

# Group three-year business plan approved

## 2018-2020

**Pesaro, 28 February 2018** - The Board of Directors of Biesse S.p.A. - a company listed on the STAR Segment of the Italian Stock Exchange and the FTSE IT MID CAP index- today approved the updated version of the Group business plan covering the three years 2018-2020.

As a result of the initiatives contained in the aforementioned business plan and given the forecasts for the international macro-economic scenario, the estimated results for the Biesse Group for the period are as follows:

- **three-year organic CAGR in net consolidated revenues of 9.5%** (estimated revenues of Euro 906 million in 2020)
- **three-year CAGR of 10.8% in value added** (expected to reach a record 43.4% of revenues in 2020)
- **increase in operating margins:**
  - **three-year CAGR of 12.7% in EBITDA** (14% margin expected in 2020)
  - **three-year CAGR of 14.7% in EBIT** (10.6% margin expected in 2020)
- **positive free cash flow totalling Euro 120 million in the three years 2018-2020** (estimated 5% free cash flow margin in 2020) net of planned investments (total capex of Euro 142.6 million)

**2017 consolidated revenues** are estimated to have risen **11.6%** year-on-year to **Euro 690 million** and **EBITDA** is expected to be **12.9%** of consolidated revenues.

"The Board of Directors – chaired by Roberto and Giancarlo Selci – approved measures to support the growth strategy for the three-year period 2018-2020, which will maintain a strong focus on investments in innovation, services and marketing/commercial activities.

"The business plan is based on the excellent results of the 2017 financial year", commented the Director General, Mr Stefano Porcellini, "that demonstrated **growth in consolidated revenues +11.6% vs 2016, an increase in operating profitability and strong cash flow generation EBITDA margin 12.9%**, which gave the Group a **positive net financial position of more than Euro 30 million**. Today we have approved a plan that is a continuation of the preceding plan and is based exclusively on organic growth."

Today the HSD shareholders' meeting approved the listing of its shares on the Mercato Telematico Azionario of Borsa Italiana, possibly on the STAR segment. The project was already announced to the market on 9 February. It is expected that the proposed listing will be realized through the placement to institutional investors only of existing and newly issued shares. The entity and timing of the placement, as well as the timing of the listing, will be defined in detail later in the process. It is expected that Biesse will remain the controlling shareholder of HSD after the IPO. This project is confirming our intention of finding the optimum growth strategy for HSD, also through external growth.

HSD, currently 100% controlled by Biesse, is a leader in the design, manufacture and sale of electrospindles, technologically advanced mechatronic components, and smart devices for working wood, metal, alloys and composite materials used in the automotive, aerospace, consumer electronics, robotics and furniture & building sectors.

In addition to the planned presence at the STAR event organised by Borsa Italiana (*Milan, 27-28 March 2018*), Biesse is happy to schedule dedicated meetings both in Italy and abroad to enlarge on the various aspects of its Three-year Business Plan

At 16.00 hours CET today, Biesse will present the main points of its new Three-year Business Plan in a conference call. The details of the conference call are available on the company website and those of other international providers (e.g. Bloomberg). The material for the conference call will be available on the website [www.biessegroupp.com](http://www.biessegroupp.com) in the Investor Relations section.

*The Biesse Group operates in the market for machinery and systems for working wood, glass, marble, and stone. Established in Pesaro in 1969 by Giancarlo Selci, Biesse SpA has been listed since June 2001 on the STAR segment of the Italian Stock Exchange and is currently listed in the FTSE IT Mid Cap index.*

*The Company offers modular solutions from the design of turnkey plants for large furniture manufacturers to individual automatic machines and work stations for small and medium enterprises and the design and distribution of individual highly technological components.*

*As a result of its attention to research and innovation, Biesse can develop modular products and solutions capable of responding to a vast range of requirements from clients.*

*A multinational company, the Biesse Group distributes its products through a network of subsidiaries and associates located in leading strategic markets.*

*Its 37 directly controlled subsidiaries guarantee specialised after-sales service to clients while at the same time conducting market research into new product development.*

*At present, Biesse Group has more than 4,000 employees in its main production facilities located in Pesaro, Padova, Villafranca (VR), Thiene (VI), Alzate Brianza (CO), Bangalore, Dongguan and in its subsidiaries/associate offices in Europe, North America, Latin America, the Middle East, Asia and Australasia. The Group also has more than 300 resellers and agents enabling it to cover more than 100 countries.*

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