

Financial Overview  
May 2018, 10<sup>th</sup>

# Nice 1Q 2018 Results

TheNiceGroup



1993  
2018  
Nice

# Highlights

Consolidated Sales

**€ 78.5m** (+4.2% vs. 1Q 2017)

Gross margin

**54.5%** (vs. 54.6% in 1Q 2017)

EBITDA margin *adjusted (1)*

**15.7%** (vs. 16.0% in 1Q 2017)

Group Net Income margin *adjusted (2)*

**6.7%** (vs. 6.5% in 1Q 2017)

Operating Free Cash Flow

**€ -18.1m** (vs. € -11.4m in 1Q 2017)

NFP

**€ -25.5m** (vs. € -5.2m as of 31/03/2017)

| €m  | 1Q 2018 |        | 1Q 2017 |        | Δ %  | Δ % (*) |
|---|---------|--------|---------|--------|------|---------|
| <b>Net Sales</b>                            | 78.5    | 100.0% | 75.4    | 100.0% | 4.2% | 9.0%    |
| <b>Gross Profit</b>                         | 42.8    | 54.5%  | 41.2    | 54.6%  | 3.9% |         |
| <b>EBITDA <i>adjusted (1)</i></b>           | 12.3    | 15.7%  | 12.1    | 16.0%  | 1.8% |         |
| <b>Group Net Income <i>adjusted (2)</i></b> | 5.3     | 6.7%   | 4.9     | 6.5%   | 7.2% |         |
| <b>Operating Free Cash Flow</b>             | -18.1   |        | -11.4   |        |      |         |
| <b>Net Financial Position</b>               | -25.5   |        | -5.2    |        |      |         |

(\*) At constant exchange rates

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# Net Sales Breakdown by Region

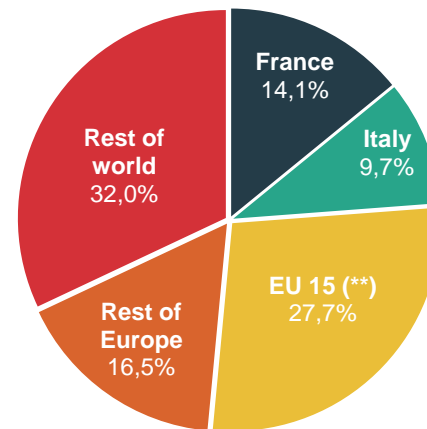
## Home & Building Automation

| €m               | 1Q 2018     | 1Q 2017     | Δ %         | Δ % (*)     |
|------------------|-------------|-------------|-------------|-------------|
| France           | 11.0        | 10.9        | 1.4%        | 1.4%        |
| Italy            | 7.6         | 8.0         | (4.4%)      | (4.4%)      |
| EU 15(**)        | 21.8        | 20.1        | 8.1%        | 8.4%        |
| Rest of Europe   | 13.0        | 11.8        | 10.2%       | 12.4%       |
| Rest of World    | 25.1        | 24.6        | 2.1%        | 15.5%       |
| <b>Net Sales</b> | <b>78.5</b> | <b>75.4</b> | <b>4.2%</b> | <b>9.0%</b> |

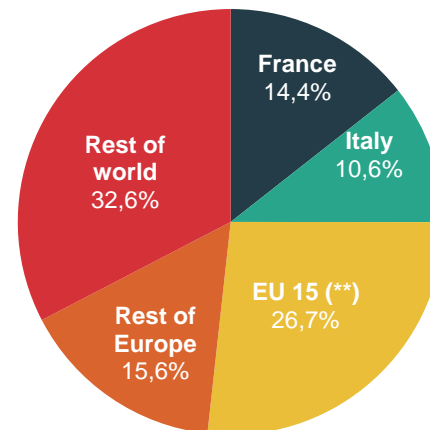
(\*) At constant exchange rates

(\*\*) Excluding Italy and France

1Q 2018



1Q 2017

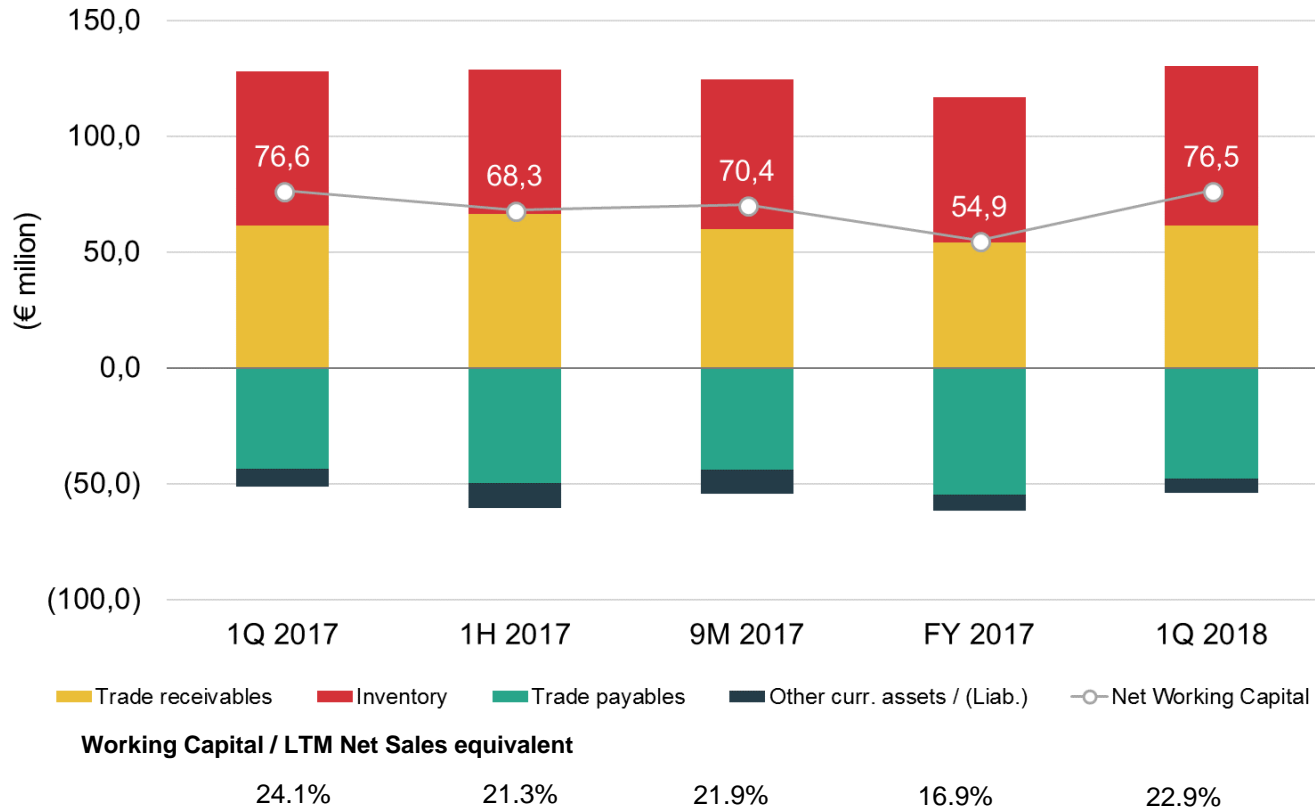


# Profit & Loss

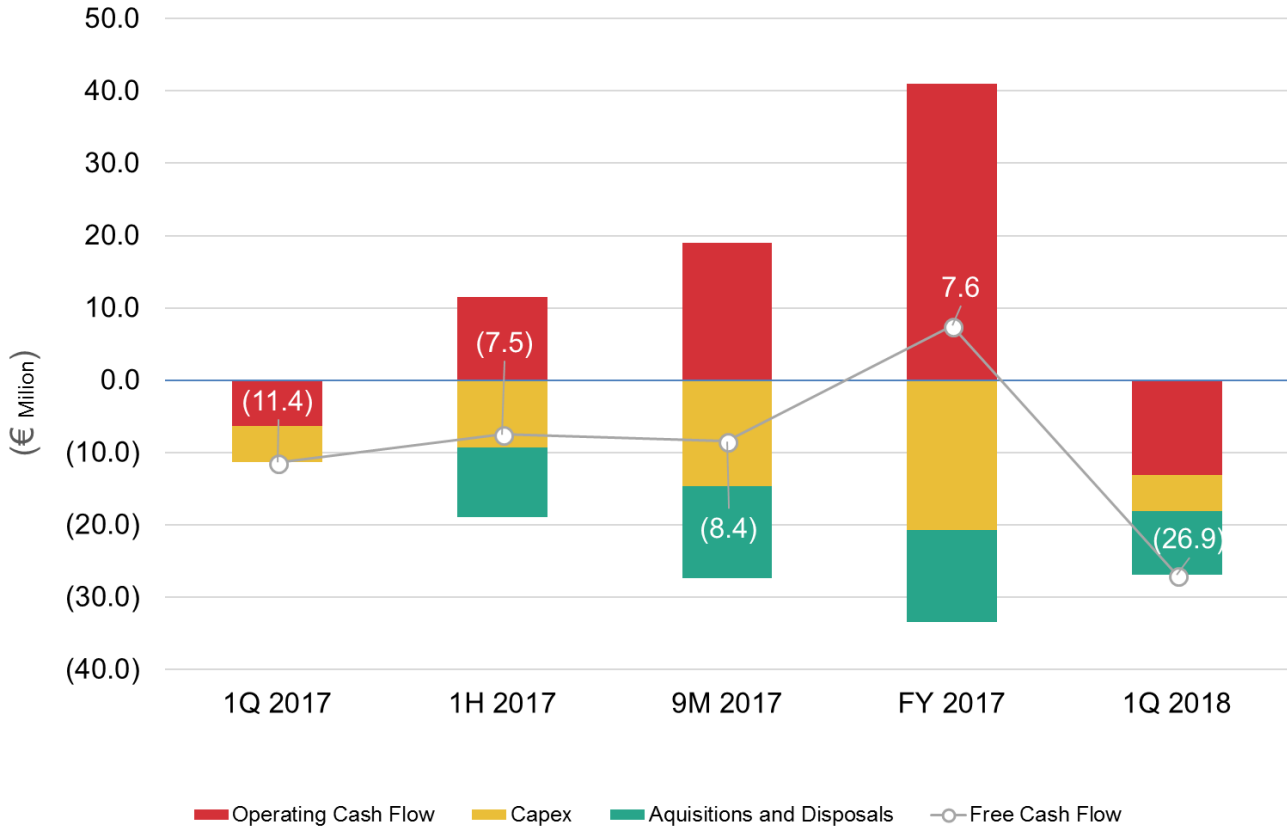
| €m  | 1Q 2018       | %             | 1Q 2017       | %             | Δ %          |
|---|---------------|---------------|---------------|---------------|--------------|
| <b>Revenues</b>                                       | <b>78.5</b>   | <b>100.0%</b> | <b>75.4</b>   | <b>100.0%</b> | <b>4.2%</b>  |
| Cost of goods sold                                    | (35.7)        | -45.5%        | (34.2)        | -45.4%        |              |
| <b>Gross Profit</b>                                   | <b>42.8</b>   | <b>54.5%</b>  | <b>41.2</b>   | <b>54.6%</b>  | <b>3.9%</b>  |
| Industrial costs                                      | (2.2)         | -2.8%         | (2.1)         | -2.8%         |              |
| Marketing costs                                       | (3.3)         | -4.2%         | (1.8)         | -2.4%         |              |
| Trade costs   | (3.8)         | -4.8%         | (3.6)         | -4.7%         |              |
| General costs   | (5.4)         | -6.9%         | (5.2)         | -7.0%         |              |
| Personnel costs                                       | (17.9)        | -22.8%        | (16.3)        | -21.6%        |              |
| <b>Total Operating Costs</b>                          | <b>(32.7)</b> | <b>-41.6%</b> | <b>(29.1)</b> | <b>-38.6%</b> |              |
| <b>EBITDA</b>   | <b>10.1</b>   | <b>12.8%</b>  | <b>12.1</b>   | <b>16.0%</b>  |              |
| <b>EBITDA adjusted (1)</b>                            | <b>12.3</b>   | <b>15.7%</b>  | <b>12.1</b>   | <b>16.0%</b>  | <b>1.8%</b>  |
| Depreciation and amortisation                         | (2.6)         | -3.3%         | (2.4)         | -3.2%         |              |
| <b>EBIT</b>   | <b>7.5</b>    | <b>9.5%</b>   | <b>9.7</b>    | <b>12.9%</b>  |              |
| <b>EBIT adjusted (1)</b>                              | <b>9.7</b>    | <b>12.3%</b>  | <b>9.7</b>    | <b>12.9%</b>  | <b>-0.3%</b> |
| Financial management and other costs                  | (0.9)         | -1.2%         | (1.3)         | -1.8%         |              |
| <b>Pre-tax profit</b>                                 | <b>6.5</b>    | <b>8.3%</b>   | <b>8.4</b>    | <b>11.1%</b>  |              |
| Taxes   | (2.7)         | -3.5%         | (3.4)         | -4.5%         |              |
| <b>Net profit/loss</b>                                | <b>3.8</b>    | <b>4.8%</b>   | <b>5.0</b>    | <b>6.6%</b>   |              |
| <b>Net profit/loss adjusted (2)</b>                   | <b>5.4</b>    | <b>6.9%</b>   | <b>5.0</b>    | <b>6.6%</b>   | <b>8.1%</b>  |
| Profit/Loss attributable to non-controlling interests | 0.1           | 0.2%          | 0.1           | 0.1%          |              |
| <b>Group net profit/loss</b>                          | <b>3.7</b>    | <b>4.7%</b>   | <b>4.9</b>    | <b>6.5%</b>   |              |
| <b>Group net profit/loss adjusted (2)</b>             | <b>5.3</b>    | <b>6.7%</b>   | <b>4.9</b>    | <b>6.5%</b>   | <b>7.2%</b>  |

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# Working Capital



# Free Cash Flow



# Statement of Financial Position

| €m                                | 1Q 2018       | 1Q 2017       |
|-----------------------------------|---------------|---------------|
| Intangible assets                 | 119.7         | 114.2         |
| Tangible assets                   | 56.8          | 53.8          |
| Other fixed assets                | 10.0          | 12.4          |
| <b>Fixed Assets</b>               | <b>186.4</b>  | <b>180.4</b>  |
| Trade receivables                 | 61.6          | 61.5          |
| Inventory                         | 68.8          | 66.3          |
| Trade payables                    | (47.9)        | (43.5)        |
| Other curr. assets / (Liab.)      | (6.0)         | (7.8)         |
| <b>Net Working Capital</b>        | <b>76.5</b>   | <b>76.6</b>   |
| <b>Severance and other funds</b>  | <b>(17.0)</b> | <b>(27.5)</b> |
| <b>Net Invested Capital</b>       | <b>245.8</b>  | <b>229.5</b>  |
| Shareholders' equity              | 221.2         | 225.2         |
| Minorities                        | (0.8)         | (0.9)         |
| <b>Total Shareholders' Equity</b> | <b>220.4</b>  | <b>224.3</b>  |
| Cash & cash equivalents           | (76.6)        | (62.3)        |
| Financial assets                  | (2.5)         | (4.9)         |
| Total debt                        | 104.6         | 72.4          |
| <b>Net Debt</b>                   | <b>25.5</b>   | <b>5.2</b>    |
| <b>Net Capital Employed</b>       | <b>245.8</b>  | <b>229.5</b>  |

# Cash Flow Statement

| €m   | 1Q 2018       | 1Q 2017       |
|--|---------------|---------------|
| Net profit                                       | 3.8           | 5.0           |
| D&A and other non cash items                     | 3.0           | 3.6           |
| Change in Net Working Capital                    | (20.3)        | (14.9)        |
| <b>Operating Cash Flow</b>                       | <b>(13.5)</b> | <b>(6.3)</b>  |
| Capex  | (4.5)         | (5.1)         |
| <b>Operating Free Cash Flow</b>                  | <b>(18.0)</b> | <b>(11.4)</b> |
| Aquisitions and Disposals                        | (8.9)         | 0.0           |
| <b>Free Cash Flow</b>                            | <b>(26.9)</b> | <b>(11.4)</b> |
| Dividend paid out                                | 0.0           | 0.0           |
| Net Financial Position of the acquired companies | 0.2           | 0.0           |
| Other  | (0.2)         | 0.2           |
| <b>Subtotal</b>                                  | <b>(0.1)</b>  | <b>0.2</b>    |
| <b>Variation of Net Financial Position</b>       | <b>(26.9)</b> | <b>(11.1)</b> |
| <b>Initial Net Financial Position</b>            | <b>1.4</b>    | <b>5.9</b>    |
| <b>Final Net Financial Position</b>              | <b>(25.5)</b> | <b>(5.2)</b>  |



# The Path Ahead

## 2018: The Opportunities

Continuous investments  
in smart technologies and  
digital platforms.

Solid cash generation.

Investments in focused factories.

## Further International Expansion

Growth by acquisition.

Accelerated sales growth  
outside Europe.

Growth in core markets.

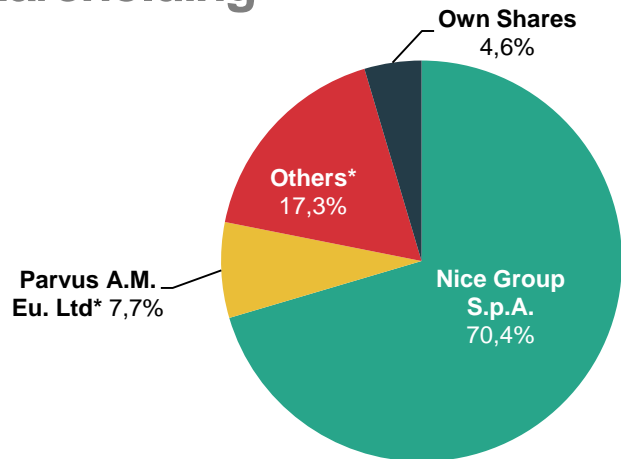
## Further Actions

Increase our market share  
in “Gate and Screen”  
automation business.

On going partnerships and  
sustainability approach

# The Group Structure (situation as at 31/03/2018)

## Shareholding

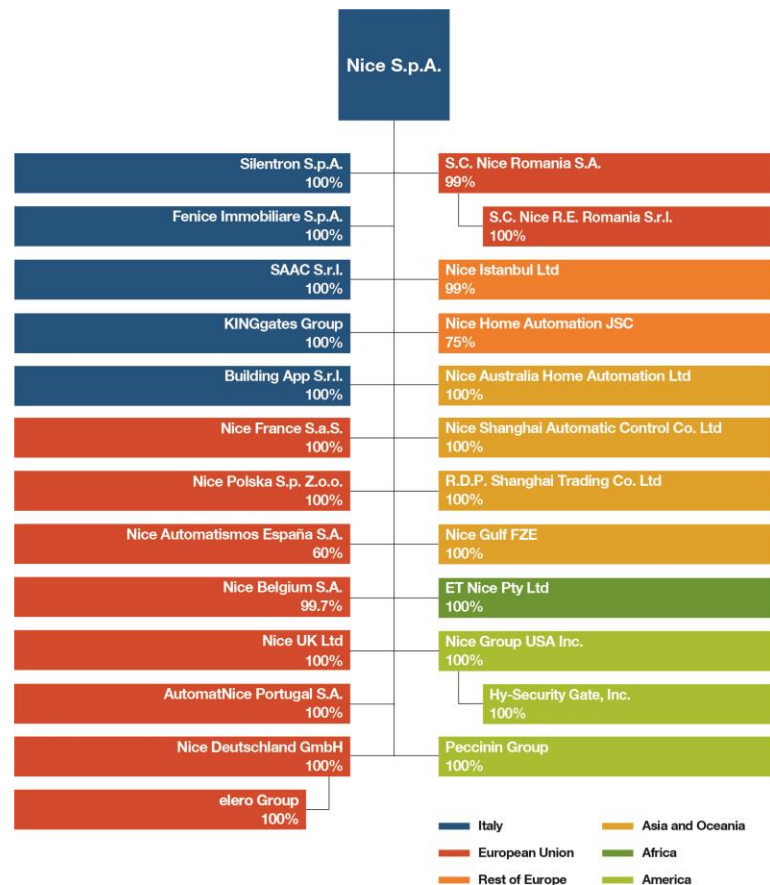


\* Free Float

## Board of Directors

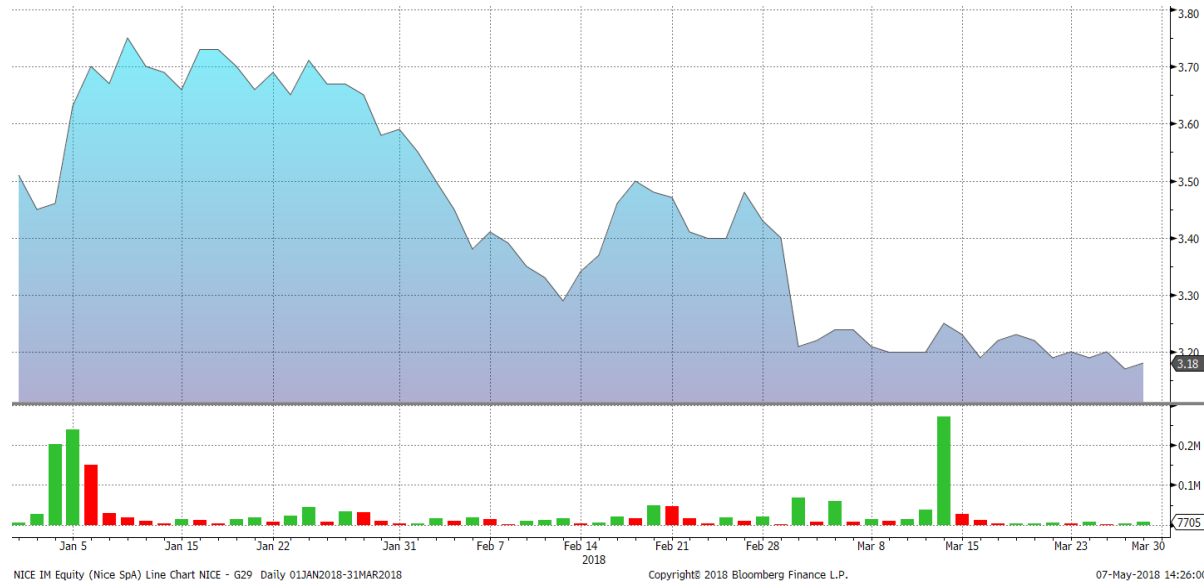
Lauro Buoro - Chairman  
 Roberto Griffa - Chief Executive Officer  
 Denise Cimolai - Director  
 Emanuela Banfi - Independent Director

Giorgio Zanutto - Director  
 Lorenzo Galberti - Director  
 Antonio Bortuzzo - Independent Director  
 Chiara Mio - Director



# Stock Chart <sup>(1)</sup>

## Share Information



N. of shares outstanding  
**116.000.000**

Ipo Price  
**€ 5.70**

Price as of 31/03/2018  
**€ 3.18**

Market Capitalization  
**€ 369m**

Italian Stock Exchange  
**STAR segment**

Specialist  
**UBI BANCA**

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(1) From 01/01/2018 to 31/03/2018

Source: Bloomberg


# Notes to the presentation

- (1) As at 31 March 2018, EBITDA is adjusted excluding the costs incurred for participation in the R+T three-year fair, which was held in February in Stuttgart, for Euro 1.2 million and the expenses incurred for acquisitions and corporate reorganizations for Euro 1.0 million.
- (2) Adjusted for the elements indicated in note (1) and the related total tax effect applied of Euro 0.6 million.
- (3) Some items of the Income Statement at 31 March 2017 were reclassified for comparability with figures at 31 March 2018.



Financial Overview  
May 2018, 10<sup>th</sup>

**Thank you**

TheNiceGroup 

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