



## SHORT-TERM ACTIONS ANTICIPATED IN RESPONSE TO RECENT GLOBAL ECONOMIC CHALLENGES

**Natuzzi S.p.A. (NYSE: NTZ) (“Natuzzi” or the “Company”) - Santeramo in Colle, Bari, Italy - August 12<sup>th</sup>, 2019.**

The increase in customs tariffs imposed by the United States on goods produced in China have generated new challenges for our Company. In response, Natuzzi is taking steps to implement changes in its business model aimed at delivering greater value to customers, clients and shareholders.

The details of our revised business plan are expected to be communicated in September.

Broadly, the business plan includes:

- extending our Natuzzi-branded distribution and retail operations in key geographical areas
- revising the existing value chain and streamlining processes, structures and operations
- delivering greater value to our customers and reorganizing the company to meet the demands of evolving markets.

Natuzzi expects to implement a set of initiatives consistent with the business plan:

- beginning the process of selling non-strategic assets to fuel retail development
- reshaping manufacturing operations
- obtaining financial support from Invitalia, including funding for innovation measures and workers’ training
- exploring new commercial partnerships in different countries.

Pasquale Natuzzi, Chairman and CEO, stated: *“In the business plan that we will be presenting in September, we include a series of actions to extend our direct-to-consumer operations and the revision of our value chain.*

*We are planning a series of initiatives, including the sale of non-strategic assets, the revision of our manufacturing configuration in Europe, China and Brazil, reducing unnecessary capacity and pursuing alternative manufacturing strategies.*

*Alongside this, we’ve put in place further building blocks for future growth. We have started negotiations with major parties to expand our distribution and retail network in key geographies. We have been granted financial support by Invitalia that includes investments for productivity improvement. We are developing digital solutions aimed at retail development and operational efficiency. We have started to introduce new skilled managers in order to grow consistently with the markets we see evolving.*

# N NATUZZI

*We have a comprehensive set of plans and we're focused on executing them well. We are proud that the Natuzzi brand is recognized globally for its outstanding products and services, and we are confident we have the right assets and capabilities to ensure the creation of long-term growth opportunities and capitalize on the new positions we are building."*

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## **CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS**

Certain statements set forth in this press release constitute forward-looking statements within the meaning of the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements involve risks and uncertainties that could cause Natuzzi's actual results to differ materially from those stated or implied by such forward-looking statements. More information about the potential factors that could affect Natuzzi's business and financial results is included in the company's filings with the Securities and Exchange Commission, including the company's most recent Annual Report on Form 20-F. Natuzzi undertakes no obligation to update any of the forward-looking statements after the date of this press release.

### **About Natuzzi S.p.A.**

Founded in 1959 by Pasquale Natuzzi, Natuzzi S.p.A. (together with its consolidated subsidiaries, "Natuzzi") is Italy's largest furniture house and one of the most important global players in the furniture industry, with an extensive manufacturing footprint and a global retail network. Natuzzi is the best-known European lifestyle brand in the upholstered furnishings sector worldwide (Brand Awareness Monitoring Report - Ipsos 2018). It has been listed on the New York Stock Exchange since May 13, 1993. Always committed to social responsibility and environmental sustainability, Natuzzi is ISO 9001 and 14001 certified (Quality and Environment), OHSAS 18001 certified (Safety on the Workplace) and FSC® certified (Forest Stewardship Council).

<https://www.natuzzigroup.com/en-EN/ir/presentation.html>

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