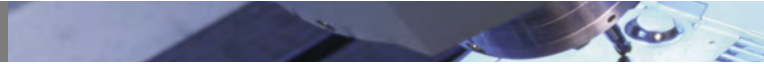




# 2018

**ANNUAL REPORT**  
Nicolás Correa, S.A.





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Dear shareholder,

The year 2018 has been a brilliant year for the **Nicolás Correa Group (GNC)**.

On the one hand, concentrating all activity in Burgos has been completed and this has already yielded its results: With only one plant, we are producing more and in a much more efficient way than with two. Our productivity, measured in terms of turnover per person, has improved significantly.

In addition, we have proceeded to reorganise our range, trying to avoid the overlap or internal competition, which originated when Industrias Anayak was taken over.

On the other hand, the industrial subsidiaries that are also located in Burgos have continued to show an upward trend, similar to that of the last few years, providing not only a strategic source of controlled supply, but also a positive contribution that to the final figures of the parent company.

The consolidated data show a revenue of 71.7 million euros. With an after-tax profit of 8 million euros, which means a proportion of 11%, a figure that is difficult to obtain in our sector. It should also be noted that during the fiscal year 2018, we reduced the net financial debt at group level by 81%, reaching the figure of 1.6 million at the end of the fiscal year.

It is now a question of consolidating this trend to satisfy the shareholders, through dividend payout and the expected increase in value of the shares on the Stock Exchange.

If we wish to ensure the continuity of this positive trend, we must make investments that secure our future, maintaining a reasonable remuneration policy to gain the trust of the shareholders they have placed in our management over time.

I can assure you that I am strongly committed to this.

Very cordially,

*Mr. José Nicolás-Correa Barragán*  
**President**

**President &  
Managing Director**

Mr. José Nicolás-Correa Barragán  
*(Executive)*

**Managing Director**

Mrs. Carmen Pinto Fuentes  
*(Executive)*

**Secretary**

Mrs. Ana Nicolás-Correa Barragán  
*(Other external categories)*

**Deputy Secretary**

Mrs. Bibiana Nicolás-Correa Vilches  
*Representative of Sancor Capital S.L.  
(Nominated)*

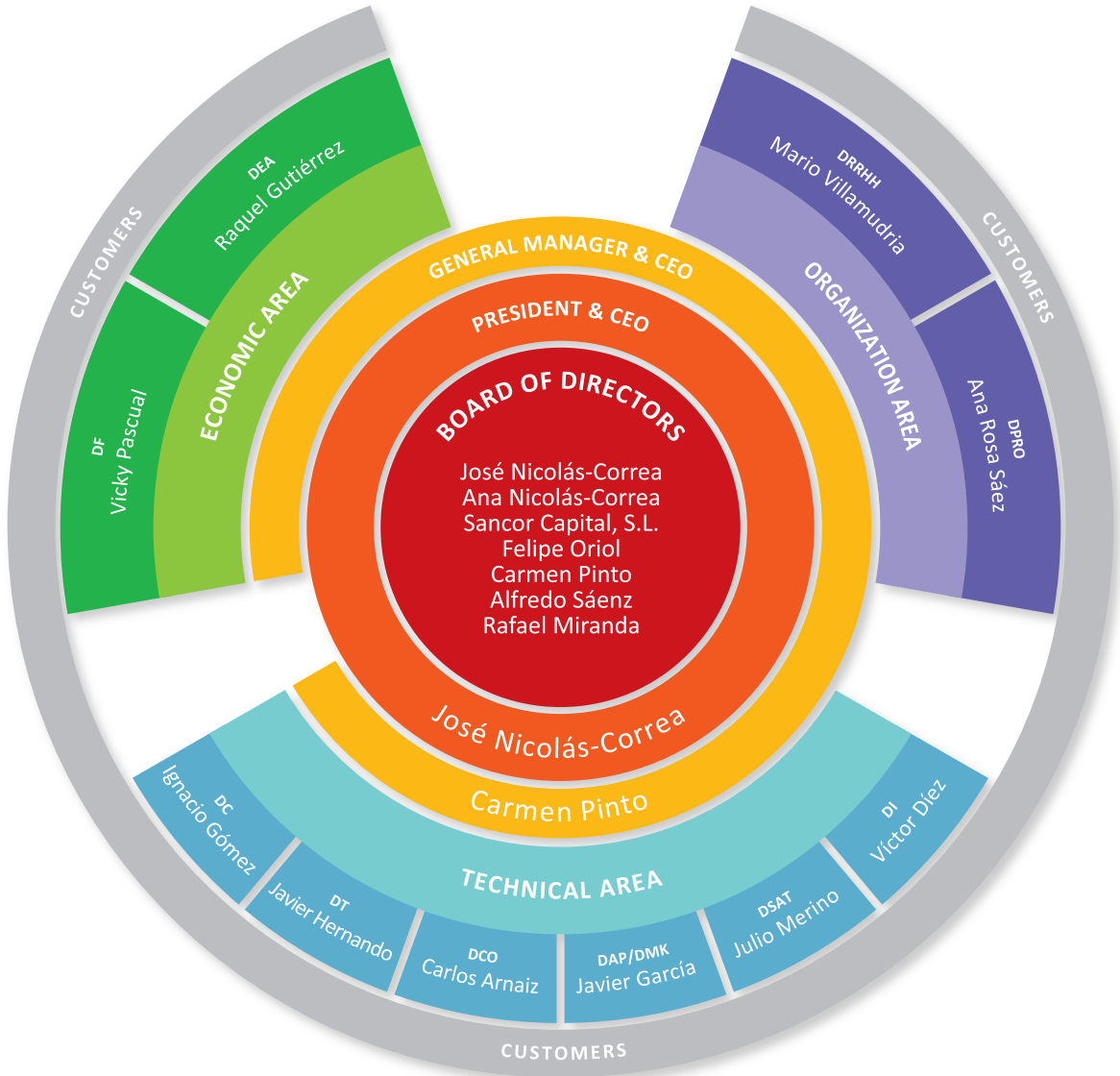
**Members**

Mr. Rafael Miranda Robredo  
*(Independent)*

Mr. Felipe Oriol Díaz de Bustamante  
*(Other external categories)*

Sancor Capital, S.L.  
*(Nominated)*

Mr. Alfredo Sáenz Abad  
*(Independent)*





## PASSION FOR SERVICE

Know-How and Technology working for you

### MISSION

Contribute to the success of our customers by means of being at their service from the first contact, with personalised attention, both in the development of the machine as in its use, to secure a return on their investment in an optimal way.

### VISION

Be a profitable business being a benchmark in service, quality, innovation and technology.

### OUR VALUES

**Customer-gear**ed ensuring customer satisfaction as the main strategic goal of the company. We work in a professional and constant manner to provide the best solutions in the most **flexible and speedy manner**.

**Commitment** to the business project, to make the mission and vision a reality.

**Work as a team** to facilitate participation and the exchange of ideas taking maximum advantage of the diversity of knowledge.

**Initiative** to make headway in the search for new solutions and their implementation.

**Honesty** as a fundamental trait to generate trust and credibility in the work performed and in the organization itself.

**Social responsibility** to contribute to the improvement of social well-being.

GNC Hypatia	OWNERSHIP	EMPLOYEES	TURNOVER	PROFITS
2018	94%	36	15,911 k€	1,708 k€
2017	94%	32	11,394 k€	1,095 k€
2016	94%	29	9,834 k€	1,080 k€
%	—	13%	40%	56%

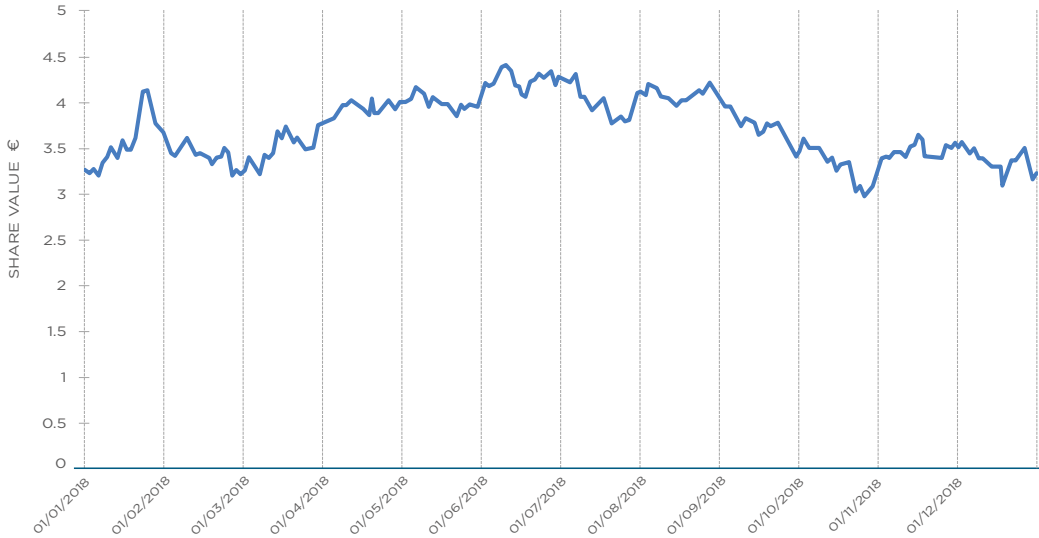
GNC Electrónica	OWNERSHIP	EMPLOYEES	TURNOVER	PROFITS
2018	88%	18	2,217 k€	206 k€
2017	88%	17	2,152 k€	189 k€
2016	88%	16	1,935 k€	186 k€
%	—	6%	3%	9%

GNC Calderería	OWNERSHIP	EMPLOYEES	TURNOVER	PROFITS
2018	90%	53	7,074 k€	401 k€
2017	90%	51	7,701 k€	397 k€
2016	90%	50	7,519 k€	591 k€
%	—	4%	-8%	1%

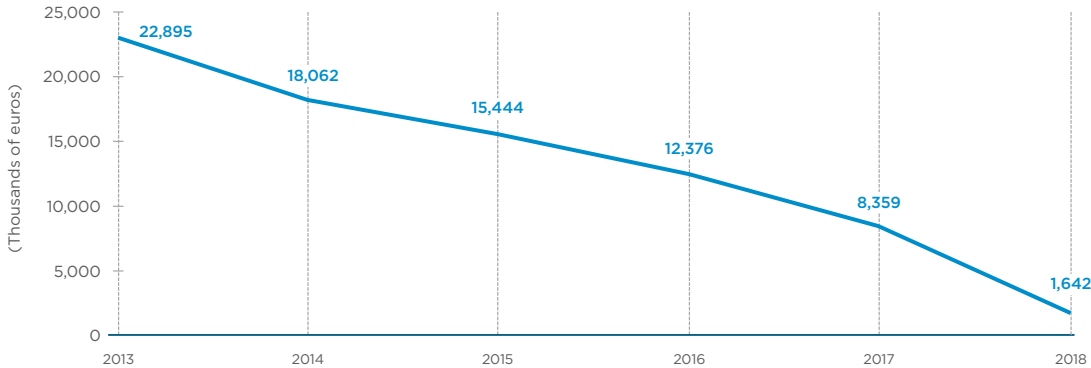




EVOLUTION OF VALUE ON THE STOCK MARKET [2018]



GNC NET FINANCIAL DEBT EVOLUTION





## Balance Sheet

At December 31, 2018, compared to 2017

(Expressed in thousands of euros)

ASSETS	2018	2017	EQUITY AND LIABILITIES	2018	2017
TOTAL NON-CURRENT ASSETS	19,560	22,883	TOTAL EQUITY	30,045	22,382
Intangible assets	201	290	Registered capital	9,853	9,853
Property, plant and equipment	4,938	9,163	Share premium	7,458	7,458
Non-current investments in Group companies and associates	4,440	3,690	Reserves	5,264	4,155
			(Own shares)	-44	-66
Non-current investments	348	576	Profit for the year	7,514	982
Deferred tax assets	9,633	9,164	TOTAL NON-CURRENT LIABILITIES	4,957	6,326
			Non-current provisions	827	733
TOTAL CURRENT ASSETS	35,431	24,922	Loans and borrowings	2,395	3,077
Inventories	14,495	12,791	Other financial liabilities	1,724	1,679
Trade and other receivables	18,182	10,682	Deferred tax liabilities	11	837
Current investments in Group companies and associates	913	1,117	TOTAL CURRENT LIABILITIES	19,989	19,097
			Other provisions	675	350
Current investments	167	212	Current payables	1,261	4,362
Prepayments for current assets	13	21	Trade creditors and other payables	18,053	14,385
Cash and cash equivalents	1,661	99			
TOTAL ASSETS	54,991	47,805	TOTAL EQUITY AND LIABILITIES	54,991	47,805

## Income Statements

At December 31, 2018, compared to 2017

(Expressed in thousands of euros)

	2018	2017
Sales	52,051	41,267
Services rendered	2,317	2,102
Changes in inventories of finished goods and work in progress	1,050	1,076
Self-constructed assets	18	0
Supplies	-26,818	-22,274
Other operating income	652	156
Personnel expenses	-11,625	-12,576
Other operating expenses	-11,983	-8,790
Amortisation and depreciation	-845	-1,759
Non-financial and other capital grants	0	191
Gains on disposal and other	386	511
RESULTS FROM OPERATING ACTIVITIES	5,203	-96
Finance income	1,507	906
Finance costs	-231	-323
Change in fair value of financial instruments	-44	33
Exchange gains/(losses)	-313	-4
Impairment and gains/(losses) on disposal of financial instruments	105	-8
NET FINANCE COST	1,024	604
PROFIT BEFORE INCOME TAX	6,227	508
INCOME TAX	1,287	474
PROFIT FROM CONTINUING OPERATIONS	7,514	982

## Consolidated Balance Sheet of Nicolás Correa, S.A. and Subsidiaries

At December 31, 2018, compared to 2017

(Expressed in thousands of euros)

ASSETS	2018	2017	EQUITY AND LIABILITIES	2018	2017
TOTAL NON-CURRENT ASSETS	<b>35,340</b>	<b>38,787</b>	EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	<b>47,140</b>	<b>39,392</b>
Property, plant and equipment	12,731	16,708	Shared capital	9,853	9,853
Goodwill	9,800	9,906	Share premium	9,065	9,065
Equity-accounted investees	1,989	1,952	Other reserves	14,581	12,878
Non-current financial assets	362	590	Own shares	-67	-89
Deferred tax assets	10,458	9,631	Retained earnings	13,715	7,687
TOTAL CURRENT ASSETS	<b>46,128</b>	<b>34,111</b>	Translation differences	-7	-2
Inventories	19,144	16,806	NON-CONTROLLING INTERESTS	<b>775</b>	<b>719</b>
Trade and other receivables	20,458	13,473	TOTAL EQUITY	<b>47,915</b>	<b>40,111</b>
Current tax assets	483	195	LIABILITIES		
Current financial assets	191	215	TOTAL NON-CURRENT LIABILITIES	<b>7,613</b>	<b>9,028</b>
Cash and cash equivalents	5,786	3,332	Other financial liabilities	2,175	2,102
Other current assets	66	90	Loans and borrowings	3,173	4,305
			Employee benefits	263	204
			Other provisions	139	498
			Deferred tax liabilities	1,114	1,919
			Other non current liabilities	749	—
			TOTAL CURRENT LIABILITIES	<b>25,940</b>	<b>23,759</b>
			Other financial liabilities	912	812
			Loans and borrowings	1,171	4,472
			Trade and other payables	22,791	17,762
			Derivative financial instruments	44	0
			Provisions	1,022	709
			Other current liabilities	0	4
			TOTAL LIABILITIES	<b>33,553</b>	<b>32,787</b>
TOTAL ASSETS	<b>81,468</b>	<b>72,898</b>	TOTAL EQUITY AND LIABILITIES	<b>81,468</b>	<b>72,898</b>

## Consolidated Income Statements of Nicolás Correa, S.A. and Subsidiaries

At December 31, 2018, compared to 2017

(Expressed in thousands of euros)

	2018	2017
REVENUE	<b>71,679</b>	<b>58,408</b>
OTHER INCOMES	<b>952</b>	<b>828</b>
Changes in inventories of finished goods and work in progress	862	2,284
Raw and other materials consumed	-32,933	-28,897
Employee benefits expense	-16,937	-16,852
Amortisation and depreciation	-1,346	-1,352
Other expenses	-14,686	-11,443
RESULTS FROM OPERATING ACTIVITIES	<b>7,591</b>	<b>2,976</b>
Finance income	34	81
Finance costs	-337	-404
Exchange gains	-301	10
Impairment and gains on disposal of financial instruments	105	-8
Share in profit/(loss) of equity-accounted investees	37	-281
PROFIT BEFORE INCOME TAX	<b>7,129</b>	<b>2,374</b>
INCOME TAX	877	-4
PROFIT FOR THE YEAR	<b>8,006</b>	<b>2,370</b>
Attributable to:		
Equity holders of the parent	7,830	2,237
Non-controlling interests	176	133
Earnings per share (in Euros)	0.639	0.183



TOP GANTRY TYPE



XPIDER



ORIX

GANTRY TYPE



FOX-M



VERXA M



VERXA MW

BRIDGE TYPE



FOX



VERXA

TRAVELLING COLUMN



NORMA L



FENIX



AXIA

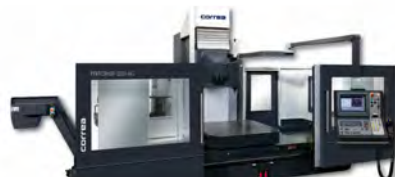


MAGNA

BED TYPE



XPERTA



PERFORMER MG



NORMA



NORMA MG



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