

**SDF: 2020 revenues of 1,146 million Euro and an EBITDA of 9.5%, the best result in the company's history**

**In the year of the pandemic, important initiatives for the community and employees have been undertaken, such as:**

- **A campaign of serological testing offered free of charge to the company workforce for mapping of the immunological situation**
- **A higher performance bonus for employees than in previous years**
- **Hiring of around 300 collaborators worldwide, for a total workforce of 4,040 employees**
- **57 million Euro investment in new products, R&D and new technologies for sustainable agriculture**

*Treviglio (Province of Bergamo), 12 May 2021*

The Supervisory Board of SDF, an Italian multinational with headquarters in Treviglio (Province of Bergamo) and among the world leaders in the production of tractors, agricultural machinery and diesel engines, approved the 2020 consolidated results on 22 April 2021.

**Balance sheet and income statement**

The Company ended 2020 with revenues of 1,146 million Euro, down by 10% on 2019, and an EBITDA of 109 million Euro (9.5%), the best result in the history of SDF and up on the 8.7% recorded in 2019. The excellent profit level achieved allowed the medium-/long-term investment plan to be maintained and unchanged.

The slight decrease in revenues is primarily linked to closure of the head office in Treviglio, which lasted over two months and started on 24 February, ahead of the national lockdown that began on 9 March 2020. This process allowed the company to implement the necessary safety measures and completely redesign the production stations and logistics flows, in line with the procedures already in place at its Chinese plants. It also contributed to significantly limiting the spread of the Covid-19 pandemic in the production facility.

In terms of profit level, a net profit of 39.3 million Euro was recorded, equal to 3.4%, basically in line with the percentage of 2019 (3.5%). The net financial position at the closing date was indebtedness of 176 million Euro, down by 106 million Euro (-38%) on the previous year. This value also confirms the improved measurement parameters of financial solidity for 2020.

### **Performance bonus and new hires**

In Italy, SDF gave a performance bonus to all of its employees, ranking once again this year among the leading companies in the country in terms of value of this acknowledgement. In detail, the production department operatives received a bonus of 5,135 Euro, which is the best result ever. In general, the profitability ratio has increased by 50% over the last ten years, to 805 Euro.

The company also hired 230 new collaborators at the Treviglio plant, divided between office staff and operatives, through direct recruitment, project-based contracts and medium-/long-term staffing agreements, for an overall total of 1,375 employees in Italy.

### **Innovation and Smart Farming**

As a driver of *digital transformation* in the agricultural sector, SDF launched three new Smart Farming solutions in 2020, aimed at maximising productivity and reducing the in-field environmental impact to a minimum: SDF Fleet Management for management of the fleet of agricultural machinery, SDF Farm Management for management of day-to-day farm operations and SDF Field Management by IBF Servizi to maximise land yields.

The new services can be provided through cloud data management on the SDF Data Platform, the digital platform that uses artificial intelligence to optimise all stages of agricultural production, through the collection, analysis and processing of data from the agricultural machinery connected to it.

A virtuous example of application of the new technologies is the new series of 8280 TTV tractors of the DEUTZ-FAHR brand launched in September 2020, which completes the range of high-power machinery of the German brand and which, together with the #AlwaysOnTractor application, summarises the combination of product and service.

The drive for innovation has been supported by investments in research and development and new products, which reached 5% of revenues in 2020, for a value of 57 million Euro.

The pandemic led to a decisive acceleration of digitalisation in the internal and external company processes, in line with the objectives of the 2025 strategic plan. A highlight was the launch of the new “SDF Store” e-commerce website, for independent and simplified purchase of original replacement parts. It has been designed to meet the needs of farmers more efficiently, with an increasingly digital approach and a search for state-of-the-art solutions to improve the maintenance and life cycle of their machinery.

SDF has also added new professional figures to the Research & Development team, such as data analysts and experts in AI and advanced digital systems. The aim is the development of projects based on sustainable agriculture, through the manufacture of vehicles that interact with a digital ecosystem and thus minimise the use of resources in all crop-growing phases and maximise production output.

### **Markets**

There was a fall in registrations of around 3.5% in **Europe**, which is the main market for SDF and for the major international players of the sector. In this situation, SDF held a 10.7% market share, an improvement of almost one percentage point.

Highly positive signals are coming from **China**, the country where, after the initial setback caused by the pandemic, SDF experienced growth higher than the market average.

Also encouraging are the dimensions of the tractor market in **Turkey**, where 2020 ended with 50,000 units, an increase in volumes sold by SDF Turkey of 40% and a record level of exports to Europe.

2020 was also a satisfactory year for SDF **India**, which secured its product positioning on the market, thanks to excellent sales and receipt of the prestigious Farm Power Award for the new model 4E of the Agromaxx 4050E, acknowledged as the best tractor of the year in India in the 41-50 CV category.

### **The SAME Foundation**

The SAME Foundation was created in 2017 as a business foundation, with the objective of consolidating the philanthropic commitment of SDF in an organised manner.

In detail, the Foundation made donations in 2020 primarily to support the following initiatives:

- 800,000 Euro, together with SDF, to San Raffaele Hospital for research into Covid-19
- 150,000 Euro to associations supporting the neediest categories, including the Comunità Nuova association managed by Father Gino Rigoldi
- 144,000 Euro to projects in Africa, primarily to the vocational school of the Diocese of Same and to the Zenneti hospital, in Tanzania

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## **SDF**

SDF is an Italian multinational with headquarters in Treviglio (Province of Bergamo). It is a world leader in the production of tractors, agricultural machinery and diesel engines. It distributes its products under the SAME, DEUTZ-FAHR, Lamborghini Trattori, Hürlimann and Grégoire brands. The tractors cover a power range from 25 to 336 CV and the harvesting machinery reaches up to 395 CV. In almost half a century of operation, the company has been a driving force of mechanisation in the agricultural sector, as well as a key player in a successful process of internationalisation and digital transformation of agriculture. It currently makes “smart tractors”, with the aim of increasing operational and production efficiency from an Agriculture 4.0 perspective. SDF has eight production sites, twelve sales offices, two joint ventures, 155 importers and over 3,100 dealers and employs more than 4,000 people worldwide. In 2020, the company recorded revenues of Euro 1,146 million and an EBITDA of 9.5%. [www.sdfgroup.com](http://www.sdfgroup.com)