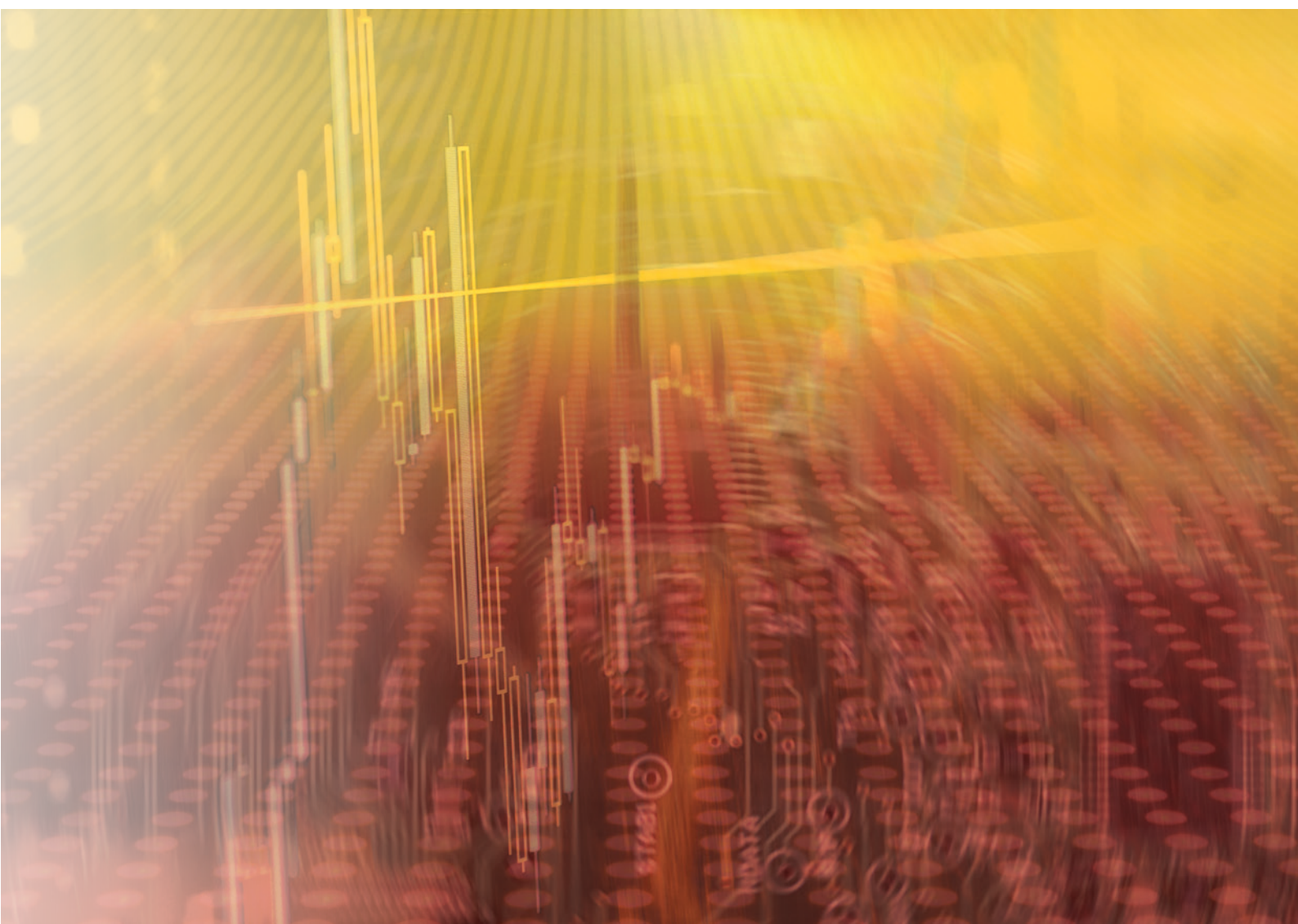




LET'S GET IN TECH

n.04





Dear friend,

This year Intech Automazione has turned 30: the celebrations gave us the opportunity to take stock of what has been done, of the state of the company and of changes and transformations we experienced in these three decades.

30 years: Intech is now a fully grown-up company, in full force, aware of its potential and ready to exploit.

The constant growth in sales volumes has motivated, in recent years, structural reorganizations and a more articulated and complex administrative, logistic and organizational apparatuses.

Strategic choices and tactical decisions have an ever-greater weight and scope and increasingly require a long-term vision: this has led us to adopt a more reflective managerial approach and more structured and “collegial” decision-making processes.

However, this has not undermined our enthusiasm nor our constant drive towards new horizons and new opportunities: this year we have started to explore new sectors – which were so far only loosely related to our business - such as the components market and the world of lifts / freight elevators - promising areas we are learning to know.

At the same time, the international network of companies we have set up in the last two years is progressing more and more autonomously and the advantages, problems and needs related to each market are emerging more and more clearly:

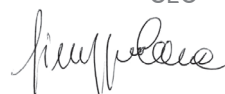
- After some slowdowns, Intech 2, in Bulgaria, is registering a growth in turnover;
- Intech 4, addressing the Middle Eastern oil & gas market, and Intech 3, operating in the ASEAN countries, begun their businesses by leveraging the reputation and the customer base built in these years by Intech Automazione and they are now achieving great results;
- Intech 5, based in New Jersey and addressing the US market, is still a gamble - great potentials associated with a considerable regulatory complexity.

Finally, we are very proud of our automated platform for consulting price lists and sending quotation requests and orders, Fastprice. There are now hundreds of registered users and the growing coverage of the platform has resulted in improved timing and a ‘smarter’ management of the procedures, in line with the competitive scenario and market needs.

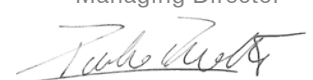
In short, we are more mature, aware and inevitably “bulky”; this leads us to broaden our vision and make more thoughtful choices, but we do not intend to slow down nor rest on our laurels, now more than ever.

It was an incredible thirty years - now we have to focus on those to come. Let's see what's next!

Giuseppe Ceresa
CEO



Paolo Pirola
Managing Director



● Our 2019 so far - highlights

Intech Automazione celebrated its 30th anniversary



The company was officially established on April 5, 1989, when Giuseppe Ceresa and Paolo Pirola decided to create a small commercial company focused on the sale of industrial automation products in Italy.

At the beginning, Intech headquarters are located in Como, in a small office that houses the two founders, a couple of bulky computers of the time and little else. In less than ten years, the company has already grown significantly – it can rely on a sales force made up of several sales managers and the need for a new operational headquarters emerges, with a larger warehouse. It is 1997 when Intech's offices are moved to Lurago Marinone, a few meters from the current

headquarters. Also in 1997, a new partner joins the company, Giuseppe Cetti, who already has several years of track record as Intech's sales manager.

During the following decade, with the opening to the international market and to the distributors' universe (a significant switch, after years of interactions focused mainly on big end-users), growth is exponential. In 2005, Intech Automazione moves to the building in Via della Cerca 23: two floors, new offices, a large and well-equipped warehouse and substantial increases in the workforce – not just in the sales team, but also in the administrative and management sector.

In 2014, the offices are enlarged and renovated: a work environment more and more hip and comfortable for an increasingly successful and international company, with 20 sales managers from all over the world, over 25 languages spoken and a global network of partners (customers, suppliers and other stakeholders) scattered in more than 100 countries.

Between 2017 and 2019, Intech Automazione takes



new steps forward, by upgrading its offer to include six new product categories (which make the company's portfolio increasingly broad and heterogeneous – no longer limited to industrial automation), by building up a network of companies based in strategic geographical areas and by introducing new online tools for internal management, logistics and commercial procedures.

Now, after having turned 30, Intech Automazione is

a successful grown-up with an enviable position, a series of significant assets and a well-established role on the market.

However, what makes us proud is that, after all these years, the company's approach has not changed and the courage and the enthusiasm in facing the new challenges posed by the future have never failed.



New Area Sales Manager for the Cuban market

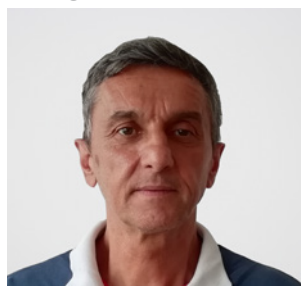
In recent years, since the great Caribbean island started its path to market opening, Intech Automazione has been committed to establishing trustful relationships with the local players operating in international trade, proving to be a solid and reliable partner, able to interact with institutions as well as with commercial partners.

The difficulties of market penetration – not uncommon in a country with its very unique features and history, along with a very recent and slow-paced entry in the global arena of trading – have been gradually decreased and new routes have been opened, while keeping a delicate balance between caution and aspirations.

The new step on this path was the appointment of a sales manager working exclusively on the Cuban market, Massimo

Colombo. Deep connoisseur of the Caribbean life as well as of the dynamics of international trading, he is perfectly bilingual and has a great familiarity with the approach, the procedures, the advantages and the critical issues related to conducting business in Cuba.

In pinning a new Intech Automazione's important flag on the world map, we cannot but wish our colleague Massimo *muchacha ventura en su trabajo!*



● Our 2019 - events

Intech Automazione at Genoa's MED Seawork

On June 27 and 28, Intech Automazione took part in this year's edition of MED Seawork, the important tradeshow dedicated to the world of boating that took place at the Genoa's Magazzini del Cotone, with a dedicated booth.



It's the first time in many years that the company has decided to participate in a fair as an expositor. As the company representative, with the task of presenting Intech's offer and activities, there was Federico Romagnolo, buyer and spokesperson, who conducted several meetings with various professionals operating in the maritime and nautical sector.

Along with a series of scheduled meetings, Mr. Romagnolo also carried out effective PR activities, meeting dozens of experts and potential stakeholders of the company. Professionals belonging to different environments – from manufacturing to logistics and service providers – connected in various ways to the maritime sector.

The success of the meetings and the number of contacts collected and new channels opened during this experience clearly indicated the usefulness of a structured and visible presence – with a dedicated space, information materials and a proactive staff – during top-notch events like this one.

This motivated Intech Automazione's top management to repeat this experience during next main appointments that will take place in Italy and surrounding areas.

Next stop: MECspe tradeshow, scheduled for November 28/30 in Bari.

Intech joins the 100th anniversary of Como Industry Association

The celebration of 100 years since the founding of the Industrialists' Association of the Como province took place on the evening of Tuesday, May 7, in one of the top rated locations on the world famous Como Lake, Villa Erba.

During the event, attended by Intech Automazione's CEO Giuseppe Ceresa, the designation of the new President of the association, Aram Manoukian, CEO of Lechler – leading company in the production of paints – has been officially announced, along with the change of nomenclature of the association, which from Unindustria returns to be called Confindustria. During the press conference that followed the celebrations, the new president, who will be in charge until 2023, illustrated the great achievements of the top industrial players of one of the most dynamic and productive areas of Italy, while officially introduced his new work team.



Intech Automazione visits the DHL hub in Bergamo airport

On the evening of Thursday, April 11, a group of representatives of Intech Automazione has been officially invited to visit DHL's hub at Orio Al Serio (BG) international airport.

Representing Intech Automazione, the visit was attended by the CEO, Giuseppe Ceresa, Lisa Marzorati of the Sales Department and Stefano Ardizzone, Logistics Manager.

The meeting has been organized to allow the major DHL customers to learn more about the facilities and the procedures of the company – one of the world's leaders in shipping logistics – and took place expressly in the evening in order to allow participants to observe the structures in their operational phases.

The meeting started with a presentation of the company, to then get to the heart with a visit to the customs and import-export offices and, subsequently, to the warehouse, where the participants have been offered a live view of the parcels' sorting procedures. Last stop: the inside of one of the planes composing the vast DHL fleet, with especially designed equipment, set up specifically for freight transport. Accompanying the guests was Alessia Bardoli, DHL sales representative for Intech Automazione.

Giuseppe Ceresa commented: *"What we have with DHL is a multi-year collaboration, which during the years has allowed us to better meet our needs in terms of shippings and import & export, with proficiency, speed and precision. The organization of the orio al Serio hub, one of the biggest within the DHL network, gives an idea of corporate grandeur and stability, and the company's significant investments for continuous services' improvement are evident. I am glad about this visit which has furtherly riaffirmed mutual trust by strengthening the collaboration between our two companies."*

Lisa Marzorati and Stefano Ardizzone – who had the chance to directly check methods and operational processes of their counterparts within the shipping company – stated that they have been pleasantly impressed by *"how all procedures are managed efficiently and quickly, guaranteeing at the same time maximum accuracy. We are very familiar with this way of working and in DHL we have found, on a way larger scale, Intech's attention and dedication. This gave us confidence and made us proud."*



● First half of 2019 in the industry

JANUARY

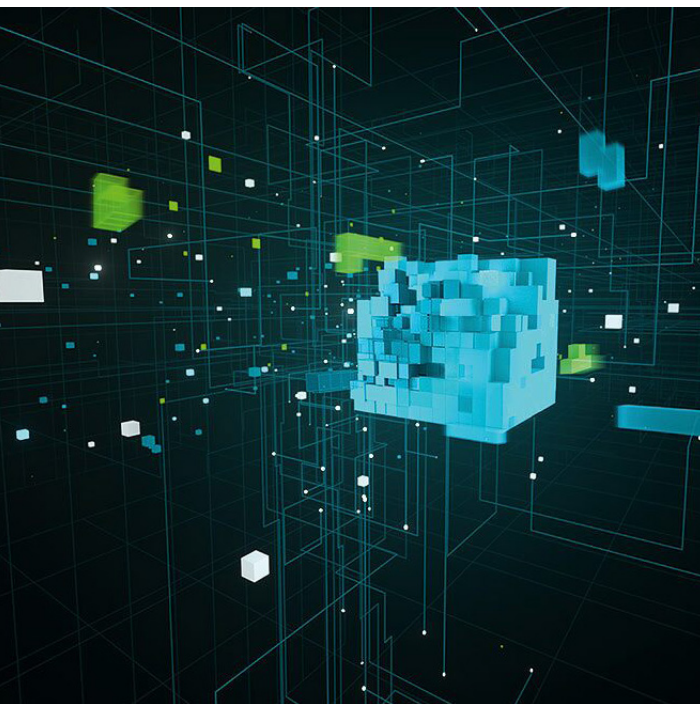
• PLCnext Store Phoenix Contact bets on networking

In early January, Phoenix Contact launched a new software store for its open PLCnext control platform.

The new tool represents an important innovation, strongly oriented to networking and towards the involvement of talented developers and operators.

The store offers software applications with which the user can add new technical features to his PLCnext Control controller. In-depth programming skills could now be not so essential and the creation of some applications could be easier with the proposed software solutions.

An extremely interesting and 'differentiating' feature is that the store allows Phoenix Contact, but also to third-party developers, to offer their developed applications for sale. This makes the store an appealing working tool, not only for PLC users, but also for software traders.



The simplicity of access to software apps and the reduced programming effort speed up the development of applications. The dynamic growth of the app offer allows industry professionals to create innovative solutions and to increase the versatility and the possible usages of automation solutions. •

Sayonara trading barriers, konnichi wa JEFTA!

As announced in July, 2018, the agreement for the free exchange of goods between Japan and the European Union (JEFTA) is finally on track to enter into force (official launch date will be February 1).

The agreement stipulates that the vast majority of customs duties on imports into Japan paid by EU companies, as well as many regulatory barriers, are abolished. That will significantly simplify the exchange of goods and services, offering great benefits to consumers and businesses in both areas and opening the way for the creation of new extremely promising trading channels.



JEFTA has been officially signed on July 17, 2018, by the President of the European Commission, Jean-Claude Juncker and Japan's Prime Minister Shinzo Abe. In particular, the agreement provides that Japan will abolish customs duties on 94% of goods imported from the European Union, while the EU undertakes to cancel custom duties on 99% of Japanese goods, guaranteeing particular opening margins on certain product segments.

The agreement is currently undergoing various criticism, and also in our country there's many oppositions by people convinced that this 'liberalization' will ultimately damage certain sectors. For what concern us, we welcome the new bi-lateral agreement's implementation, getting ready to seize the new business opportunities linked to this strategic opening.

According to MEPs, this agreement represents a strong stance in support of free, fair and regulated trade "at a time of serious protectionist challenges". New routes are opening up on the horizon – it's just a matter of sailing them with courage and determination. We are ready, are you?

MARCH

• Collaborative robots, FANUC's new leap forward

During the Mobile World Congress 2019, held in Barcelona in the last days of February, the Italian companies Exprivia | Italtel and Cisco and the Japanese robotics company presented the outcome of their partnership: the collaborative robot FANUC CR-4iA.

The new 'cobot', born from the union of skills among the Italian excellences in the fields of software and networking, FANUC and Electric80, a company specialized in factory automation, uses 5G intelligent networks and can be controlled through chatbots and vocal-recognition technology.



During the Catalan event, the participants were given the opportunity to witness the potential of the new robot, which is able to identify, grasp and move objects and it's able to visually recognize and analyze the items through visual sensors.

The industrial applications are clearly innumerable and revolutionary, and the integration of different technologies opens up stimulating perspectives, with functionalities destined to be exploited to an ever more significant extent with the advent of 5G new technology.

Great satisfaction has been expressed by Marco Ghirardello, General Manager of FANUC Italy and Vice President of FANUC Europe, who stated that *"The key to success is through collaboration and integration of skills in different fields, which are united in the joint effort to make factories more productive and efficient. We have chosen Exprivia | Italtel as a partner, which ensures FANUC's technological solutions have the most advanced connectivity features and can be easily implemented in even the most demanding IoT architectures."*



MAY

• 意大利的工业4.0 – Industry 4.0 in Italy

It's been few years now that, all over the world, people started talking about Industry 4.0. Many countries have deployed resources, created incentives and have defined projects in order to stimulate and support the implementation of this technological and methodological evolution, which is becoming now a real thing.

We, at Intech Automazione, have greeted with enthusiasm the promised advent of the fourth industrial revolution, shaping our offer on the new needs of the market, as well as – obviously – on the needs of our customers.

On this topic, we are glad to report a brief statement issued by the Italian-Chinese Chamber of Commerce, useful to update our Chinese partners on the state-of-the-art of Industry 4.0 in Italy and to evaluate together the opportunities that these new scenarios will bring about.

工业4.0希望带来第四次工业革命，这个希望也因着传感器和低成本无线网络的应用而成为可能。

新的工业发展阶段因数据和信息，计算技术和数据分析，新材料、元器件和全数字系统及网络的使用而呈现百花齐放的趋势

目前，主要工业国家已经开始为全国工业领域提供支持，以便充分抓住机遇。意大利则发展出了“2017-2020工业4.0国家计划”，这个计划将沿着四条主线开展：创新型投资，即促进关于工业4.0的使能技术应用方面的私人投资，增加研发和创新资金；扶持性基础设施，即保证适当的网络基础设施，确保数据的安全性和保护，开展合作确定国际互用性标准；技能和研究，即打造新的竞争力，通过针对性的培训课程促进研究；社会意识和管理，即推广对工业4.0的认知，潜力和技术应用，确保完善的公共-私人管理来达到既定目标。

因此需要开发技术解决方案，用以优化生产流程，支持工业自动化流程，通过交错式规划、物流网络的整体管理和信息系统的互用性等先进技术来促进企业间的生产性合作。

JUNE

• New President for Mitsubishi Electric Automation

Scott Summerville has been appointed new President of Mitsubishi Electric Automation, filling the position formerly held by Toshio Kawai.



Summerville has more than 30 years of experience in the industrial automation industry, in important companies like Rockwell Automation, where he spent most of his professional career in strategic positions like President of the Asia Pacific region (2003-2008), and Omron Microscan, of which he has been the President since 2011.

Fimer is committed to achieving a gradual and not excessively burdensome transition for the approximately 800 employees operating in 30 countries.



JULY

• ABB – Farewell to solar business

At the beginning of July, the Swiss corporation signed the agreement for the divestment of the solar inverter business, sold to the Italian power electronics manufacturer Fimer. The agreement is strategic for both companies, for through this Fimer further enriches its product portfolio for the solar segment, which has become since some years the company's core business, alongside the e-mobility business unit (slowly replacing the original Welding Division).

On the other hand, ABB chooses to focus on more profitable activities, with faster grow rates, abandoning the production of solar inverters – always among the company's best sellers but with an ever-low margin.



The ABB solar inverters (up to now part of the Electrification unit), which in 2018 alone generated revenues for 290\$ million, have always been a significant voice in Intech Automazione's offer.

The operation is expected to be finalized by the beginning of 2020.

AUGUST

• Gefran, shares' value rising again after recent decline

Rollercoaster for Gefran's stocks, now on the rise after the extremely negative trend recorded in recent weeks.

The decline was recorded following the presentation of the results for the second quarter of 2019, which caused some concern among stockholders despite the positive effects linked to the acquisition of Elettropiemme.

The recovery seen in the last few days is nevertheless a positive signal and seems to confirm – at least for now – the forecast of Gefran's management.

During the presentation of Q2 results, the Group's CEO, Alberto Bartoli, has in fact stated that: *"Despite the slow-down in the economic cycle, the first half of the year registered an increase in revenues due not only to the acquisition of Elettropiemme, but to orders acquired in the motion control area, where the effects of the growth strategy we have adopted in the past few years are now being felt."*

• Leadership change at top of ABB

Starting from March 1, 2020, the Swiss corporation will be subject to an important change at top.



The ABB board has in fact appointed Björn Rosengren as the new CEO of the company, replacing Peter Voser, who will back in his previous role of Chairman of the Board.

Rosengren is Swedish and he has a solid experience in leadership roles within global corporations: during the last four years he has been CEO of Sandvik, Swedish firm specialized in tools and equipment for industry; previously he was CEO of Wärtsilä Corporation and, before that, he held several managerial roles at Atlas Copco.



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