

MIRA INFORM REPORT

Report No. :	525356
Report Date :	16.08.2018

IDENTIFICATION DETAILS

Name :	REGGIANA RIDOTTORI - S.R.L.
Registered Office :	Via Martiri Di Marzabotto 7, 42020 San Polo d'Enza
Country :	Italy
Financials (as on) :	31.12.2016
Date of Incorporation :	19.09.1979
Com. Reg. No.:	RE0144340
Legal Form :	Limited liability company - SRL
Line of Business :	<ul style="list-style-type: none"> • Manufacture of other parts and accessories for motor vehicles • Subject is engaged in manufacturing and wholesale trade of gears, reduction units and ancillary mechanical parts and components for use in the motor vehicle industry
No. of Employees :	163 [2016]

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :

A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Italy	A1	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

ITALY - ECONOMIC OVERVIEW

Italy's economy comprises a developed industrial north, dominated by private companies, and a less-developed, highly subsidized, agricultural south, with a legacy of unemployment and underdevelopment. The Italian economy is driven in large part by the manufacture of high-quality consumer goods produced by small and medium-sized enterprises, many of them family-owned. Italy also has a sizable underground economy, which by some estimates accounts for as much as 17% of GDP. These activities are most common within the agriculture, construction, and service sectors.

Italy is the third-largest economy in the euro zone, but its exceptionally high public debt and structural impediments to growth have rendered it vulnerable to scrutiny by financial markets. Public debt has increased steadily since 2007, reaching 131% of GDP in 2017. Investor concerns about Italy and the broader euro-zone crisis eased in 2013, bringing down Italy's borrowing costs on sovereign government debt from euro-era records. The government still faces pressure from investors and European partners to sustain its efforts to address Italy's longstanding structural economic problems, including labor market inefficiencies, a sluggish judicial system, and a weak banking sector. Italy's economy returned to modest growth in late 2014 for the first time since 2011. In 2015-16, Italy's economy grew at about 1% each year, and in 2017 growth accelerated to 1.5% of GDP. In 2017, overall unemployment was 11.4%, but youth unemployment remained high at 37.1%. GDP growth is projected to slow slightly in 2018.

Source : CIA

COMPANY NAME

Name Reggiana Riduttori - S.R.L.

SUMMARY

Company name **Reggiana Riduttori - S.R.L.**
Operative address Via Martiri Di Marzabotto 7
42020 San Polo d'Enza
Italy
Status Active
Specification This company can meet all its obligations.
Legal form Limited liability company - SRL
Registration number Trade register number: RE0144340
VAT-number IT00634700355

Year	2016	Mutation	2015	Mutation	2014
Fixed assets	18.116.731	-3,78	18.828.321	-4,21	19.655.562
Total receivables	16.896.408	18,32	14.280.866	-22,09	18.329.128
Total equity	45.028.384	12,13	40.157.278	12,04	35.841.288
Short term liabilities	18.022.000	-1,86	18.363.621	-10,57	20.535.047
Net result	7.479.271	9,73	6.815.984	4,87	6.499.186
Working capital	36.612.836	7,66	34.007.750	9,65	31.016.200
Quick ratio	2,28	12,32	2,03	8,56	1,87

CONTACT INFORMATION

Company name Reggiana Riduttori - S.R.L.
Operative address Via Martiri Di Marzabotto 7
42020 San Polo d'Enza
Italy
Correspondence address Via Martiri Di Marzabotto 7
42020 San Polo d'Enza
Italy
Telephone number +39 0522873927
Fax number +39 0522 874321
Website www.reggianaridutt.it

REGISTRATION

Registration number Trade register number: RE0144340

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VAT-number	IT00634700355
Status	Active
Establishment date	1979-09-19
Legal form	Limited liability company - SRL
Subscribed share capital	EUR 6.000.000

ACTIVITIES

NACE	2932: Manufacture of other parts and accessories for motor vehicles
Goal	Engaged in manufacturing and wholesale trade of gears, reduction units and ancillary mechanical parts and components for use in the motor vehicle industry

RELATIONS

Shareholders	ULTIMATE GLOBAL SHAREHOLDER Name: MR GIANNICOLA ALBARELLI Address: VIA BRANCATI 4 City: REGGIO NELL'EMILIA Country: IT Type: One or more named individuals or families
	SHAREHOLDERS Name: REGGIANA FINANZIARIA - S.R.L. National id number: RE0121288 Address: VIA PAOLO BORSELLINO 22 City: REGGIO NELL'EMILIA Country: IT Type: Corporate Share direct: 99.27% Turnover: 74.00629217 mil. EUR Total assets: 103.33938478 mil. EUR Profit loss before tax: 14.33509089 mil. EUR Profit loss after tax net income: 10.09072046 mil. EUR Shareholders funds: 73.13168503 mil. EUR Number of employees: 250 Name: MR GIANNICOLA ALBARELLI Address: VIA BRANCATI 4 City: REGGIO NELL'EMILIA Country: IT Type: One or more named individuals or families Share direct: 0.73%

Structure

SUBSIDIARIES

Name: RR CANADA INC
Country: CA
Type: Corporate
Share direct: 100.00%

Name: RR PACIFIC PTY. LTD.
National id number: 83 153 867 808
Address: Fy 1 2 Access Way
City: CARRUM DOWNS
Country: AU
Type: Corporate
Phone: +61 3 97751077
Share direct: 100.00%
Number of employees: 3

Name: RR SLOVAKIA, A.S.
National id number: 31594239
Address: Na Stepnici 1
City: ZVOLEN
Country: SK
Type: Corporate
Phone: +421 45 5249086
Fax: +421 45 5321620
Share direct: 100.00%
Turnover: 1.27574464 mil. EUR
Total assets: 0.94221663 mil. EUR
Profit loss before tax: 0.00912783 mil. EUR
Profit loss after tax net income: 0.00892187 mil. EUR
Shareholders funds: 0.75250173 mil. EUR

Name: R.R. USA INC.
Country: US
Type: Corporate
Share direct: 31.00%

Name: MATILDE DI CANOSSA GOLF - S.P.A.
National id number: RE0173909
Address: VIA DEL CASINAZZO 1
City: REGGIO NELL'EMILIA
Country: IT
Type: Corporate
Phone: +39 0522371295
Share direct: 0.30%
Turnover: 0.1167348 mil. EUR
Total assets: 5.36980096 mil. EUR
Profit loss before tax: -0.01845661 mil. EUR
Profit loss after tax net income: -0.01897941 mil. EUR
Shareholders funds: 4.24860069 mil. EUR

Branches

Name: REGGIANA RIDOTTORI
National id number: 438027351-00016
Address: 42020 S POLO D'ENZA RE
Country: FR

MANAGEMENT

Management

Fullname: Mr Giannicola Albarelli
Type: Individual
Gender: Male
date of birth: 1967/12/08
Age: 50
Country: Italy
Number of involvements: 7
Function: Director
Level of responsibility: Member
Appointment date: 1997/02/05

Fullname: Mr Corrado Ruspaggiari
Type: Individual
Gender: Male
date of birth: 1963/08/15
Age: 55
Country: Italy
Number of involvements: 8
Function: Chairman of the Board of Statutory Auditors
Level of responsibility: President / Chairman; Auditor
Appointment date: 2016/06/28
Resignation date: 2018/12/31

EMPLOYEES

Year	2016	2015	2014	2013	2012
Annual	163	168	165	166	163

FINANCIAL ANALYSIS

Trend	Constant
Profitability	More than sufficient
Solvability	More than sufficient

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Liquidity
Show amount in

Sufficient
Euro

KEY FIGURES

Year	2016	2015	2014	2013	2012
Quick ratio	2,28	2,03	1,87	1,65	1,61
Current ratio	3,03	2,85	2,51	2,29	2,28
Working capital/ balance total	0,50	0,48	0,44	0,40	0,39
Equity / balance total	0,62	0,56	0,50	0,48	0,44
Equity / Fixed assets	2,49	2,13	1,82	1,66	1,49
Working capital	36.612.836	34.007.750	31.016.200	26.144.768	23.923.794
Equity	45.028.384	40.157.278	35.841.288	31.342.105	26.924.980
Mutation equity	12,13	12,04	14,36	16,41	
Mutation short term liabilities	-1,86	-10,57	0,97	8,62	
Return on total assets (ROA)	14,44	13,56	13,38	12,64	15,50
Return on equity (ROE)	23,33	24,05	26,59	26,35	34,96
Gross profit margin	18,81	15,02	12,69	15,13	16,85
Net profit margin	13,49	12,02	10,32	9,58	10,93
Average collection ratio	3,08	3,09	3,07	2,80	3,12
Average payment ratio	3,28	3,97	3,44	3,55	3,96
Equity turnover ratio	1,23	1,41	1,76	1,81	2,17
Total assets turnover ratio	0,76	0,80	0,88	0,87	0,96
Fixed assets turnover ratio	3,06	3,01	3,20	3,02	3,23
Inventory conversion ratio	4,11	3,74	4,82	4,42	4,69
Turnover	55.456.858	56.702.949	62.964.781	56.861.243	58.416.692
Operating result	10.433.481	8.515.898	7.989.742	8.605.509	9.845.362
Net result after taxes	7.479.271	6.815.984	6.499.186	5.447.078	6.385.030
Cashflow	10.808.321	10.216.225	9.494.721	8.314.909	10.048.145
Gross profit	23.140.858	22.470.728	22.407.652	20.294.833	22.715.268
EBITDA	13.762.531	11.916.139	10.985.277	11.473.340	13.508.477

Summary

The 2016 financial result structure is a positive working capital of 36.612.836 euro, which is in agreement with 50 % of the total assets of the company.

The working capital has increased with 7.66 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

The improvement between 2015 and 2016 has mainly been caused by a change of the current assets.

The current ratio of the company in 2016 was 3.03. If the current ratio exceeds 3.0, the company may not be using its current assets or its short-term financing facilities efficiently .

The quick ratio in 2016 of the company was 2.28. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

The 2015 financial result structure is a positive working capital of 34.007.750 euro, which is in agreement with 48 % of the total assets of the company.

The working capital has increased with 9.65 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

The improvement between 2014 and 2015 has mainly been caused by a change of the current assets.

The current ratio of the company in 2015 was 2.85. A company with a current ratio between 1.5 and 3.0 generally indicates good short-term financial strength.

The quick ratio in 2015 of the company was 2.03. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

FINANCIAL STATEMENT

Auditor

Name: Bogoni Renato
date: 2016-06-28

Name: Grasselli Eros
date: 2016-06-28

Name: Mussini Corrado
date: 2016-06-28

Name: Reverberi Marta
date: 2016-06-28

Name: Ruspaggiari Corrado
date: 2016-06-28

Last annual account
Remark annual account
Type of annual account
Annual account

2016
The company is obliged to file its financial statements.
Corporate
Reggiana Riduttori - S.R.L.
Via Martiri Di Marzabotto 7
42020 San Polo d'Enza
Italy

BALANCE

Year	2016	2015	2014	2013	2012
End date	2016-12-	2015-12-	2014-12-	2013-12-	2012-12-

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	31	31	31	31	31
	Corporate	Corporate	Corporate	Corporate	Corporate
Type of annual account					
Intangible fixed assets	310.289	427.204	544.709	647.098	792.800
Tangible fixed assets	17.193.086	17.674.948	18.275.438	16.235.189	13.716.716
Other fixed assets	613.356	726.169	835.415	1.964.149	3.599.763
Fixed assets	18.116.731	18.828.321	19.655.562	18.846.436	18.109.279
Total stock	13.480.916	15.173.339	13.072.101	12.870.669	12.468.584
Total receivables	16.896.408	14.280.866	18.329.128	16.039.576	14.759.515
Liquid funds	20.540.739	18.096.527	15.581.097	14.349.421	11.555.763
Other current assets	3.716.773	4.820.639	4.568.921	3.223.464	3.863.611
Current assets	54.634.836	52.371.371	51.551.247	46.483.130	42.647.473
Total assets	72.751.567	71.199.692	71.206.809	65.329.566	60.756.752
Total equity	45.028.384	40.157.278	35.841.288	31.342.105	26.924.980
Provisions	1.917.486	3.443.461	3.444.275	901.405	943.099
Long term liabilities	7.783.697	9.235.332	11.386.199	12.747.694	14.164.994
Accounts payable	9.769.101	9.704.771	11.501.687	11.387.130	9.450.171
Liabilities towards credit institutes	1.619.161	2.102.077	2.153.849	4.345.730	4.245.937
Other short term liabilities	6.633.738	6.556.773	6.879.511	4.605.502	5.027.571
Short term liabilities	18.022.000	18.363.621	20.535.047	20.338.362	18.723.679
Total liabilities	72.751.567	71.199.692	71.206.809	65.329.566	60.756.752

Summary

The total assets of the company increased with 2.18 % between 2015 and 2016.

Despite the assets growth, the non current assets decreased with - 3.78 %.

In 2016 the assets of the company were 24.9 % composed of fixed assets and 75.1 % by current assets. The assets are being financed by an equity of 61.89 %, and total debt of 38.11 %.

The total assets remained the same between 2014 and 2015.

Despite the fact that the total assets remained the same, the fixed assets decreased with -4.21 %.

In 2015 the assets of the company were 26.44 % composed of fixed assets and 73.56 % by current assets. The assets are being financed by an equity of 56.4 %, and total debt of 43.6 %.

PROFIT AND LOSS

Year	2016	2015	2014	2013	2012
Revenues	54.263.180	54.449.955	62.350.053	55.312.635	60.187.437
Net turnover	55.456.858	56.702.949	62.964.781	56.861.243	58.416.692
Wages and salaries	9.151.864	9.196.029	9.396.178	8.822.312	8.693.053
Amorization and depreciation	3.329.050	3.400.241	2.995.535	2.867.831	3.663.115
Production costs	22.384.846	23.602.284	27.324.379	24.511.304	23.608.609
Operating result	10.433.481	8.515.898	7.989.742	8.605.509	9.845.362
Financial income	120.641	470.430	214.401	358.253	318.554
Financial expenses	48.625	-671.536	-1.325.068	703.664	749.622

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REGGIANA RIDOTTORI - S.R.L. - 525356

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Financial result	72.016	1.141.966	1.539.469	-345.411	-431.068
Result on ordinary operations before taxes	10.505.497	9.657.864	9.529.211	8.260.098	9.414.294
Taxation on the result of ordinary activities	3.026.226	2.839.196	3.189.775	2.813.022	3.350.730
Result of ordinary activities after taxes	7.479.271	6.818.668	6.339.436	5.447.076	6.063.564
Extraordinary income			160.001	2	321.466
Extraordinary expense		2.684	251		
Extraordinary result before taxation		-2.684	159.750	2	321.466
Net result	7.479.271	6.815.984	6.499.186	5.447.078	6.385.030

Summary

The turnover of the company decreased by -2.2 % between 2015 and 2016.

The operating result of the company grew with 22.52 % between 2015 and 2016. This evolution implies an increase of the company's economic profitability.

The result of these changes is an increase of the company's Economic Profitability of 6.49 % of the analysed period, being equal to 14.44 in the year 2016.

Despite the growth the assets turnover decreased, whose index evolved with -5 % to a level of 0.76.

The Net Result of the company increased by 9.73 % between 2015 and 2016.

The company's Financial Profitability has been negatively affected by the financial activities in comparison to the EBITs behaviour.

The result of these variations is a profitability reduction of -2.99 % of the analysed period, being 23.33 in the year 2016.

The company's financial profitability has been positively affected by its financial structure.

The turnover of the company decreased by -9.94 % between 2014 and 2015.

The operating result of the company grew with 6.59 % between 2014 and 2015. This evolution implies an increase of the company's economic profitability.

The result of these changes is an increase of the company's Economic Profitability of 1.35 % of the analysed period, being equal to 13.56 in the year 2015.

Despite the growth the assets turnover decreased, whose index evolved with -9.09 % to a level of 0.8.

The Net Result of the company increased by 4.87 % between 2014 and 2015.

The company's Financial Profitability has been negatively affected by the financial activities in comparison to the EBITs behaviour.

The result of these variations is a profitability reduction of -9.55 % of the analysed period, being 24.05 in the year 2015.

The company's financial profitability has been positively affected by its financial structure.

COUNTRY INFORMATION

Population	60.7 million
GDP per capita	30507 USD
Country risk	Below average
Company risk	Low

PUBLICATIONS

Remarks	Status: Active Category: Large company Last year: 2016 Turnover last year: 55.456.858 EUR Result last year: 7.479.271 EUR TOTAL assets last year: 72.751.567 EUR Number of employees: 163 Number of shareholders: 2 Number of subsidiaries: 5 Number of branches: 1
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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.47
UK Pound	1	INR 88.63
Euro	1	INR 79.19
Euro	1	INR 79.98

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	SYL

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)