



SPAFID CONNECT

Informazione Regolamentata n. 0136-16-2019	Data/Ora Ricezione 13 Maggio 2019 14:35:07	MTA - Star
--	--	------------

Societa' : GEFRAN

Identificativo : 118325

Informazione
Regolamentata

Nome utilizzatore : GEFRANN04 - Coffano

Tipologia : REGEM

Data/Ora Ricezione : 13 Maggio 2019 14:35:07

Data/Ora Inizio : 13 Maggio 2019 14:35:08

Diffusione presunta

Oggetto : Interim financial statements at 31.03.2019

Testo del comunicato

Vedi allegato.

GEFRAN S.p.A. BOARD APPROVES CONSOLIDATED RESULTS AT 31 MARCH 2019

- Revenues of EUR 36 million (+3.6% versus the first quarter of 2018)
- Positive EBITDA of EUR 6.3 million, amounting to 17.4% of revenues (+8.5% compared to EUR 5.8 million in the first quarter of 2018)
- Net profit of EUR 2.5 million (+16% compared to EUR 2.2 million in the first quarter of 2018)
- Net financial position was a negative EUR 10.4 million, of which EUR 2.6 million related to IFRS 16 (it was a negative EUR 4.5 million at 31 December 2018)

Group income statement highlights

(EUR / 000)	31 March 2019		31 March 2018	
Revenues	35,973	100.0%	34,717	100.0%
EBITDA	6,269	17.4%	5,777	16.6%
EBIT	2,978	8.3%	4,251	12.2%
Profit (loss) before tax	3,395	9.4%	3,895	11.2%
Result from operating activities	2,548	7.1%	2,610	7.5%
Net profit (loss) from assets held for sale	0	0.0%	(414)	-1.2%
Group net profit (loss)	2,548	7.1%	2,196	6.3%

Group statement of financial position highlights

(EUR / 000)	31 March 2019	31 December 2018
Invested capital from operations	85,926	77,335
Net working capital	34,994	32,055
Shareholders' equity	75,562	72,814
Net financial position	(10,364)	(4,521)

(EUR / 000)	31 March 2019	31 March 2018
Operating cash flow	2,642	3,821
Investments	4,806	1,942

Provaglio d'Iseo (BS), 13 May 2019 – The Board of Directors of GEFran S.p.A met today under the chairmanship of Maria Chiara Franceschetti, at the Provaglio d'Iseo (BS) headquarters, to approve the results at 31 March 2019.

Revenues for the first three months of 2019 amounted to EUR 35.973m, compared with revenue of EUR 34.717m for the same period in 2018, an increase of EUR 1.256m (+3.6%). The acquisition of Elettropiemme S.r.l. on 23 January 2019 contributed to the increase in revenue for a total of EUR 0.974m. Net of this effect, revenue growth compared to the first quarter of 2018 amounted to EUR 0.282 million (+0.8%), focused on original equipment manufacturers (OEM) customers.



The breakdown of revenues by **geographical area** shows strong growth in North America (+26%, net of the positive effect of the favourable exchange rate trend) and South America (+16.4%), while there was a contraction in sales in non-EU Europe (-34.1%). The growth recorded in Italy (+6.6%) was due to the change in the scope of the consolidation for the aforementioned acquisition, without which there would have been a decrease in sales compared to the first quarter of 2018 (-2.4%).

The breakdown of revenues by **business area** in the first quarter shows significant growth in Motion control (+12.5%). Sales increased (+9.8%) the automation components business increased, due to the revenues of the newly acquired Elettropiemme S.r.l., without which business sales were in line with the same period of the previous year. On the other hand, sales of the sensors business contracted (-5.2%), mainly in the Asian market.

Added value for the first quarter of 2019 was EUR 24.401 million (EUR 23.577 million at 31 March 2018), equivalent to 67.8% of revenues (in line with the figure for the same period of 2018). Growth of 0.824 million compared to the first quarter of the previous year was mainly thanks to the entry of Elettropiemme into the Group, to the increase in volumes and the lower value of provisions for inventory write-downs.

Other operating costs at 31 March 2019 amounted to EUR 5.753 million, an increase over the first nine months of 2018 when they were EUR 6.065 million. The percentage of revenues was also down, from 17.5% in the first quarter of 2018 to 16% in the first quarter of 2019. These include higher costs for Elettropiemme S.r.l.'s entry into the Group. (EUR 0.116 million), the decrease in costs for the use of third party assets linked to the application of the new accounting standard IFRS16, which sees the transfer of lease payments for the period (EUR 0.248 million), and the decrease in other operating costs (EUR 0.180 million) mainly linked to changes in the provision for doubtful receivables in the period.

Personnel costs at 31 March 2019 amounted to EUR 12.379 million, compared with EUR 11.735m in the same period of 2018, with an increase relating to both the newly acquired Elettropiemme S.r.l. and the hiring of new employees, in line with the investment plan, including in human capital, which began at the end of 2017.

EBITDA for the first quarter of 2019 amounted to EUR 6.269 million (EUR 5.777 million at 31 March 2018) and reached 17.4% of revenues (16.6% at 31 March 2018), an increase of EUR 0.492 million. The increase was due to the entry of Elettropiemme S.r.l. into the Group, net of which the increase would have been EUR 0.371 million, due to the higher added value and the decrease in operating costs during the period.

EBIT at 31 March 2019 was positive and equal to EUR 2.978 million, representing 8.3% of revenues and compared to an EBIT of EUR 4.251 million at 31 March 2018, showing a decrease of EUR 1.273 million. The change mainly relates to the recording of impairment losses on assets (EUR 1.423 million), relating to the demolition of a building in the sensors business, whose expansion of production lines need for large and new dedicated spaces, essential to support the expansion of the business. Originally, the adaptation of an existing building was assessed, but after a more in-depth analysis, it was found that the building would not have provided adequate technological and energy performance sustainable in the long term. It was therefore decided to proceed with the demolition of the existing building to construct a new building that is more functional and above all at the cutting-edge from the technological and energy point of view. Work should be completed by the end of this year, aiming to bring it into full production by the beginning of 2020.

Net of this, and of the EBIT contributed by the entry of Elettropiemme S.r.l. into the Group, the EBIT for the quarter would have been EUR 4.328 million.

The **net profit from assets held for sale** in the first quarter of 2019 was zero, while the figure for the same period in the previous year was negative for EUR 414 thousand and related to the adjustment of the amount of assets available for sale relating to the know-how of the photovoltaic business at their estimated realisable value.

Group net profit was EUR 2.458 million in the first quarter of 2019 compared with a profit of EUR 2.196 million in the same period of 2018, showing an increase of EUR 0.312 million. Net of the positive effect of the entry of Elettropiemme S.r.l. into the Group, the net profit for the first quarter of 2019 was EUR 0.289 thousand higher than the figure for the same period of the previous year.

Working capital was EUR 27.236 million as of 31 March 2019, compared with EUR 23.028 million at 31 December 2018, an overall increase of EUR 4.208 million.

Shareholders' equity at 31 March 2019 amounted to EUR 75.562 million compared with EUR 72.814 million at 31 December 2018. The change was mainly due to the positive result for the period, amounting to EUR 2.548 million.

The **net financial** position at 31 March 2019 was negative and equal to EUR 10.364 thousand, an increase of EUR 5.843 thousand compared to 31 December 2018 when it was negative overall by EUR 4.521 million.

This **change in net financial position** was mainly due to positive cash flows from ordinary operations (EUR 2.642 million), absorbed by technical investments in the period (EUR 4.806 million), and the net effect of the acquisition of Elettropiemme S.r.l. (EUR 0.538 million); also, there was the negative effect of the application of IFRS 16, which led to a worsening of the net financial position (EUR 2.611 million).

Net financial debt comprises short-term cash and cash equivalents of EUR 10.748 million and medium-/long-term debt of EUR 21.112 million.

The Group's Chief Executive Officer Alberto Bartoli commented on the results: "We are satisfied with the results of the first quarter, where we achieved revenues in line with the previous year and EBITDA on the rise. At the moment the climate of uncertainty that affects the main areas of reference of our Group remains, but our business structure and diversified geographical presence lead us to foresee to close the year with slightly increasing revenues and EBITDA unchanged or slightly down. We will continue with our plan of major investments in technical and human capital, which are essential to be ready for the challenges of the future".

Pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Finance, Fausta Coffano, the executive in charge of financial reporting, declares that the information contained in this press release accurately represents the figures contained in the Group's accounting records.

The Interim Report at 31 September 2019 is available at the company's headquarters and at Borsa Italiana S.p.A. and can also be viewed in the "investor relations/reports and financial statements" section of the company's website (www.gefran.com), and on the website (www.emarketstorage.com) managed by Spafid Connect S.p.A.

This press release contains some "alternative performance indicators" not included in the IFRS accounting principles, whose meaning and content, in line with recommendation ESMA/2015/1415 of 5 October 2015, are illustrated below.

Specifically, the alternative indicators used in the report on the income statement are:

- **Added value:** the direct margin resulting from revenues, including only direct material, gross of other production costs, such as personnel costs, services and other sundry costs;

- **EBITDA:** the operating result before depreciation, amortisation and impairment. The purpose of this indicator is to present the Group's operating profitability before the main non-monetary items;



- **EBIT**: operating profit before financial management and taxes. The purpose of this indicator is to present the Group's operating profitability.

Alternative indicators used in the report on the reclassified statement of financial position are:

- **Net non-current assets**: the algebraic sum of the following items in the statement of financial position:

- Goodwill
- Intangible assets
- Property, plant, machinery and tools
- Equity investments valued at equity
- Equity investments in other companies
- Receivables and other non-current assets
- Deferred tax assets

- **Working capital**: the algebraic sum of the following items in the statement of financial position:

- Inventories
- Trade receivables
- Trade payables
- Other assets
- Tax receivables
- Current provisions
- Tax payables
- Other liabilities

- **Net invested capital**: the algebraic sum of fixed assets, operating capital and provisions;

- **Net financial position**: algebraic sum of the following items:

- Medium/long-term financial payables
- Short-term financial payables
- Financial liabilities for derivatives
- Financial assets for derivatives
- Cash and cash equivalents and short-term financial receivables

Contacts:

Fausta Coffano
Investor Relations
Gefran SpA, Via Sebina 74
25050 Provaglio d'Iseo (BS)
Tel +39 030 98881
Fax + 39 030 9839063
fausta.coffano@gefran.com
www.gefran.com

Twister communications group SpA
Via Valparaiso,3 – 20144 Milan
Tel +39 02 438114200
Maria Giardini
mgiardini@twistergroup.it
www.twistergroup.it

GEFRAN

The **Gefran Group** operates directly in the main international markets, through sales branches in Italy, France, Germany, Switzerland, the UK, Belgium, Spain, Turkey, the US, Brazil, China, Singapore and India, and through manufacturing branches also in Germany, Switzerland, Brazil, the US and China.

The **Gefran Group** currently has more than 800 employees.

The key factors behind **Gefran's** success are specialist know-how, design and production flexibility, capacity for innovation and the quality of its processes and products. With total control of process technology and application know-how, **Gefran** creates instruments and integrated systems for specific applications in various industrial sectors, including plastics processing, food, pharmaceuticals, and packaging and die-casting machines.

Gefran, which has been listed on the Italian Stock Exchange since 9 June 1998, became part of the STAR (high-requisite stock) segment in 2001 and has been listed in the ALL STAR class since 31 January 2005 (which became the FTSE Italia STAR Index on 1 June 2009).

Attachments:

Consolidated Income Statement, Consolidated Results by Line of Business, Breakdown of Consolidated Income by Geographical Region, Consolidated Statement of Financial Position and Consolidated Cash Flow Statement.

Reclassified schedule of the consolidated Income Statement of the Gefran Group at 31 March 2019 (Not audited by external auditors)

(EUR / 000)		31 March 2019	31 March 2018	Changes 2019-2018	
		Total	Total	Value	%
a	Revenues	35,973	34,717	1,256	3.6%
b	Increases for internal work	635	365	270	74.0%
c	Consumption of materials and products	12,207	11,505	702	6.1%
d	Added value (a+b-c)	24,401	23,577	824	3.5%
and	Other operating costs	5,753	6,065	(312)	-5.1%
f	Personnel costs	12,379	11,735	644	5.5%
g	EBITDA (d-e-f)	6,269	5,777	492	8.5%
h	Depreciation, amortisation and impairment	3,291	1,526	1,765	115.7%
i	EBIT (g-h)	2,978	4,251	(1,273)	-29.9%
l	Gains (losses) from financial assets/liabilities	175	(319)	494	154.9%
m	Gains (losses) from shareholdings valued at equity	242	(37)	279	754.1%
n	Profit (loss) before tax (i±l±m)	3,395	3,895	(500)	-12.8%
o	Taxes	(847)	(1,285)	438	34.1%
p	Result from operating activities (n±o)	2,548	2,610	(62)	-2.4%
q	Net profit (loss) from assets held for sale	0	(414)	414	100.0%
r	Group net profit (loss) (p±q)	2,548	2,196	352	16.0%

Results by business of the Gefran Group at 31 March 2019

(Not audited by external auditors)

(EUR / 000)	31 March 2019					31 March 2018				
	Revenues	EBITDA	% of revenues	EBIT	% of revenues	Revenues	EBITDA	% of revenues	EBIT	% of revenues
Sensors	15,286	4,233	27.7%	2,043	13.4%	16,131	5,238	32.5%	4,647	28.8%
Automation components	11,041	1,397	12.7%	831	7.5%	10,060	1,233	12.3%	742	7.4%
Motion Control	11,095	639	5.8%	104	0.9%	9,861	(694)	-7.0%	(1,138)	-11.5%
Eliminations	(1,449)					(1,335)				
Total	35,973	6,269	17.4%	2,978	8.3%	34,717	5,777	16.6%	4,251	12.2%

Revenues by geographical region of the Gefran Group at 31 March 2019

(Not audited by external auditors)

(EUR / 000)	31 March 2019		31 March 2018		Changes 2019-2018	
	value	%	value	%	value	%
Italy	11,464	31.9%	10,753	31.0%	711	6.6%
European Union	9,588	26.7%	9,554	27.5%	34	0.4%
Europe non-EU	1,038	2.9%	1,576	4.5%	(538)	-34.1%
North America	4,813	13.4%	3,634	10.5%	1,179	32.4%
South America	1,159	3.2%	996	2.9%	163	16.4%
Asia	7,652	21.3%	8,083	23.3%	(431)	-5.3%
Rest of the World	259	0.7%	121	0.3%	138	114.0%
Total	35,973	100%	34,717	100%	1,256	3.6%

Reclassified schedule of the Consolidated Statement of Financial Position of the Gefran Group at 31 March 2019

(Not audited by external auditors)

GEFRAN GROUP (EUR / 000)	31 March 2019		31 December 2018	
	value	%	value	%
Intangible assets	12,655	14.7	12,376	16.0
Tangible assets	43,590	50.7	38,955	50.4
Other non-current assets	10,473	12.2	9,801	12.7
Net non-current assets	66,718	77.6	61,132	79.0
Inventories	26,659	31.0	22,978	29.7
Trade receivables	33,944	39.5	29,808	38.5
Trade payables	(25,609)	(29.8)	(20,731)	(26.8)
Other assets/liabilities	(7,758)	(9.0)	(9,027)	(11.7)
Working capital	27,236	31.7	23,028	29.8
Provisions for risks and future liabilities	(2,589)	(3.0)	(1,674)	(2.2)
Deferred tax provisions	(625)	(0.7)	(627)	(0.8)
Employee benefits	(4,814)	(5.6)	(4,524)	(5.8)
Invested capital from operations	85,926	100.0	77,335	100.0
Net invested capital	85,926	100.0	77,335	100.0
Shareholders' equity	75,562	87.9	72,814	94.2
Non-current financial payables	19,593	22.8	11,864	15.3
Current financial payables	14,333	16.7	10,817	14.0
Financial payables for IFRS 16 leasing (current and non-current)	2,611	3.0	-	-
Financial liabilities for derivatives	87	0.1	28	0.0
Financial assets for derivatives	(5)	(0.0)	(19)	(0.0)
Non-current financial assets	(125)	(0.1)	(126)	(0.2)
Cash and cash equivalents and current financial receivables	(26,130)	(30.4)	(18,043)	(23.3)
Net debt relating to operations	10,364	12.1	4,521	5.8
Total sources of financing	85,926	100.0	77,335	100.0

Reclassified schedule of the Consolidated Cash Flow Statement of the Gefran Group at 31 March 2019

(Not audited by external auditors)

(EUR / 000)	31 March 2019	31 March 2018
A) Cash and cash equivalents at the start of the period	18,043	24,006
B) Cash flow generated by (used in) operations in the period	2,642	3,821
C) Cash flow generated by (used in) investment activities	(5,037)	(1,908)
D) Free cash flow (B+C)	(2,395)	1,913
E) Cash flow generated by (used in) financing activities	10,414	(2,304)
F) Cash flow from continuing operations (D+E)	8,019	(391)
G) Cash flow from assets held for sale	0	0
H) Exchange translation differences on cash at hand	68	(85)
I) Net change in cash at hand (F+G+H)	8,087	(476)
J) Cash and cash equivalents at the end of the period (A+I)	26,130	23,530

Fine Comunicato n.0136-16

Numero di Pagine: 10