



The Wellness Company

The Technogym Board of Directors approved the consolidated revenues of the first nine months of 2018

TECHNOGYM ACCELERATES GROWTH

- **CONSOLIDATED REVENUE 433.5 million Euro, +10.1% at constant exchange rates, +6.7% at current exchange rates**
- **Strong growth in USA (+21%) and China (+18.5%)**

Nerio Alessandri, Chairman and CEO, commented:

“Technogym continues to growth in a sustainable and profitable way. Thanks to our focus on innovation and on our brand premium positioning we have recorded strong growth in future development hi-potential areas and good results in the more consolidated markets.

*360 degrees innovation, from products, to service, to **ecosystem, based on our Mywellness digital platform**, continues to represent our customers main need, all over the world. Technogym confirms its consumer centric strategy and starting from SKILL LINE, the new product range dedicated to athletic training, **has developed new training experiences and programs based on specific end-user passions such as cycling, running or rowing**. This consumer experience focus represents a great opportunity also for industry operators, by allowing them to shape new business models to boost attraction and retention within their centers.*

*The combination between design, brand positioning and international sales network efficacy will allow us to **close 2018 with a sustainable and profitable growth**, in line with our mid and long terms objectives”.*



The Wellness Company

Cesena (Italy), October 25, 2018 – The Board of Directors of Technogym (MTA: TGYM), a globally leading company operating in the fitness equipment area and active in the broader wellness sector, has reviewed today the consolidated revenues of the first nine months of 2018.

Revenue trend at September 30, 2018

Consolidated results have been prepared in compliance with the International Reporting Standards issued by the International Accounting Standards Board. Nine months 2017 figures have been adjusted, due to the IFRS 15 implementation starting from January 1st 2018.

After the sales growth reported in 2017 and in the first half of 2018, in the first nine months of 2018 the Company posted a 6.7% consolidated revenues increase compared to the first nine months of 2017. Technogym is growing significantly faster than the reference market and is gaining market share with respect to its direct competitors.

In the first nine months of 2018, sales stood at Euro 433.5 million versus Euro 406.2 million recorded in the same period of 2017.

Of particular significance is the increase in sales posted in hi-potential markets - North America (+15.5%) and Asia Pacific (+10.7%) – and in more consolidated markets – Europe (+8,4%) and Italy (+12%).

Following is a short analysis of revenues broken down by:

- distribution channels;
- geographic areas;

Revenue by distribution channels

<i>(In thousands of Euro and percentage of total revenues)</i>	Data at September			
	2018	2017	2018 vs 2017	%
<i>Field sales</i>	315,352	283,937	31,415	11.1%
<i>Wholesale</i>	87,666	88,877	-1,211	-1.4%
<i>Inside sales</i>	25,713	29,329	-3,616	-12.3%
<i>Retail</i>	4,781	4,090	691	16.9%
Total revenues	433,512	406,233	27,279	6.7%

With respect to revenue performance by sales channel: Field Sales continue to be the main channel, registering a growth of +11.1%. The Wholesales channel shows an important improvement compared to the first semester result (-1.4% Vs – 7%) thanks to the recovery of part of the revenue slippage due to the EPR change. The inside sales channel (Ecommerce & teleselling) recorded a negative performance only due to some geographical areas in Europe. The Retail channel, which has a marginal



The Wellness Company

impact on the company business model, with its main purpose to act as show room support for the other main direct sales channels in an omni-channel perspective, has posted a double digit growth.

Revenues by geographic areas

<i>(In thousands of Euro and percentage of total revenues)</i>	Data at September 30			
	2018	2017	2018 vs 2017	%
Europe (without Italy)	221,719	204,576	17,143	8.4%
MEIA	32,945	36,816	-3,871	-10.5%
APAC	69,309	62,614	6,695	10.7%
Italy	42,239	36,826	4,413	12.0%
North America	51,194	44,324	6,870	15.5%
LATAM	14,136	19,345	-5,209	-26.9%
Total revenues	433,512	406,233	27,279	6.7%

In line with the trend of recent years, approximately 90% of the total revenues of the Group was generated outside of Italy and approximately 40% outside of Europe.

Technogym continues to grow in accordance with the business plans in all the main markets of greatest interest: Europe, North America and APAC. In accordance with trends in recent years, there has been a significant increase in North America (+15.5%) a strategic markets for the future growth of the company. Growth is also positive in Europe and Asia Pacific. After two years of strong growth, revenues slowdown in LATAM, mainly because of the instable macro-economic context in Brasil, which represents the major contributor in the region.



The Manager responsible for preparing the company's financial reports, Stefano Zanelli, declares that, pursuant to paragraph 2 article 154-bis of the Consolidated Law on Finance (TUF), the accounting data contained in this press release reflects the Company's accounts, books and records.



The Wellness Company

Notes to the press release

Technogym

Founded in 1983, Technogym S.p.A. is a world-leading international supplier of products, services and solutions in the fields of fitness and wellness. With over 2,000 employees and 14 branches in Europe, the United States, Asia, Middle East, Australia and South America, the company exports 90% of its production to over 100 countries. Technogym S.p.A. was the official supplier for the last seven Olympic Games: Sydney 2000, Athens 2004, Turin 2006, Beijing 2008, London 2012, Rio 2016, PyeongChang 2018.

Forward looking statements

Certain statements in this press release could constitute forward-looking statements, including references that do not exclusively relate to historical data or current events, and as such, uncertain. These statements are based on a number of assumptions, expectations and other factors that could lead to actual results which differ, even substantially, from those forecast. There are numerous factors that could generate results and trends that are notably different from the forward looking information in this press release. These elements include but are not limited to the ability to manage the effects of the current uncertain international economic scenario, ability to acquire new assets and integrate them effectively, ability to forecast future economic conditions and changes in consumer preferences, ability to successfully introduce and market new products, ability to maintain an efficient distribution system, ability to achieve and manage growth, ability to negotiate and maintain favorable license agreements, currency fluctuations, changes in local conditions, ability to protect intellectual property, problems with information systems, risks associated with inventory, credit and insurance risks, changes in tax regulations, and likewise other political, economic, legal and technological factors and other risks and uncertainties. These forward-looking statements were issued as of today's date and we shall not be under any obligation to provide any updates and they are not a reliable indication of future performance.

Alternative performance indicators

This press release provides a number of alternative performance indicators used by management to allow an improved assessment of the business performance and the financial performance and position of the Group. These indicators are not recognized as accounting measures in the context of IFRS and should therefore not be considered as an alternative way to assess the financial performance of the Group and its financial position. Since the calculation of these measures is not governed by the applicable accounting standards, the calculation methods applied by the Company may not be the same as those used by others and therefore these indicators may not be comparable. Therefore, investors should not place undue reliance on this data or information. This press release also contains certain financial, operating and other indicators that have been adjusted to reflect non-recurring extraordinary events and transactions, known as special items. This 'adjusted' information was included to allow better comparison of the financial information for all periods; however this information is not recognized as economic or financial data within the scope of the IFRS and/or does not constitute an indication of the historical performance of the Company or Group. Therefore, investors should not place undue reliance on this data or information.

Media Relations

Technogym Press Office

Enrico Manaresi emanaresi@technogym.com +393403949108

Tancredi Group

Giovanni Sanfelice di Monteforte giovanni@tancredigroup.com +447775858152

Investor Relations

Carlo Capelli investor.relations@technogym.com +39 0547 650111
Enrico Filippi