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Testo del comunicato

Vedi allegato.

PRESS RELEASE

PRYSMIAN S.P.A. NINE-MONTH RESULTS 2015

SALES CLIMB TO €5,663M (+6.9%). GOOD PERFORMANCE ALSO IN 3Q (+6.6%)

ENERGY PROJECTS CONFIRM ROBUST GROWTH (+19.6%)

GOOD PERFORMANCE BY TLC (+10.3%) AND E&I (+4.0%), DESPITE SOFTENING IN 3Q

INDUSTRIAL CABLES BUSINESS SHOWS SIGNS OF STABILIZATION IN 3Q

IMPROVEMENT IN PROFITABILITY, ADJUSTED EBITDA €488M EXCLUDING WL (+11.4%)

MAJOR IMPROVEMENT IN NET FINANCIAL POSITION TO €955M (€1,292M AT 30 SEPTEMBER 2014)

FY 2015 GUIDANCE CONFIRMED WITH TARGET ABOVE MID-POINT OF ADJUSTED EBITDA RANGE OF €590M – €640M (€616M – €666M EXCLUDING WL)

COMPETITIVENESS IN OIL & GAS BOLSTERED WITH ACQUISITION OF GULF COAST DOWNHOLE TECHNOLOGIES

Milan, 5/11/2015. The Board of Directors of Prysmian S.p.A. has approved today the Group's consolidated results for the first nine months of 2015.

"The results for the first nine months are generally positive both for the rising trend in revenue and the additional improvement in profitability," explained CEO Valerio Battista. "The Energy Projects segment has seen a further acceleration in performance, particularly by submarine cables and systems. The Telecom segment and Energy & Infrastructure business have also enjoyed positive results, despite some signs of slowing in the third quarter after strong first-half growth. The Group's financial structure has strengthened with Net Financial Position improving to €955 million thanks to the consistent capability to generate substantial cash flows. Lastly, with the acquisition of the US company Gulf Coast Downhole Technologies, the Group is moving ahead with the strategy of strengthening its business in high-tech markets and sectors."

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION
(in millions of Euro)

	9 months 2015	9 months 2014	% Change	% organic sales change
Sales	5,569	5,014	11.0%	6.7%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	445	329	35.4%	
Adjusted EBITDA	473	355	33.3%	
EBITDA	445	383	16.2%	
Adjusted operating income	364	249	46.2%	
Operating income	284	281	1.2%	
Profit/(Loss) before taxes	207	173	19.4%	
Net profit/(loss) for the period	139	135	2.6%	

(in millions of Euro)

	30 September 2015	30 September 2014	Change
Net capital employed	2,516	2,874	(358)
Employee benefit obligations	357	333	24
Equity	1,204	1,249	(45)
of which attributable to non-controlling interests	32	32	-
Net financial position	955	1,292	(337)

FINANCIAL RESULTS

Group **Sales** amounted to Euro 5,663 million, posting organic growth of +6.9% assuming the same group perimeter and excluding metal price and exchange rate effects; including the impact of the Western Link project, nine-month organic growth would have been +6.7% to €5,569 million. The Energy Projects segment followed its very positive first-half performance with continued acceleration in the third quarter driven by strong demand in the Submarine and SURF markets, while High Voltage underground sales were largely in line with the corresponding period of 2014. The Energy Products segment reported continuing recovery by Power Distribution and Trade & Installers, despite some signs of slowing by the latter in the third quarter. Sales of Industrial cables showed a slight improvement in the third quarter, although reporting a still slightly negative nine-month performance primarily due to the impact of falling demand in the Oil & Gas market and the weakness of the automotive business. Lastly, Telecom is showing solid organic growth, even if the pace has eased in the third quarter compared with the sharp acceleration in the first six months.

Adjusted EBITDA (before net non-recurring expenses of €28 million), including the impact of the Western Link project, increased by +33.3% to €473 million, demonstrating the Group's relentless focus on improving its profit margins. Excluding the impact of Western Link, Adjusted EBITDA amounted to €488 million, posting a significant increase on €438 million in the first nine months of 2014 (+11.4%). Margins were stable, with Adjusted EBITDA representing 8.6% of sales. Nine-month Adjusted EBITDA for 2015 reflects the positive impact of €21 million in higher exchange rate effects than in the same period of 2014.

EBITDA[1] amounted to €445 million, compared with €383 million in the first nine months of 2014, and is stated after €28 million in net non-recurring expenses (€28 million in net non–recurring income in the first nine months of 2014).

Group Operating Income came to €284 million, a slight increase on €281 million in the first nine months of 2014. The growth in Adjusted EBITDA was offset by net non-recurring expenses of €28 million and by certain non-monetary effects mainly arising from the fair value measurement of metal derivatives and stock options serving medium/long-term incentive plans.
Net non-recurring expenses mainly consist of costs for restructuring, reorganising and improving industrial efficiency (€36 million) and a net release from the antitrust provision (€21 million) most of which due to closure of the antitrust investigation in the United States, as partially offset by the recognition of provisions for lawsuits filed by certain customers.

Net Finance Costs amounted to €77 million, down from €108 million in the first nine months of 2014. The issuance of the new corporate bond (€750 million) has helped to strengthen the financial structure by lowering the cost of debt.

Net Profit of €139 million was a slight improvement on the €135 million reported in the first nine months of 2014 (+2.6%).

Net Financial Position at the end of September 2015 amounted to €955 million, marking a considerable improvement from €1,292 million at 30 September 2014 (€802 million at 31 December 2014). The main factors contributing to the Net Financial Position at 30 September 2015 are:

- generation of €377 million in cash from operating activities (before changes in net working capital);
- net increase of €198 million in net working capital, much improved on the same period in 2014, particularly due to better management of industrial planning and of stock and to containment of working capital levels relating to Energy Projects;
- payment of €39 million in taxes;
- receipt of €15 million in dividends from investments in equity-accounted companies;
- net operating capital expenditure of €117 million;
- payment of €88 million in net finance costs;
- payment of €91 million in dividends in the period.

[1] EBITDA is defined as earnings/(loss) for the period, before the fair value change in metal derivatives and in other fair value items, amortisation, depreciation, and impairment, finance costs and income, dividends from other companies and taxes.

ENERGY PROJECTS

- **FURTHER GROWTH BY SUBMARINE AND UMBILICALS**
- **HIGH VOLTAGE UNDERGROUND IN LINE WITH FIRST NINE MONTHS 2014**
- **FIRST SUBMARINE PROJECT AWARDED IN CHINA**

Energy Projects sales to third parties reached €1,215 million in the first nine months of 2015, posting positive organic growth of +19.6% (including the impact of the Western Link project, organic growth was +19.9%). Profitability also improved with an Adjusted EBITDA of €174 million including the impact of Western Link (+9.3% on €90 million in the first nine months of 2014). Adjusted EBITDA excluding the impact of Western Link came to of €189 million (+8.6% on the first nine months of 2014).

The Submarine Cables and Systems business reported a significant growth in sales, reflecting performance of work on the major projects currently in the Group's order book. Market demand continued to be strong, particularly thanks to the contribution of power interconnection projects. The offshore wind farm segment saw the start of tendering activities in France and Britain. The level of the order book remains high (€2.7 billion with sales visibility for a period of about three years), also thanks to the recent winning of a first submarine project in China, carrying particular strategic importance. Lastly, execution of the Western Link project is confirmed to be in line with plan.

Sales by the High Voltage Underground business were essentially in line with the first nine months of 2014, with good performances in China and the Middle East. Performance in Europe and North America was basically stable.

The SURF (Subsea Umbilicals Risers & Flowlines) business reported a growth in sales and robust demand for umbilicals in Brazil. Despite the drop in oil prices, Downhole Technology (DHT) cables showed signs of stabilisation thanks to the wide customer base and geographical diversification of the business. The Group has recently completed the acquisition of the US company Gulf Coast Downhole Technologies with the aim of further expanding the range of high value-added services offered and of strengthening its position as a supplier of complete customer solutions.

(in millions of Euro)

	9 months 2015	9 months 2014	% Change	% organic sales change
Sales	1,121	915	22.5%	19.9%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**173**	**90**	**92.2%**	
% of sales	15.5%	9.9%		
Adjusted EBITDA	**174**	**90**	**93.3%**	
% of sales	15.5%	9.9%		
EBITDA	**194**	**141**	**37.6%**	
% of sales	17.3%	15.5%		
Amortisation and depreciation	(29)	(30)		
Adjusted operating income	**145**	**60**	**141.7%**	
% of sales	13.0%	6.6%		

ENERGY PRODUCTS

- **TRADE & INSTALLERS STABLE NINE-MONTH PERFORMANCE**
- **POWER DISTRIBUTION CONFIRMS ORGANIC GROWTH TREND**
- **INDUSTRIAL: GOOD RESULTS FOR SPECIALTIES & OEM AND ELEVATORS; WEAKNESS IN O&G AND AUTOMOTIVE**

Energy Products sales to third parties amounted to €3,601 million in the first nine months of 2015, posting positive organic growth of +2.4% and a slight improvement in profitability (nine-month Adjusted EBITDA came to €193 million, up +1.6% on the corresponding period of 2014).

(in millions of Euro)

	9 months 2015	9 months 2014	% Change	% organic sales change
Sales	3,601	3,354	7.4%	2.4%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**180**	**176**	**2.3%**	
% of sales	5.0%	5.2%		
Adjusted EBITDA	**193**	**190**	**1.6%**	
% of sales	5.4%	5.7%		
EBITDA	**160**	**176**	**-9.1%**	
% of sales	4.5%	5.2%		
Amortisation and depreciation	(47)	(45)		
Adjusted operating income	**146**	**145**	**0.6%**	
% of sales	4.1%	4.3%		

Energy & Infrastructure

Energy & Infrastructure sales to third parties amounted to €2,175 million in the first nine months of 2015 (+4.0%organic growth on the corresponding period of 2014), with Adjusted EBITDA at €99 million, up from €85 million in the first nine months of 2014 (+15.6%).

Trade & Installers were generally stable, albeit with a slight slowdown in the third quarter. Some European markets, such as Spain, Britain and the Danube region, performed well, while North America confirmed robust demand in the wind farm sector. In contrast, there were continued signs of weakness in Brazil, France, Turkey and Germany. The Group has continued to pursue its commercial strategy aimed at retaining market share while minimising the impact on profitability.

The uptrend in demand for Power Distribution remained solid thanks to the impetus of rising volumes in Northern Europe, Germany and Argentina. There was continued pressure on prices, which nonetheless remained in line with previous quarters.

Industrial & Network Components

Industrial & Network Components sales to third parties amounted to €1,340 million in the first nine months of 2015. Although the comparison with the result in the corresponding period of 2014 was still negative (-0.9% organic growth), the third quarter reported an improving trend (+1.4% organic growth). Looking at the performance of the different sectors, it is clear that the Oil & Gas market is still in difficulty as a result of the fall in oil prices, leading to a sharp drop in MRO business (Maintenance, Repair & Operations) and a slowdown in new projects. There were positive signs from the offshore market, with the Group winning new orders in Indonesia, the Middle East and the Caspian Sea. Specialties & OEM confirmed the steadily improving trend over the year, particularly in North America and Europe, driven by demand for cables by the Nuclear, Crane and Railway sectors. Renewable energy saw the positive trend in demand in China and North America offset by weakness in Northern Europe. The Elevator business consolidated its leading position in North America and successfully expanded its offering to Chinese and European markets, while results in the Automotive business continued to be affected by growing market competitiveness. Lastly, the Network Components business enjoyed a good performance in China and an improvement in demand in North America, offset by weakness in Brazil and in the High Voltage business in Europe.

TELECOM

- **POSITIVE NINE-MONTH ORGANIC SALES GROWTH (+10.3%)**
- **MARKET STILL SOLID WITH EXPECTED 3Q SLOWDOWN**
- **IMPROVING TREND FOR MULTIMEDIA SOLUTIONS**

Telecom sales to third parties amounted to €847 million at the end of the first nine months of 2015, an increase of +10.3%, with good performances in nearly every geographical area, with the anticipated softening in the second half of the year. Market fundamentals remained solid and prices generally stable, particularly in North America, Europe and Australia, while Brazil continued to be weak.

Optical cables and connectivity enjoyed a strong increase in demand in all the major markets, while the general price pressure seen in the first part of the previous year seemed to have ended, also thanks to US dollar appreciation. In Europe, in particular, the Group won contracts for work on major projects to realise backhaul links and FTTH connections for leading operators, such as Orange and Free in France and Telecom Italia in Italy. In North America the development of new ultra-broadband networks and new FTTx networks has stimulated a continuous increase in domestic demand. In Brazil, the slowdown in investments by major telecom operators caused volumes to fall compared with the same period last year. Lastly, the Asia Pacific region saw a positive trend in demand in Southeast Asia.

The Multimedia Solutions business posted a recovery in earnings thanks to the strategy of focusing on higher value-added products, such as data centres in Europe, and of rationalising its presence in lower margin businesses. The high value-added Connectivity business enjoyed a positive trend, thanks to the development of new FTTx networks (for last mile broadband access) in Europe and North America.

(in millions of Euro)

	9 months 2015	9 months 2014	% Change	% organic sales change
Sales	847	745	13.7%	10.3%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**92**	**63**	**45.8%**	
% of sales	10.8%	8.5%		
Adjusted EBITDA	**106**	**75**	**42.7%**	
% of sales	12.6%	10.0%		
EBITDA	**94**	**72**	**30.6%**	
% of sales	11.1%	9.7%		
Amortisation and depreciation	(33)	(31)		
Adjusted operating income	**73**	**44**	**69.4%**	
% of sales	8.6%	5.9%		

BUSINESS OUTLOOK

The macro environment in the first few months of 2015 saw signs of stabilisation and slight improvement in Europe, supported by the quantitative easing programme launched by the European Central Bank, while remaining sturdy in the United States. The European negotiations to refinance Greek debt, a source of financial market volatility, have created turmoil in the economic environment in Europe and internationally. The current geopolitical tensions in the Middle East and Russia, together with the slowdown by some economies like China and Brazil, continue to raise uncertainties over the contribution of these regions to world economic growth, with implications for the related exchange rates.

In such an economic context, the Group's expectation for FY 2015 is that demand in the cyclical businesses of medium voltage cables for utilities and building wires will record a slight volume recovery on the previous year with signs of price stabilisation. In the Energy Projects segment, the Group confirms an improving trend with growth in the Submarine and SURF businesses, and general stability in the High Voltage underground business. With reference to the Submarine cables business, the plan initiated in response to the problems emerging in performance of the Western Link project is proceeding as expected, enabling a faster execution schedule having regained all the available capacity and improved the efficiency of the production process. Thanks to these actions, as well as the strengthening of contractual guarantees and longer project timing agreed with the customer, the overall result in terms of Adjusted EBITDA is expected to improve by €35 million compared with the original estimate, reducing the negative impact from €167 million originally estimated to €132 million. As far as 2015 is concerned, Western HVDC Link is forecast to have a negative impact on Adjusted EBITDA of €26 million compared with the original estimate of €56 million. In the Oil & Gas cables business, the drop in oil prices and consequent reduction in oil industry investments are likely to have a negative impact on the Group's activities, also in the last quarter of the year. The Telecom business is expected to see continued recovery in demand for optical fibre cables in the coming quarters albeit at a slower pace than in the first six months of 2015.

In addition, exchange rate effects are forecast to have a positive impact on the FY 2015 results, assuming constancy of the current rates, purely as a result of translating profits expressed in other currencies into the Group’s reporting currency.

Based on the existing order book and considering the factors mentioned above, the Group is forecasting Adjusted EBITDA for FY 2015 in the range of €590–640 million (€616–€666 million excluding the negative impact of the Western Link project), marking a significant improvement from the €509 million reported in 2014.

Lastly, the Prysmian Group will carry on throughout 2015 to rationalise its activities with the objective of achieving the projected cost efficiencies and greater competitiveness in all areas of the business.

The Prysmian Group's Quarterly Financial Report at 30 September 2015, approved by the Board of Directors today, will be available to the public at the Company's registered office in Viale Sarca 222, Milan and at Borsa Italiana S.p.A. by the legally required deadline. It will also be available on the corporate website at www.prysmiangroup.com and in the authorised central storage mechanism used by the company at www.emarketstorage.com. The present document may contain forward-looking statements relating to future events and future operating, economic and financial results of the Prysmian Group. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Therefore, actual future results may differ materially from what is expressed in forward-looking statements for a variety of factors.

The managers responsible for preparing corporate accounting documents (Carlo Soprano and Andreas Bott) hereby declare, pursuant to art. 154-bis par. 2 of Italy's Unified Financial Act, that the accounting information contained in this press release corresponds to the underlying documents, accounting books and records.

The nine-month results at 30 September 2015 will be presented to the financial community during a conference call to be held today at 18:00 CET, a recording of which will be subsequently made available on the Group's website: www.prysmiangroup.com.

The documentation used during the presentation will be available today in the Investor Relations section of the Prysmian website at www.prysmiangroup.com.

Prysmian Group

Prysmian Group is world leader in the energy and telecom cables and systems industry. With more than 130 years of experience, sales of nearly €7 billion in 2014, over 19,000 employees across 50 countries and 89 plants, the Group is strongly positioned in high-tech markets and offers the widest possible range of products, services, technologies and know-how. It operates in the businesses of underground and submarine cables and systems for power transmission and distribution, of special cables for applications in many different industries and of medium and low voltage cables for the construction and infrastructure sectors. For the telecommunications industry, the Group manufactures cables and accessories for voice, video and data transmission, offering a comprehensive range of optical fibres, optical and copper cables and connectivity systems. Prysmian is a public company, listed on the Italian Stock Exchange in the FTSE MIB index.

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ANNEX A

Consolidated statement of financial position

(in millions of Euro)

	30 September 2015	31 December 2014
Non-current assets		
Property, plant and equipment	1,418	1,414
Intangible assets	545	561
Equity-accounted investments	246	225
Available-for-sale financial assets	12	12
Derivatives	-	1
Deferred tax assets	93	115
Other receivables	25	27
Total non-current assets	**2,339**	**2,355**
Current assets		
Inventories	982	981
Trade receivables	1,140	952
Other receivables	741	766
Financial assets held for trading	78	76
Derivatives	34	29
Cash and cash equivalents	247	494
Total current assets	**3,222**	**3,298**
Assets held for sale	8	7
Total assets	**5,569**	**5,660**
Equity attributable to the Group:	**1,172**	**1,150**
Share capital	22	21
Reserves	1,009	1,014
Net profit/(loss) for the period	141	115
Equity attributable to non-controlling interests:	**32**	**33**
Share capital and reserves	34	33
Net profit/(loss) for the period	(2)	-
Total equity	**1,204**	**1,183**
Non-current liabilities		
Borrowings from banks and other lenders	1,137	817
Other payables	10	13
Provisions for risks and charges	64	74
Derivatives	15	5
Deferred tax liabilities	62	53
Employee benefit obligations	357	360
Total non-current liabilities	**1,645**	**1,322**
Current liabilities		
Borrowings from banks and other lenders	171	568
Trade payables	1,392	1,415
Other payables	844	827
Derivatives	48	47
Provisions for risks and charges	246	269
Current tax payables	18	29
Liabilities held for sale	1	-
Total current liabilities	**2,720**	**3,155**
Total liabilities	**4,365**	**4,477**
Total equity and liabilities	**5,569**	**5,660**

Consolidated income statement

(in millions of Euro)

	9 months 2015	9 months 2014
Sales of goods and services	5,569	5,014
Change in inventories of work in progress, semi-finished and finished goods	27	100
Other income	41	94
of which non-recurring other income	*7*	*27*
Raw materials, consumables used and goods for resale	(3,502)	(3,237)
Fair value change in metal derivatives	(29)	12
Personnel costs	(745)	(688)
of which non-recurring personnel costs	*(25)*	*(14)*
of which personnel costs for stock option fair value	*(16)*	*(3)*
Amortisation, depreciation, impairment and impairment reversal	(116)	(111)
of which non-recurring (impairment) and impairment reversal	*(7)*	*(5)*
Other expenses	(988)	(929)
of which non-recurring (other expenses) and releases	*(10)*	*15*
Share of net profit/(loss) of equity-accounted companies	27	26
Operating income	**284**	**281**
Finance costs	(441)	(300)
of which non-recurring finance costs	*(4)*	*(13)*
Finance income	364	192
of which non-recurring finance income	-	-
Profit before taxes	**207**	**173**
Taxes	(68)	(38)
Net profit/(loss) for the period	**139**	**135**
Attributable to:		
Owners of the parent	141	136
Non-controlling interests	(2)	(1)
Basic earnings/(loss) per share (in Euro)	**0,66**	**0,63**
Diluted earnings/(loss) per share (in Euro)	**0,65**	**0,63**

Consolidated income statement – 3rd quarter

(in millions of Euro)

	3rd quarter 2015	3rd quarter 2014
Sales of goods and services	1,832	1,727
Change in inventories of work in progress, semi-finished and finished goods	(15)	38
Other income	8	50
of which non-recurring other income	*(7)*	*5*
Raw materials, consumables used and goods for resale	(1,105)	(1,111)
Fair value change in metal derivatives	(28)	6
Personnel costs	(236)	(227)
of which non-recurring personnel costs	*(2)*	*(7)*
of which personnel costs for stock option fair value	*(8)*	-
Amortisation, depreciation, impairment and impairment reversal	(37)	(40)
of which non-recurring (impairment) and impairment reversal	-	*(5)*
Other expenses	(317)	(349)
of which non-recurring (other expenses) and releases	*34*	*(10)*
Share of net profit/(loss) of equity-accounted companies	9	11
Operating income	**111**	**105**
Finance costs	(135)	(103)
of which non-recurring finance costs	*(1)*	-
Finance income	111	69
Profit before taxes	**87**	**71**
Taxes	(26)	(16)
Net profit/(loss) for the period	**61**	**55**
Attributable to:		
Owners of the parent	61	56
Non-controlling interests	-	(1)

Consolidated Statement of Comprehensive Income

(in millions of Euro)

	9 months 2015	9 months 2014
Net profit/(loss) for the period	**139**	**135**
Comprehensive income/(loss) for the period:		
- items that may be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on cash flow hedges - gross of tax	(2)	(4)
Fair value gains/(losses) on cash flow hedges - tax effect	1	1
Release of cash flow hedge reserve after discontinuing cash flow hedging - gross of tax	3	4
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	(1)	(1)
Currency translation differences	(52)	41
Total items that may be reclassified, net of tax	**(51)**	**41**
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	4	(21)
Recognition of pension plan asset ceiling	-	-
Actuarial gains/(losses) on employee benefits - tax effect	1	4
Total items that will NOT be reclassified, net of tax	**5**	**(17)**
Total comprehensive income/(loss) for the period	**93**	**159**
Attributable to:		
Owners of the parent	95	158
Non-controlling interests	(2)	1

Consolidated Statement of Comprehensive Income – 3rd quarter

(in millions of Euro)

	3rd quarter 2015	3rd quarter 2014
Net profit/(loss) for the period	**61**	**55**
Comprehensive income/(loss) for the period:		
- items that may be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on cash flow hedges - gross of tax	7	(3)
Fair value gains/(losses) on cash flow hedges - tax effect	(2)	1
Release of cash flow hedge reserve after discontinuing cash flow hedging - gross of tax	-	-
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	-	-
Currency translation differences	(85)	25
Total items that may be reclassified, net of tax	**(80)**	**23**
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	-	-
Recognition of pension plan asset ceiling	-	-
Actuarial gains/(losses) on employee benefits - tax effect	1	-
Total items that will NOT be reclassified, net of tax	**1**	**-**
Total comprehensive income/(loss) for the period	**(18)**	**78**
Attributable to:		
Owners of the parent	(17)	77
Non-controlling interests	(1)	1

Consolidated statement of cash flows

(in millions of Euro)

		9 months 2015	9 months 2014
	Profit/(loss) before taxes	207	173
	Depreciation, impairment and impairment reversals of property, plant and equipment	87	89
	Amortisation and impairment of intangible assets	22	22
	Impairment of assets	7	-
	Net gains on disposal of property, plant and equipment, intangible assets and acquisition purchase price adjustment	-	(23)
	Share of net profit/(loss) of equity-accounted companies	(27)	(26)
	Share-based payments	16	3
	Fair value change in metal derivatives and other fair value items	29	(12)
	Net finance costs	77	108
	Changes in inventories	(12)	(216)
	Changes in trade receivables/payables	(204)	(83)
	Changes in other receivables/ payables	18	(175)
	Changes in receivables/payables for derivatives	-	2
	Taxes paid	(39)	(46)
	Dividends received from equity-accounted companies	15	12
	Utilisation of provisions (including employee benefit obligations)	(84)	(93)
	Increases in provisions (including employee benefit obligations)	43	51
A.	**Net cash flow provided by/(used in) operating activities**	**155**	**(214)**
	Acquisitions	-	9
	Investments in property, plant and equipment	(121)	(99)
	Disposals of property, plant and equipment and assets held for sale	9	8
	Investments in intangible assets	(5)	(15)
	Investments in financial assets held for trading	(38)	(5)
	Disposals of financial assets held for trading	11	28
B.	**Net cash flow provided by/(used in) investing activities**	**(144)**	**(74)**
	Capital contributions and other changes in equity	3	-
	Dividend distribution	(91)	(90)
	Repayment of non-convertible bond - 2010	(400)	-
	EIB Loan	(9)	100
	Issuance of non-convertible bond - 2015	739	-
	Early repayment of credit agreement	(400)	(184)
	Finance costs paid	(430)	(277)
	Finance income received	342	189
	Changes in net financial payables	2	349
C.	**Net cash flow provided by/(used in) financing activities**	**(244)**	**87**
D.	**Currency translation gains/(losses) on cash and cash equivalents**	**(14)**	**2**
E.	**Total cash flow provided/(used) in the period (A+B+C+D)**	**(247)**	**(199)**
F.	**Net cash and cash equivalents at the beginning of the period**	**494**	**510**
G.	**Net cash and cash equivalents at the end of the period (E+F)**	**247**	**311**

ANNEX B

Reconciliation table between net Profit/(Loss) for the period, EBITDA and adjusted EBITDA of the Group

(in millions of Euro)

	9 months 2015	**9 months 2014**
Net profit/(loss) for the period	139	135
Taxes	68	38
Finance income	(364)	(192)
Finance costs	441	300
Amortisation, depreciation and impairment	116	111
Fair value change in metal derivatives	29	(12)
Fair value change in stock options	16	3
EBITDA	**445**	**383**
Company reorganisation	36	16
Antitrust	(21)	(28)
Acquisition price adjustment	-	(22)
Other net non-recurring expenses/(income)	13	6
Total non-recurring expenses/(income)	**28**	**(28)**
Adjusted EBITDA	**473**	**355**

Statement of cash flows with reference to change in net financial position

(in millions of Euro)

	9 months 2015	**9 months 2014**	**Change**
EBITDA	**445**	**383**	**62**
Changes in provisions (including employee benefit obligations)	(41)	(42)	1
(Gains)/losses on disposal of property, plant and equipment, intangible assets and non-current assets	-	(1)	1
Share of net profit/(loss) of equity-accounted companies	(27)	(26)	(1)
Acquisition price adjustment	-	(22)	22
Net cash flow provided by operating activities (before changes in net working capital)	**377**	**292**	**85**
Changes in net working capital	(198)	(472)	274
Taxes paid	(39)	(46)	7
Dividends from investments in equity-accounted companies	15	12	3
Net cash flow provided by operating activities	**155**	**(214)**	**369**
Acquisitions	-	9	(9)
Net cash flow from operational investing activities	(117)	(106)	(11)
Free cash flow (unlevered)	**38**	**(311)**	**349**
Net finance costs	(88)	(88)	-
Free cash flow (levered)	**(50)**	**(399)**	**349**
Capital contributions and other changes in equity	3	-	3
Dividend distribution	(91)	(90)	(1)
Net cash flow provided/(used) in the period	**(138)**	**(489)**	**351**
Opening net financial position	**(802)**	**(805)**	**3**
Net cash flow provided/(used) in the period	(138)	(489)	351
Other changes	(15)	2	(17)
Closing net financial position	**(955)**	**(1,292)**	**337**

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