

MIRA INFORM REPORT

Report No. :	539171
Report Date :	12.11.2018

IDENTIFICATION DETAILS

Name :	FRANCHI UMBERTO MARMI - S.R.L.
Registered Office :	Via Del Bravo 14, 54033 Carrara
Country :	Italy
Financials (as on) :	31.12.2017
Date of Incorporation :	25.10.1990
Com. Reg. No.:	MS0090033
Legal Form :	Limited liability company - SRL
Line of Business :	<ul style="list-style-type: none"> Cutting, shaping and finishing of stone Subject engaged in cutting, shaping and finishing ornamental and building stone
No. of Employees :	34 (2017)

RATING & COMMENTS

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

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

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
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. 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 SUMMARY

Company name Franchi Umberto Marmi - S.R.L.
Operative address Via Del Bravo 14
54033 Carrara
Italy
Status Active
Specification This company can meet all its obligations.
Legal form Limited liability company - SRL
Registration number Trade register number: MS0090033
VAT-number IT00554800458

Year	2017	Mutation	2016	Mutation	2015
Fixed assets	35.936.378	16,38	30.878.691	10,83	27.861.091
Total receivables	15.470.581	3,80	14.903.883	-0,06	14.913.434
Total equity	69.895.226	26,76	55.138.310	25,08	44.082.267
Short term liabilities	12.516.628	13,24	11.052.833	-25,22	14.779.786
Net result	19.256.915	59,73	12.056.044	54,97	7.779.456
Working capital	36.909.282	35,47	27.245.672	25,63	21.687.697
Quick ratio	3,21	11,46	2,88	42,57	2,02

CONTACT INFORMATION

Company name Franchi Umberto Marmi - S.R.L.
Operative address Via Del Bravo 14
54033 Carrara
Italy
Correspondence address Via Del Bravo 14
54033 Carrara
Italy
Telephone number +39 058570057
Email address products@franchigroup.it
Website www.franchigroup.it

REGISTRATION

Registration number Trade register number: MS0090033
VAT-number IT00554800458
Status Active
Establishment date 1990-10-25
Legal form Limited liability company - SRL
Subscribed share capital EUR 101.540

ACTIVITIES

NACE
Goal

2370: Cutting, shaping and finishing of stone
Engaged in cutting, shaping and finishing ornamental and building stone

RELATIONS

Shareholders

ULTIMATE GLOBAL SHAREHOLDER
Name: MR ALBERTO FRANCHI
Address: VIA ROCCATAGLIATA CECCARDI 86
City: CARRARA
Country: IT
Type: One or more named individuals or families
Share direct: 46.56%

SHAREHOLDERS
Name: MR ALBERTO FRANCHI
Address: VIA ROCCATAGLIATA CECCARDI 86
City: CARRARA
Country: IT
Type: One or more named individuals or families
Share direct: 46.56%

Name: MRS BERNARDA FRANCHI
Address: VIA OSSI 1-BIS
City: CARRARA
Country: IT
Type: One or more named individuals or families
Share direct: 46.55%

Name: MRS GIULIANA DEL VECCHIO
Address: VIA OSSI 1
City: CARRARA
Country: IT
Type: One or more named individuals or families
Share direct: 6.89%

Structure

SUBSIDIARIES
Name: BAGNO VITTORIO S.R.L.
National id number: MS0134339
Address: VLE DELLE PINETE 189
City: MASSA
Country: IT
Type: Corporate
Share direct: 100.00%

Turnover: 0.1083966 mil. EUR
Total assets: 1.52589064 mil. EUR
Profit loss before tax: -0.022278 mil. EUR
Profit loss after tax net income: -0.01608689 mil. EUR
Shareholders funds: 1.14413115 mil. EUR
Number of employees: 3

Name: ESCAVAZIONE LA GIOIA S.R.L.
National id number: MS0108238
Address: VIA CARRIONA 388
City: CARRARA
Country: IT
Type: Corporate
Share direct: 50.00%
Turnover: 1.65069797 mil. EUR
Total assets: 1.88786721 mil. EUR
Profit loss before tax: 0.03492554 mil. EUR
Profit loss after tax net income: 0.02058819 mil. EUR
Shareholders funds: 0.34867579 mil. EUR
Number of employees: 14

Name: M.P.A. MARMI PREGIATI APUANI S.R.L.
National id number: MS0119753
Address: VIA TURIGLIANO 13/E
City: CARRARA
Country: IT
Type: Corporate
Share direct: 50.00%
Turnover: 2.60151848 mil. EUR
Total assets: 5.30309536 mil. EUR
Profit loss before tax: -0.03166181 mil. EUR
Profit loss after tax net income: -0.17493627 mil. EUR
Shareholders funds: 0.28609616 mil. EUR
Number of employees: 2

Name: N.P.A. NUOVI PREGIATI APUANI S.R.L.
National id number: MS0133279
Address: VIA TURIGLIANO 13/E
City: CARRARA
Country: IT
Type: Corporate
Share direct: 50.00%
Turnover: 0.1000584 mil. EUR
Total assets: 1.48419964 mil. EUR
Profit loss before tax: -0.04132079 mil. EUR
Profit loss after tax net income: -0.04132079 mil. EUR
Shareholders funds: 0.44096572 mil. EUR
Number of employees: 1

Name: SVILUPPO IMMOBILIARE - SI S.R.L.
National id number: MS0113943
Address: LGO XXV APRILE 8
City: CARRARA
Country: IT
Type: Corporate
Share direct: 50.00%
Turnover: 0 mil. EUR
Total assets: 4.39423153 mil. EUR
Profit loss before tax: -0.14335201 mil. EUR
Profit loss after tax net income: -0.14335201 mil. EUR
Shareholders funds: 1.10845366 mil. EUR

Name: FIOMAR LTD
Country: TR
Type: Corporate
Share direct: 46.00%

Name: F. LUCCHETTI LIDA S.R.L.
National id number: MS0072045
Address: VIA ROMA 9
City: CARRARA
Country: IT
Type: Corporate
Phone: +39 058575326
Share direct: 40.00%
Turnover: 0 mil. EUR
Total assets: 0 mil. EUR
Profit loss before tax: -0.05929628 mil. EUR
Profit loss after tax net income: -0.05929628 mil. EUR
Shareholders funds: -0.04425083 mil. EUR

Name: BUSINESS LAND S.R.L.
National id number: MS0124040
Address: VLE DOMENICO ZACCAGNA 6
City: CARRARA
Country: IT
Type: Corporate
Share direct: 33.33%
Turnover: 0.125073 mil. EUR
Total assets: 1.35078844 mil. EUR
Profit loss before tax: 0.0447236 mil. EUR
Profit loss after tax net income: 0.02949888 mil. EUR
Shareholders funds: 0.24279005 mil. EUR

Name: ESCAVAZIONE CALACATTA BONDIELLI S.R.L.
National id number: MS0134656
Address: PZA DE GASPARI 4
City: MASSA

Country: IT
Type: Corporate
Share direct: 33.33%
Turnover: 0.70040882 mil. EUR
Total assets: 1.52589064 mil. EUR
Profit loss before tax: 0.00778037 mil. EUR
Profit loss after tax net income: 0.00656967 mil. EUR
Shareholders funds: 0.01677062 mil. EUR
Number of employees: 3

Name: ARTANA MARMI S.R.L.
National id number: MS0132905
Address: VIA SAN SEBASTIANO 1/5
City: MASSA
Country: IT
Type: Corporate
Share direct: 25.00%
Turnover: 0.92554023 mil. EUR
Total assets: 1.31743564 mil. EUR
Profit loss before tax: 0.19323112 mil. EUR
Profit loss after tax net income: 0.12221217 mil. EUR
Shareholders funds: 0.16057623 mil. EUR
Number of employees: 5

Name: MARMI CARRARA S.R.L.
National id number: MS0111366
Address: VIA PROVINCIALE 158
City: CARRARA
Country: IT
Type: Corporate
Phone: +39 0585504633
Website: www.marmicarrara.it
Share direct: 25.00%
Turnover: 29.71734567 mil. EUR
Total assets: 56.69142346 mil. EUR
Profit loss before tax: 3.86089189 mil. EUR
Profit loss after tax net income: 2.83437189 mil. EUR
Shareholders funds: 36.96702139 mil. EUR
Number of employees: 28

Name: MARMI PREGIATI CARRARA S.R.L.
National id number: MS0130457
Address: VIA PROVINCIALE CARRARA AVENZA 171
City: CARRARA
Country: IT
Type: Corporate
Share direct: 25.00%
Turnover: 0.58367402 mil. EUR
Total assets: 1.30909744 mil. EUR

Profit loss before tax: -0.20535069 mil. EUR
Profit loss after tax net income: -0.16045699 mil. EUR
Shareholders funds: 0.47561261 mil. EUR
Number of employees: 7

Name: CONSORZIO INDUSTRIALE SMALTIMENTO
MARMETTOLA (CISM) SOCIETA' A R.L.
National id number: MS0091571
Address: VLE XX SETTEMBRE 118
City: CARRARA
Country: IT
Type: Corporate
Share direct: 2.56%
Turnover: 0 mil. EUR
Total assets: 0.1018953 mil. EUR
Profit loss before tax: -0.00298214 mil. EUR
Profit loss after tax net income: -0.00297195 mil. EUR
Shareholders funds: 0.09835274 mil. EUR

Branches

Name: FRANCHI UMBERTO MARMI SRL
National id number: 05.719.708/0001-10
Country: BR

MANAGEMENT

Management

Fullname: Mr Alberto Franchi
Type: Individual
Gender: Male
date of birth: 1968/11/22
Age: 49
Country: Italy
Number of involvements: 12
Function: Chairman
Level of responsibility: President / Chairman

Fullname: Mr Alberto Franchi
Type: Individual
Gender: Male
date of birth: 1968/11/22
Age: 49
Country: Italy
Number of involvements: 12
Function: Chief Executive Officer
Level of responsibility: Highest executive

Fullname: Ms Giuliana Del Vecchio
Type: Individual

Gender: Female
date of birth: 1944/08/30
Age: 74
Country: Italy
Number of involvements: 1
Function: Chief Executive Officer
Level of responsibility: Highest executive

Fullname: Ms Bernarda Franchi
Type: Individual
Gender: Female
date of birth: 1963/09/10
Age: 55
Country: Italy
Number of involvements: 8
Function: Chief Executive Officer
Level of responsibility: Highest executive

EMPLOYEES

Year	2017	2016	2015	2014	2013
Annual	34	32	31	30	29

FINANCIAL ANALYSIS

Trend	Fluctuating
Profitability	More than sufficient
Solvability	More than sufficient
Liquidity	Positive
Show amount in	Euro

KEY FIGURES

Year	2017	2016	2015	2014	2013
Quick ratio	3,21	2,88	2,02	2,70	2,08
Current ratio	3,95	3,47	2,47	3,41	2,63
Working capital/ balance total	0,43	0,39	0,34	0,38	0,31
Equity / balance total	0,82	0,80	0,69	0,73	0,69
Equity / Fixed assets	1,94	1,79	1,58	1,57	1,37
Working capital	36.909.282	27.245.672	21.687.697	21.267.848	15.072.335
Equity	69.895.226	55.138.310	44.082.267	40.702.813	34.282.219
Mutation equity	26,76	25,08	8,30	18,73	

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Mutation short term liabilities	13,24	-25,22	67,43	-4,72	
Return on total assets (ROA)	31,22	26,45	20,03	19,27	20,63
Return on equity (ROE)	38,13	33,19	29,22	26,55	29,70
Gross profit margin	50,13	38,02	29,38	29,38	31,74
Net profit margin	37,48	26,74	19,19	24,18	22,35
Average collection ratio	4,10	4,08	2,74	3,62	3,27
Average payment ratio	3,32	3,02	2,72	3,06	2,73
Equity turnover ratio	0,74	0,82	0,92	0,78	0,88
Total assets turnover ratio	0,60	0,65	0,63	0,57	0,61
Fixed assets turnover ratio	1,43	1,46	1,45	1,23	1,21
Inventory conversion ratio	5,58	6,92	6,12	5,13	5,97
Turnover	51.380.646	45.077.984	40.530.192	31.932.831	30.260.170
Operating result	25.754.800	17.139.379	11.906.558	9.381.296	9.605.975
Net result after taxes	19.256.915	12.056.044	7.779.456	7.720.593	6.763.740
Cashflow	20.322.033	14.918.837	8.534.233	8.875.193	7.892.891
Gross profit	29.678.961	23.029.005	14.845.807	13.817.023	12.840.280
EBITDA	26.819.918	20.002.172	12.661.335	10.535.896	10.735.126

Summary

The 2017 financial result structure is a positive working capital of 36.909.282 euro, which is in agreement with 43 % of the total assets of the company.

The working capital has increased with 35.47 % compared to previous year. The ratio, with respect to the total assets of the company has however, increased.

The improvement between 2016 and 2017 has mainly been caused by a change of the current assets.

The current ratio of the company in 2017 was 3.95. 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 2017 of the company was 3.21. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

The 2016 financial result structure is a positive working capital of 27.245.672 euro, which is in agreement with 39 % of the total assets of the company.

The working capital has increased with 25.63 % 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 3.47. 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 2.88. A company with a Quick Ratio of more than 1 can currently pay back its current liabilities.

FINANCIAL STATEMENT

Auditor	Name: Conti Manuela date: 2018-06-04
Last annual account	2017
Remark annual account	The company is obliged to file its financial statements.
Type of annual account	Corporate
Annual account	Franchi Umberto Marmi - S.R.L. Via Del Bravo 14 54033 Carrara Italy

FINANCIALS

Balance	2017	2016	2015	2014	2013
Year					
End date	2017-12-31	2016-12-31	2015-12-31	2014-12-31	2013-12-31
Type of annual account	Corporate	Corporate	Corporate	Corporate	Corporate
Intangible fixed assets	250				447
Tangible fixed assets	19.681.855	18.349.050	17.643.795	16.841.865	16.359.989
Other fixed assets	16.254.273	12.529.641	10.217.296	9.138.350	8.655.700
Fixed assets	35.936.378	30.878.691	27.861.091	25.980.215	25.016.136
Total stock	9.210.686	6.518.477	6.622.009	6.225.066	5.071.583
Total receivables	15.470.581	14.903.883	14.913.434	10.437.286	11.080.898
Liquid funds	20.951.463	13.878.143	11.949.866	10.615.416	5.669.323
Other current assets	3.793.180	2.998.002	2.982.174	2.817.732	2.515.004
Current assets	49.425.910	38.298.505	36.467.483	30.095.500	24.336.808
Total assets	85.362.288	69.177.196	64.328.574	56.075.715	49.352.944
Total equity	69.895.226	55.138.310	44.082.267	40.702.813	34.282.219
Provisions	1.446.536	923.207	2.843.177	793.628	580.904
Long term liabilities	1.503.898	2.062.846	2.623.344	5.751.622	5.225.348
Accounts payable	5.816.090	6.089.728	7.083.724	5.230.862	4.099.012
Liabilities towards credit institutes	5.910.730	2.115.558	6.523.070	3.044.312	2.860.967
Other short term liabilities	789.808	2.847.547	1.172.992	552.478	2.304.494
Short term liabilities	12.516.628	11.052.833	14.779.786	8.827.652	9.264.473
Total liabilities	85.362.288	69.177.196	64.328.574	56.075.715	49.352.944
Summary	The total assets of the company increased with 23.4 % between 2016 and 2017.				
	The fixed asset growth of 16.38 % is lower than the total asset growth.				
	In 2017 the assets of the company were 42.1 % composed of fixed assets and 57.9 % by current assets. The assets are being financed by an equity of 81.88 %, and total debt of 18.12 %.				

The total assets of the company increased with 7.54 % between 2015 and 2016.

The total asset increase is retrievable in the fixed asset growth of 10.83 %.

In 2016 the assets of the company were 44.64 % composed of fixed assets and 55.36 % by current assets. The assets are being financed by an equity of 79.71 %, and total debt of 20.29 %.

Profit and loss

Year	2017	2016	2015	2014	2013
Revenues	48.802.810	44.240.930	39.859.406	31.309.655	29.693.006
Net turnover	51.380.646	45.077.984	40.530.192	31.932.831	30.260.170
Wages and salaries	1.936.132	1.806.737	1.780.446	1.631.985	1.638.208
Amorization and depreciation	1.065.118	2.862.793	754.777	1.154.600	1.129.151
Production costs	16.046.210	14.705.515	18.857.549	14.600.153	13.182.363
Operating result	25.754.800	17.139.379	11.906.558	9.381.296	9.605.975
Financial income	1.090.459	1.133.737	887.074	1.107.981	855.679
Financial expenses	191.563	-25.641	-88.701	-318.548	281.401
Financial result	898.896	1.159.378	975.775	1.426.529	574.278
Result on ordinary operations before taxes	26.653.696	18.298.757	12.882.333	10.807.825	10.180.253
Taxation on the result of ordinary activities	7.396.781	6.242.713	4.448.104	3.160.787	3.132.560
Result of ordinary activities after taxes	19.256.915	12.056.044	8.434.229	7.647.038	7.047.693
Extraordinary income			14.232	73.558	
Extraordinary expense			669.005	3	283.953
Extraordinary result before taxation			-654.773	73.555	-283.953
Net result	19.256.915	12.056.044	7.779.456	7.720.593	6.763.740
Summary					

The turnover of the company grew with 13.98 % between 2016 and 2017.

The operating result of the company grew with 50.27 % between 2016 and 2017. 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 18.03 % of the analysed period, being equal to 31.22 in the year 2017.

Despite the growth the assets turnover decreased, whose index evolved with -7.69 % to a level of 0.6.

The Net Result of the company increased by 59.73 % between 2016 and 2017.

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

The result of these variations is a profitability increase of 14.88 % of the analysed period, being 38.13 in the year 2017.

The company's financial structure has slowed down its financial profitability.

The turnover of the company grew with 11.22 % between 2015 and 2016.

The operating result of the company grew with 43.95 % 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 32.05 % of the analysed period, being equal to 26.45 in the year 2016.

This growth has contributed to the increase in assets turnover, increasing by 3.17 % reaching 0.65.

The Net Result of the company increased by 54.97 % between 2015 and 2016.

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

The result of these variations is a profitability increase of 13.59 % of the analysed period, being 33.19 in the year 2016.

The company's financial structure has slowed down its financial profitability.

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: 2017
	Turnover last year: 51.380.646 EUR
	Result last year: 19.256.915 EUR
	TOTAL assets last year: 85.362.288 EUR
	Number of employees: 34
	Number of shareholders: 3
	Number of subsidiaries: 13
	Number of branches: 1

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.73
UK Pound	1	INR 94.87
Euro	1	INR 82.52
Euro	1	INR 82.18

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

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	KET

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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)