

COESIA APPROVES ITS 2018 FINANCIAL STATEMENTS

Consolidated revenues €1,792 million (+13%), EBITDA before non-recurring income / expense €341 million (+16.4%), equal to 19% of consolidated revenues. Profit for the year €166 million (+18.7%).

The Board of Directors of COESIA, the group specializing in high-end industrial and packaging solutions, has approved its 2018 Financial Statements.

The Group closed its 2018 financial year with consolidated revenues of €1,792 million, up 13% on the previous year (€1,585 million). EBITDA before non-recurring income / expense was €341 million (up 16.4% from €293 million in 2017), and EBIT before non-recurring income / expense €273 million (up 12.8% from €242 million in 2017), resulting in a profit for the financial year of €166 million (up 18.7% from € 140 million in 2017).

The Group showed a balanced performance, both in terms of its business and geographical market segments. On the business side, the Advanced Automated Machinery segment accounted for about 79% of consolidated revenues, the Industrial Process Solutions sector for about 19%, and the Precision Gears segment for about 2%. In terms of geographical markets, 39% of total consolidated revenues were achieved in European Union countries (of which 4% in Italy), approximately 20% in the North American countries, around 23% in Asia, and about 18% in other countries (mainly Middle East and Africa).

2018 again saw the Group invest significantly in R&D and Engineering, as well as in Coesia Digital activities, for a total of €140 million, approximately 7.8% of consolidated revenues. In 2018, G.D, one of the companies belonging to the Group, lodged the highest number of patent applications (54) with the European Patent Office (Epo) than any other Italian company.

2018 also saw the Group's further expansion with three strategic acquisitions, all concluded within timeframes that produced a limited impact on the 2018 results (about €35 million on consolidated revenues and less than €1 million as regards EBITDA). Excluding the effect of these acquisitions, the Group's EBITDA was €340 million (19.4% of consolidated revenues).

The acquisition of the digital printing firm Atlantic Zeiser, the in-line digital-printing market leader, together with the purchase of the majority stake in Tritron, a company producing special inks for industrial digital printing, further consolidated Coesia's presence in the increasingly important in-line and near-line digital printing industry. These acquisitions will allow greater production flexibility while lowering the Group's environmental impact.



The acquisition of 70% of the corporate capital of Comas Tobacco Machinery, the leading manufacturer of tobacco processing machinery and production lines, has allowed Coesia, through its subsidiary G.D – which already controls Sasib, Molins and Cerulean – to provide the tobacco industry with even more extensive processing and production solutions, both as regards traditional and new generation products, where Coesia/G.D is the market leader.

With the acquisition of 60% of System SpA’s ceramics business, the resultant new co., System Ceramics, reaffirms its position as international leader in the design and development of production solutions for the ceramics industry. Located in Fiorano Modenese, the Company allows Coesia to enter the ceramics machinery and plant manufacturing industry, a dynamic, technologically advanced sector.

The Group closed 2018 with a net financial debt (excluding liabilities related to the options for the acquisition of investments) of €160 million, which resulted in an EBITDA ratio of 0.5x. The cash flow from operating activities was €201 million.

Coesia’s CEO, Angelos Papadimitriou, commented: *“Thanks to our 9,000 co-workers around the world and to these strategic acquisitions, Coesia is well placed to face the challenges and opportunities offered by an uncertain global market, and so look forward to another year of significant growth in 2019”*.

Coesia is a group of companies specializing in top-end industrial and packaging solutions. Headquartered in Bologna, Italy, the Group operates globally. Coesia is wholly owned by Isabella Seràgnoli.

The Coesia Group operates in 36 countries, with some 86 production plants in 150 operating units, employing over 9,000 co-workers.