

Financial Overview  
August 2018, 3<sup>rd</sup>

# Nice 1H 2018 Results

TheNiceGroup

# Highlights

Consolidated Sales

**€ 168.2m** (+2.6% vs. 1H 2017)

Gross margin

**53.8%** (vs. 53.8% in 1H 2017)

EBITDA margin *adjusted* (1)

**15.8%** (vs. 16.6% in 1H 2017)

Group Net Income margin *adjusted* (2)

**7.1%** (vs. 7.6% in 1H 2017)

Operating Free Cash Flow

**€ -7.9m** (vs. € 2.2m in 1H 2017)

NFP

**€ -46.2m** (vs. € -13.5m as of 30/06/2017)

€m	1H 2018		1H 2017		Δ %	Δ % (*)
<b>Net Sales</b>	168.2	100.0%	164.0	100.0%	2.6%	7.2%
<b>Gross Profit</b>	90.6	53.8%	88.3	53.8%	2.6%	
<b>EBITDA <i>adjusted</i> (1)</b>	26.5	15.8%	27.3	16.6%	(2.8%)	
<b>Group Net Income <i>adjusted</i> (2)</b>	12.0	7.1%	12.5	7.6%	(4.4%)	
<b>Operating Free Cash Flow</b>	-7.9		2.2			
<b>Net Financial Position</b>	-46.2		-13.5			

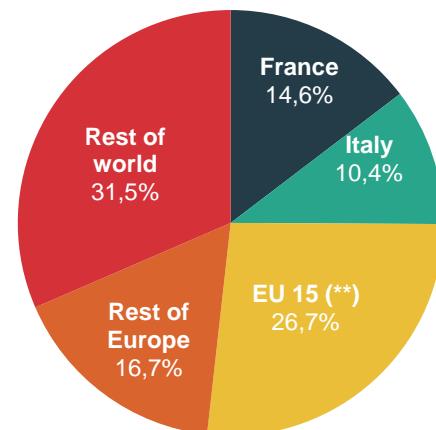
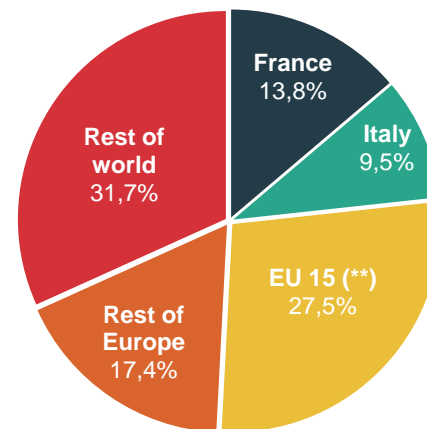
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# Net Sales Breakdown by Region

€m	1H 2018	1H 2017	Δ %	Δ % (*)
France	23.2	24.0	(3.3%)	(3.3%)
Italy	15.9	17.1	(6.9%)	(6.9%)
EU 15 (**)	46.3	43.8	5.9%	6.2%
Rest of Europe	29.3	27.4	6.8%	10.8%
Rest of World	53.4	51.6	3.4%	15.6%
<b>Net Sales</b>	<b>168.2</b>	<b>164.0</b>	<b>2.6%</b>	<b>7.2%</b>

(\*) At constant exchange rates

(\*\*) Excluding Italy and France

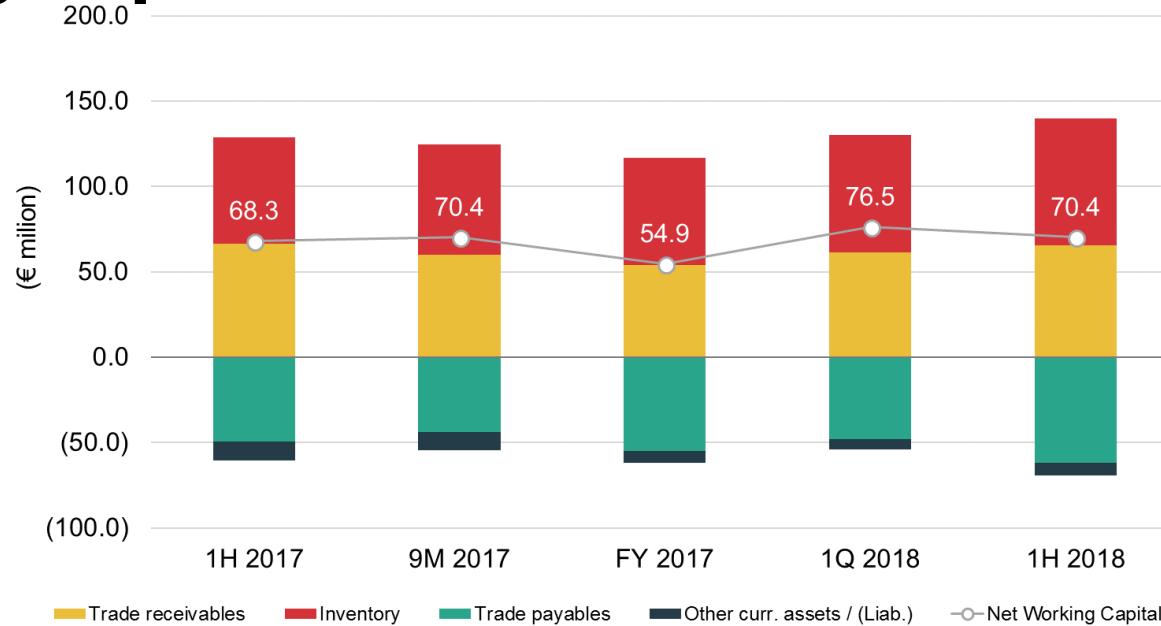


# Profit & Loss

€m	1H 2018	%	1H 2017 (3)	%	Δ %
<b>Revenues</b>	<b>168.2</b>	<b>100.0%</b>	<b>164.0</b>	<b>100.0%</b>	<b>2.6%</b>
Cost of goods sold	(77.7)	-46.2%	(75.7)	-46.2%	
<b>Gross Profit</b>	<b>90.6</b>	<b>53.8%</b>	<b>88.3</b>	<b>53.8%</b>	<b>2.6%</b>
Industrial costs	(5.3)	-3.1%	(4.3)	-2.6%	
Marketing costs	(6.1)	-3.6%	(4.9)	-3.0%	
Trade costs	(8.1)	-4.8%	(7.4)	-4.5%	
General costs	(12.0)	-7.1%	(11.0)	-6.7%	
Personnel costs	(36.3)	-21.6%	(33.3)	-20.3%	
<b>Total Operating Costs</b>	<b>(67.7)</b>	<b>-40.2%</b>	<b>(61.0)</b>	<b>-37.2%</b>	
<b>EBITDA</b>	<b>22.9</b>	<b>13.6%</b>	<b>27.3</b>	<b>16.6%</b>	
<b>EBITDA adjusted (1)</b>	<b>26.5</b>	<b>15.8%</b>	<b>27.3</b>	<b>16.6%</b>	<b>-2.8%</b>
Depreciation and amortisation	(5.5)	-3.3%	(5.1)	-3.1%	
<b>EBIT</b>	<b>17.3</b>	<b>10.3%</b>	<b>22.2</b>	<b>13.5%</b>	
<b>EBIT adjusted (1)</b>	<b>21.0</b>	<b>12.5%</b>	<b>22.2</b>	<b>13.5%</b>	<b>-5.6%</b>
Financial management and other costs	(0.6)	-0.4%	(2.1)	-1.3%	
<b>Pre-tax profit</b>	<b>16.7</b>	<b>9.9%</b>	<b>20.1</b>	<b>12.3%</b>	
Taxes	(6.4)	-3.8%	(7.3)	-4.5%	
<b>Net profit/loss</b>	<b>10.3</b>	<b>6.1%</b>	<b>12.8</b>	<b>7.8%</b>	
<b>Net profit/loss adjusted (2)</b>	<b>12.3</b>	<b>7.3%</b>	<b>12.8</b>	<b>7.8%</b>	<b>-4.1%</b>
Profit/Loss attributable to non-controlling interests	0.3	0.2%	0.3	0.2%	
<b>Group net profit/loss</b>	<b>10.0</b>	<b>5.9%</b>	<b>12.5</b>	<b>7.6%</b>	
<b>Group net profit/loss adjusted (2)</b>	<b>12.0</b>	<b>7.1%</b>	<b>12.5</b>	<b>7.6%</b>	<b>-4.4%</b>

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# Working Capital



## Working Capital / LTM Net Sales equivalent

21.3%

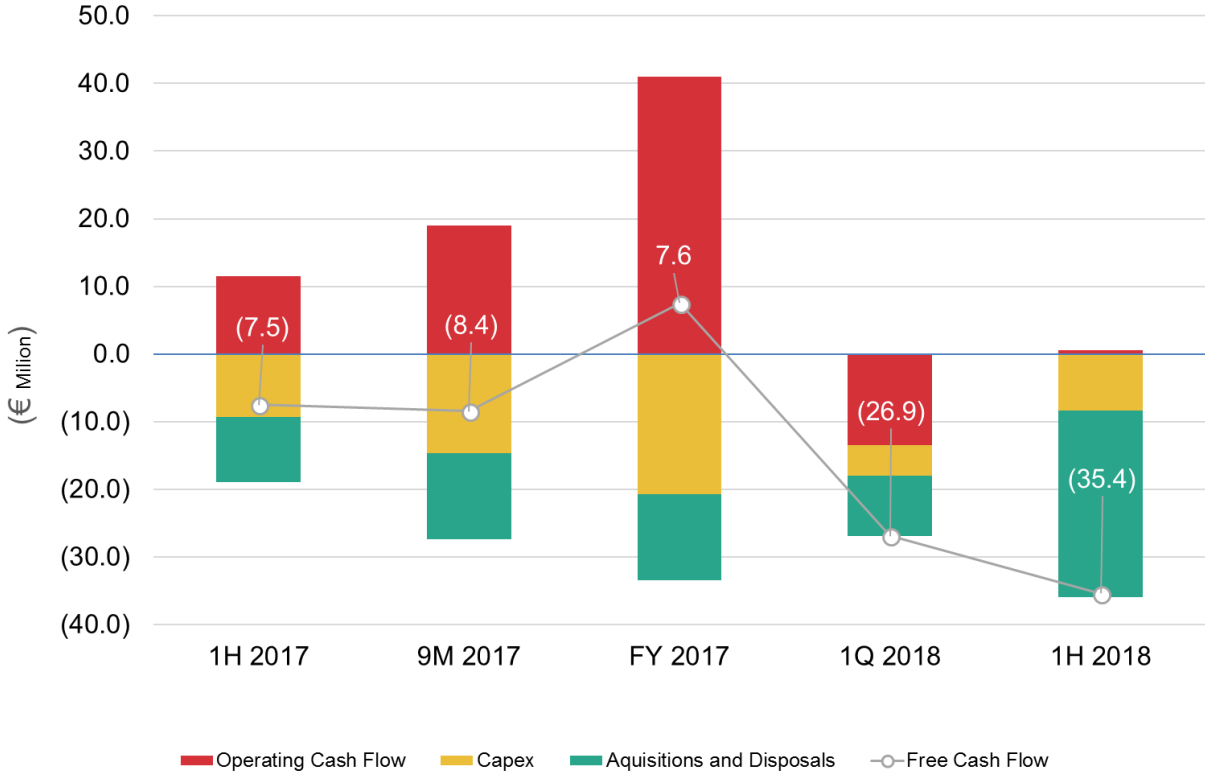
21.9%

16.9%

22.9%

20.6%

# Free Cash Flow



# Statement of Financial Position

€m	1H 2018	FY 2017	1H 2017
Intangible assets	148.2	114.6	113.0
Tangible assets	57.0	56.1	54.2
Other fixed assets	10.1	9.8	11.4
<b>Fixed Assets</b>	<b>215.3</b>	<b>180.5</b>	<b>178.6</b>
Trade receivables	65.8	54.1	66.4
Inventory	74.0	62.6	62.4
Trade payables	(61.7)	(54.8)	(49.6)
Other curr. assets / (Liab.)	(7.7)	(7.1)	(11.0)
<b>Net Working Capital</b>	<b>70.4</b>	<b>54.9</b>	<b>68.3</b>
<b>Severance and other funds</b>	<b>(26.1)</b>	<b>(17.7)</b>	<b>(19.8)</b>
<b>Net Invested Capital</b>	<b>259.6</b>	<b>217.8</b>	<b>227.1</b>
Shareholders' equity	214.0	220.0	214.5
Minorities	(0.6)	(0.8)	(0.9)
<b>Total Shareholders' Equity</b>	<b>213.4</b>	<b>219.2</b>	<b>213.6</b>
Cash & cash equivalents	(45.3)	(55.7)	(46.9)
Financial assets	(2.4)	(2.8)	(5.0)
Total debt	93.9	57.1	65.4
<b>Net Debt</b>	<b>46.2</b>	<b>(1.4)</b>	<b>13.5</b>
<b>Net Capital Employed</b>	<b>259.6</b>	<b>217.8</b>	<b>227.1</b>

# Cash Flow Statement

€m	1H 2018	FY 2017	1H 2017
Net profit	10.3	23.4	12.8
D&A and other non cash items	5.7	13.8	6.9
Change in Net Working Capital	(15.4)	3.9	(8.2)
<b>Operating Cash Flow</b>	<b>0.5</b>	<b>41.1</b>	<b>11.5</b>
Capex	(8.4)	(20.7)	(9.3)
<b>Operating Free Cash Flow</b>	<b>(7.9)</b>	<b>20.4</b>	<b>2.2</b>
Aquisitions and Disposals	(27.5)	(12.7)	(9.7)
<b>Free Cash Flow</b>	<b>(35.4)</b>	<b>7.7</b>	<b>(7.5)</b>
Dividend paid out	(11.1)	(11.1)	(11.1)
Net Financial Position of the acquired companies	0.6	0.0	0.0
Other	(1.8)	(1.1)	(0.9)
<b>Subtotal</b>	<b>(12.3)</b>	<b>(12.2)</b>	<b>(12.0)</b>
<b>Variation of Net Financial Position</b>	<b>(47.7)</b>	<b>(4.5)</b>	<b>(19.5)</b>
<b>Initial Net Financial Position</b>	<b>1.4</b>	<b>5.9</b>	<b>5.9</b>
<b>Final Net Financial Position</b>	<b>(46.2)</b>	<b>1.4</b>	<b>(13.5)</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 acquisitions

Accelerated sales growth outside Europe.

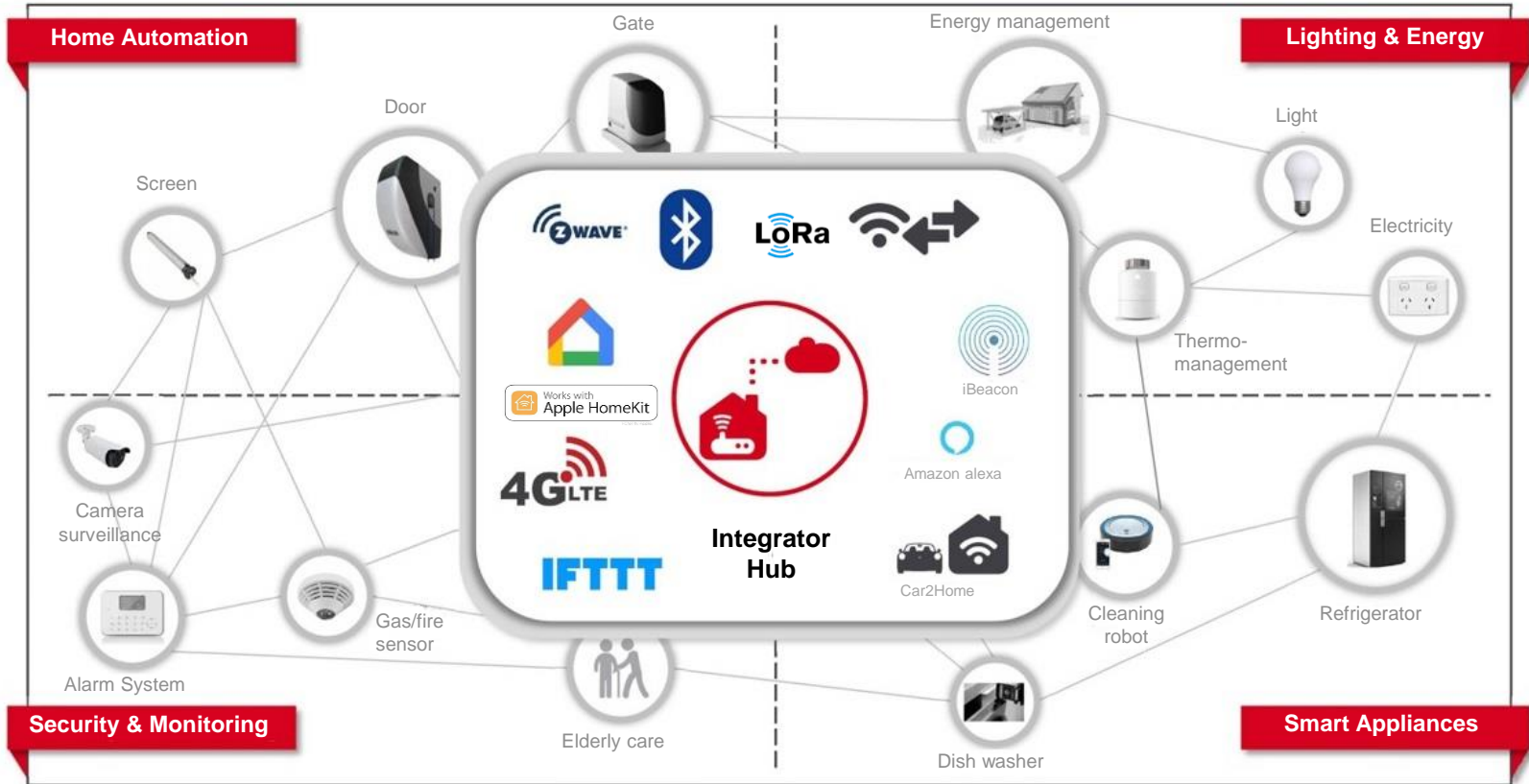
Growth in core markets.

## Further Actions

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

On going partnerships and sustainability approach

# IoT at home: Nice system of products



# The Path Ahead: Growth by acquisitions



a b o d e

- Smart solutions for **Home Security** and integrated **Home Automation**
- **Cross-selling** opportunities
- Appealing, easy to install **DIY Home Security** systems
- **E-commerce** platform for end-users
- Further expansion in the US market



- Leader of **automation systems for commercial rolling shutters**
- **Simple to install** and **customisable** solutions
- **“Made in Italy”** quality



- Integrated **wireless Smart Home systems** for home alarms, automation and sensor control
- Maximum **simplicity** in installation, plug&play
- **End-user app** for remote access
- **Voice control** options and **compatibility** with **third-party systems** such as Apple HomeKit®, Z-Wave, Google Assistant®, Amazon Alexa®, Apple’s Siri®

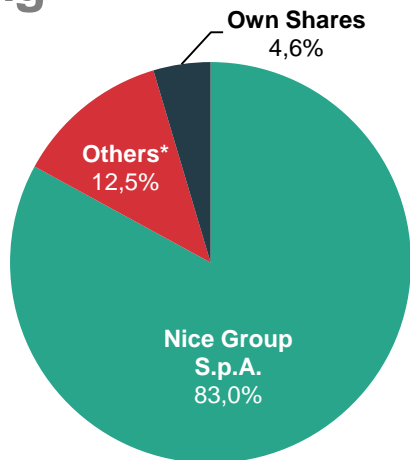


- Complete range for **Home Automation** systems and **industrial applications**
- **App for professionals** to manage, control and configure remotely installations
- **Quality, safety** and **reliability**
- Strengthens **presence in South Europe** and **North Africa**

# The Group Structure

(situation as at 31/07/2018 1)

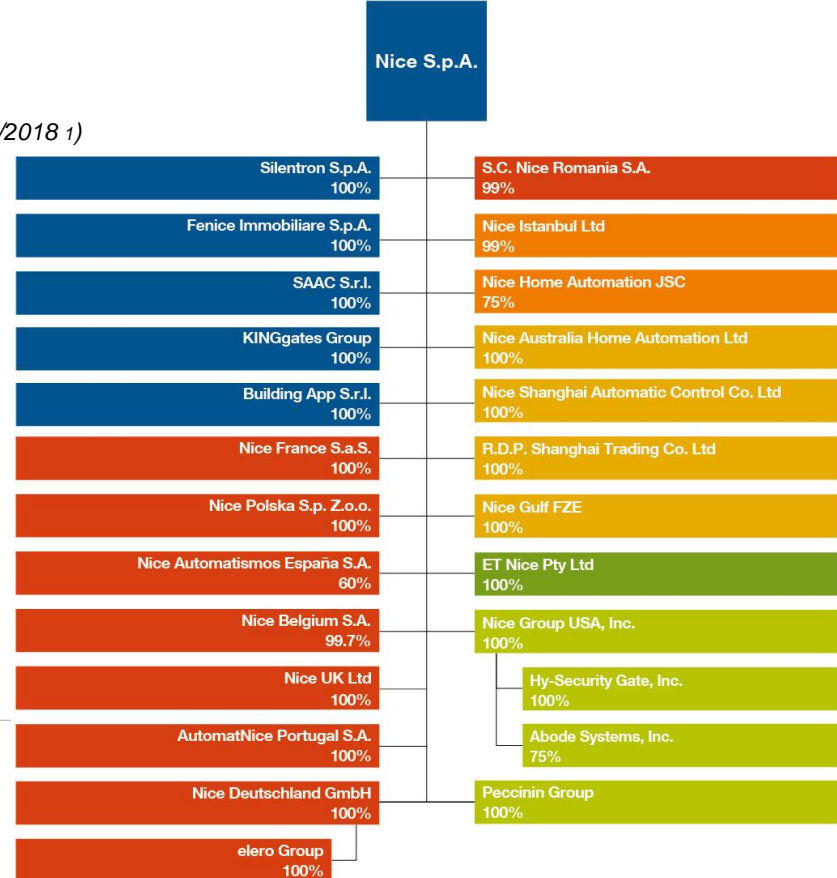
## Shareholding



\* Free Float

## Board of Directors

Lauro Buoro - Chairman	Giorgio Zanutto - Director
Roberto Griffa - Chief Executive Officer	Lorenzo Galberti - Director
Denise Cimolai - Director	Antonio Bortuzzo - Independent Director
Emanuela Banfi - Independent Director	Chiara Mio - Director

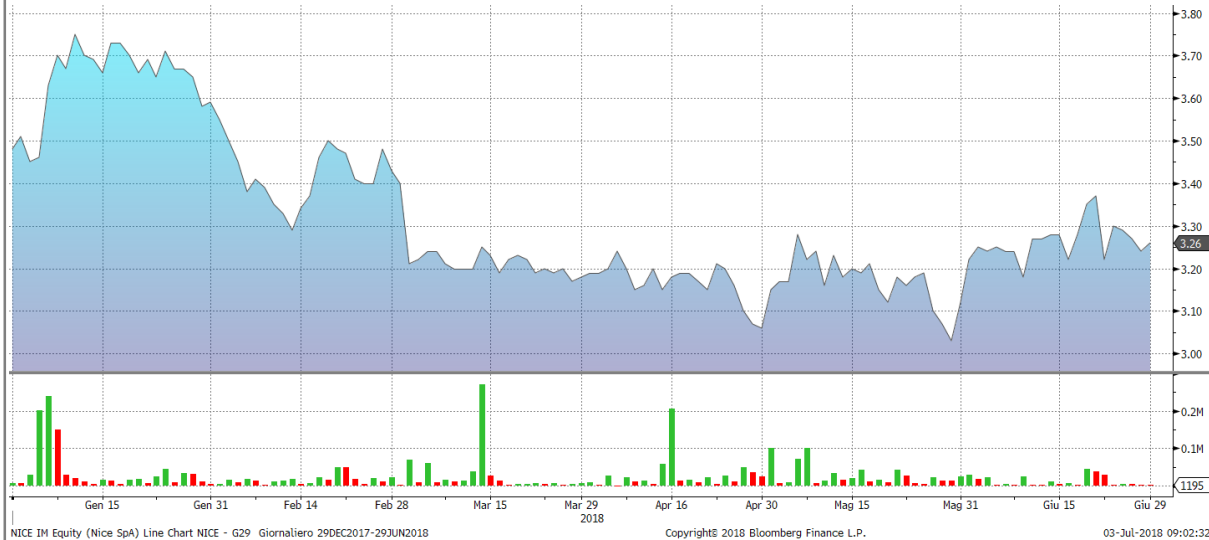


■ Italy      ■ Asia and Oceania  
■ European Union      ■ Africa  
■ Rest of Europe      ■ America

(1) Situation at 31/07/2018 as per the information managed by Nice Spa  
Nice 1H 2018 Results

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

## Share Information



N. of shares outstanding  
**116.000.000**

Ipo Price  
**€ 5.70**

Price as of 30/06/2018  
**€ 3.26**

Market Capitalization  
**€ 378m**

Italian Stock Exchange  
**STAR segment**

Specialist  
**UBI BANCA**

### Investor Relator Contact

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(1) From 01/01/2018 to 30/06/2018 Source: Bloomberg


# Notes to the presentation

- (1) As at 30 June 2018, the 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 2.4 million.
- (2) As at 30 June 2018, Group Net Profit is adjusted with what is stated in note (1), the proceeds of 1 million Euro for the price adjustment related to the exercise of the call option on the remaining 49% of the capital of the Brazilian company Omegaport Equipamentos de Seguranca LTDA and the related tax effect of 0.6 million Euro.
- (3) Some items of the Income Statement at 30 June 2017 were reclassified for comparability with figures at 30 June 2018



Financial Overview  
August 2018, 3<sup>rd</sup>

**Thank you**

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