



Press release

Consolidated revenues from sales of Euro 121.5 million (+6%)

Sant'Agata Feltria (Rimini), 31 October 2019 – The Board of Directors of Indel B S.p.A. – company listed on the Borsa Italiana MTA, heading a group that operates in the production of cooling systems and air-conditioning for mobile and mobile living for the Automotive, Hospitality and Leisure Time markets (pleasure boating and recreational vehicles) - has today approved the Group's consolidated revenues from sales as at 30 September 2019.

Luca Bora – Managing Director of Indel B – comments *“We are very satisfied because we have successfully achieved even more positive results in a market context that is starting to show signs of a major decline. We will continue to work with ever greater determination, implementing strategies and tactics that are in line with the time and context of the markets on which we operate”.*

Consolidated revenues from sales as at 30 September 2019

During the first nine months of 2019, the Group booked revenues from sales of Euro 121.5 million, as compared with the Euro 114.6 million recorded during the same period of 2018, up 6.0% at current exchange rates (5.1% at constant exchange rates).

Revenues from sales by market

<i>(in thousands of Euro)</i>	9M19	%	9M18	%	Change	% change
Automotive	73,571	62%	70,108	61%	3,463	4.9%
Hospitality	12,100	10%	12,679	11%	-579	-4.6%
Leisure	11,041	9%	10,243	9%	798	7.8%
Cooling Appl.	3,591	3%	4,073	4%	-482	-11.8%
Components & Spare parts	19,224	16%	16,947	15%	2,277	13.4%
REVENUES FROM PRODUCT SALES	119,527	100%	114,050	100%	5,477	4.8%
Other revenues	1,945		558		1,387	248.6%
REVENUES FROM SALES	121,472		114,608		6,864	6.0%

In the period ended 30 September 2019, the rise in revenues is recorded in the Components & Spare parts and Leisure Time markets, which grew respectively by 13.4% and 7.8%. In Components & Spare parts, turnover came to Euro 19.2 million as compared with the Euro 16.9 million booked for the same period of 2018, thereby recording a positive change of 13.4% deriving from the greater sales mainly made in Europe. In Leisure Time, turnover came to Euro 11.0 million, as compared with the Euro 10.2 million booked for the same period 2018, up 7.8%, mainly due to the recovery connected with the stock policy adopted by the joint venture Indel Webasto Marine at year end, good general performance and a greater penetration of the nautical market.

During the period under review, growth in Automotive came to turnover of Euro 73.6 million, as compared with the Euro 70.1 million recorded as at 30 September 2018. The increase (+4.9%) is due to the growth recorded by the market for the greater production and sale of commercial vehicles on which Group products

can be installed and the greater penetration of Group products for the number of devices installed as original equipment manufacturer (OEM) and After Market (AM).

The Hospitality and Cooling Appliances markets show results that decline on those of the same period 2018. More specifically, in Hospitality (-4.6%), the lesser volumes of products intended for hotels have resulted in turnover going from Euro 12.7 million as at 30 September 2018 to Euro 12.1 million of the same period of 2019. The Cooling Appliances market has dropped by 11.8% due to the slowing to demand for milk refrigerators; a market that has, however, benefited from a partial recovery on the first half of 2019.

As regards sales channels, the OEM¹ (Original Equipment Manufacturer) channel recorded growth of around 6%, with turnover of Euro 59.8 million, thanks primarily to the development of the Automotive market, in particular in North America, as compared with Euro 56.5 million for the first nine months of 2018. The AM² (After Market) channel increased its turnover by around 3%, going from Euro 38.8 million during the first nine months of 2018 to Euro 40.1 million during the period under review in 2019, thanks to the increase in Components & Spare parts and Leisure Time markets, partially offset by a decline in Hospitality market.

Geographically, the most significant growth (+18.5%) was seen in the Americas, with turnover of Euro 25.5 million as compared with Euro 21.5 million in the first nine months of 2018, still driven by the Automotive market, which accounted for 21% of total revenues from product sales; this was followed by Italy, with turnover of Euro 33.4 million (+4.8%) with respect to the Euro 31.9 million of the first nine months of 2018 and 28% of turnover. During the first nine months of 2019, in Europe turnover remains substantially in line with the same period of 2018, with a slight positive change of 1.5% and revenues of Euro 56.4 million as compared with Euro 55.6 million in the same period of 2018. The rise is mainly due to growth in Components & Spare parts and Leisure Time markets, without any consequent changes to market share. Finally, in the Rest of World, a reduction of (-16.8%) is recorded, with revenues standing at Euro 4.2 million as compared with the Euro 5.0 million of the same period of 2018.

Other revenues, of Euro 1.9 million at 30 September 2019 mainly relate to the recovery of duties for goods produced in China and sold in the USA, and the recovery of transport costs.

Despite the difficult market context, which has struck Automotive in North America in particular, during the first nine months of 2019, the Group once again recorded positive performance in results as compared with the same period of the previous year. It is expected that this negative cycle will reflect on the forthcoming results, with a consequent decline in orders and revenues, but that this will be brief and that starting 2021, a recovery shall be seen in the Automotive market.

To cope with this period, Indel B Spa has taken the preventive measure of requesting the start of redundancy funds as from 28 October 2019.

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The documents will be available to the public at the Company's registered office, at Borsa Italiana, on the storage mechanism authorised by Consob "1info" (www.1info.it) and in the specific sections of the website www.indelbgroup.com.

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"The Manager appointed to prepare the company accounting documents, Mirco Manganello, declares in accordance with paragraph 2, Article 154 bis of the Consolidated Finance Act that the accounting disclosure contained in this release coincides with the results of the documents, books and accounting entries".

Please note that the data relative to revenues from sales given in this press release has not been audited.

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¹ OEM Original Equipment Manufacturer. Customer segment that purchases third party manufacturer components specifically designed for use in the products sold or finished products, which are therefore marketed under own brand. The OEM channel is transversal to all markets.

² AM (After Market) Sales channel characterised by the manufacture of goods developed not according to customised projects commissioned on specific customer request, but rather intended for marketing under own brand or the "ISOTHERM" brand owned by Indel Webasto Marine, by Indel B.

Indel B S.p.A. is a company listed on the MTA segment of the Italian stock exchange and is controlled by AMP.FIN S.r.l., in turn held entirely by the Berloni family. Indel B S.p.A. heads an important Group that operates worldwide and has been active for the last 50 years in the mobile cooling sector applicable to the Automotive, Leisure Time and Hospitality cooling segments. The Group also operates in mobile climate control, with specific reference to the Automotive market, represented by commercial vehicles, minibuses, ambulances, agricultural and earth-moving machinery, and in the Cooling Appliances sector, which mainly comprises cellars for storing wine and small refrigerators for storing milk. The company has a market cap of approximately Euro 116 million.

Contact details

<p><i>INDEL B Controller & IR Consuelo Vagnini +39 0541 848 855 consuelo.vagnini@indelb.com</i></p>	<p><i>POLYTEMS HIR IR and Financial Disclosures Bianca Fersini Mastelloni +39 06.69923324; +39 336742488 b.fersini@polytemshir.it</i></p>	<p><i>FAST-COM Media Relations Paolo Santagostino +39 349 3856585 paolo.santagostino@fast-com.it</i></p>
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