

Bit Market Services

Informazione Regolamentata n. 0159-26-2016	Data/Ora Ricezione 18 Marzo 2016 14:38:43	MTA - Star
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Societa' : INTERPUMP GROUP

Identificativo : 71075

Informazione
Regolamentata

Nome utilizzatore : INTERPUMPN01 - BANCI

Tipologia : IRAG 01

Data/Ora Ricezione : 18 Marzo 2016 14:38:43

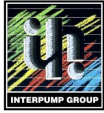
Data/Ora Inizio : 18 Marzo 2016 14:53:43

Diffusione presunta

Oggetto : THE BOARD OF DIRECTORS
APPROVES THE 2015 CONSOLIDATED
RESULTS

Testo del comunicato

Vedi allegato.



INTERPUMP GROUP

PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES THE 2015 CONSOLIDATED RESULTS

PROPOSALS TO THE SHAREHOLDERS' MEETING:

- **DIVIDEND OF 0.19 EUROS (0.18 Euros in 2014)**
- **AUTHORIZATION FOR THE PURCHASE OF TREASURY SHARES**
- **APPOINTMENT OF DIRECTORS**
- **APPROVAL OF A THREE-YEAR INCENTIVE PLAN**
- **CHANGES TO THE BYLAWS**

Net sales: €894.9 million (€672.0 million in 2014):+ 33.2%

**EBITDA: €180,3 million or 20.1% of sales (€136.1 million in 2014 or 20.3% of sales):
+32.4%**

EBIT: €136.9 million or 15.3% of sales (€104.4 million in 2014 or 15.5% of sales): +31.2%

**Consolidated net profit: €118.3 million including one-off financial income of €32.0 million
(as per IFRS 3) (€57.7 million in 2014): +105%**

Free cash flow: €85.2 million (€38.3 million after 2014): +123%

**Net debt: €255.0 million (€152.0 million at 31 December 2014) after acquisitions and
purchases of treasury shares for €178.0 million**

Sant'Ilario d'Enza (RE), 18 March 2016 – The Board of Directors of Interpump Group S.p.A. has approved the **2015 consolidated results**.

The Walvoil Group (Hydraulic Sector) acquired on 15 January 2015, Inoxihp (Water Jetting Sector) acquired on 17 March 2015 and consolidated on a line-by-line basis given its limited size, Bertoli S.r.l. (Water Jetting Sector) acquired on 22 May 2015 and only consolidated for eight months and Osper (Hydraulic Sector) acquired on 28 August 2015 and only consolidated for four months were consolidated for the first time in 2015.

Net sales

Net sales for 2015 amounted to €894.9 million, an increase of 33.2% over sales for 2014 which totaled €672.0 million (+8.9% on a like for like base and +1.3% also with an unchanged exchange rate).



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Details of sales by business sector and geographical area are as follows:

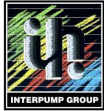
(€/000)	<u>Italy</u>	<u>Rest of Europe</u>	<u>North America</u>	<u>Far East and Oceania</u>	<u>Rest of the World</u>	<u>Total</u>
<i>2015</i>						
Hydraulic Sector	105,509	194,815	151,083	40,004	68,860	560,271
Water Jetting Sector	<u>30,400</u>	<u>91,688</u>	<u>142,303</u>	<u>44,954</u>	<u>25,312</u>	<u>334,657</u>
Total	<u>135,909</u>	<u>286,503</u>	<u>293,386</u>	<u>84,958</u>	<u>94,172</u>	<u>894,928</u>
<i>2014</i>						
Hydraulic Sector	72,619	145,709	98,602	21,869	57,405	396,204
Water Jetting Sector	<u>19,159</u>	<u>78,554</u>	<u>118,436</u>	<u>39,993</u>	<u>19,653</u>	<u>275,795</u>
Total	<u>91,778</u>	<u>224,263</u>	<u>217,038</u>	<u>61,862</u>	<u>77,058</u>	<u>671,999</u>
<i>Percentage changes 2015/2014</i>						
Hydraulic Sector	+45.3%	+33.7%	+53.2%	+82.9%	+20.0%	+41.4%
Water Jetting Sector	+58.7%	+16.7%	+20.2%	+12.4%	+28.8%	+21.3%
Total	+48.1%	+27.8%	+35.2%	+37.3%	+22.2%	+33.2%
<i>Percentage changes 2015/2014 on a like for like basis</i>						
Hydraulic Sector	+9.1%	-3.2%	+16.8%	-1.4%	+2.6%	+5.0%
Water Jetting Sector	+13.2%	+10.4%	+19.0%	+8.3%	+19.1%	+14.6%
Total	+10.0%	+1.6%	+18.0%	+4.8%	+6.8%	+8.9%

On a like for like basis and an unchanged exchange rate the Hydraulic Sector fell by 1.0% and the Water Jetting Sector rose by 4.7%.

Profitability

Gross operating income (EBITDA) amounted to €180.3 million (20.1% of sales) compared to €136.1 million in 2014 (20.3% of sales), an increase of 32.4%. On a like for like basis EBITDA rose by 10.6% to reach €150.5 million or 20.6% of sales, increasing the margin by 0.3 percentage points. The following table sets out EBITDA by business sector:

	<u>2015</u> <u>€/000</u>	<u>% of total sales*</u>	<u>2014</u> <u>€/000</u>	<u>% of total sales*</u>	<u>Increase/decrease</u>
Hydraulic Sector	96,605	17.2%	69,366	17.5%	+39.3%
Water Jetting Sector	83,671	24.9%	66,701	24.1%	+25.4%
Other Sectors	(18)	N/A	39	N/A	N/A
Total	<u>180,258</u>	20.1%	<u>136,106</u>	20.3%	+32.4%



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On a like for like basis the EBITDA of the Hydraulic Sector rose by 4.1% (17.4% of sales). Again on a like for like basis the EBITDA of the Water Jetting Sector rose by 17.4% (24.7% of sales).

Operating income (EBIT) amounted to €136.9 million (15.3% of sales) compared to €104.4 million in 2014 (15.5% of sales), an increase of 31.2%. On a like for like basis EBIT rose by 11.3% to reach €116.2 million or 15.9% of sales, with the margin increasing by 0.4 percentage points.

Net profit totaled €118.3 million, benefiting from **one-off** financial income of €32.0 million recognized in accordance with international accounting standards (IFRS 3) and arising from the decision by put option holders to exercise their options earlier than contractually provided, with figures being estimated and based on a forecast of profitability and cash generation through 2018 and through 2020. As a result of this a liability was originally recognized that exceeded the amount actually paid. Net profit amounted to €57.7 million in 2014 and accordingly has more than doubled. Basic earnings per share passed from €0.541 in 2014 to €1.101 in 2015.

Capital employed rose from €692.6 million at 31 December 2014 to €90.8 million at 31 December 2015. This increase is mainly due to the consolidation of Walvoil, Inoxihp, Bertoli and Osper, which led to an increase of €185.8 million, and to the revaluation of foreign currencies against the euro, causing a rise of €188 million. ROCE amounted to 15.2% (15.1% in 2014). ROE reached 19.0% (12.4% in 2014).

Financial situation

Net cash of €120.2 million was generated by operations (€95.8 million in 2014), a rise of 25.4%. A considerable improvement was achieved in **free cash flow** which reached €85.2 million, more than doubling the figure of €38.3 million for 2014.

Net debt at 31 December 2015 stood at €255.0 million (€152 million at 31 December 2014), following outlays of €145.2 million for acquisitions and €32.7 million for the purchase of treasury shares. In addition, the Group has binding commitments of €23.2 million to acquire minority interests in subsidiaries (€74.1 million at 31 December 2014).

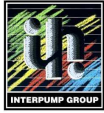
GENERAL SHAREHOLDERS' MEETING

APPROVAL OF THE 2015 STATUTORY ACCOUNTS

The Board of Directors has resolved to convene an Ordinary General Shareholders' Meeting to approve the 2015 statutory accounts in single call on **28 April 2016** at the offices of Interpump Group in Sant'Ilario d'Enza.

DIVIDEND

The Board of Directors resolved to submit a proposal to shareholders to approve the distribution of a dividend of 19 euro cents (2014: 18 euro cents). If approved, the dividend will be put into payment on 25 May and the share will go ex-dividend on 23 May (record date 24 May).



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APPOINTMENT OF DIRECTORS

The Board of Directors will propose to the Meeting that the directors Stefania Petruccioli and Marcello Margotto, co-opted at the meetings of the Board of Directors held on 30 June 2015 and 6 August 2015 respectively, be confirmed in their positions; the terms of office of the two directors expire at the Shareholders' Meeting.

The curricula vitae of the directors Stefania Petruccioli and Marcello Margotto containing full information on their personal and professional characteristics and personal statements that they are suitable to act as independent directors pursuant to the Corporate Governance Code for Listed Companies promoted by Borsa Italiana S.p.A. have been lodged at the Company's registered office and posted on its website.

INCENTIVE PLAN

The Board of Directors has resolved to propose to the Meeting that it approve the "Interpump 2016/2018 Incentive Plan" having as beneficiaries the employees, directors and/or collaborators of the Company and its subsidiaries. Further details of the Incentive Plan pursuant to article 84-bis of Consob Resolution no. 11971/1999 may be found in the specific release issued today on this matter and the illustrative report that will be made available to the public within the period required by law.

CHANGES TO THE BYLAWS

In addition the Board of Directors resolved to call an Extraordinary General Meeting of Shareholders on 28 April 2016 in single call at the offices of Interpump Group in Sant'Ilario d'Enza to discuss and adopt resolutions on the proposal to amend article 14 of the bylaws with the aim of rationalizing the duties reserved for the Board of Directors.

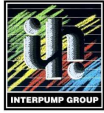
The documentation relating to the matters on the agenda of the Ordinary and Extraordinary General Meetings of Shareholders will be published within the time periods and by the means prescribed by current legislation.

AUTHORIZATION FOR THE PURCHASE OF TREASURY SHARES

The Shareholders' Meeting convened in ordinary session will also be called to adopt a resolution renewing authorization for the purchase and disposal of treasury shares until October 2017.

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURES AND REPORT ON REMUNERATION POLICY

Pursuant to article 123-bis of the Consolidated Finance Act (TUF) the Company announces that it has published the Report on Corporate Governance and Ownership Structures for 2015 on its website www.interpumpgroup.it.



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In addition, pursuant to article 123-ter of the Consolidated Finance Act (TUF) the Company announces that it has also published the Interpump Group S.p.A. Report on Remuneration on its website www.interpumpgroup.it, together with the public disclosures on compensation schemes based on financial instruments required by article 84-bis of the Consob Issuers' Regulations. The Shareholders' Meeting convened in ordinary session will be called to adopt a resolution on the first section of that report (remuneration policy and procedures for its adoption).

Sant'Ilario d'Enza (RE), 18 March 2016

On behalf of the Board of Directors
The Chairman
Fulvio Montipò

The manager responsible for drafting company accounting documents, Carlo Banci, declares pursuant to the terms of section 2, article 154-bis of the Consolidated Finance Act that the accounting disclosures in the present release correspond to the contents of the underlying documents, the accounting books and the accounting entries.

Sant'Ilario d'Enza (RE), 18 March 2016

Manager responsible for drafting
company accounting documents
Carlo Banci

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Consolidated statement of financial position

(€/000)	<u>31/12/2015</u>	<u>31/12/2014</u>
ASSETS		
Current assets		
Cash and cash equivalents	135,130	87,159
Trade receivables	178,129	135,634
Inventories	238,637	182,463
Tax receivables	14,361	10,477
Derivative financial instruments	2	-
Other current assets	7,809	6,855
Total current assets	<u>574,068</u>	<u>422,588</u>
Non-current assets		
Property, plant and equipment	286,066	209,073
Goodwill	347,388	279,373
Other intangible assets	33,193	24,649
Other financial assets	1,025	994
Tax receivables	1,934	2,456
Deferred tax assets	25,190	22,035
Other non-current assets	1,209	1,380
Total non-current assets	<u>696,005</u>	<u>539,960</u>
Assets held for sale	-	615
Total assets	<u>1,270,073</u>	<u>963,163</u>

(€/000)	<u>31/12/2015</u>	<u>31/12/2014</u>
LIABILITIES		
Current liabilities		
Trade payables	94,022	80,273
Payables to banks	5,735	27,770
Interest-bearing financial payables (current portion)	83,833	64,298
Derivative financial instruments	77	169
Taxes payable	19,904	11,665
Other current liabilities	48,840	38,123
Provisions for risks and charges	4,423	4,162
Total current liabilities	<u>256,834</u>	<u>226,460</u>
Non-current liabilities		
Interest-bearing financial payables	300,549	147,060
Liabilities for employee benefits	17,264	14,940
Deferred tax liabilities	48,098	33,436
Other non-current liabilities	22,017	72,605
Provisions for risks and charges	2,683	1,949
Total non-current liabilities	<u>390,611</u>	<u>269,990</u>
Liabilities held for sale	-	163
Total non-current liabilities	<u>647,445</u>	<u>496,613</u>
 SHAREHOLDERS' EQUITY		
Share capital	56,032	53,871
Legal reserve	11,323	11,323
Share premium reserve	138,955	101,237
Reserve for measurement of hedging derivatives at fair value	(13)	(19)
Reserve for remeasurement of defined benefit plans	(3,501)	(5,273)
Translation reserve	22,657	3,809
Other reserves	391,704	295,747
Group shareholders' equity	<u>617,157</u>	<u>460,695</u>
Minority interests	5,471	5,855
Total shareholders' equity	<u>622,628</u>	<u>466,550</u>
<i>Total shareholders' equity and liabilities</i>	<u>1,270,073</u>	<u>963,163</u>

Consolidated income statement for the year

(€/000)	<i>2015</i>	<i>2014</i>
Net sales	894,928	671,999
Cost of sales	(577,310)	(426,585)
Gross industrial margin	317,618	245,414
<i>% of net sales</i>	<i>35.5%</i>	<i>36.5%</i>
Other operating income	13,133	12,563
Distribution costs	(84,321)	(68,074)
General and administrative expenses	(105,670)	(80,517)
Other operating costs	(3,864)	(5,019)
EBIT	136,896	104,367
<i>% of net sales</i>	<i>15.3%</i>	<i>15.5%</i>
Financial income	42,416	8,144
Financial expenses	(15,688)	(19,504)
Adjustment of the value of investments carried at equity	(262)	102
Profit for the year before taxes	163,362	93,109
Income taxes	(45,056)	(35,367)
Consolidated profit for the year	118,306	57,742
<i>% of net sales</i>	<i>13.2%</i>	<i>8.6%</i>
Attributable to:		
Shareholders of the parent company	117,639	56,936
Minority shareholders of subsidiaries	667	806
Consolidated profit for the year	118,306	57,742
EBITDA	180,258	136,106
<i>% of net sales</i>	<i>20.1%</i>	<i>20.3%</i>
Shareholders' equity	622,628	466,550
Net debt	254,987	151,969
Debt for the purchase of equity investments	23,209	74,075
Capital employed	900,824	692,594
ROCE	15.2%	15.1%
ROE	19.0%	12.4%
Basic earnings per share	1.101	0.541
EBITDA = EBIT + depreciation + amortization + allocations		
ROCE = EBIT / capital employed		
ROE = Consolidated profit for the year / Consolidated equity		

* = Since EBITDA is not an accounting measure either as part of Italian accounting principles or as part of international accounting standards (IAS/IFRS), the calculation of this item may vary. EBITDA is a measure used by the company's management to monitor and assess its operating performance. Management believes that EBITDA is an important parameter for measuring the company's operating performance as it is not affected by the various criteria that may be used to determine taxable income, the amount and characteristics of capital employed and the relative depreciation and amortization policies. The criteria used by the company to determine EBITDA may not be consistent with that used by other companies/groups and the amount obtained may not be comparable with that calculated by them.

Statement of consolidated comprehensive income for the year

(€/000)	<u>2015</u>	<u>2014</u>
Consolidated profit for the year (A)	118,306	57,742
Other comprehensive income which will subsequently be reclassified to consolidated profit or loss		
<i>Cash flow hedge accounting for derivatives hedging interest rate risk:</i>		
- Gains (losses) on derivatives for the year	-	-
- Less: Adjustment for gains (losses) reclassified to profit or loss	-	-
- Less: Adjustment for the recognition of fair value in equity in the previous year	=	<u>50</u>
<i>Total</i>	-	<u>50</u>
<i>Cash flow hedge accounting for derivatives hedging currency risk:</i>		
- Gains (losses) on derivatives for the year	(19)	(27)
- Less: Adjustment for gains (losses) reclassified to profit or loss	27	(14)
- Less: Adjustment for the recognition of fair value in equity in the previous year	=	=
<i>Total</i>	8	<u>(41)</u>
<i>Gains (losses) on translating the financial statements of foreign companies</i>	18,985	23,275
<i>Gains (losses) from companies accounted for using the equity method</i>	(16)	68
<i>Relative taxation</i>	<u>(2)</u>	<u>(1)</u>
Total other comprehensive income which will subsequently be reclassified to consolidated profit or loss, net of the tax effect (B)	<u>18,975</u>	<u>23,351</u>
Total other comprehensive income which will not subsequently be reclassified to consolidated profit or loss, net of the tax effect (C)		
<i>Gains (losses) from the remeasurement of defined benefit plans</i>	2,479	(2,640)
<i>Relative taxation</i>	(683)	726
Total other comprehensive income which will not subsequently be reclassified to consolidated profit or loss, net of the tax effect (C)	1,796	(1,914)
Consolidated comprehensive income for the year (A) + (B) + (C)	<u>139,077</u>	<u>79,179</u>
Attributable to:		
Owners of the parent	138,256	77,960
Minority interests of subsidiaries	821	1,219
Consolidated comprehensive income for the year (A) + (B) + (C)	<u>139,077</u>	<u>79,179</u>

Consolidated cash flow statement for the year

(€/000)	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Profit before taxes	163,362	93,109
Adjustments for non-cash items:		
Losses (gains) on the sale of fixed assets	(3,076)	(1,519)
Losses (gains) on the sale of business units and equity investments	-	(406)
Amortization, depreciation, impairment losses and reversals of impairment losses	41,886	30,085
Costs recognized in the income statement relative to stock options that do not involve monetary outflows for the Group	1,370	1,370
Losses (profits) from equity investments	262	(102)
Net change in risk provisions and allocations to employee benefit provisions	(973)	(147)
Expenditures for tangible assets to be leased	(11,201)	(7,180)
Proceeds from the disposal of leased tangible assets	7,643	3,792
Net financial (income) expenses	(26,728)	11,360
	<u>172,545</u>	<u>130,362</u>
(Increase) decrease in trade receivables and other current assets	1,546	(5,503)
(Increase) decrease in inventories	3,412	(14,145)
Increase (decrease) in trade payables and other current liabilities	(11,512)	(4,107)
Interest paid	(5,838)	(5,823)
Realized exchange differences	2,110	1,185
Taxes paid	(48,659)	(29,911)
Net cash from operating activities	<u>113,604</u>	<u>72,058</u>
Cash flows from investing activities		
Payments for the purchase of investments net of cash received and gross of treasury shares transferred	(176,227)	(47,784)
Sale of equity investments and business units including cash transferred	746	796
Capital expenditure on property, plant and equipment	(27,502)	(32,575)
Proceeds from the sale of tangible fixed assets	1,594	1,512
Increase in intangible assets	(2,804)	(3,000)
Financial income received	714	637
Other	290	883
Net cash used in investing activities	<u>(203,189)</u>	<u>(79,531)</u>
Cash flows from financing activities		
Disbursement (repayment) of loans	145,847	28,325
Dividends paid	(20,390)	(18,166)
Payment for the purchase of treasury shares	(32,709)	(38,299)
Disposal of treasury shares to acquire equity investments	60,891	7,026
Proceeds from the sale of treasury shares to stock option beneficiaries	8,166	4,626
(Disbursement) repayment of loans to unconsolidated subsidiaries	-	21
Change in other financial fixed assets	(409)	1,017
Disbursement (repayment) of shareholder loans	(1)	(248)
Payment of finance lease installments (principal)	(3,368)	(4,306)
Net cash from (used in) financing activities	<u>158,027</u>	<u>(20,004)</u>
Net increase (decrease) in cash and cash equivalents	<u>68,442</u>	<u>(27,477)</u>

(€/000)	<u>2015</u>	<u>2014</u>
Net increase (decrease) in cash and cash equivalents	68,442	(27,477)
Opening cash and cash equivalents for companies consolidated on a line-by-line basis for the first time	1,129	41
Exchange differences from translating the cash of non-EU companies	435	2,445
Cash and cash equivalents at the beginning of the year	59,389	84,380
Cash and cash equivalents at the end of the year	<u>129,395</u>	<u>59,389</u>

Cash and cash equivalents may be analyzed as follows:

	31/12/2015	31/12/2014
	€/000	€/000
Cash and cash equivalents as per the consolidated statement of financial position	135,130	87,159
Bank payables (overdrafts and subject to collection advances)	<u>(5,735)</u>	<u>(27,770)</u>
Cash and cash equivalents as per the consolidated cash flow statement	<u>129,395</u>	<u>59,389</u>

Statement of changes in consolidated shareholders' equity

	Share capital	Legal reserve	Share premium reserve	Reserve for measurement of hedging derivatives at fair value	Reserve for remeasurement of defined benefit plans	Translation reserve	Other reserves	Group shareholders' equity	Minority interests	Total
<i>At 1 January 2014</i>	55,003	11,323	125,039	(27)	(3,396)	(19,084)	257,828	426,686	6,263	432,949
Recognition in the income statement of the fair value of stock options granted and exercisable	-	-	1,370	-	-	-	-	1,370	-	1,370
Purchase of treasury shares	(1,986)	-	(35,970)	-	-	-	(343)	(38,299)	-	(38,299)
Sale of treasury shares to stock option beneficiaries	482	-	4,144	-	-	-	-	4,626	-	4,626
Transfer of treasury shares as payment for equity investments	372	-	6,654	-	-	-	-	7,026	-	7,026
Dividends distributed	-	-	-	-	-	-	(18,108)	(18,108)	(58)	(18,166)
Purchase of residual interest in controlled subsidiaries	-	-	-	-	-	-	(542)	(542)	(1,871)	(2,413)
Effect of Hydrocar Chile-Syscam combination	-	-	-	-	-	-	(82)	(82)	289	207
Effect of Copa-Golf merger	-	-	-	-	-	-	58	58	(58)	-
Purchase of IMM	-	-	-	-	-	-	-	-	71	71
Comprehensive income for 2014	-	-	-	8	(1,877)	22,893	56,936	77,960	1,219	79,179
<i>At 31 December 2014</i>	53,871	11,323	101,237	(19)	(5,273)	3,809	295,747	460,695	5,855	466,550
Recognition in the income statement of the fair value of stock options granted and exercisable	-	-	1,370	-	-	-	-	1,370	-	1,370
Purchase of treasury shares	(1,322)	-	(32,709)	-	-	-	1,322	(32,709)	-	(32,709)
Sale of treasury shares to stock option beneficiaries	921	-	8,166	-	-	-	(921)	8,166	-	8,166
Transfer of treasury shares as payment for equity investments	2,562	-	60,891	-	-	-	(2,562)	60,891	-	60,891
Dividends distributed	-	-	-	-	-	-	(19,321)	(19,321)	(925)	(20,246)
Purchase of residual interest in controlled subsidiaries	-	-	-	-	-	-	(191)	(191)	(280)	(471)
Comprehensive income for 2015	-	-	-	6	1,772	18,848	117,630	138,256	821	139,077
<i>At 31 December 2015</i>	56,032	11,323	138,955	(13)	(3,501)	22,657	391,704	617,157	5,471	622,628

Fine Comunicato n.0159-26

Numero di Pagine: 14