

**Results 2018 :**

**Turnover : +14,6%**  
**Operating Income: +44,7%**  
**Net Margin of 20,5%**

MGI Digital Technology presents its results for the year 2018.

En K€	2017	2018	Variation
Revenue	53 267	61 034	+14,6%
Gross Margin	34 818	39 372	+13%
<i>As a % of Revenue</i>	<i>65,3%</i>	<i>64,5%</i>	
Operating Income	12 334	17 851	+44,7%
<i>As a % of Revenue</i>	<i>23,2%</i>	<i>29,2%</i>	
Financial Income	(335)	12	NA
Income before Tax	12 017	17 863	+48,6%
<i>As a % of Revenue</i>	<i>22,5%</i>	<i>29,3%</i>	
Net Income, Group Share	8 592	12 536	+45,9%
<i>As a % of Revenue</i>	<i>16,1%</i>	<i>20,5%</i>	

**€ 61 million in revenue, accelerating growth in the second half**

MGI Digital Technology's consolidated revenue for the year 2018 came out to 61 M€, up 14.6% over the same period last year. The year growth was driven by the International, the Group confirmed its momentum with sales of € 56 million, up more than 19%. The International concentrates more than 92% of the total activity of the exercise.

## **Strong rise in operating profitability**

### **Almost 46% growth in net income**

The growth in activity is accompanied by a strong increase in earnings.

Gross profit rose 13% to € 39.4 million. It is still at a high level at 64.5% of sales compared to 65.3% in 2017. This trend reflects the growing contribution of indirect sales in the context of the development of the activity carried out through the sales network. Konica Minolta Inc. In the year 2018, the turnover achieved with the Japanese Group rose by over 13%. It reached € 38.2 million compared with € 33.6 million in 2017, representing 62.5% of total activity..

Operating income came to € 17.9 million, up nearly 44%. This increase is accompanied by a strong appreciation of the operating margin which stands at 29.2% of sales compared to 23.2% in 2017. This performance illustrates the benefits of the transfer of the traditional distribution network to the profit. of the Konica Global Network. Over the year, external expenses amounted to 12.3% of sales compared to 16.5% in 2017. Staff expenses also remained perfectly under control. They stand at 21% of sales compared to 22.4% in 2017.

The financial result is positive of 12 K €. After taking into account the tax charge, net income increased by more than 45% to € 12.5 million, representing a net margin of 20.5% of sales.

## **Solid growth in cash generation**

Equity increased 15.1% to over € 88 million. Over the year, the Group generated cash flow of € 11.7 million and net operating cash flow of € 10.3 million. After repayment of € 2.4 million of loans, borrowings are limited to € 9.7 million and cash flow rose 40% to € 26.7 million.

## **All indicators green for 2019**

After this new successful year, MGI Digital Technology is confident in its ability to display a new double-digit growth in 2019. In the first months of the new financial year, the activity and the order book remain very well oriented. Over the next few months, the Group will continue to benefit from sales growth on Konica Minolta's global network. Several International exhibitions are also scheduled and will strengthen the Group's visibility and sales momentum. In 2019, MGI Digital Technology will also benefit from the launch of several new high value-added equipment, further enhancing the quality of the product mix.

## Printed electronics, Industry 4.0, DRUPA 2020: towards a new development cycle

In 2019, MGI Digital Technology is ready to take new steps in conquering the global markets for Smart Packaging and Printed Electronics. After the successful launch in late 2018, the commercialization of the Alphajet Industrial Printing Platform dédiée à ces marchés à fort potentiel, prendra progressivement sa mesure.

The coming months will be marked by the creation of MGILAB, department dedicated to the integration of the Group's technologies and services in the industry "4.0". This department, led by a team of dedicated engineers, will be mobilized on the launch in late 2019 a cloud platform and e-commerce that will:

- ✓ To expand the range of services accessible remotely (predictive maintenance, equipment monitoring, remote updates, ...);
- ✓ To ensure connectivity with the equipment parks of the world's major industrial printing companies
- ✓ Launch a "Web printing On Demand" platform dedicated to Printed Electronics
- ✓

Finally, the year will be devoted to the preparation of the DRUPA, the world's largest exhibition dedicated to Graphic Industry. Held every four years, this event, which will take place from June 16 to 26, 2020, has always been a growth accelerator for the Group both in terms of international visibility and order intake. During this event, MGI Digital Technology intends, once again, to make the difference with the presentation of several important innovations. This meeting point with the industry will also be a new step in the alliance with Konica Minolta Inc with the presentation of all MGI equipment, illustrating the central place now occupied by the Group in the strategy of the Japanese Group in the world of digital printing .

Given these favorable prospects, the Group is ready to embark on a new development cycle in terms of innovation and the acceleration of the commercial conquest.

### Contacts

ACTIFIN  
Stéphane RUIZ  
Tel : 01 56 88 11 11  
E-mail : [sruiz@actifin.fr](mailto:sruiz@actifin.fr)

MGI Digital Graphic  
Victor ABERGEL  
Directeur Général  
Tel: 01 45 21 06 60  
E mail: [direction.com@mgi-fr.com](mailto:direction.com@mgi-fr.com)  
[www.mgi-fr.com](http://www.mgi-fr.com)