

PRESS RELEASE

Approval of Neodecortech's half-yearly financial consolidated report as at 30 June 2017

- **Consolidated Revenue higher than Euro 62 million (+ 18,4% compared to 30 June 2016);**
- **Consolidated net profit of about Euro 2,0 million (+37% compared to 30 June 2016)**
- **Consolidated EBITDA of about Euro 6,8 million (+ 5% compared to 30 June 2016).**

Filago, 29th September 2017

Neodecortech S.p.A. ("**Neodecortech**" or the "**Company**" or the "**Issuer**"), leader in Italy in the production of decorative papers for laminated panels and flooring used in the interior design sector, quoted on AIM Italia / Alternative Capital Market, a multilateral trading system organized and managed by Borsa Italiana SpA ("AIM Italia") from last September 26th, has approved today the half-yearly consolidated financial report as at 30 June 2017.

The consolidated value of Revenue at 30 June 2017 was more than Euro 62 million, representing a growth of about 18,4% compared to the Euro 52.8 million reported for the same period of 2016, mainly due to the growth in foreign Sales in the first semester of 2017 compared to the same semester in 2016.

The consolidated gross operating result (EBITDA) at 30 June 2017 was about Euro 6.8 million (representing a margin of about 11% on the consolidated value of Revenue at 30 June 2017), with growth of about 5% compared to the Euro 6.5 million generated in the same period of 2016 (representing a margin of 12,4% on the consolidated value of production at 30 June 2016).

Consolidated net profit at 30 June 2017 was about Euro 2.0 million, representing growth in net profit of about 37% compared to the same period of 2016.

The Net Financial Position (NFP) at 30 June 2017 was about Euro 60.6 million compared to Euro 57.1 million at 31 December 2016.

Neodecortech Group's growth trend continues and in 2017 it's also focusing on the realization of the expected synergies in order to improve marginality.

In order to give continuity with the information contained in the Admission Document regarding the data for the first semester of 2017 and the first semester 2016, presented for comparative purposes, the Company prepared on a voluntary basis pro-forma consolidated financial statements as at 30 June 2017 and as at 30 June 2016 to reflect the effects of the creation of the "Neodecortech Group" formalized on June 15, 2017, since the beginning of its financial exercise. The financial position was compared, on the other hand, with the corresponding pro-forma consolidated data as at December 31, 2016.

Significant events after the end of the half year closing

On 2nd August 2017, BEG subscribed with Banca Sistema a contract for the assignment of non-recourse credits claimed by BEG towards GSE derived from GRIN Convention; such a contract, already included in the Admission Document in the Relevant Contracts section, will bring a considerable benefit in terms of PFN.

On 26th September the Company was quoted on Aim Italia / Alternative Capital Market in consequence of a collection, in case of total Greenshoe exercise, of about Euro 14,2 million for a float of about 27,2%.

Pro-forma half-yearly financial statements

Below reported are the pro-forma consolidated profit and loss statement and pro-forma reclassified consolidated balance sheet. For the other financial statements and the report of the Auditing Company, refer to the consolidated half-yearly financial report that will be made available on the Company's website.

Consolidated Pro Forma Profit & loss

	June, 30th 2017	(a)	June 30 th 2016	(a)	Variation	variation %
<i>(in Thousand of Euro)</i>						
Income	58.071	92,9	50.121	94,9	7.950	15,9
Income from Services	2.445	3,9	2.151	4,1	294	13,7
Other income	2.019	3,2	524	1,0	1.495	285,4
Total income	62.536	100,0	52.796	100,0	9.740	18,4
Variations of Inventory	447	0,7	(1.177)	(2)	1.624	(138)
Raw material costs	36.780	58,8	29.959	57	6.820	23
Package Costs	639	1,0	653	1	(15)	(2)
Service Costs	8.374	13,4	7.664	15	710	9
Use of third party assets	99	0,2	139	0	(39)	(28)
Cost of employees	8.712	13,9	8.335	16	378	5
Other operative costs	594	0,9	682	1	(88)	(13)
Total operative costs	55.644	89,0	46.254	87,6	9.390	20,3
(EBITDA)	6.891	11,0	6.542	12,4	349	5,3
Amortisation of intangible fixed assets	(160)	(0)	(113)	(0)	(47)	41
Amortisation of tangible fixed assets	(2.831)	(5)	(2.854)	(5)	22	(1)
Investment write downs	-	-	-	-	-	-
(EBIT)	3.900	6,2	3.575	6,8	325	9,1
Financial income	321	0,5	26	0,0	295	1.132,1
Financial costs	(1.602)	(3)	(1.661)	(3)	59	(4)
Profit before taxes	2.619	4,2	1.940	3,7	679	35,0
Taxes	(534)	(1)	(417)	(1)	(117)	28,0
Net profit	2.085	3,3	1.523	2,9	562	36,9

(a) Percentage on Total income

<i>Pro-Forma Consolidated Financial Statements (In thousand of euro)</i>	30/06/2017	31/12/2016 pro-forma	Delta	Delta %
Trade receivables	35.439	29.819	5.619	19%
Inventory	27.530	26.268	1.262	5%
Amounts payable to Suppliers	(29.714)	(28.001)	(1.713)	6%
Operative WNC	33.255	28.086	5.169	18%
Other Current Credits	4.396	3.994	402	10%
Other Current Debits	(9.251)	(7.634)	(1.616)	21%
Amounts payable to tax authorities	(1.313)	(1.676)	363	-22%
WNC	27.087	22.769	4.318	19%
Intangible fixex Ssets	71.629	72.781	(1.152)	-2%
Tangible fixed Assets	3.693	2.003	1.690	84%
Financial assets for Sales	1.765	1.635	130	8%
Non Current Financial Assets not included in PFN	1.693	3.139	(1.446)	-46%
Other non current Assets		713	(713)	-100%
Fixed Assets	78.781	80.271	(1.490)	-2%
Benefici successivi alla cessazione del rapporto di lavoro	(3.077)	(3.144)	67	-2%
Provision sfor Contingencies and other charges	(922)	(872)	(50)	6%
Deffered taxes Fund	(3.195)	(3.177)	(19)	1%
Net employed Capital	98.674	95.847	2.826	3%
Net Equity	38.008	38.711	(703)	-2%
Cash Funds	(557)	(1.325)	767	-58%
Other Financial current credits	(858)	(852)	(5)	100%
Current financial liabilities	27.706	25.995	1.711	7%
Non Current financial liabilities	34.374	33.319	1.055	3%
Indebitamento Finanziario Netto	60.665	57.137	3.528	6%
Net Equity and net financial debts	98.673	95.847	2.826	3%

Neodecortech S.p.A

Neodecortech is the leader in Italy in the production of decorative paper for laminated panels and flooring used in the interior design sector. The Group's business is in the production of complete and technologically advanced solutions for the realization of interior design projects, covering all stages of the production process for the production of decorative paper, from raw material management, through surface finishing and impregnation, till the finished product and the management of end-of-line logistics. The Group is able to offer 51 products divided into the following 5 categories: decorative papers; decorative printings; finish foil; melamine film; PPF or LVT (www.neodecortech.it).

ISIN Code for ordinary shares: IT0005275778

Please note that the Company elected the Italian language for all the documents made available to the shareholders and for any other information to be provided pursuant to the AIM Issuers Regulation. Therefore, the above is only a courtesy translation and in case of differences between the English and the Italian text, the Italian text shall prevail.

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