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Testo del comunicato

Vedi allegato.

Prysmian Group

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PRESS RELEASE

PRYSMIAN S.P.A. FIRST-QUARTER RESULTS 2016

SALES CONFIRMED AS GROWING (+2.3%)

EXCELLENT PERFORMANCE FOR ENERGY PROJECTS (+26.4%) AND POSITIVE TREND FOR TELECOM (+3.3%)

ENERGY & INFRASTRUCTURE STABLE; INDUSTRIAL AND NWC SLIGHT IMPROVEMENT (+1.4%)

MARKED IMPROVEMENT IN PROFITABILITY WITH ADJ EBITDA AT €150 MILLION (+25.4%)

IMPROVEMENT IN ADJ EBITDA MARGIN TO 8.3% FROM 6.8% OF SALES

GUIDANCE FOR FY 2016, ADJ EBITDA IN RANGE €670M – €720M (€623M IN 2015)

Milan, 10/5/2016. The Board of Directors of Prysmian S.p.A. has approved today the Group's consolidated results for the first quarter of 2016[1] (which are not subject to audit).

"The results of the first quarter of 2016 basically reflect an uptrend in sales accompanied by a marked improvement in profitability," commented CEO Valerio Battista. "In particular, our technological leadership and project execution capability underpin the excellent performance of the submarine cables and systems business. The Telecom business has also made a good contribution, especially towards profitability, partly thanks to the reduction in optical fibre production costs. The Oil & Gas business has been affected by the industry crisis, with performance nonetheless in line with expectations. We are confident that the new organisation will better focus the strategies of this high value-added business in order to reinvigorate it."

Battista continued by adding "The Group confirms its deep commitment to research and development and in recent months has introduced a number of technological innovations representing industry milestones. The new P–Laser 525 kV cable system offers unique features in terms of environmental sustainability and lower energy network costs, while the Telecom business's Flextube® 2112f optical cable has set a new record for number of fibres in a single optical cable. Such competitive acceleration lends added credibility to the Group's growth strategy and also on this basis we are confident of being able to achieve the challenging profitability targets we set ourselves for 2016, with an ADJ EBITDA in the range of €670- €720 million."

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION
(in millions of Euro)

	3 months 2016	3 months 2015	% Change	% organic sales change
Sales	1,810	1,753	3.3%	2.3%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	143	113	26.8%	
Adjusted EBITDA	150	120	25.4%	
EBITDA	140	106	32.4%	
Adjusted operating income	111	84	32.1%	
Operating income	76	83	-8.6%	
Profit/(Loss) before taxes	58	63	-7.8%	
Net profit/(loss) for the period	40	42	-5.7%	
Group net profit/(loss) for the period	32	41	20.8%	

(in millions of Euro)

	31 March 2016	31 March 2015	Change
Net capital employed	2,804	2,693	111
Employee benefit obligations	332	367	(35)
Equity	1,434	1,286	148
of which attributable to non-controlling interests	140	40	100
Net financial position	1,038	1,040	(2)

[1] In implementing the new Transparency directive, Legislative Decree 25/2016 has eliminated the requirement for issuers to publish interim management statements, and given Consob (Italy's securities regulator) the power to lay down guidelines concerning any additional reporting requirements, over and above the disclosures provided in annual and half-yearly financial reports. It is noted in this regard that the Prysmian S.p.A. Board of Directors has confirmed today the approval and publication of a periodic financial report, consistent, in terms of content and availability, with its practice to date, postponing any more definitive decisions to when the regulatory context has been clarified.

FINANCIAL RESULTS

Group **Sales** amounted to €1,810 million, posting organic growth of +2.3% assuming the same group perimeter and excluding metal price and exchange rate effects. The Energy Projects segment made a decisive contribution, with a jump of +26.4% thanks to positive performance by submarine cables and systems and strong high voltage underground sales. Sales by the Energy Products segment were largely flat (+0.1%), with Energy & Infrastructure at the same level as the first quarter of 2015 and Industrial cables marginally higher (in particular Network Components, Elevators and Specialties&OEM). The Telecom business confirmed the uptrend in sales (+3.3%), thanks to volume growth in Australia and North America, recovery in copper cable sales in Australia and positive performance by Multimedia Solutions. The new Oil & Gas segment was heavily affected by the oil industry crisis, reporting a steep drop in revenue (-33.9%), but nonetheless in line with expectations.

Adjusted EBITDA amounted to €150 million, sharply up on €120 million recorded in the first quarter of 2015 (+25.4%), with further improvement in margin (ADJ EDITDA margin up to 8.3% from 6.8%). This figure was adversely affected by exchange rates, while benefiting from €12 million for the first-time consolidation of Oman Cables Industry. **EBITDA** amounted to €140 million compared with €106 million in the first quarter of 2015 (+32.4%), including €10 million in net non-recurring expenses (€14 million in the first three months of 2015). The net non-recurring expenses in the first three months of 2016 mainly comprise costs for reorganising and improving industrial efficiency.

Group Operating Income came to €76 million, compared with €83 million in the first quarter of 2015 (-8.6%). This decrease mainly reflects fair value changes in metal derivatives, the fair value of stock options serving long-term incentive plans and impairment losses recognised against the assets of the new Oil & Gas segment.

Net Finance Costs came to €18 million in the first three months of 2016, down from €20 million (-10.0%) in the same period last year. The reduction of €2 million is mainly attributable to lower finance costs associated with improved efficiency of the financial structure and the positive effects of the bond issuance in the second quarter of 2015.

Net Profit came to €40 million compared with €42 million in the corresponding period of 2015. Net profit attributable to owners of the parent came to €32 million compared with €41 million in the previous year, reflecting the factors discussed above in connection with Operating Income.

Net Financial Position reported a balance of €1,038 million at 31 March 2016 (€1,040 million at 31 March 2015).
The principal factors that influenced this change were:

- €531 million in net cash flow provided by operating activities in the past 12 months (first 3 months of 2016 and last 9 months of 2015) before changes in net working capital;
- €235 million in cash flow provided by the reduction in net working capital;
- €80 million in tax payments and €9 million in dividend receipts;
- €227 million in net operating capital expenditure in the past 12 months
- €138 million in outlays for business combinations, as well as the consolidation of €83 million in net debt from Oman Cables Industry (SAOG);
- €100 million in finance costs paid;
- €102 million in dividends paid (of which €11 million in dividends paid to non-controlling interests in the subsidiary Oman Cables).

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NEW SEGMENT INFORMATION

The Group has made an organisational change since 1 January 2016 that has resulted in the creation of a new operating segment, known as Oil & Gas. This has led to segment information being redefined in keeping with the new management model adopted by the Group.
The new Oil & Gas operating segment has incorporated the SURF business (previously included in the Energy Projects segment), and the Oil & Gas business (previously forming part of the Industrial & Network Components business area).

ENERGY PROJECTS

- **EXCELLENT PERFORMANCE BY SUBMARINE CABLES AND SYSTEMS, THANKS TO INTERCONNECTORS AND OFFSHORE WIND FARMS**
- **HIGH VOLTAGE UNDERGROUND POSITIVE, BOOSTED BY FRANCE, NETHERLANDS, CHINA AND NORTH AMERICA**
- **STRONG ORDER BOOK AND NEAR ALL-TIME HIGH**

Energy Projects sales to third parties reached €346 million in the first quarter of 2016, reflecting underlying growth of +26.4%, also because of slower project phasing in the same period last year. Profitability also improved considerably with ADJ EBITDA at €39 million, +46.9% on €26 million in the first quarter of 2015, while the margin on sales improved to 11.2% from 9.4%.

Sales of Submarine Cables and Systems were boosted by sustained levels of production by the two plants in Arco Felice (Italy) and Pikkala (Finland) and by improved execution capabilities for the numerous projects currently underway. The improvement in margins particularly reflected the focus on project management and the availability of installation assets for full operational use, such as the vessel Cable Enterprise now refitted. The main projects in progress during the period were the HVDC Western Link in Britain, the Greece-Cyclades, Italy-Montenegro and Dardanelles Strait interconnectors and the cabling of the 50Hertz and Dolwin3 offshore wind farms. The market is proving to be solid for interconnection projects while recovering for offshore wind farms, with good tendering activity in France, Britain and the Netherlands; in such a market context the Group has strengthened its competitiveness by developing technological innovations that represent industry (the 525 kV P-laser HVDC cable and the 66 kV cable for offshore inter-array applications), and by purchasing a new cable-laying barge currently being upgraded.

Sales of High Voltage underground cables performed well, with high-quality projects implemented in France, the Netherlands, China and North America. The Group also confirmed its dynamism in the Middle East, a region engaged in developing major new energy infrastructure, where several orders have been won. Demand, however, has remained weak in Italy, Spain and Russia.

Despite the currently high pace of project execution, the underground and submarine power transmission order book has remained stable at €3.2 billion, reflecting the Group's ability to win new business.

(in millions of Euro)

	3 months 2016	3 months 2015	% Change	% organic sales change
Sales	346	281	23.3%	26.4%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**39**	**26**	**48.2%**	
% of sales	11.2%	9.4%		
Adjusted EBITDA	**39**	**26**	**46.9%**	
% of sales	11.2%	9.4%		
EBITDA	**38**	**20**	**100.2%**	
% of sales	11.0%	6.8%		
Amortisation and depreciation	(8)	(7)		
Adjusted operating income	**31**	**19**	**58.5%**	
% of sales	8.8%	6.9%		

Energy Products

- **T&I, Sales improvement in North America, Britain, Eastern Europe. South America weak**
- **Power Distribution, continued growth**
- **Industrial cables regain ground, with Elevators and Specialties & OEM**

Energy Products sales to third parties amounted to €1,110 million, of which €143 million from the consolidation line-by-line of Oman Cables Industry starting from 1 January 2016, with organic growth at +0.1%. Sales grew in North America, Oceania and certain Asian countries, while remaining stable in Europe and continuing to fall in Brazil. Profitability improved slightly, with ADJ EBITDA climbing to €66 million (of which €12 million incremental contribution of Oman Cables Industry compared with the first quarter of 2015) from €53 million in the first quarter of 2015 (+27.4%) and a margin on sales of 6.0%, up from 4.9% in the corresponding period of 2015.

(in millions of Euro)

	3 months 2016	3 months 2015	% Change	% organic sales change
Sales	1,110	1,063	4.4%	0.1%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**66**	**50**	**37.7%**	
% of sales	6.0%	4.5%		
Adjusted EBITDA	**66**	**53**	**27.4%**	
% of sales	6.0%	4.9%		
EBITDA	**60**	**49**	**21.6%**	
% of sales	5.4%	4.6%		
Amortisation and depreciation	(16)	(17)	6.6%	
Adjusted operating income	**50**	**36**	**28.0%**	
% of sales	4.5%	3.4%		

Energy & Infrastructure

Energy & Infrastructure sales to third parties amounted to €754 million, of which € 143 million from the first-time consolidation of Oman Cables Industry (negative organic growth of -0.5%). ADJ EBITDA for first quarter 2016 came to €38 million (of which €12 million incremental contribution of Oman Cables Industry compared with the first quarter of 2015) compared with €26 million in the first quarter of 2015.

The 2016 first-quarter results for Trade & Installers showed differing trends by region with positive sales performances in North America, Britain, Eastern Europe and Australia, weighed down by the deteriorating scenario in Brazil and Argentina and the decision to reduce sales volume for lower margin products/channels in Italy and Germany. Profitability reflected the positive effects of actions taken to regain efficiency by refocusing the manufacturing footprint.

Power Distribution reported good sales, driven by strong performance in Germany and Northern Europe thanks to infrastructure investments, and by a revival in Asia Pacific.

Industrial & Network Components

Industrial & Network Components sales to third parties amounted to €333 million, posting positive underlying growth of +1.4%. The Group's wide geographical and business diversification, combined with the highly customised nature of the solutions offered, enabled it to mitigate the effects of the general instability of infrastructure investments. ADJ EBITDA improved to €29 million from €26 million in the first quarter of 2015.

Specialties & OEM recorded a generally positive trend, with good performance for crane, marine and defence applications, while nuclear, railway, rolling stock and mining all recorded weak demand. In renewables, the positive trend for solar in North America contrasted with weakness for wind in China. Lastly, the entire Brazilian market was penalized by the country's general economic deterioration.

The Elevator business enjoyed a solid performance everywhere, expanding its market share in North America and Asia. The Automotive business is still engaged in refocusing on high-end segments, with the first positive effects on margins. Network Components performed well, thanks to the impetus of high voltage demand and manufacturing footprint optimisation.

OIL & GAS

- **HEAVY IMPACT FROM THE OIL CRISIS. DECLINE IN LINE WITH FORECASTS**
- **NEW ORGANISATION AND MANAGEMENT TO RELAUNCH A STRATEGIC BUSINESS**

Oil & Gas sales to third parties came to €82 million in the first three months of 2016, compared with €130 million in the same period of 2015, posting negative organic growth of -33.9%. The performance of the Oil & Gas segment has been hit hard by the drop in oil prices, which is affecting investment decisions by the industry's players.

In particular, in the core Oil & Gas cables business, the adverse market conditions led to slowing demand where both offshore and onshore projects were concerned. To manage growing price pressure, the aim is to make greater use of the Asian-based manufacturing facilities.

In the SURF business (Subsea Umbilicals Risers and Flowlines), the new framework agreement with Petrobras reflects the slowdown in offshore investments in Brazil. The DHT business (Down Hole Technologies) proved more resilient, thanks to a wider customer base and geographical diversification. A positive contribution also came from integration of the newly acquired company Gulf Coast Down Hole Technologies as a result of leveraging industrial and commercial synergies.

ADJ EBITDA for the first three months of the year came to €3 million down from €13 million in the corresponding period of 2015 (-76.5%), with the margin on sales down to 3.8% from 10.3%.

These results are nonetheless in line with the forecasts of the Group, which has taken every necessary action to manage this complex market situation. The growth strategy for this strategic business is becoming more focused thanks to the adoption of a new organisational model and the arrival of new management in the person of Cristiano Tortelli, a manager with long experience of this business who joined Prysmian at the start of the year. The pillars of the Group's new strategy for this business are focus on cost reduction, technological innovation and customer service, optimisation of supply chain and manufacturing footprint and development of synergies upstream with suppliers and downstream with customers.

(in millions of Euro)

	3 months 2016	**3 months 2015**	**% Change**	**% organic sales change**
Sales	82	130	-36.8%	-33.9%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**3**	**13**	**-76.5%**	
% of sales	3.8%	10.3%		
Adjusted EBITDA	**3**	**13**	**-76.5%**	
% of sales	3.8%	10.3%		
EBITDA	**3**	**11**	**-78.0%**	
% of sales	3.2%	9.2%		
Amortisation and depreciation	(5)	(3)	40.1%	
Adjusted operating income	**(2)**	**10**	**-122.9%**	
% of sales	-1.8%	7.7%		

TELECOM

- **GROWTH IN DEMAND FOR OPTICAL CABLES IN AUSTRALIA AND NORTH AMERICA**
- **MAJOR IMPROVEMENT IN PROFITABILITY**
- **MULTIMEDIA SOLUTIONS GROW THANKS TO DATACOM AND MULTIMEDIA IMPETUS**

Telecom sales to third parties amounted to €272 million, with organic growth of +3.3%. Profitability improved significantly, reporting a 49.8% leap in ADJ EBITDA to €42 million from €28 million in the first quarter of 2015, having benefited from investments to reduce optical fibre costs, from strong growth in copper cable volumes (especially in Australia) and from the contribution of Yangtze Optical Fibre and Cable Joint Stock Limited Company (YOFC). The ADJ EBITDA margin on sales also improved to 15.4% from 10.1% in the first quarter of 2015.

In the Telecom solutions business, lively demand for optical cables in Australia and North America was counterbalanced by market weakness in Europe and South America. Demand for copper cables in Australia and South America also proved much stronger. Prices remained globally stable.

Growth in the Multimedia Solutions business was primarily linked to the dynamism of the European data centres market, which the Group has intercepted well by showing a customer-oriented, service-driven and responsive approach.

The Group's competitiveness in the telecom cables and systems business is being further enhanced by its determination in implementing its growth strategy. Investments for improving the efficiency and effectiveness of optical fibre production are delivering impressive results and the creation of optical cable manufacturing centres of excellence is making the product offering more competitive. In Italy such investments have renewed the competitiveness of the FOS optical fibre plant, while in Romania the Group has created a new state-of-the-art production facility in Slatina allowing it to serve the entire European market.

(in millions of Euro)

	3 months 2016	**3 months 2015**	**% Change**	**% organic sales change**
Sales	272	279	-2.6%	3.3%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**35**	**24**	**38.7%**	
% of sales	12.9%	9.0%		
Adjusted EBITDA	**42**	**28**	**49.8%**	
% of sales	15.4%	10.1%		
EBITDA	**42**	**26**	**53.0%**	
% of sales	15.3%	9.7%		
Amortisation and depreciation	(10)	(9)		
Adjusted operating income	**32**	**19**	**88.2%**	
% of sales	11.7%	6.8%		

BUSINESS OUTLOOK

The first few months of 2016 have witnessed moderate growth in the world's major economies, partially eroded by the uncertain economic environment in some emerging countries and by a renewed decline in key commodity prices. The lack of momentum in the main Eurozone economies, combined with near zero or negative inflation, has prompted the ECB to deploy expansionary measures by widening the scope of quantitative easing. Growth has remained strong in the United States while the escalation of the political crisis in Brazil has continued to have an adverse impact on the country's economy.

In such a macroeconomic context, the Group's expectation for FY 2016 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 a stabilisation in prices. With the Energy Projects segment seeing a steadily stabilising market, the Prysmian Group expects to improve its performance in both the Submarine and High Voltage underground businesses. In the Oil & Gas segment, the drop in oil prices and consequent reduction in oil industry investments will have an adverse impact on the Group's activities, especially in its core Oil&Gas cables business. The Telecom segment is expected to see continued growth in demand for optical fibre cables in 2016 albeit at a slower pace than in 2015 and with fluctuations dependent on effective progress in the execution of projects to upgrade networks to optical fibre.

In addition, assuming constancy of the rates at the start of the year, exchange rate effects are forecast to have a negative impact on the FY 2016 results purely as a result of translating income statements expressed in other currencies into the Group's reporting currency.

The Group is forecasting Adjusted EBITDA for FY 2016 in the range of €670-€720 million, marking a significant improvement from €623 million reported in 2015. This forecast, based on the current business perimeter, takes into account the current order book and the trends in the different operating segments mentioned above, and reflects the Prysmian Group's expectations for the impact of fully consolidating Oman Cables Industry from 1 January 2016. Lastly, the Prysmian Group is continuing in 2016 to rationalise its activities with the objective of achieving the projected cost efficiencies and greater competitiveness in all areas of its business.

The Prysmian Group's First Quarter Financial Report at 31 March 2016, 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.. 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 results at 31 March 2016 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 nearly 140 years of experience, sales of some €7.5 billion in 2015, over 19,000 employees across 50 countries and 88 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)

	31 March 2016	31 December 2015
Non-current assets		
Property, plant and equipment	1,535	1,551
Intangible assets	708	722
Equity-accounted investments	178	177
Available-for-sale financial assets	12	12
Derivatives	4	1
Deferred tax assets	84	83
Other receivables	24	26
Total non-current assets	**2,545**	**2,572**
Current assets		
Inventories	995	979
Trade receivables	1,120	1,098
Other receivables	783	687
Financial assets held for trading	80	87
Derivatives	26	26
Cash and cash equivalents	254	547
Total current assets	**3,258**	**3,424**
Assets held for sale	115	119
Total assets	**5,918**	**6,115**
Equity attributable to the Group:	**1,294**	**1,278**
Share capital	22	22
Reserves	1,240	1,042
Net profit/(loss) for the period	32	214
Equity attributable to non-controlling interests:	**140**	**146**
Share capital and reserves	132	146
Net profit/(loss) for the period	8	-
Total equity	**1,434**	**1,424**
Non-current liabilities		
Borrowings from banks and other lenders	1,135	1,141
Other payables	15	16
Provisions for risks and charges	53	52
Derivatives	18	21
Deferred tax liabilities	59	63
Employee benefit obligations	332	341
Total non-current liabilities	**1,612**	**1,634**
Current liabilities		
Borrowings from banks and other lenders	250	262
Trade payables	1,301	1,377
Other payables	910	984
Derivatives	40	43
Provisions for risks and charges	258	275
Current tax payables	28	27
Liabilities held for sale	85	89
Total current liabilities	**2,872**	**3,057**
Total liabilities	**4,484**	**4,691**
Total equity and liabilities	**5,918**	**6,115**

Consolidated income statement

(in millions of Euro)

	3 months 2016	3 months 2015
Sales of goods and services	1,810	1,753
Change in inventories of work in progress, semi-finished and finished goods	7	73
Other income	13	9
of which non-recurring other income	*-*	*1*
Raw materials, consumables used and goods for resale	(1,097)	(1,183)
Fair value change in metal derivatives	2	20
Personnel costs	(257)	(242)
of which non-recurring personnel costs	*(5)*	*(6)*
of which personnel costs for stock option fair value	*(12)*	*(1)*
Amortisation, depreciation, impairment and impairment reversal	(54)	(42)
of which non-recurring (impairment) and impairment reversal	*(15)*	*(6)*
Other expenses	(355)	(312)
of which non-recurring (other expenses) and releases	*(5)*	*(9)*
Share of net profit/(loss) of equity-accounted companies	7	7
Operating income	**76**	**83**
Finance costs	(154)	(177)
of which non-recurring finance costs	*(1)*	*(1)*
Finance income	136	157
of which non-recurring finance income	*-*	*-*
Profit before taxes	**58**	**63**
Taxes	(18)	(21)
Net profit/(loss) for the period	**40**	**42**
Attributable to:		
Owners of the parent	32	41
Non-controlling interests	8	1
Basic earnings/(loss) per share (in Euro)	**0.15**	**0.19**
Diluted earnings/(loss) per share (in Euro)	**0.15**	**0.19**

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Consolidated Statement of Comprehensive Income

(in millions of Euro)	3 months 2016	3 months 2015
Net profit/(loss) for the period	**40**	**42**
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	11	(6)
Fair value gains/(losses) on cash flow hedges - tax effect	(2)	2
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	(40)	62
Total items that may be reclassified, net of tax	**(31)**	**58**
- 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	-	-
Total items that will NOT be reclassified, net of tax	**-**	**-**
Total comprehensive income/(loss) for the period	**9**	**100**
Attributable to:		
Owners of the parent	4	95
Non-controlling interests	5	5

Consolidated statement of cash flows

(in millions of Euro)

		3 months 2016	3 months 2015
	Profit/(loss) before taxes	58	63
	Depreciation, impairment and impairment reversals of property, plant and equipment	46	35
	Amortisation and impairment of intangible assets	8	7
	Net gains on disposal of property, plant and equipment, intangible assets and acquisition purchase price adjustment	(1)	(1)
	Share of net profit/(loss) of equity-accounted companies	(7)	(7)
	Share-based payments	12	1
	Fair value change in metal derivatives and other fair value items	(2)	(20)
	Net finance costs	18	20
	Changes in inventories	(36)	(91)
	Changes in trade receivables/payables	(113)	(108)
	Changes in other receivables/ payables	(144)	(87)
	Changes in receivables/payables for derivatives	(1)	-
	Taxes paid	(24)	(15)
	Dividends received from equity-accounted companies	2	10
	Utilisation of provisions (including employee benefit obligations)	(17)	(20)
	Increases in provisions (including employee benefit obligations)	1	15
A.	**Net cash flow provided by/(used in) operating activities**	**(200)**	**(198)**
	Acquisitions	-	-
	Investments in property, plant and equipment	(50)	(28)
	Disposals of property, plant and equipment and assets held for sale	1	8
	Investments in intangible assets	-	(2)
	Investments in financial assets held for trading	4	(12)
	Disposals of financial assets held for trading	5	2
B.	**Net cash flow provided by/(used in) investing activities**	**(40)**	**(32)**
	Capital contributions and other changes in equity	-	2
	Purchase of treasury shares	-	-
	Dividend distribution	(11)	-
	Repayment of non-convertible bond - 2010	-	-
	EIB Loan	(8)	-
	Issuance of non-convertible bond - 2015	-	-
	Finance costs paid	(143)	(155)
	Finance income received	127	139
	Changes in other net financial payables	(11)	43
C.	**Net cash flow provided by/(used in) financing activities**	**(46)**	**29**
D.	**Currency translation gains/(losses) on cash and cash equivalents**	**(1)**	**12**
E.	**Total cash flow provided/(used) in the period (A+B+C+D)**	**(287)**	**(189)**
F.	**Net cash and cash equivalents at the beginning of the period**	**547**	**494**
G.	**Net cash and cash equivalents at the end of the period (E+F)**	**260**	**305**
	Cash and cash equivalents reported in statement of financial position	**254**	**494**
	Cash and cash equivalents included in assets held for sale	**6**	**-**

ANNEX B

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

(in millions of Euro)

	3 months 2016	3 months 2015
Net profit/(loss) for the period	40	42
Taxes	18	21
Finance income	(136)	(157)
Finance costs	154	177
Amortisation, depreciation and impairment	54	42
Fair value change in metal derivatives	(2)	(20)
Fair value change in stock options	12	1
EBITDA	**140**	**106**
Company reorganisation	7	8
Antitrust	-	6
Other net non-recurring expenses/(income)	3	-
Total non-recurring expenses/(income)	**10**	**14**
Adjusted EBITDA	**150**	**120**

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

(in millions of Euro)

	3 months 2016	3 months 2015	Change
EBITDA	**140**	**106**	**34**
Changes in provisions (including employee benefit obligations)	(16)	(5)	(11)
(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	(7)	(7)	-
Acquisition price adjustment	-	-	-
Net cash flow provided by operating activities (before changes in net working capital)	**116**	**93**	**23**
Changes in net working capital	(294)	(286)	(8)
Taxes paid	(24)	(15)	(9)
Dividends from investments in equity-accounted companies	2	10	(8)
Net cash flow provided by operating activities	**(200)**	**(198)**	**(2)**
Acquisitions	-	-	-
Net cash flow from operational investing activities	(49)	(22)	(27)
Free cash flow (unlevered)	**(249)**	**(220)**	**(29)**
Net finance costs	(16)	(16)	-
Free cash flow (levered)	**(265)**	**(236)**	**(29)**
Capital contributions and other changes in equity	-	2	(2)
Dividend distribution	(11)	-	(11)
Net cash flow provided/(used) in the period	**(276)**	**(234)**	**(42)**
Opening net financial position	**(750)**	**(802)**	**52**
Net cash flow provided/(used) in the period	(276)	(234)	(42)
Other changes	(12)	(4)	(8)
Closing net financial position	**(1,038)**	**(1,040)**	**2**

Fine Comunicato n.0902-26	Numero di Pagine: 14