

Bomi Italia S.p.A.

– PRESS RELEASE –

The Board of Directors approves the Parent Company Financial Statements and the Group Consolidated Financial Statements for the year to 31 December 2017

- **Consolidated value of production of Euro 117,9 million compared to Euro 100,8 million at 31 December 2016 (+17% compared to 31.12.2016)**
- **Consolidated Gross Operating Margin (EBITDA) of Euro 11,3 million, net of extraordinary and non-recurring items compared to Euro 8,7 million at 31 December 2016 (+29% compared to 31.12.2016)**
- **Consolidated Net Profit of Euro 2,8 million compared to Euro 1,4 million at 31 December 2016 (+90% compared to 31.12.2016), of which Net profit attributable to Bomi Group of Euro 2,1 million compared to Euro 0,5 million at 31 December 2016 (+347% compared to 31.12.2016)**
- **Consolidated Net Financial Position of Euro 25,5 million**
- **Consolidated Net Equity of Euro 8,8 million**

Vaprio d'Adda, 29 March 2018 – Bomi Italia, Bomi Italia S.p.A. (“**Bomi**” or the “**Company**” or the “**Issuer**”) the parent company of Bomi Group, a market leader in the biomedical logistics sector and the management of high technology healthcare products, which is listed on the multilateral trading system of **AIM Italia / Mercato Alternativo del Capitale Capitale**, organised and managed by Borsa Italiana S.p.A. announces that the Board of Directors has today approved the parent company and consolidated financial statements, prepared in accordance with international accounting principles (IAS/IFRS) for the year to 31 December 2017.

Giorgio Ruini, Chairman of the Board of Directors stated:

"In 2017 the Bomi Group addressed an important challenge, which is still ongoing, with the aim of integrating the most recently acquired and established companies, obtaining good results in terms of increased profitability. We are satisfied by the results achieved but we believe that we can achieve even more, as we continue to make efforts in this direction, both at the commercial level and at the level of income. At the same time we continue to focus on grouping together certain centres of excellence in the sector, as reflected by the most recent M&A transactions, and on an attentive policy of commercial development, taking advantage of the possibilities offered by cross-selling."

Principal economic results of the Group:



€/1000	31/12/2017		31/12/2016		Change
Value of production	117.890	100,0%	100.885	100,0%	16,9%
Services costs and others	(76.980)	-65,3%	(67.367)	-66,8%	14,3%
Personnel Costs	(26.796)	-22,7%	(22.428)	-22,2%	19,5%
Other operating charges	(2.825)	-2,4%	(2.343)	-2,3%	20,5%
Gross operating profit (EBITDA)	11.290	9,6%	8.747	8,7%	29,1%
Amortization, depreciation and writedowns	(4.523)	-3,8%	(3.456)	-3,4%	30,9%
Extraordinary Income (costs)	(1.212)	-1,0%	(1.540)	-1,5%	-21,3%
Net operating profit (EBIT)	5.555	4,7%	3.751	3,7%	48,1%
Financial Income (costs)	(1.571)	-1,3%	(1.217)	-1,2%	29,1%
Net profit before tax	3.984	3,4%	2.534	2,5%	57,2%
Taxes	(1.223)	-1,0%	(1.080)	-1,1%	13,2%
Net result	2.760	2,3%	1.454	1,4%	89,9%
Net result attributable to non-controlling interests	678	0,6%	988	1,0%	-31,4%
Net result attributable to the Group	2.082	1,8%	466	0,5%	347,2%

Consolidated operating revenues rose by about 17% compared to the previous year due to internal growth (accounting for about 12%) and a positive exchange rate effect (of about 3%) as well as the inclusion in the consolidation area of new companies – Espadist, the Mexican company acquired in the second half of 2017 and Faro Srl, the transport company based in Bari, acquired in March 2017. The **consolidated operating revenues** at constant euro/foreign currency exchange rates, was in line with the projections in the Group’s business plan (“the Plan”) 2017 – 2019 approved and published on 8 May 2017.

The following table shows the breakdown of revenues by geographical area, which confirms the trend towards a balance between Euro-denominated revenues and revenues in other currencies, which should allow the Group to mitigate the impact of volatility and macro-economic factors on its results:

€/000	31/12/2017	% sul tot	31/12/2016	% sul tot	17 vs 16
Italy	36.406	30,9%	33.899	33,6%	7,4%
Rest of Europe	15.693	13,3%	15.381	15,2%	2,0%
Brazil	45.068	38,2%	38.227	37,9%	17,9%
Rest of Latam	11.688	9,9%	9.594	9,5%	21,8%
Turkey	5.173	4,4%	1.935	1,9%	167,3%
China	3.291	2,8%	986	1,0%	233,7%
Other	571	0,5%	861	0,9%	-33,7%
Total	117.890	100,0%	100.885	100,0%	16,9%

The Brazilian company and other companies in the “Latam” area reported growth in revenues of 18.7% compared to 2016, which were positively affected by the trend of exchange rates on the conversion to Euro, by significant organic growth and by the inclusion of the new operations acquired in Mexico in June 2017. Revenues in Europe rose by 5.7% compared to 2016, primarily due to organic growth and partly due to new acquisitions. The subsidiaries in Turkey and China reported strong growth.

The **consolidated operating profit** reclassified for depreciation and amortisation, provisions, and excluding extraordinary and non-recurring costs for the year to 31 December 2017 rose by 29% compared to 2016. The **consolidated operating profit** for the year to 31 December 2017 was also about 6% higher than the consolidated EBITDA projection in the Plan 2017 – 2019 (10% higher at constant euro/foreign currency exchange rates).

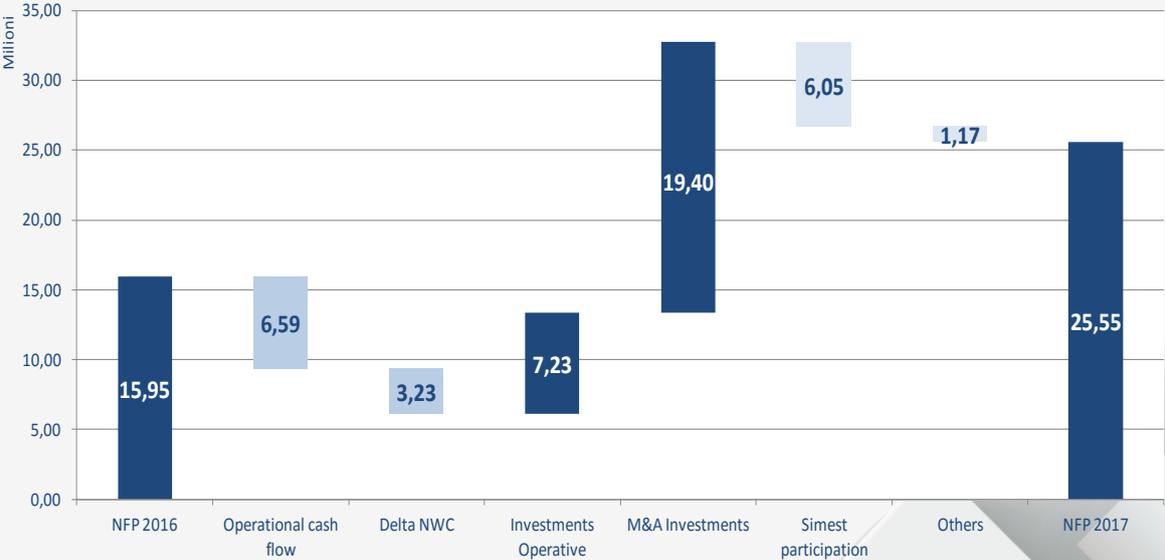
Non-recurring and extraordinary costs primarily relate to about Euro 58,000 of one-off costs incurred following the transfer to new operating offices in Italy, while about Euro 140,000 relates to costs imputable to 2017 for the non-compete agreement that was part of the operation to acquire the minority interest in the Brazilian company in November 2017, about Euro 755,000 relates to incentives for early redundancy programmes in Italy, Turkey and also in Brazil, where in particular certain operating activities were reorganised following the aforementioned acquisition, and finally due to other contingent liabilities.

The consolidated operating profit shows a net improvement compared to 2016 due to the strong effort made by the whole Group to optimise costs and consolidate the companies acquired between 2015 and 2016 with the aim of achieving the expected synergies to support profitability.

All of the Group’s companies made a positive contribution to the improvement in profitability in 2017, in particular the “Latam” area companies achieved important results both in terms of higher revenues and improved profitability while the parent company and its Italian subsidiaries also made a positive contribution, as a consequence of the efforts made to enhance the efficiency of their fleets.

Net profit rose by 90% and **Net profit attributable to the Group** rose by 347% compared to 31 December 2016. **Net profit attributable to the Group** was also 58% higher than the forecasts given in the Plan 2017 – 2019 (equal to 76% at constant euro/foreign currency exchange rates). This significant increase is related to the improved results of all the companies of the Group compared to 2016.

The following chart illustrates the movement in the Net Financial Position (NFP) at 31 December 2017, characterised by:



- Investment in operations management of Euro 7.23 million relating to capital investment relating to the setting up and maintenance of operational offices, primarily air conditioning plant, shelving, vehicles and investments in Information Technology;
- Non-operational investments of Euro 19.4 million primarily represented by the acquisition of the outstanding minority shareholding in the Brazilian subsidiary for a total consideration of Euro 16.4 million (including purchase price, extraordinary dividend distributed and the first tranche of the non-compete agreement), by the acquisition of other minorities in G.Carrai & C. S.r.l., Biocarrier Colombia SAS, Ritmo Holding BV and Berga Srl and the entry into the Mexican and Apac markets;



- the positive change in working capital due to improved management of working capital also following integration of the minorities during 2017;

- the intervention of Simest, which as part of the operation to acquire the outstanding minority interests in the Brazilian subsidiary, took a 45.45% stake in the share capital of the subsidiary Bronte Administracao e Participacoes Ltda, the company through which the Bomi Group completed the acquisition of the outstanding minority interest in the Brazilian subsidiary, and 44.66% of the share capital of the Mexican subsidiary Handling Healthcare SA de CV, for a total consideration of Euro 6.05 million, shown in the consolidated financial statements for 2017 as non-controlling interests.

It should be noted that the acquisition of the minorities generated a negative difference on net equity of Euro 13,4 million, because in accordance with IFRS 3, the goodwill generated by the acquisition of a non-controlling interest is recognised as a reduction of net equity and not as assets.

Key economic data for Bomi

The following table shows Bomi's results for the year ended 31 December 2017 compared with the previous year:

Reclassified Income Statement - €/000	31/12/2017		31/12/2016		Change
Value of production	26.503	100,0%	24.427	100,0%	8,5%
External costs	19.357	73,0%	18.741	76,7%	3,3%
Addead Value	7.146	27,0%	5.686	23,3%	25,7%
Personnel Costs	4.515	17,0%	4.302	17,6%	4,9%
Gross operating profit (EBITDA)	2.631	9,9%	1.384	5,7%	90,1%
Amortization	1.407	5,3%	1.083	4,4%	29,9%
Depreciation and writedowns	320	1,2%	100	0,4%	220,1%
Net operating profit (EBIT)	904	3,4%	201	0,8%	349,9%
Other Income	-	0,0%	11	0,0%	-100,0%
Financial Income (costs)	(357)	-1,3%	(6)	0,0%	5495,7%
Ordinary Income	546	2,1%	205	0,8%	166,1%
Extraordinary Income (costs)	(447)	-1,7%	(223)	-0,9%	100,3%
Net profit before tax	100	0,4%	(18)	-0,1%	-664,5%
Taxes	(44)	-0,2%	25	0,1%	-275,6%
Net result	56	0,2%	7	0,0%	683,1%

The revenue generated by Bomi Italia S.p.A. may be sub-divided as below:

Ricavi €/000	31/12/2017	31/12/2015	Change
Gross revenues from operations	24.002	23.283	3,1%
Royalties & management fees	2.500	1.144	118,6%
Totale	26.503	24.427	8,5%

The increase in revenues for royalties and management fees equal to 118.6% compared to the previous year relates to the increase in services provided by the corporate centre relating to the growth in the size of the Group and the consolidation of minorities, in particular those of the Brazilian subsidiary.

The improvement in profitability in 2017 is due in particular to the realisation of synergies in support of profitability, primarily in the area of transport services.



Business outlook

The Bomi Group has been active over the past two years in implementing a dimensional growth strategy with the aim of achieving synergies and economies of scale within the Group, thereby enhancing its competitiveness and its long-term value. The Group's most recent M&A decisions may be interpreted in the context of a strategy that, on the one hand, aims to achieve cost synergies through scale expansion while also trying to achieve greater market penetration in higher value added services such as Home Care Delivery.

2018 is expected to be an important year for the Group, above all at the income level, due to the well-founded expectation of ever increasing growth in the contribution from markets that have been the object of investment in these years, with a consequent impact on the results of the Bomi Group.

Allocation of profit for the year

The Financial Statements of Bomi at 31 December 2017 show a profit of Euro 56,091.

The Board of Directors will propose to the Shareholders' Meeting the following allocations:

- Euro 2,805 to the Legal Reserve;
- to carry forward the remaining sum of Euro 53,286.



Convocation of the Meeting of Ordinary Shareholders and documentation deposit.

During the course of today's meeting, the Board of Directors agreed, *inter alia*, to call the Shareholders' Meeting for the **30 April 2018** in a single calling, to approve the annual financial report, to acknowledge the Group Financial Statements for the financial year ended 31 December 2017. Notice of convocation of the Meeting will be published in the Investor Relations sector, sub-headings Governance, Shareholders' Meetings of the *Investor Relations* section of the website, www.bomigroup.com and published in the Official Gazette in compliance with rules and regulations

The documentation required by prevailing regulations regarding the subjects mentioned will be deposited at the registered office in Vaprio d'Adda, No. 125 via Campo Cioso and will simultaneously be made available in the Investor Relations section (Governance, Shareholder Meetings and Financial documents) of the Issuer's website, www.bomigroup.com in accordance with the law.



The independent legal audit and the verification process by the Board of Statutory Auditors of the figures in the present press release has yet to be completed

Bomi Italia S.p.A. is the Parent Company of Bomi Group, a world leader in the biomedical logistics sector and in the management of high technology healthcare products. It was one of the first companies to receive the "Elite" certificate issued by Borsa Italiana.

Bomi Group's activities are concentrated in the integrated logistics sector and offer a wide range of logistics services in outsourcing to companies operating in the healthcare sector, managing distribution of medical equipment, pharmaceuticals, in-vitro diagnostic equipment, reagents and implant products.

Bomi Group's portfolio of about 100 clients includes some of the world's top healthcare companies (such as the leading pharmaceutical companies and producers of healthcare devices) as well as small and medium sized companies operating at a global level in the biomedical, diagnostics and biotech industries.



Bomi Group currently has about 1,080 employees and operates through subsidiary companies and associated companies in Europe, South America, China and the United States and its services are also provided, through strategic alliances with local partners.

*ISIN Ordinary Share Code: IT0005108748 – Ordinary Share Ticker: BOMI
ISIN Convertible Bond Code: IT0005114480 – Convertible Bond Ticker: BOMI20*

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Consolidation Financial Statement Bomi Group

Reclassified Balance Sheet	31/12/2016	31/12/2015	Change
Net Intangible Assests	17.748.856	17.058.398	690.458
Net Tangible Assests	17.325.173	15.533.496	1.791.677
Long-term investments	280.653	139.979	140.673
Other receivables falling due after one year	1.439.193	1.466.039	(26.846)
Total Intangibles, Tangible assets and Long-term investments	36.793.875	34.197.913	2.595.962
Inventories	198.556	161.329	37.228
Trade accounts receivable	17.674.383	20.036.890	(2.362.507)
Other receivables	3.969.155	3.723.731	245.424
Accrued income and prepaid expenses	2.073.864	1.361.735	712.130
Total Short-Term assets	23.915.959	25.283.685	(1.367.725)
Accounts payable to suppliers:	17.677.558	16.061.479	1.616.079
Payments received on account			-
Taxes payable and social security contributions	2.400.073	2.400.198	(125)
Other liabilities	3.710.976	3.523.128	187.848
Accrued expenses and deferred income	499.684	443.450	56.235
Total short term liabilities	24.288.292	22.428.255	1.860.037
Net Working Capital	(372.332)	2.855.430	(3.227.762)
Reserve for employee termination indemnity	1.495.267	1.633.192	(137.924)
Taxes payable and social security contributions falling due after one year	515.752	365.676	150.075
Other liabilities falling due after one year	41.253	39.764	1.489
Total long term liabilities	2.052.272	2.038.632	13.639
Invested Capital	34.369.271	35.014.711	(645.440)
Shareholders' Equity	(8.821.431)	(19.061.327)	10.239.896
Net Financial Position falling due after one year	(30.570.655)	(19.284.917)	(11.285.738)
Net Financial Position falling due within one year	5.022.816	3.331.533	1.691.282
Equity and Net Financial Position	(34.369.271)	(35.014.711)	645.440

Consolidation Financial Statement Bomi Group

Reclassified Income Statement	31/12/2016	31/12/2015
Value of production	117.890.413	100.885.000
Services costs and others	(76.979.684)	(67.367.080)
Personnel Costs	(26.796.448)	(22.427.763)
Other operating charges	(2.824.673)	(2.343.336)
Gross operating profit (EBITDA)	11.289.608	8.746.821 *
Amortization, depreciation and writedowns	(4.523.197)	(3.456.228)
Extraordinary Income (costs)	(1.211.664)	(1.539.774)
Net operating profit (EBIT)	5.554.747	3.750.819
Financial Income (costs)	(1.571.238)	(1.217.024)
Net profit before tax	3.983.509	2.533.795
Taxes	(1.223.089)	(1.080.173)
Net result	2.760.420	1.453.621
Net result attributable to non-controlling interests	678.013	988.000
Net result attributable to the Group	2.082.407	465.621

Bomi Italia S.p.A.

Reclassified Balance Sheet	31/12/2017	31/12/2016	Change
Net Intangible Assests	14.077.705	13.078.584	999.121
Net Tangible Assests	3.997.533	3.926.510	71.023
Long-term investments	21.463.500	12.411.266	9.052.234
Other receivables falling due after one year	5.679.199	3.865.603	1.813.596
Total Intangibles, Tangible assets and Long-term investments	45.217.937	33.281.963	11.935.974
Trade accounts receivable	3.566.265	3.376.230	190.035
Other receivables	20.084.001	16.770.765	3.313.236
Accrued income and prepaid expenses	696.167	612.766	83.401
Total Short-Term assets	24.346.433	20.759.761	3.586.672
			0
Accounts payable to suppliers:	4.704.528	5.875.867	(1.171.339)
Taxes payable and social security contributions	469.499	445.091	24.408
Other liabilities	6.742.537	3.826.570	2.915.967
Accrued expenses and deferred income	285.649	252.142	33.507
Total short term liabilities	12.202.213	10.399.670	1.802.543
			0
Net Working Capital	12.144.220	10.360.091	1.784.129
Reserve for employee termination indemnity	548.749	705.550	(156.801)
Other liabilities falling due after one year	17.089	17.089	-
Total long term liabilities	565.838	722.639	(156.801)
			0
Invested Capital	56.796.319	42.919.415	13.876.904
Shareholders' Equity	(27.465.968)	(27.440.836)	(25.132)
Net Financial Position falling due after one year	(24.958.120)	(17.352.362)	(7.605.758)
Net Financial Position falling due within one year	(4.372.231)	1.873.783	(6.246.014)
Equity and Net Financial Position	(56.796.319)	(42.919.415)	(13.876.904)

Bomi Italia S.p.A.

Reclassified Income Statement	31/12/2017	31/12/2016
Value of production	26.502.944	24.427.289
External costs	19.356.847	18.741.291
Addead Value	7.146.097	5.685.998
Personnel Costs	4.515.074	4.302.224
Gross operating profit (EBITDA)	2.631.023	1.383.774 *
Amortization	1.407.085	1.082.897
Depreciation and writedowns	320.125	100.000
Net operating profit (EBIT)	903.813	200.877
Other Income	-	10.857
Financial Income (costs)	(357.400)	(6.387)
Ordinary Income	546.413	205.347
Extraordinary Income (costs)	(446.740)	(223.005)
Net profit before tax	99.673	(17.658)
Taxes	(43.582)	24.821
Net result	56.091	7.163

* It should be noted that EBITDA is reported net of non-recurring income.