



SHAPING THE FUTURE



ROADSHOW - LONDON

MAY 17, 2016

# PRIMA INDUSTRIE

- ▶ ~40 YEARS
- ▶ 15+ LISTED
- ▶ 364 €M SALES
- ▶ 1600+ PEOPLE
- ▶ 8 PLANTS
- ▶ 8 R&D CENTERS
- ▶ 12000 INSTALLATIONS
- ▶ 80 COUNTRIES



 Prima  
Power

LASER & SHEET METAL  
MACHINERY



 Prima  
Electro

LASER AND ELECTRONIC  
TECHNOLOGIES



## DIALOGUE AND SOLUTIONS

IT ALL STARTS WITH UNDERSTANDING YOUR NEEDS



## SIMPLY INNOVATIVE

SMART TECHNOLOGY TO SIMPLIFY YOUR WORK



## GREEN MEANS

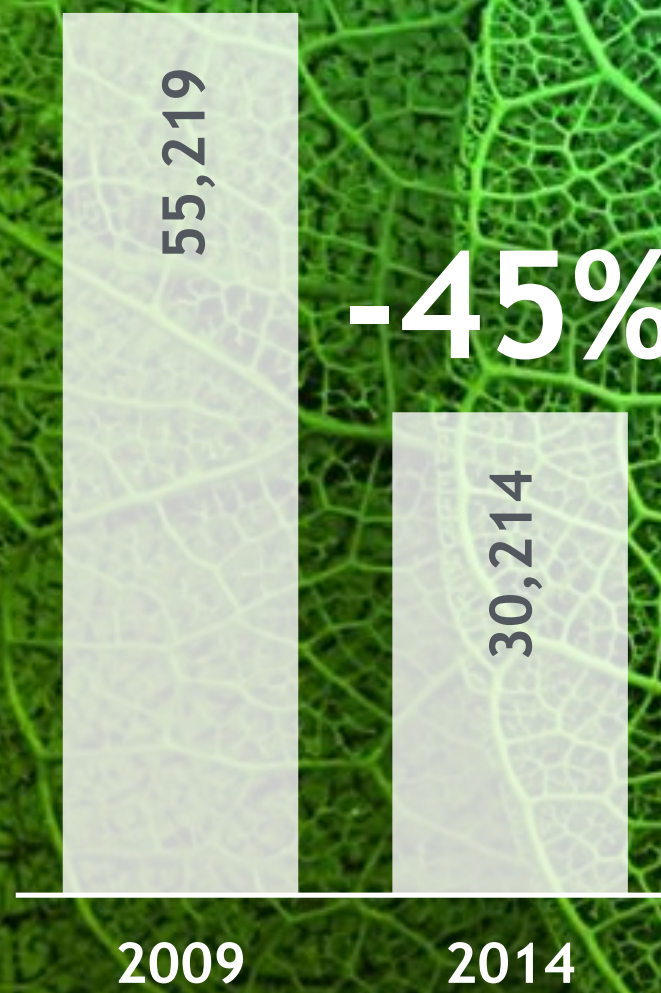
SUSTAINABLE SOLUTIONS TO RAISE YOUR EFFICIENCY



## GLOBAL/LOCAL

CLOSE TO YOU BUT WITH AN INTERNATIONAL STRENGTH

## THE LASER TECHNOLOGY



- 45% Yearly CO<sub>2</sub> emissions thanks to the shift from CO<sub>2</sub> laser sources to fiber laser sources

OUR GROUP IS

**green means**

### GREEN MEANS COMBINES

- ▶ ENERGY SAVING FOR THE CUSTOMER
- ▶ LOWER EMISSIONS FOR THE ENVIRONMENT

## THE BENDING TECHNOLOGY



**64%**

CO<sub>2</sub> emissions reduction with our servo-electric panel benders



Certified by University of Padua

## THE PUNCHING TECHNOLOGY



**82%**

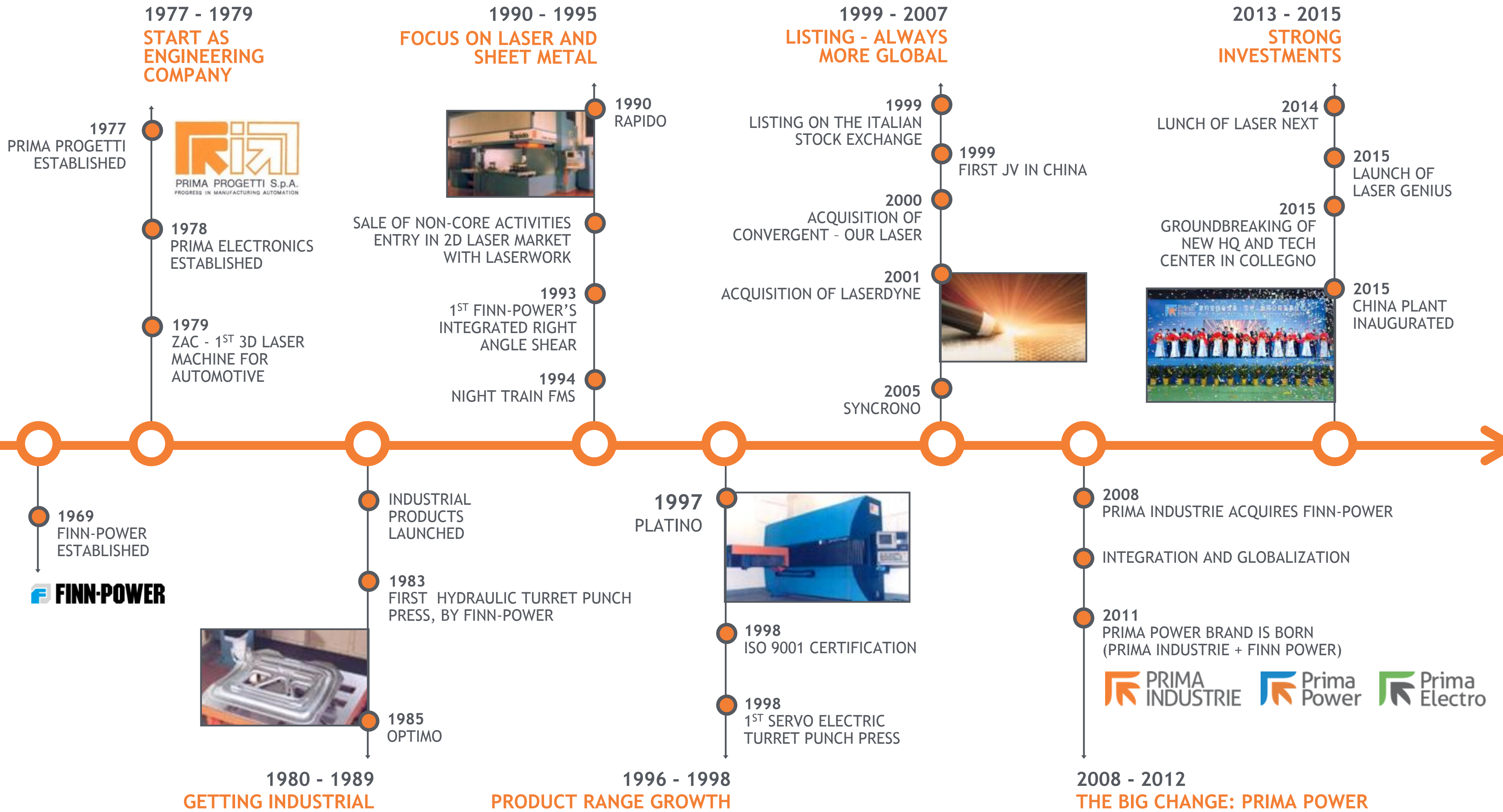
Energy saved by our servo-electric punching with ECOPUNCH<sup>®</sup> technology



**~13%**

Scrap material reduction with our punch-shear technology

*Comparison is made with competitors' traditional hydraulic machines*



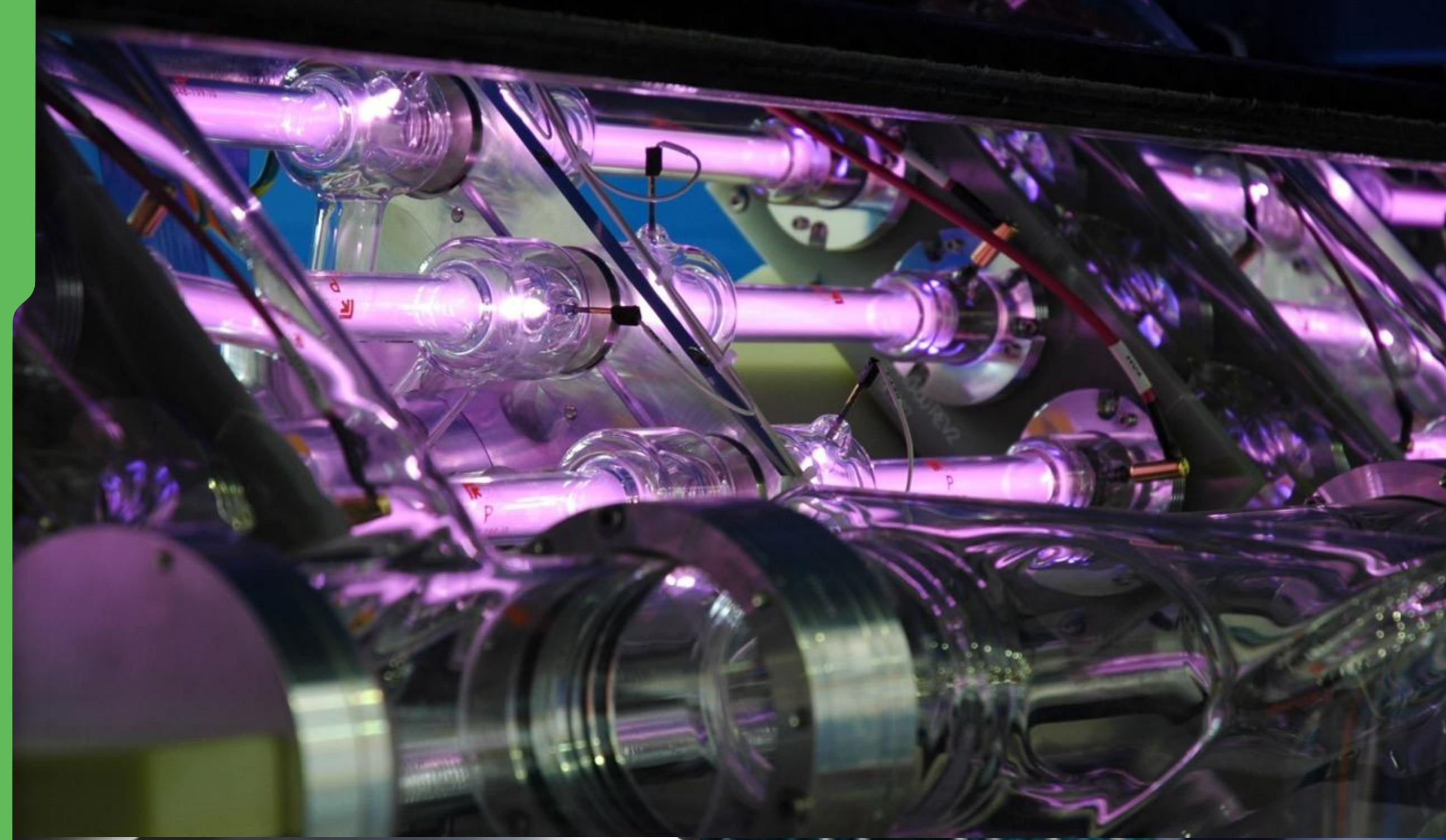


Prima Power is a global leader in laser and sheet metal machinery. Its product range covers every step of metalworking: punching, laser processing, bending, systems, automation and software.





Prima Electro is a Contract Electronics Manufacturing company that industrializes product ideas offering a turnkey service solution for a broad range of applications.



## LASER AND SHEET METAL MACHINERY

### THE PUNCH



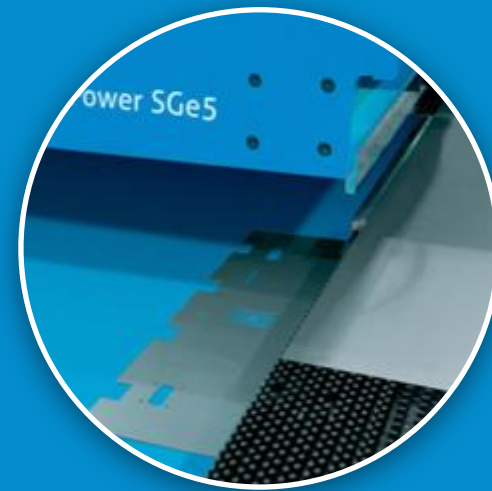
Servo-electric turret punch presses

### THE LASER



2D and 3D laser machines for cutting, welding and drilling

### THE COMBI



Integrated systems punch+shear and punch+laser

### THE BEND



Press brakes, panel bending machines, bending centers

### THE SYSTEM



FMC & FMS to automate your production flow

### THE SOFTWARE



Smart solutions to connect your machines and maximize your productivity

## ELECTRONICS AND LASER TECHNOLOGIES



### DOTS

Embedded Electronics - Dedicated -off-the-shelf



### CONVERGENT

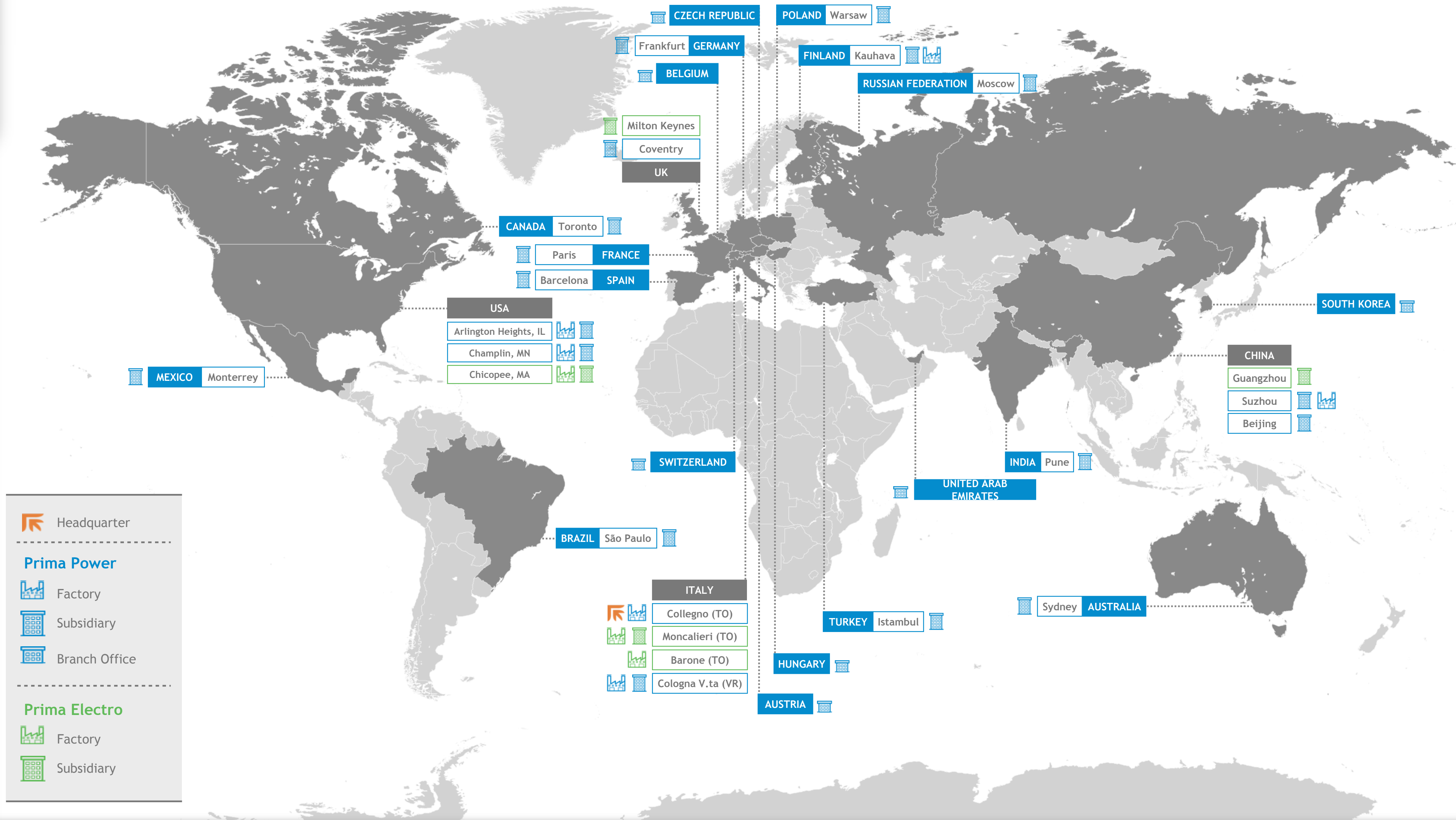
Fiber and CO<sub>2</sub> Laser sources



### OSAI

Motion Control and CNC's





**Headquarter**

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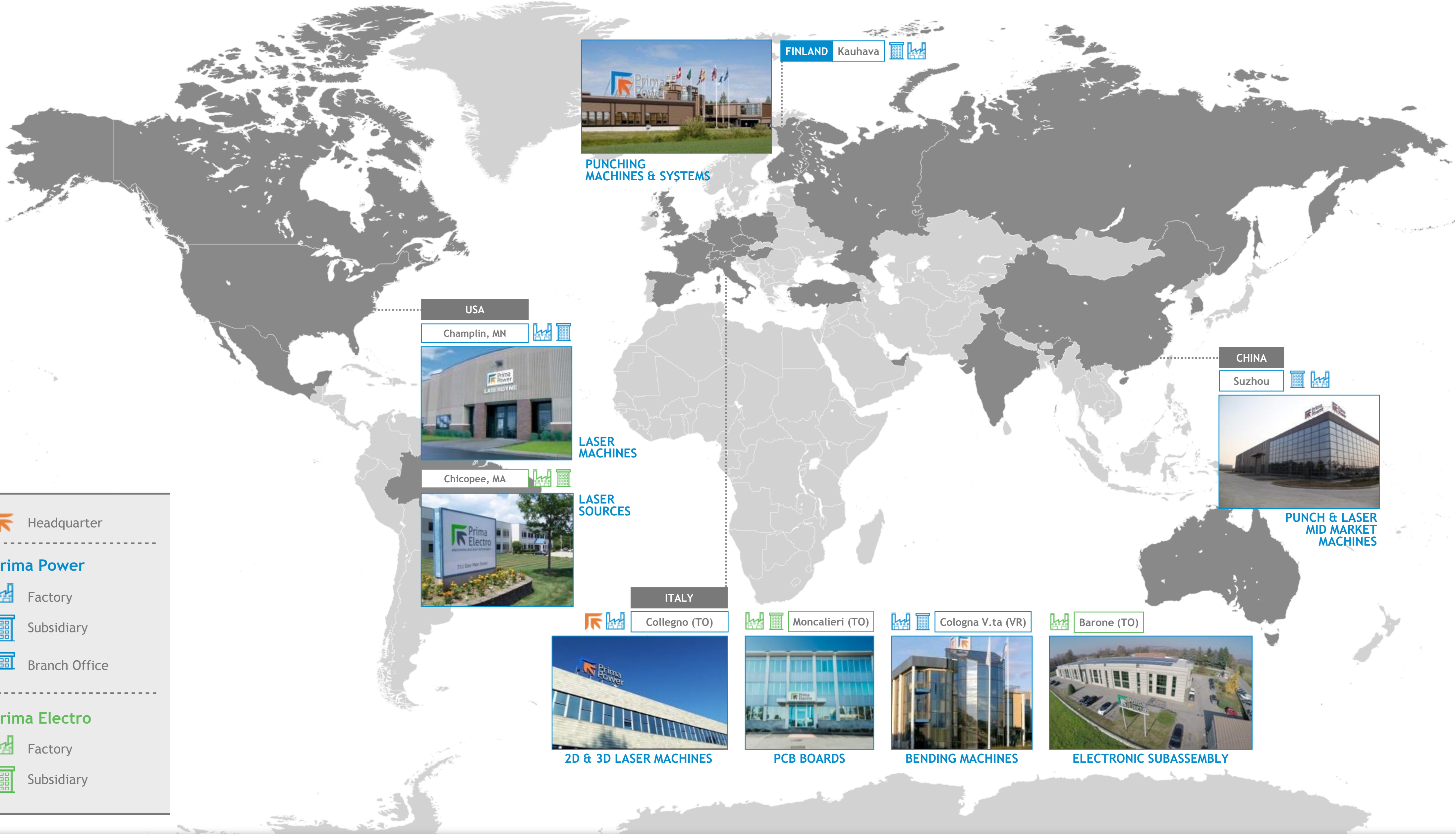
**Prima Power**

- Factory
- Subsidiary
- Branch Office

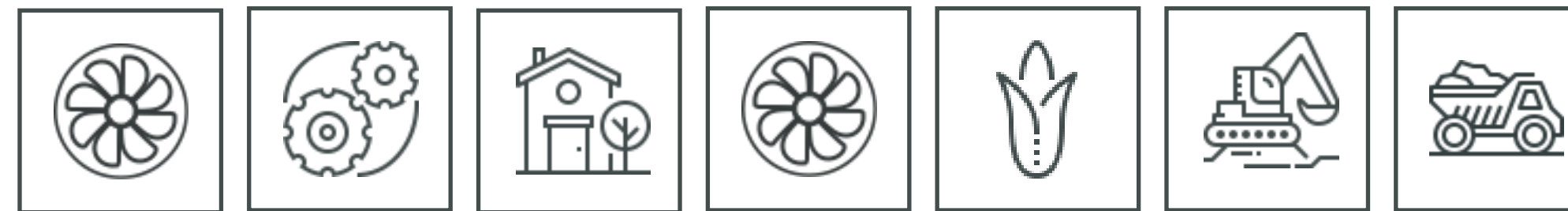
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**Prima Electro**

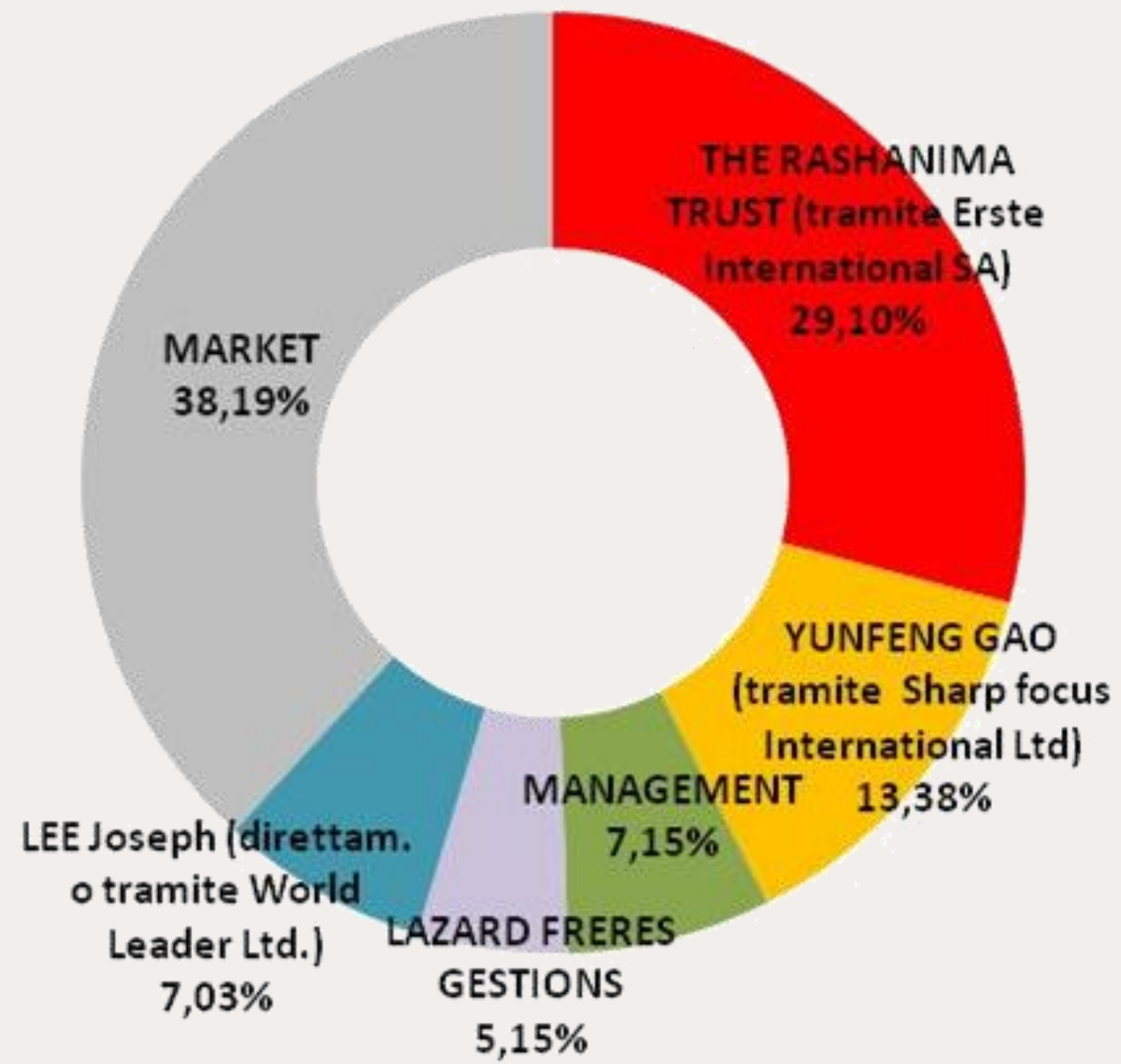
- Factory
- Subsidiary







# SHAREHOLDERS' STRUCTURE



**WHAT'S NEW IN 2016**

- ***NEW HDTC: A WIDE SHOWROOM DISPLAYING THE WHOLE PRODUCT RANGE***
- ***NEW PROPRIETARY FIBER LASER AVAILABLE***
- ***NEW SALES ORGANIZATION IN CHINA***



**1Q 2016 HIGHLIGHTS**

*(compared to 1Q15)*

- **GROWING REVENUES AND IMPROVING PROFITABILITY THANKS TO THE GOOD PERFORMANCE OF ALL THE GEOGRAPHICAL AREAS AND, IN PARTICULAR, OF NORTH AMERICA (+ 37%) AND CHINA (+ 30%)**
- **CONSOLIDATED REVENUES AT 79.4 M€ (+ 12.1% AGAINST 70.9 M€)**
- **EBITDA AT 4.7 M (+57% AGAINST 3.0 M€)**
- **GROUP NET RESULT AT -0.4 M€ (COMPARED TO -3.4 M€)**
- **NET FINANCIAL POSITION AT -117.3 M€ (COMPARED TO -101.7 M€ AT 31/12/2015 AND TO -112.9 M€ AT 31/03/2015)**
- **ORDERS' BACKLOG AT 120.8 M€ (AGAINST 120.2 M€)**

# SALES 1Q16 vs 1Q15

SALES BREAKDOWN BY AREA

Revenues	31/03/16		31/03/15	
	<i>Euro thousand</i>	%	<i>Euro thousand</i>	%
EMEA	47.023	59,2	45.311	63,9
AMERICAS	18.244	23,0	13.790	19,5
APAC	14.154	17,8	11.762	16,6
<b>TOTAL</b>	<b>79.421</b>	<b>100,0</b>	<b>70.863</b>	<b>100,0</b>

SALES BREAKDOWN BY DIVISION

Revenues	31/03/16		31/03/15	
	<i>Euro thousand</i>	%	<i>Euro thousand</i>	%
PRIMA POWER	73.169	92,1	59.080	83,4
PRIMA ELECTRO	9.600	12,1	16.055	22,7
Inter-sector revenues	(3.348)	(4,2)	(4.272)	(6,1)
<b>TOTAL</b>	<b>79.421</b>	<b>100,0</b>	<b>70.863</b>	<b>100,0</b>



## Notes

- Sales benefited from high year end backlog
- Growth was recorded in all areas:
  - EMEA grew by 4%
  - AMERICAS grew by 32%
  - APAC grew by 20%
- Good results in Italy (15.3% of consolidated revenues), in Germany (9.8% of consolidated revenues), in Northern Europe (9.3% of consolidated revenues) and in Spain (7.6% of consolidated revenues).
- Signs of recovery are also recorded from Russia, whose turnover grows from 1,270 thousand euro at 31/03/2015 to 2,478 thousand euro at 31/03/2016, whilst the situation in Brazil remains negative.
- Prima Power division recorded strong sales vs 1Q15 (+24%)
- Prima Electro division is facing the new fiber laser technology shift

# PROFITABILITY 1Q16 VS 1Q15

Performance indicators	31/03/16		31/03/15	
	<i>Euro thousand</i>	<i>% on sales</i>	<i>Euro thousand</i>	<i>% on sales</i>
EBITDA	4.702	5,9	3.002	4,2
EBIT	1.048	1,3	(97)	(0,1)
EBT	(821)	(1,0)	(3.280)	(4,6)
NET RESULT	(432)	(0,5)	(3.537)	(5,0)
NET RESULT ATTRIBUTABLE TO GROUP SHAREHOLDERS	(359)	(0,5)	(3.442)	(4,9)

## EBITDA BREAKDOWN BY DIVISION

EBITDA	31/03/16		31/03/15	
	<i>Euro thousand</i>	<i>%</i>	<i>Euro thousand</i>	<i>%</i>
PRIMA POWER	4.830	102,7	357	11,9
PRIMA ELECTRO	6	0,1	2.657	88,5
Inter sector items and eliminations	(134)	(2,9)	(12)	(0,4)
<b>TOTAL</b>	<b>4.702</b>	<b>100,0</b>	<b>3.002</b>	<b>100,0</b>

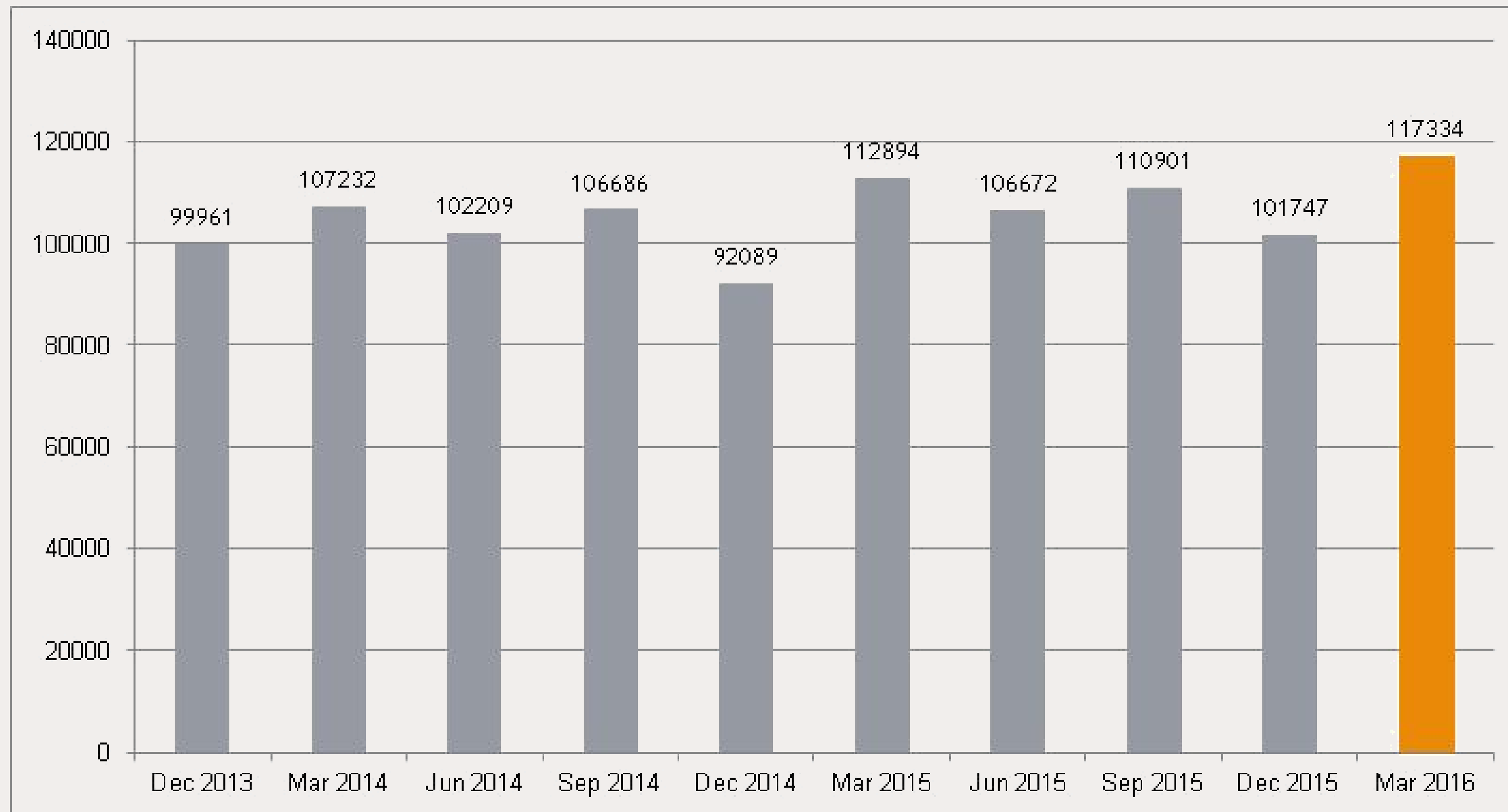
## Notes

- Group EBITDA increased by 57% to 4.7 M€ (vs 3.0 M€ in 1Q15)
- Profitability benefited from Prima Power higher volumes compared to 1Q15 (the latter was also affected by non recurring costs)
- Profitability is negatively impacted by the slow down of Prima Electro division whose EBITDA decreased from 2.7 M€ to almost zero.



# NET FINANCIAL POSITION

VALUE IN EURO THOUSAND



NFP is affected by the seasonality of the business and also by the increase in working capital due to the additional demo machines displayed in the new showroom in Torino



## PROFIT & LOSS - 31/03/2016

Values in Euro	31/03/2016	31/03/2015
Net revenues	79.420.511	70.863.117
Other income	893.030	594.124
Change in inventories of finished goods and WIP	17.351.599	9.349.390
Increases in fixed assets for internal work	2.739.539	3.234.594
Use of raw materials, consumables, supplies and goods	(49.700.740)	(35.232.354)
Personnel cost	(27.093.629)	(25.162.298)
Depreciation	(3.653.902)	(3.099.232)
Impairment	-	-
Other operating expenses	(18.908.379)	(20.644.146)
<b>OPERATING PROFIT</b>	<b>1.048.029</b>	<b>(96.805)</b>
Financial income	501.928	104.287
Financial expenses	(1.751.578)	(3.570.180)
Net exchange differences	(829.183)	382.328
Net result of investments accounted for using the equity method	209.324	(105.000)
Net result of other investments	-	5.700
<b>RESULT BEFORE TAXES</b>	<b>(821.480)</b>	<b>(3.279.670)</b>
Taxes	389.754	(257.699)
<b>NET RESULT</b>	<b>(431.726)</b>	<b>(3.537.369)</b>
- <i>Attributable to Group shareholders</i>	(359.397)	(3.441.744)
- <i>Attributable to minority shareholders</i>	(72.329)	(95.625)
<b>RESULT PER SHARE - BASIC (in euro)</b>	<b>(0,03)</b>	<b>(0,33)</b>
<b>RESULT PER SHARE - DILUTED (in euro)</b>	<b>(0,03)</b>	<b>(0,33)</b>

10,2016

# BALANCE SHEET - 31/03/2016

Values in Euro	31/03/2016	31/12/2015
Property, plant and equipment	28.037.697	28.465.557
Intangible assets	157.572.014	157.770.974
Investments accounted for using the equity method	1.186.455	1.223.555
Other investments	121.358	121.358
Non current financial assets	35.000	35.000
Deferred tax assets	10.454.528	9.845.765
Other non current assets	-	19.703
<b>NON CURRENT ASSETS</b>	<b>197.407.052</b>	<b>197.481.912</b>
Inventories	109.675.360	93.992.707
Trade receivables	84.416.545	86.413.895
Other receivables	9.699.495	8.019.131
Current tax receivables	6.753.730	7.029.222
Derivatives	432.112	47.225
Financial assets	791.509	791.509
Cash and cash equivalents	26.543.042	41.365.408
<b>CURRENT ASSETS</b>	<b>238.311.793</b>	<b>237.659.097</b>
<b>Assets held for sale</b>	<b>284.000</b>	<b>284.000</b>
<b>TOTAL ASSETS</b>	<b>436.002.845</b>	<b>435.425.009</b>

Values in Euro	31/03/2016	31/12/2015
Capital stock	26.208.185	26.208.185
Legal reserve	4.494.745	4.494.745
Other reserves	72.243.694	72.243.694
Currency translation reserve	3.994.794	5.965.409
Retained earnings	20.803.091	14.786.376
Net result	(359.397)	6.016.715
<b>Stockholders' equity of the Group</b>	<b>127.385.112</b>	<b>129.715.124</b>
<b>Minority interest</b>	<b>1.078.187</b>	<b>1.196.407</b>
<b>STOCKHOLDERS' EQUITY</b>	<b>128.463.299</b>	<b>130.911.531</b>
Interest-bearing loans and borrowings	118.458.012	117.805.350
Employee benefit liabilities	7.933.905	7.912.782
Deferred tax liabilities	10.358.028	10.518.305
Provisions	146.655	150.551
Derivatives	414.748	414.635
<b>NON CURRENT LIABILITIES</b>	<b>137.311.348</b>	<b>136.801.623</b>
Trade payables	76.863.441	78.323.460
Advance payments	23.775.673	21.385.159
Other payables	21.086.680	19.218.309
Interest-bearing loans and borrowings	26.210.342	25.700.281
Current tax payables	5.541.069	7.257.725
Provisions	16.734.680	15.796.491
Derivatives	16.313	30.430
<b>CURRENT LIABILITIES</b>	<b>170.228.198</b>	<b>167.711.855</b>
<b>TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES</b>	<b>436.002.845</b>	<b>435.425.009</b>

1Q 2016

# CASH FLOW - 31 MARCH 2016

VALUES IN EURO	31/03/2016	31/03/2015 (**)
<b>Net result</b>	<b>(431.726)</b>	<b>(3.537.369)</b>
<b>Adjustments (sub-total)</b>	<b>(10.147.984)</b>	<b>(18.549.758)</b>
Depreciation and impairment	3.653.902	3.099.232
Net change in deferred tax assets and liabilities	(769.040)	(851.266)
Change in employee benefits	21.123	(39.675)
Change in inventories	(15.682.653)	(23.115.254)
Change in trade receivables	1.997.350	1.079.607
Change in trade payables and advances	930.495	3.205.876
Net change in other receivables/payables and other assets/liabilities	(299.161)	(1.928.278)
<b>Cash Flows from (used in) operating activities (A)</b>	<b>(10.579.710)</b>	<b>(22.087.127)</b>
<b>Cash flow from investments</b>		
Acquisition of tangible fixed assets (*)	(812.979)	(1.084.264)
Acquisition of intangible fixed assets	(352.811)	(206.008)
Capitalization of development costs	(2.697.798)	(2.968.966)
Net disposal of fixed assets (*)	47.464	4.595
Changes in capital of investments accounted for using the equity method	37.100	2.600
Net result of investments accounted for using the equity method	-	105.000
<b>Cash Flows from (used in) investing activities (B)</b>	<b>(3.779.024)</b>	<b>(4.147.043)</b>
<b>Cash flow from financing activities</b>		
Change in other financial assets/liabilities and other minor items	232.437	(2.735.093)
Increases in loans and borrowings (including bank overdrafts)	2.412.232	99.390.885
Repayment of loans and borrowings (including bank overdrafts)	(1.077.218)	(91.728.474)
Change in currency translation reserve	(1.970.615)	5.208.770
Other variations	(14.577)	408.993
<b>Cash Flows from (used in) financing activities (C)</b>	<b>(417.741)</b>	<b>10.545.081</b>
<b>Cash Flows from (used in) change of minority shareholders (D)</b>	<b>(45.891)</b>	<b>540.274</b>
<b>Net change in cash and equivalents (E=A+B+C+D)</b>	<b>(14.822.366)</b>	<b>(15.148.815)</b>
<b>Cash and equivalents beginning of period (F)</b>	<b>41.365.408</b>	<b>35.866.508</b>
<b>Cash and equivalents end of period (G=E+F)</b>	<b>26.543.042</b>	<b>20.717.693</b>

(\*) included tangible fixed assets classified in the assets held for sale

(\*\*) for a better comparability, the 2015 figures have been reclassified

CASH FLOW

# From London to Rio...With Prima

## Olympic torch London 2012



**London 2012 torch relay**  
The Olympic torch will pass through 1,018 places as it visits every region in the UK – including a number of islands – travelling 8,000 miles (12,800km) over 70 days

**OLYMPIC TORCH**  
Colour: Gold embraces qualities of Olympic Flame  
Height: 800mm  
Weight: 800g, including central propane-butane burner

**Triangular form:** Inspired by Olympic motto – faster, higher, stronger – and London's three Olympic Games – in 1908, 1948 and 2012

Lightweight aluminium alloy skin perforated by 8,000 circles – equal to number of torchbearers

Designed by east London partnership **Edward Barber and Jay Osgerby**

**FINISH** July 27 LONDON Opening Ceremony, Olympic Stadium

**START** May 19 Lands End

8,000 torchbearers run average of 300m each

© GRAPHIC NEWS

## Olympic torch Rio 2016



**Colours reflect hues in Brazilian flag**

**Sky:** Embodies sun and ultimate achievement of gold medal

**Mountains:** Inspired by Rio's surrounding natural beauty

**Sea:** Captures fluid ripples of blue ocean

**Ground:** Indicative of Copacabana promenade – most famous stretch of land in Rio

**Floating segments:** Influenced by motion of athletes flying through air

Length open: 69cm

Rio2016

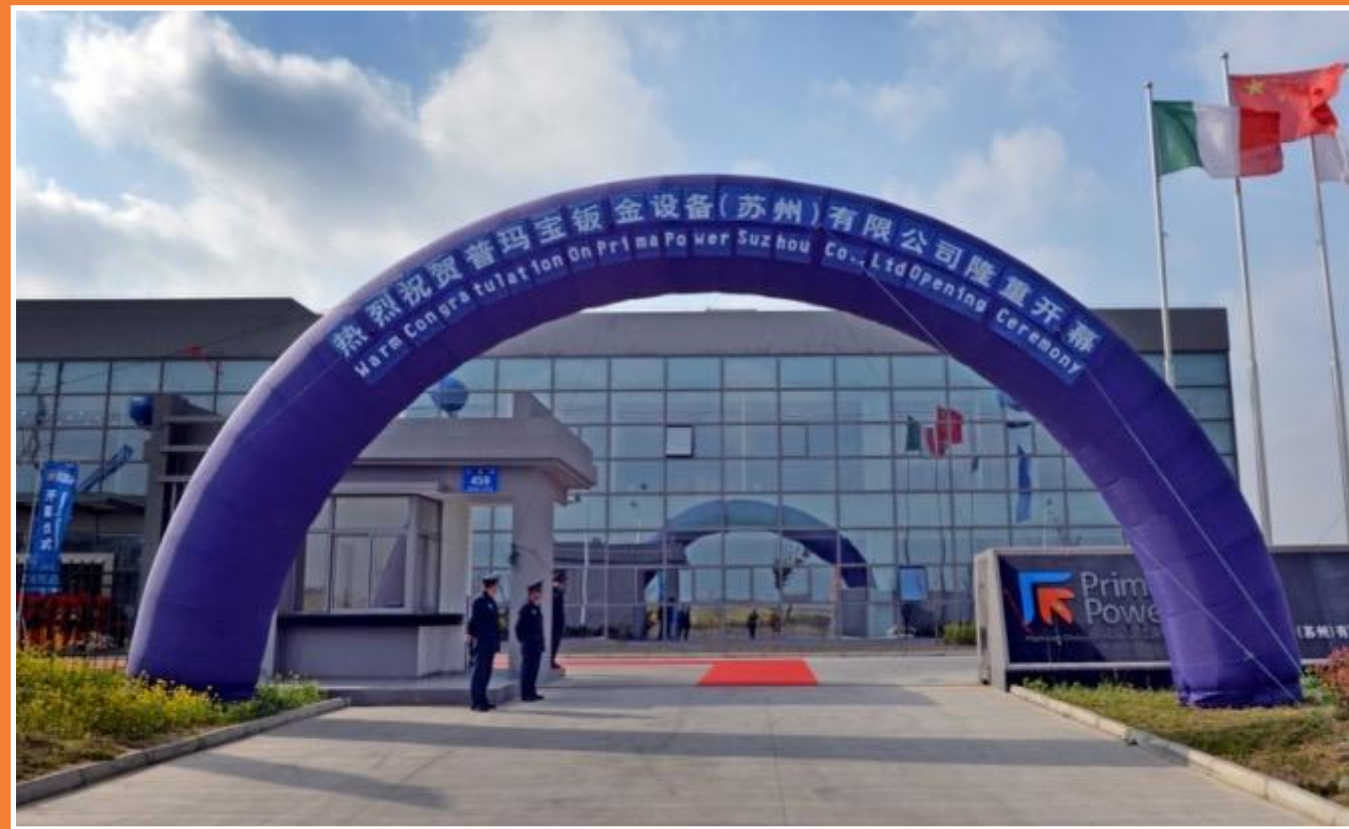
WE ARE INVESTING TO REACH NEXT UPPER LEVEL

## INVESTMENTS RELATING TO THE PERIOD 2014 - 2018

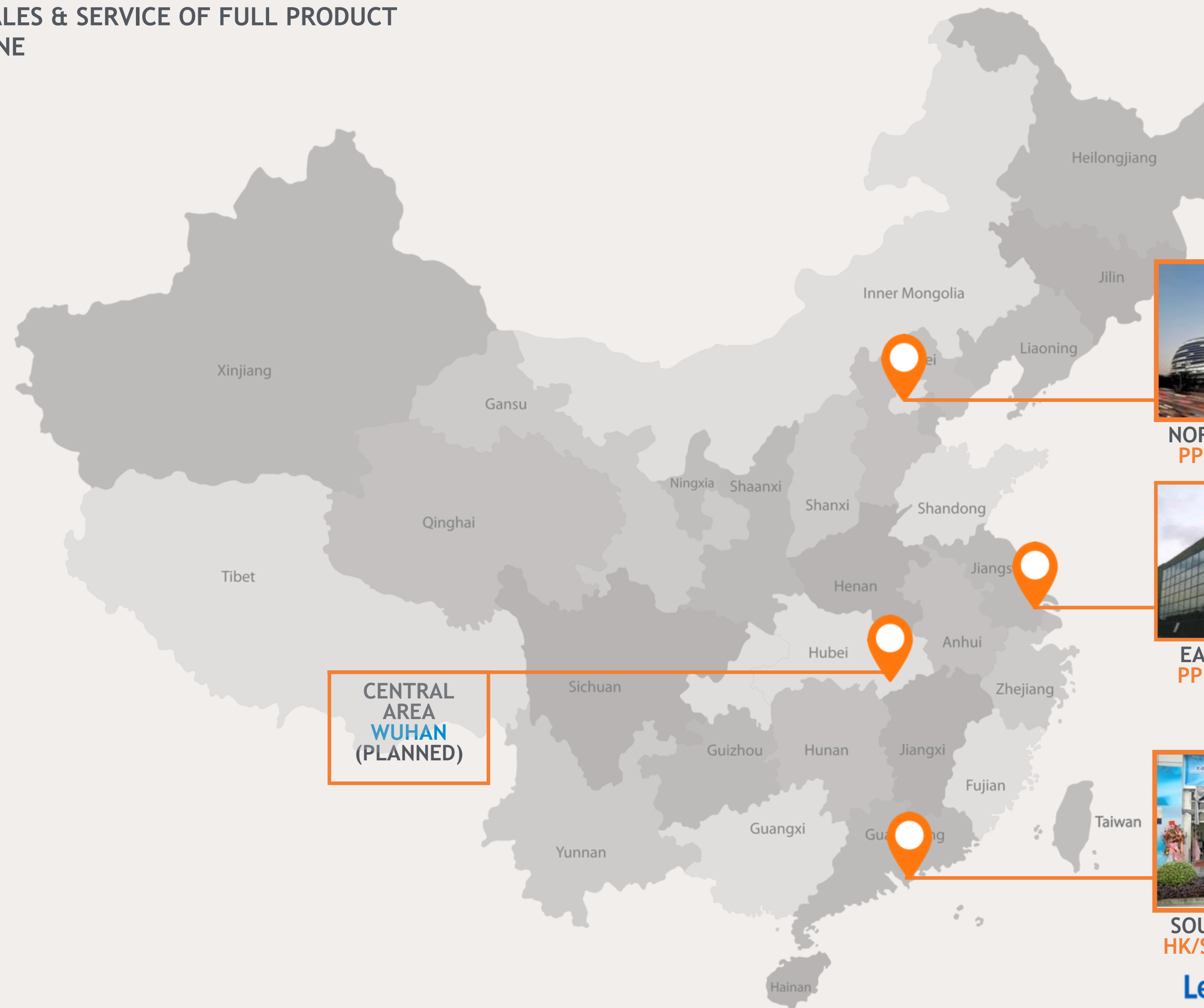
- ▶ CHINA SUZHOU PLANT & NEW SALES/SERVICE ORGANIZATION IN CHINA
- ▶ NEW 2D & 3D LASER MACHINES
- ▶ FIBER LASER
- ▶ DIODE FAB FOR FIBER LASER COMPETITIVENESS
- ▶ NEW HQ TC IN TORINO
- ▶ ADDITIVE MANUFACTURING



# CHINA SUZHOU PLANT & NEW SALES/SERVICE ORGANIZATION IN CHINA



## SALES & SERVICE OF FULL PRODUCT LINE



**NORTH AREA**  
PP BEIJING



**EAST AREA**  
PP SUZHOU



**SOUTH AREA**  
HK/SHENZHEN



**CENTRAL AREA**  
**WUHAN**  
**(PLANNED)**

TOTAL INVESTMENT

**4.3 M€**



NEW 2D & 3D LASER MACHINES  
(PLATINO 2.0, LASER GENIUS, LASER NEXT)



LASER GENIUS



PLATINO 2.0



LASER NEXT

TOTAL INVESTMENT  
**5.2 M€**

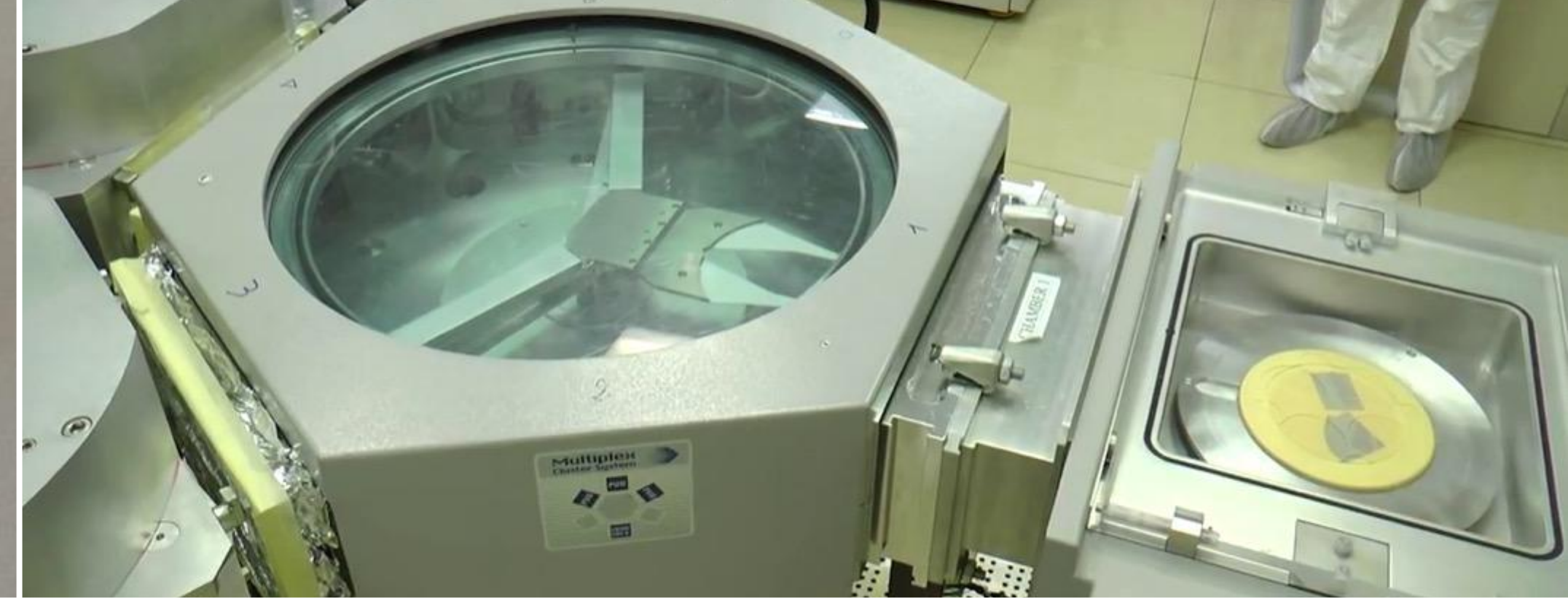




3KW, 4KW & 6KW FIBER LASER

TOTAL INVESTMENT  
**7.2** M€





DIODE FAB FOR FIBER LASER  
COMPETITIVENESS



TOTAL INVESTMENT  
**7.9** M€

3D RENDERING



WORK IN PROGRESS, MARCH, 2016



 PRIMA  
INDUSTRIE

NEW HQ & TTC IN TORINO

TOTAL INVESTMENT  
**8.5** M€



ADDITIVE MANUFACTURING

TOTAL INVESTMENT  
**2.6** M€





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