

Bit Market Services

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Informazione
Regolamentata

Nome utilizzatore : BASICNETN01 - MEZZALIRA

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Diffusione presunta

Oggetto : BasicNet: Preliminary results
communicated on February 10 confirmed.
•Proposed dividend of Euro 0.10 per share

Testo del comunicato

Vedi allegato.

BasicNet S.p.A.

Largo Maurizio Vitale, 1
10152 Torino
Italy
phone +39 011 2617 1
fax +39 011 2617 595
free number 800 80 2000
e-mail: someone@basic.net
pec: basicnet@legalmail.it
www.basic.net

PRESS RELEASE

BASICNET: Preliminary results communicated on February 10 confirmed.

- Consolidated net profit of Euro 16.8 million (+34.8% on Euro 12.4 million in 2014).
- Proposed dividend of Euro 0.10 per share (up 42.9% on 2014), pay-out ratio 33.6%.
- Purchase option on Briko® Brand agreed.

Turin, March 18, 2016. The Board of Directors of BasicNet S.p.A., in a meeting today chaired by Marco Boglione, approved the 2015 Consolidated Financial Statements and the 2015 Separate Financial Statements. The Shareholders' AGM was called (in single call) for April 28, 2016.

2015 Key Financial Highlights:

- *aggregate sales* of Group products (Kappa®, Robe di Kappa®, Superga®, K-Way®, Lanzera®, AnziBesson®, Jesus® Jeans and Sabelt®) by the commercial and productive licensee network globally totals Euro 731 million, up 17.2% on 2014 (Euro 517 million by the commercial licensees and Euro 214 million by the productive licensees);
- *royalties and sourcing commissions* from aggregate sales of the commercial and productive licensees for the Parent Company and the brand owning companies of Euro 58.5 million, compared to Euro 51.9 million in 2014 (+12.7%) (+13% at consolidated level);
- *sales* of the BasicItalia Italian licensee company and its subsidiary of Euro 133.9 million, up 11.2% on the previous year. Contribution margin on sales of Euro 54.8 million, compared to Euro 52.6 million in 2014 (+4.2%), despite the significant impact from purchases in US Dollars;
- *EBITDA* of Euro 32 million, up 8.7% on Euro 29.5 million in 2014;
- *EBIT* of Euro 25.7 million (Euro 23 million in 2014), improving 11.5% on the previous year;
- consolidated pre-tax profit (*EBT*) of Euro 26.4 million (Euro 20.6 million in 2014), +27.8%, partly due to significant exchange gains (approx. Euro 3 million);
- *consolidated net profit* of Euro 16.8 million compared to Euro 12.4 million in 2014;
- *net debt* further reduces to Euro 45.4 million, with a debt/equity ratio of 0.49 (0.56 at December 31, 2014), although with dividends distributed of approx. Euro 4 million, treasury shares acquired of Euro 1.9 million and investments of approx. Euro 5 million.

Parent Company Key Financial Highlights:

- EBIT of Euro 10.5 million (Euro 8.4 million in 2014);
- net profit of Euro 12 million (Euro 10.1 million in 2014), increase in the amount of dividends from investees;
- net cash position of Euro 45 million, improving 10.5% on 2014.

COMMENT ON THE KEY PERFORMANCE INDICATORS

The commercial development follows significant growth:

- sales and production revenues generated through the Global Group licensees of Euro 731 million (+17.2% at current exchange rates and +10.5% at like-for-like exchange rates), enabled the Parent Company and the Brand owning companies to generate royalties and sourcing commissions of approx. Euro 58.5 million, compared to Euro 51.9 million in the previous year (+12.7%). Consolidated *royalties* and *sourcing commissions* totalled Euro 46.5 million, growth of 13% on Euro 41.2 million in the previous year;
- total sales of the investee BasicItalia S.p.A and its subsidiary Basic Retail S.r.l of Euro 133.9 million compared to Euro 120 million in 2014 (+11.2%). The contribution margin on sales of Euro 54.8 million compares to Euro 52.6 million in 2014. The improved margin, which grew 4.2%, follows the operations taken to optimise the collections, ensure greater procurement price competitiveness, the adjustment of certain product prices and - particularly - major commercial development. These factors absorbed charges arising from the strengthening of the US Dollar, the currency in which finished product purchases are principally denominated.

The key earnings and equity indicators in 2015 were very positive, particularly:

- *EBIT* of Euro 25.7 million compared to Euro 23 million in 2014, significantly growing (+11.5%) on 2014, after amortisation and depreciation of Euro 6.3 million;
- *consolidated net financial charges/income*, including exchange gains and losses, improved significantly on 2014, due to exchange gains (approx. Euro 3 million in 2015, compared to Euro 0.5 million in 2014), thanks to the currency hedges undertaken in 2014 and 2015 (flexi term), in addition to the reduction in financial charges, following the decrease in funding costs and the reduction in the debt;
- *consolidated pre-tax profit* of Euro 26.4 million, up 27.8% on 2014;
- *consolidated net profit*, after current and deferred taxes of approx. Euro 9.6 million, amounted to Euro 16.8 million compared to Euro 12.4 million in 2014, growth of 34.8%;
- *current income taxes* do not include the benefits which will stem from the "Patent Box" tax breaks from 2015. The exact reduction in taxes due will be known in the second part of the year on conclusion of the settlement with the Tax Agency;
- *consolidated net debt*, including finance leases (Euro 1.5 million) and property loans (Euro 11.2 million), reduced from Euro 45.6 million at December 31, 2014 to Euro 45.4 million at December 31, 2015, with dividends distributed of approx. Euro 4 million, investments in the year of approx. Euro 5 million and treasury share investments of Euro 1.9 million;
- the *debt/equity ratio* at December 31, 2015 reduced to 0.49 (0.56% at December 31, 2014), including the mortgage loans on property acquired.

FINANCIAL STATEMENTS OF THE PARENT COMPANY BASICNET S.p.A.

The Parent Company posts a *Net profit* of Euro 12 million (Euro 10.1 million in 2014), after income taxes of Euro 4.2 million.

The net cash position of the Parent Company BasicNet amounts to Euro 45 million, increasing on Euro 40.8 million in 2014.

DIVIDEND PROPOSED

The Board of Directors proposes to the Shareholders' AGM to distribute a dividend of Euro 0.10 per share, for a total Euro 5.6 million, increasing 42.9% on 2014.

The dividend, as proposed, represents a pay-out ratio of 33.6% on the consolidated net profit (32.3% in 2014) of Euro 16.8 million and a dividend yield at 30 December 2015 of 2.1%.

The dividend will be paid from May 25, 2016, with record date of May 24, 2016 and coupon date (No. 9) of May 23, 2016.

SIGNIFICANT EVENTS AFTER YEAR-END AND OUTLOOK

Signed by BasicNet S.p.A. an exclusive global distribution licensee agreement, with sub-license rights, for the Italian Briko® brand.

The agreements include a purchase option for BasicNet on the Brand, exercisable until June 30, 2019, at pre-established conditions, which may be exercised in advance based on the Brand's commercial volumes (for further details reference should be made to the press release issued today on the operation).

In general, Group operating results are expected to be strong in the first half of 2016 based on the order book and expected royalties and sourcing commissions.

This forecast is subject to the general market performance, which is shrouded by a degree of economic and political uncertainty, as reflected in consumption figures and particularly by the currency and raw material price fluctuations.

OTHER MOTIONS

The Board of Directors has submitted the following motions for the Shareholders' AGM called for April 28, 2016 in single call:

- proposal for the approval of the 2016 financial statements and allocation of the net profit;
- appointment of the Board of Directors and establishment of the number of members and remuneration, in addition to the appointment of the Chairman of the Board of Directors;
- appointment of the Board of Statutory Auditors and its Chairman and establishment of remuneration;
- review of the remuneration policies in accordance with Article 123-ter, paragraph 6 of Legislative Decree 58/98 (Consolidated Finance Act);
- authorisation to purchase and utilise treasury shares;

The proposed authorisation for the purchase and utilisation of treasury shares is submitted in order to provide the Company with a instrument to assist current operations, enabling an investment in treasury shares where stock market developments or the amount of liquidity on hand would render such beneficial, as part of projects developed upon the strategic guidelines under which share swap opportunities are presented or as a guarantee for financing operations. Authorisation is requested until the Shareholders' AGM for the approval of the 2016 Annual Accounts and concerns a maximum number of shares, considering those already held by the Company, not greater than the statutory limits. The maximum financial commitment is Euro 3.5 million. The treasury shares will be purchased on the market, according to the terms and conditions established by the Borsa Italiana regulation. The share purchase price may not be 15% above or below the official price recorded on the market trading day before each purchase operation. Under the treasury share buy-back programme, authorised by the Shareholders' AGM of April 27, 2015, concluding at the date of the Shareholders' AGM for the approval of the 2015 Annual Accounts (therefore April 28, 2016), the Company purchased 637,000 shares, comprising 1,04% of the Share Capital, at an average price of Euro 3.9, for a total payment of Euro 2.474 million. BasicNet today holds a total of 4,760,000 treasury shares (7.8% of the Share Capital), for a total investment of Euro 9.8 million. At present market values, the directly held securities portfolio totals Euro 19,2 million.

The Board of Directors also approved the Remuneration Policy Report in accordance with Article 123-ter of the Consolidated Finance Act, which the Shareholders' AGM will also be called to consider, and the Annual Corporate Governance and Shareholder Structure Report. Both Reports will be made available to the public, in accordance with law, together with the filing of the 2015 Separate and Consolidated Annual Accounts.

The Executive Officer Responsible for the preparation of the corporate accounting documents Mr. Paolo Cafasso declares in accordance with Article 154-bis, paragraph 2, of the Consolidated Finance Act that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

The financial statements are attached.

The performance indicators utilised in the current press release are as follows:

- **Commercial licensee aggregate sales:** sales by commercial licensees, recognised by the BasicNet Group to the "royalties" account of the income statement;
- **Sourcing center aggregate sales:** sales by productive licensees, recognised by the BasicNet Group to the "sourcing commissions" account of the income statement;
- **EBITDA:** "operating result" before "amortisation and depreciation" and "write-downs and other provisions";
- **EBIT:** "operating result";
- **Contribution margin on direct sales:** "gross profit";
- **Net financial debt:** total of current and medium/long-term financial payables, less cash and cash equivalents and other current financial assets.
- **Pay out ratio** "percentage of net profit distributed as dividend"
- **Dividend yield** "ratio between the dividend and the share price on the last day of the financial year"

Contact:

BasicNet

Paolo Cafasso 0112617787

BasicNet Group

Financial statements (audit not yet complete)

BASICNET GROUP KEY RESULTS

<i>(In Euro thousands)</i>	FY 2015	FY 2014	Changes
Group Brand Aggregate Sales by the Network of commercial and productive licensees (*)	730,523	623,211	107,312
Royalties and sourcing commissions	46,547	41,202	5,345
Consolidated direct sales	133,941	120,506	13,435
EBITDA (**)	32,049	29,483	2,566
EBIT (**)	25,709	23,050	2,659
Group Profit	16,760	12,437	4,323
Basic earnings per share	0.2953	0.2169	0.0784

* Data not audited

** The performance indicators are illustrated at page 5 of the present Press Release

BASICNET GROUP CONDENSED BALANCE SHEET

<i>(In Euro thousands)</i>	December 31, 2015	December 31, 2014	Changes
Property	21,951	22,854	(903)
Trademarks	34,208	34,189	19
Non-current assets	25,015	25,562	(547)
Current assets	123,998	115,770	8,228
Total Assets	205,172	198,375	6,797
Group shareholders' equity	92,511	80,711	11,798
Non-current liabilities	26,449	20,495	5,954
Current liabilities	86,212	97,169	(10,957)
Total liabilities and shareholders' equity	205,172	198,375	6,797

BASICNET GROUP SUMMARY NET FINANCIAL POSITION

<i>(In Euro thousands)</i>	December 31, 2015	December 31, 2014	Changes
Net financial position – Short-term	(24,796)	(29,880)	5,084
Financial payables – Medium-term	(19,021)	(13,932)	(5,089)
Finance leases	(1,545)	(1,761)	216
Total net financial position	(45,362)	(45,573)	211
Net Debt/Equity ratio (Net financial position/Shareholders' equity)	0.49	0.56	(0.07)

CONSOLIDATED FINANCIAL STATEMENTS

BASICNET GROUP CONSOLIDATED INCOME STATEMENT

<i>(In Euro thousands)</i>						
	FY 2015		FY 2014		Changes	
		%		%		%
Consolidated direct sales	133,941	100.00	120,506	100.00	13,435	11.15
Cost of sales	(79,126)	(59.08)	(67,912)	(56.36)	(11,214)	(16.51)
GROSS MARGIN	54,815	40.92	52,594	43.64	2,221	4.22
Royalties and sourcing commissions	46,547	34.75	41,202	34.19	5,345	12.97
Other income	3,980	2.97	2,019	1.68	1,961	97.13
Sponsorship and media costs	(19,342)	(14.44)	(15,018)	(12.46)	(4,324)	(28.79)
Personnel costs	(18,710)	(13.97)	(17,974)	(14.92)	(736)	(4.09)
Selling, general and administrative costs, royalties expenses	(35,241)	(26.31)	(33,340)	(27.67)	(1,901)	(5.70)
Amortisation & Depreciation	(6,340)	(4.73)	(6,433)	(5.34)	93	1.45
EBIT	25,709	19.19	23,050	19.13	2,659	11.53
Net financial income (charges)	734	0.55	(2,342)	(1.94)	3,076	131.34
Share of profit/(loss) of investments valued at equity	(59)	(0.04)	(65)	(0.05)	6	9.23
PROFIT BEFORE TAXES	26,384	19.70	20,643	17.13	5,741	27.81
Income taxes	(9,624)	(7.19)	(8,206)	(6.81)	(1,418)	(17.28)
NET PROFIT	16,760	12.51	12,437	10.32	4,323	34.76
Of which:						
- Shareholders of BasicNet S.p.A.	16,760	12.51	12,437	10.32	4,323	34.76
- Minority interests	-	-	-	-	-	-
Earnings per share						
- basic	0.2953		0.2169		0.0784	36.15
- diluted	0.2953		0.2169		0.0784	36.15

BASICNET GROUP CONSOLIDATED BALANCE SHEET

(In Euro thousands)

ASSETS	December 31, 2015	December 31, 2014
Intangible assets	41,513	41,184
Goodwill	10,245	10,516
Property, plant and equipment	28,769	30,183
Equity invest. & other financial assets	307	297
Interests in joint ventures	340	399
Deferred tax assets	-	26
Total non-current assets	81,173	82,605
Net inventories	49,025	46,297
Trade receivables	46,701	43,928
Other current assets	12,178	13,505
Prepayments	7,756	6,844
Cash and cash equivalents	6,971	4,014
Derivative financial instruments	1,367	1,182
Total current assets	123,999	115,770
TOTAL ASSETS	205,172	198,375
LIABILITIES	December 31, 2015	December 31, 2014
Share capital	31,717	31,717
Reserve for treasury shares in portfolio	(8,823)	(6,875)
Other reserves	52,855	43,432
Net Profit	16,760	12,437
Minority interests	-	-
TOTAL SHAREHOLDERS' EQUITY	92,509	80,711
Provisions for risks and charges	45	43
Loans	20,566	15,692
Employee and Director benefits	4,108	3,573
Deferred tax liabilities	717	-
Other non-current liabilities	1,013	1,187
Total non-current liabilities	26,449	20,495
Bank payables	31,767	33,894
Trade payables	25,151	30,142
Tax payables	17,421	22,165
Other current liabilities	7,739	7,475
Accrued expenses	2,637	1,848
Derivative financial instruments	1,498	1,645
Total current liabilities	86,214	97,169
TOTAL LIABILITIES	112,663	117,664
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	205,172	198,375

CONSOLIDATED CASH FLOW STATEMENT

(In Euro thousands)

December 31, 2015 December 31, 2014

A) OPENING SHORT-TERM BANK DEBT	(24,349)	(25,191)
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit	16,760	12,437
Amortisation & Depreciation	6,340	6,433
Companies valued under the equity method	59	65
Changes in working capital:		
. (Increase) decrease in trade receivables	(2,772)	(243)
. (Increase) decrease in inventories	(2,728)	1,972
. (Increase) decrease in other receivables	1,015	614
. Increase (decrease) in trade payables	(4,991)	(5,584)
. Increase (decrease) in other payables	(3,121)	(2,365)
Net change in post-employment benefits	(188)	(184)
Others, net	746	466
	11,119	13,611
C) CASH FLOW FROM INVESTING ACTIVITIES		
Investments in fixed assets:		
- tangible assets	(1,683)	(1,516)
- intangible assets	(3,375)	(3,526)
- financial assets	-	-
Realisable value for fixed asset disposals:		
- tangible assets	75	32
- intangible assets	-	11
- financial assets	-	52
	(4,983)	(4,947)
D) CASH FLOW FROM FINANCING ACTIVITIES		
Lease contracts (repayments)	(215)	(587)
Undertaking of medium/long term loans	15,000	-
Loan repayments	(7,406)	(6,125)
Conversion of short-term credit lines	-	-
Acquisition of treasury shares	(1,948)	(1,110)
Dividend payments	(3,979)	-
	1,452	(7,822)
E) CASH FLOW IN THE YEAR	7,588	842
F) CLOSING SHORT-TERM BANK DEBT	(16,761)	(24,349)

BASICNET S.P.A. FINANCIAL STATEMENTS

BASICNET S.p.A. – INCOME STATEMENT

<i>(in Euro)</i>	FY 2015	FY 2014	Changes
Direct sales	2,286,295	2,029,978	256,316
Cost of sales	(2,196,923)	(1,849,083)	(347,839)
GROSS MARGIN	89,372	180,895	(91,523)
Royalties and sourcing commissions	27,327,466	23,879,359	3,448,107
Other income	6,676,569	6,793,665	(117,096)
Sponsorship and media costs	(736,803)	(413,562)	(323,242)
Personnel costs	(8,280,062)	(7,903,424)	(376,638)
Selling, general and administrative costs, royalties expenses	(12,458,483)	(12,233,654)	224,829
Amortisation & Depreciation	(2,074,281)	(1,916,821)	(157,461)
EBIT	10,543,777	8,386,458	2,157,319
Net financial income (charges)	368,870	3,959	364,911
Dividends	5,400,000	4,950,000	450,000
PROFIT BEFORE TAXES	16,312,647	13,340,417	2,972,230
Income taxes	(4,242,378)	(3,230,786)	(1,011,592)
NET PROFIT	12,070,269	10,109,631	1,960,638

BASICNET S.p.A. – BALANCE SHEET
(in Euro)

ASSETS	December 31, 2015	December 31, 2014
Intangible assets	12,115,030	11,812,590
Plant, machinery and other assets	1,543,269	1,364,117
Equity invest. & other financial assets	36,344,846	36,345,076
Deferred tax assets	-	280,275
Total non-current assets	50,003,145	49,802,058
Net inventories	774,484	759,932
Trade receivables	9,437,124	7,745,635
Other current assets	67,733,114	53,647,140
Prepayments	3,952,268	3,522,296
Cash and cash equivalents	1,159,243	1,042,443
Derivative financial instruments	-	-
Total current assets	83,056,233	66,717,446
TOTAL ASSETS	133,059,378	116,519,504
LIABILITIES	December 31, 2015	December 31, 2014
Share capital	31,716,673	31,716,673
Treasury shares	(8,822,881)	(6,875,036)
Other reserves	53,083,309	46,955,747
Net Profit	12,070,269	10,109,631
TOTAL SHAREHOLDERS' EQUITY	88,047,370	81,907,015
Provisions for risks and charges	-	-
Loans	9,442,672	2,706,642
Employee and Director benefits	2,922,988	2,388,248
Deferred tax liabilities	60,135	-
Other non-current liabilities	876,210	734,418
Total non-current liabilities	13,302,005	5,829,308
Bank payables	8,512,581	5,705,645
Trade payables	4,362,692	4,371,384
Tax payables	14,180,091	12,971,532
Other current liabilities	4,121,957	5,565,067
Accrued expenses	450,610	131,008
Derivative financial instruments	82,071	38,545
Total current liabilities	31,710,003	28,783,181
TOTAL LIABILITIES	45,012,008	34,612,489
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	133,059,378	116,519,504

CASH FLOW STATEMENT

(in Euro)

	December 31, 2015	December 31, 2014
A) OPENING SHORT-TERM BANK DEBT	(739,093)	926,663
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit	12,070,269	10,109,631
Amortisation & Depreciation	2,074,281	1,916,821
Changes in working capital:		
- (increase) decrease in trade receivables	(1,691,489)	688,476
- (increase) decrease in inventories	(14,552)	393
- (increase) decrease in other receivables	(13,635,671)	(4,736,744)
- increase (decrease) in trade payables	(8,692)	(1,091,679)
- increase (decrease) in other payables	285,296	(651,474)
Net change in post-employment benefits	(53,873)	(80,489)
Others, net	31,011	(24,561)
	(943,419)	6,130,374
C) CASH FLOW FROM INVESTING ACTIVITIES		
Investments in fixed assets:		
- tangible assets	(500,390)	(347,578)
- intangible assets	(2,055,715)	(1,747,286)
- financial assets	-	(58,503)
Realisable value for fixed asset disposals:		
- tangible assets	232	-
- intangible assets	-	-
- financial assets	230	-
	(2,555,873)	(2,153,367)
D) CASH FLOW FROM FINANCING ACTIVITIES		
Lease contracts (repayments)	39,595	(14,730)
Repayments of medium/long term loans	(5,799,110)	(4,517,860)
Undertaking of medium/long term loans	15,000,000	-
Acquisition of treasury shares	(1,947,845)	(1,110,172)
Distribution of dividends	(3,979,017)	-
	3,313,623	(5,642,762)
E) OPERATIONS NOT GENERATING CASH FLOWS		
Conversion of financial receivables into investments		
- receivables from subsidiaries	-	-
- equity investments	-	-
	-	-
E) CASH FLOW IN THE YEAR	(185,670)	(1,665,755)
F) CLOSING SHORT-TERM BANK DEBT	(924,763)	(739,092)

BASICNET S.P.A. SUMMARY NET FINANCIAL POSITION

<i>(In Euro thousands)</i>	December 31, 2015	December 31, 2014	Changes
Net financial position – Short-term	(7,353)	(4,663)	(2,690)
Financial payables – Medium-term	(9,375)	(2,679)	(6,696)
Finance leases	(68)	(28)	(40)
Financial position with third parties	(16,796)	(7,370)	(9,426)
Group financial receivables/(payables)	61,852	48,162	13,691
Financial position with the Group	61,852	48,162	13,691
Total net financial position	45,056	40,792	4,264

Fine Comunicato n.0322-27

Numero di Pagine: 15