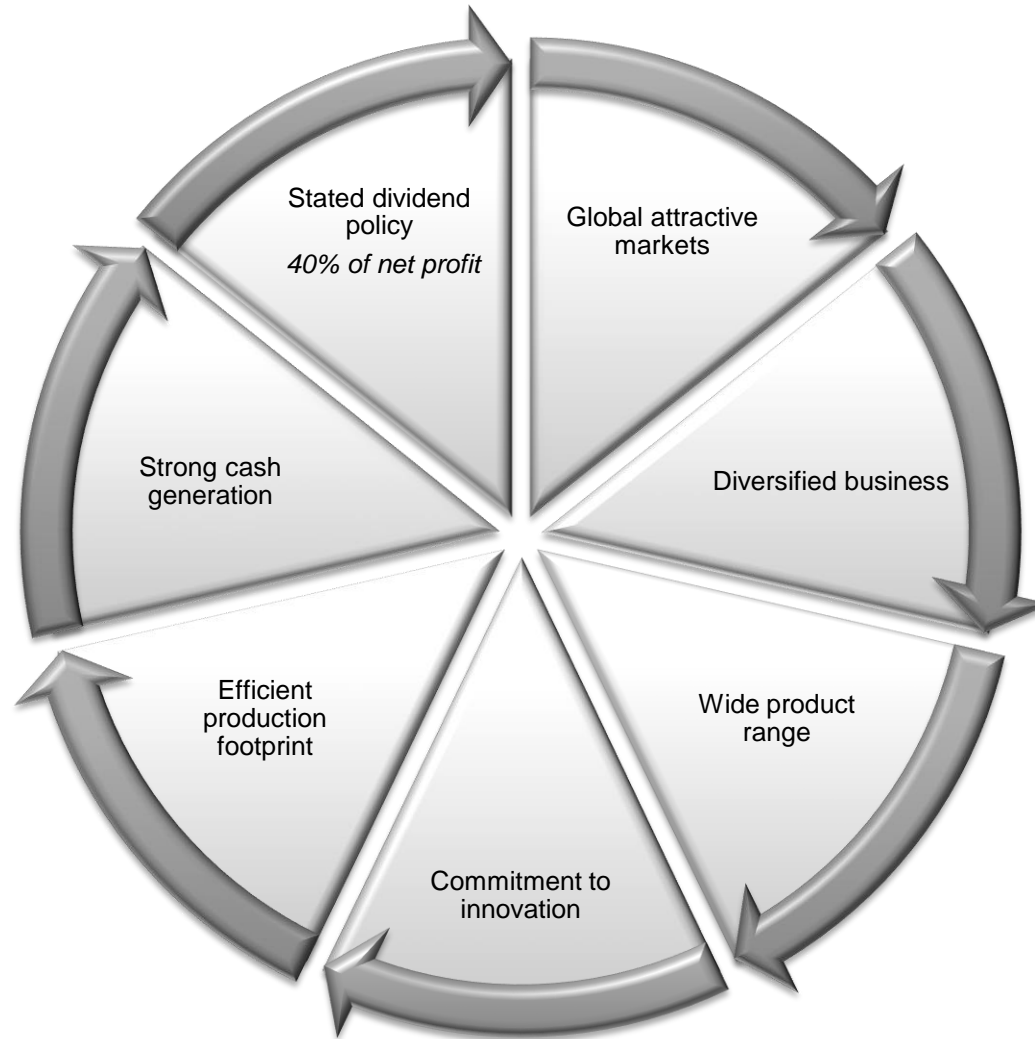
- Improve lean manufacturing system .
- Exploit supply chain efficiencies.

## Acquisitions

- Access new technologies.
- Complete product range.
- Penetrate new markets.







## 9M 2017, Group financial highlights

€m	9M 2017	9M 2016	Δ %	FY 2016
Net sales	322,2	309,8	4,0	391,9
Ebitda Adj (*)	38,4	36,9	4,1	40,5
% on sales	11,9	11,9		
Ebitda	37,2	36,3	2,4	39,5
% on sales	11,5	11,7		
Ebit	27,8	26,7	4,2	21,9
% on sales	8,6	8,6		
Profit before taxes	22,1	24,7	(10,3)	26,5
% on sales	6,9	8,0		
Net profit	15,8	16,6	(4,9)	17,7
% on sales	4,9	5,3		

(\*) Excluding items affecting comparability

€m	30.09.2017	30.09.2016	31.12.2016
Net non-current assets	146,6	114,1	116,1
Net working capital	161,3	152,6	145,6
Net capital employed	307,9	266,6	261,8
Total Equity	187,2	178,8	181,7
Net debt	-120,6	-87,8	-80,1

- ✓ Sales: positive contribution of newly acquired Lavorwash Group for 13.8€m.
- ✓ EBITDA: positive leverage for higher sales; favorable sales mix among businesses and contribution of Lavorwash Group.
- ✓ Financial items
  - Decrease of financial expenses linked to lower average debt and related cost
- ✓ Forex
  - Negative forex for 3.5€m (positive for 1.6 €m in 9M 2016)
- ✓ Tax rate
  - Lower Tax rate
- ✓ Net debt includes financial liabilities for the purchase of the remaining shares of the minority investments and for the adjustment of acquisition transactions with deferred payment subject to contractual restrictions, in the amount of 24€m

€m	FY 2017	FY 2016	Δ
Net sales	422.3	391.9	7.8%
<i>Outdoor Power Equipment</i>			-4.8%
<i>Pumps and High Pressure Water Jetting</i>			34.8%
<i>Components and Accessories</i>			2.8%

- ✓ **Consolidated net sales:** the change in the scope of consolidation contributed for € 29.7 million
- ✓ **Outdoor Power Equipment:** result negatively affected by weather conditions; recovery of 3% in 4Q.
- ✓ **Pumps and High Pressure Water Jetting:** organic increase of 5.9% and contribution of Lavorwash Group consolidation in the second half.
- ✓ **Components and Accessories:** positive performance of all product lines.

€/mln	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Sales	84,4	89,5	133,0	146,7	147,0	152,7	163,2	183,4	208,4	217,8	243,4	194,9	206,8	204,4	354,8	355,0	354,8	381,6	391,9
EBITDA adj	12,9	12,8	16,0	20,6	22,9	23,9	22,6	22,3	25,1	30,0	31,7	21,7	21,3	19,6	31,7	34,2	33,1	37,5	40,5
margin	15,3%	14,3%	12,0%	14,1%	15,6%	15,7%	13,9%	12,1%	12,1%	13,8%	13,0%	11,1%	10,3%	9,6%	8,9%	9,6%	9,3%	9,8%	10,3%
EBIT adj	9,3	8,1	10,6	14,8	16,8	17,5	16,3	17,0	19,8	24,5	24,9	14,9	13,9	12,5	19,6	22,4	21,7	25,0	22,9
margin	11,1%	9,0%	8,0%	10,1%	11,4%	11,5%	10,0%	9,3%	9,5%	11,2%	10,2%	7,6%	6,7%	6,1%	5,5%	6,3%	6,1%	6,5%	5,8%
Net profit	5,5	3,9	6,2	7,9	9,0	9,6	9,0	9,6	11,3	15,2	14,9	9,4	11,6	5,8	8,6	10,5	10,2	9,0	17,7
margin	6,5%	4,4%	4,7%	5,4%	6,1%	6,3%	5,5%	5,2%	5,4%	7,0%	6,1%	4,8%	5,6%	2,8%	2,4%	3,0%	2,9%	2,4%	4,5%
FCF from operations	9,1	8,6	11,6	13,7	15,1	16,0	15,3	14,8	16,7	20,8	21,6	16,2	19,0	12,9	20,8	22,4	21,7	21,5	35,3
Net Equity	42,1	44,8	48,8	53,8	59,3	65,1	69,8	75,4	81,9	91,4	99,4	104,6	114,0	140,1	145,0	150,8	160,1	168,5	181,7
Net financial debt	3,2	5,5	14,3	26,4	19,1	21,1	16,4	25,8	37,9	31,0	61,8	38,0	27,4	97,3	99,9	76,4	79,0	99,4	80,1
Net capital employed	45,3	50,3	63,1	80,3	78,5	86,2	86,3	101,2	119,7	122,5	161,2	142,6	141,4	237,4	244,9	227,2	239,1	267,9	261,8
Net working capital	27,5	32,1	43,7	55,6	54,2	60,2	59,3	66,4	81,8	81,1	103,2	82,9	83,7	157,5	155,9	142,2	148,6	154,6	145,6
Debt/Equity	0,1	0,1	0,3	0,5	0,3	0,3	0,2	0,3	0,5	0,3	0,6	0,4	0,2	0,7	0,7	0,5	0,5	0,6	0,4
Debt/EBITDA adj	0,2	0,4	0,9	1,3	0,8	0,9	0,7	1,2	1,5	1,0	2,0	1,8	1,3	5,0	3,1	2,2	2,4	2,7	2,0

**1998-1999:** Creation of 5 commercial branches in Western Europe. **2004:** Establishment of Emak Jiangmen, production plant in China. **2005:** Creation of Victus, commercial branch in Poland. **2006:** Creation of Emak U.S.A. commercial branch in USA. **2008:** Acquisition of Bertolini and Tailong (cylinder manufacturer) **2011:** Acquisition of Epicenter (Ukraine), Tecomet, Comet, Sabart and Raico **2012:** Start-up of Emak do Brazil, acquisition of Valley in USA **2014:** Acquisition of Speed Industrie Sarl (Marocco), S.I.Agro Mexico, Geoline Electronic, Master Fluid; Speed South America (Chile) **2015:** Acquisition of Lemasa (Brazil) **2016:** Acquisition of 30% of Cifarelli S.p.A. **2017:** Acquisition of Lavorwash Group

Aimone Burani, the executive responsible for the preparation of the corporate accounting documents, declares and certifies in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the financial statements contained in this presentation correspond to the underlying accounting documents, records and accounting entries.



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[www.linkedin.com/company/emak-s-p-a-](https://www.linkedin.com/company/emak-s-p-a-)

#### **Speakers**

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Mr. Andrea La Fata – Investor Relator

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