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Testo del comunicato

Vedi allegato.

PRESS RELEASE

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

SALES RISE TO €3,785 M (+1.8%), STRONG IMPETUS FROM STRATEGIC BUSINESSES

ORGANIC GROWTH BY ENERGY PROJECTS +22.7%, TELECOM +5.8%

ADJ EBITDA CLIMBS TO €347 M (+10.5% ON 1H2015)

MARKED IMPROVEMENT IN PROFITABILITY WITH MARGIN AT 9.2% (8.4% IN 1H2015)

NET PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT €115 MILLION (+43.8% ON 1H2015)

NET FINANCIAL POSITION €1,031 M (€811 M EXCLUDING ACQUISITIONS; €979 M AT 30/6/2015)

Milan, 28/7/2016. The Board of Directors of Prysmian S.p.A. has approved today the Group's consolidated results for the first half of 2016.

"The Prysmian Group's first-half results are marked by revenue growth and a significant improvement in profitability," explained CEO Valerio Battista. "The biggest drivers of growth have been Energy Projects and Telecom. The important set of technological innovations introduced between end of 2015 and 2016, involving the launch of the 600kV and 700kV cable systems, combined with greater project execution capabilities, involving the commissioning of Ulisse, the Group's third cable vessel, mean the Group is well positioned to continue taking advantage of the opportunities offered by the market. In the Telecom business, growth has been driven by the recovery in optical fibre competitiveness and the new optical cable manufacturing capacity in Eastern Europe. Performance by the higher value-added businesses has contributed to a fresh upturn in profitability, with a significant improvement in margins, also thanks to our actions to reduce fixed costs and rationalise manufacturing footprint. The newly acquired Oman Cables Industry has also made an important contribution in this regard."

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION
(in millions of Euro)

	1st half 2016	1st half 2015	% Change	% organic sales change
Sales	3,785	3,737	1.3%	1.8%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	333	296	12.6%	
Adjusted EBITDA	347	314	10.5%	
EBITDA	322	261	23.4%	
Adjusted operating income	261	242	7.9%	
Operating income	217	173	25.5%	
Profit/(Loss) before taxes	180	120	49.9%	
Net profit/(loss) for the period	124	78	59.1%	
Net profit attributable to owners of the parent	115	80	43.8%	

(in millions of Euro)

	30 June 2016	30 June 2015	Change
Net capital employed	2,912	2,554	358
Employee benefit obligations	393	362	31
Equity	1,488	1,213	275
of which attributable to non-controlling interests	223	33	190
Net financial position	1,031	979	52

FINANCIAL RESULTS

Group **Sales** amounted to €3,785 million, posting organic growth of +1.8% assuming the same group perimeter and excluding metal price and exchange rate effects. The satisfactory execution of the large number of projects currently in the order book has led to a significant jump in revenue for the Energy Projects segment (+22.7%). This result reflects not only positive performance by submarine cables and systems but also excellent high voltage underground sales. Energy & Infrastructure reported a slight drop in sales (-1.1%) partly due to the Group's decision to focus on the profitability of Trade & Installers product mix, in contrast with positive organic growth for Power Distribution. The Industrial cables business (-1.5%) saw a slight slowdown for Specialties & OEM in the second quarter, reflecting weak investment in the capital goods sector. Elevators business recorded a solid organic growth. The Automotive business showed signs of revival in the second quarter. The Telecom business confirmed the uptrend in sales (+5.8%), with an acceleration in the second quarter. The market downturn, as well as a difficult comparison with the same period of 2015, continued to penalise the Oil & Gas segment, which reported a steep decline in sales (-33.9%), even if as expected.

Adjusted EBITDA[1] amounted to €347 million, up from €314 million in the first half of 2015 (+10.5%), with a considerable improvement in margins (Adjusted EBITDA represented 9.2% of sales, up from 8.4%). This result is even more positive considering that Adjusted EBITDA in the first half of 2015 had benefited from a €24 million write up of previously accounted loss of the Western Link project. In addition, the first half of 2016 has been affected by the adverse impact of €8 million in bad debt provisions by the Telecom business in Brazil and by €13 million in negative exchange rate effects. In addition to the competitiveness of the strategic businesses of submarine cable systems and Telecom and the growth in the high voltage underground business, another of the main drivers of the significant growth in profitability has been the persistent focus on reducing fixed costs and optimising the manufacturing footprint. Recent acquisitions have also made a positive contribution, particularly Oman Cables Industry, which had a positive impact of €24 million on Adjusted EBITDA.

EBITDA[2] amounted to €322 million compared with €261 million in the first half of 2015 (+23.4%), including a total of €25 million in net expenses for company reorganisation, net non-recurring expenses and other net non-operating expenses (€53 million in the first half of 2015).

Group **Operating Income** came to €217 million, a major improvement from €173 million in the first half of 2015 (+25.5%).

Net Finance Costs came to €37 million, versus €53 million in the first half of 2015 (-30.1%). The reduction of €16 million is mainly attributable to lower finance costs associated with improved efficiency of the financial structure and a lower average financial exposure.

Net profit came to €124 million, well up from €78 million in the first half of 2015, while net profit attributable to owners of the parent amounted to €115 million compared with €80 million in the corresponding prior year period (+43.8%).

Net Financial Position reported a balance of €1,031 million at 30 June 2016 (€979 million at 30 June 2015). Excluding the impact of recent acquisitions (OCI and GCDT), net financial position would have been €811 million at 30 June 2016.

The principal factors over the previous 12 months that influenced net financial position at 30 June 2016 were:

- €551 million in cash flow provided by operating activities before changes in net working capital
- €150 million in reductions in working capital
- €84 million in tax payments
- €220 million in overall cash flow for acquisitions (including new consolidated debt)
- €229 million in net cash outflow for investing activities
- €78 million in net payments of finance costs
- €101 million in dividend payouts
- €41 million in other negative effects (mainly currency translation differences)

[1] Adjusted EBITDA is defined as EBITDA, as described in the following note, before income and expense for company reorganisation, before non-recurring items, as presented in the consolidated income statement, and before other non-operating income and expense. The definition of this performance measure has been modified following CONSOB's implementation of the new ESMA guidelines (reference ESMA/2015/1415).
[2] EBITDA is defined as operating income before the fair value change in metal price derivatives and in other fair value items and before amortisation, depreciation and impairment.

ENERGY PROJECTS

- **STRONG UPTREND CONFIRMED FOR SUBMARINE CABLES**
- **POSITIVE PERFORMANCE BY HIGH VOLTAGE UNDERGROUND**
- **IMPROVEMENT IN PROFITABILITY**

Energy Projects sales to third parties reached €761 million in the first half of 2016, reflecting organic growth of +22.7%. Profitability also improved, with Adjusted EBITDA at €111 million compared with €100 million in the first half of 2015 (€76 million excluding the Western Link write-up), while the margin on sales was 14.6% versus 15.6% in the first half of 2015 (around 12% excluding the Western Link write-up).

Sales of Submarine Cables and Systems grew considerably, driven by progress in the execution of the important projects currently in the Group's order book. Margins were also much improved thanks to the focus on project management and to the enhancement of cable installation assets, making it possible to insource more of the installation operations. Ulisse has entered service as the third vessel in the Group's cable-laying fleet, which already numbers the Giulio Verne, the world's largest cable ship particularly suited to deep water installations, and the Cable Enterprise used for average depth installations. Ulisse is suited to shallow water operations and is a very important asset for offshore wind farm projects.

Sales of High Voltage underground cables performed particularly well in the wake of work on the France-Italy interconnector and the execution of projects in North America and Asia Pacific.

The underground and submarine power transmission order book stands at €2.95 billion. The market scenario for submarine cables and systems remains solid, with good opportunities expected in the offshore wind sector in France, the Netherlands and Great Britain in the second half of 2016 and in 2017. High voltage underground tendering activities are also continuing at an intense pace in the Middle East.

(in millions of Euro)

	1st half 2016	**1st half 2015**	**% Change**	**% organic sales change**
Sales	761	639	19.3%	22.7%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**111**	**100**	**11.2%**	
% of sales	14.6%	15.6%		
Adjusted EBITDA	**111**	**100**	**11.2%**	
% of sales	14.6%	15.6%		
EBITDA	**110**	**85**	**38.0%**	
% of sales	14.4%	13.3%		
Amortisation and depreciation	(17)	(15)		
Adjusted operating income	**94**	**85**	**10.6%**	
% of sales	12.4%	13.3%		

ENERGY PRODUCTS

- **GRADUAL IMPROVEMENT IN MARGINS FOR TRADE & INSTALLERS**
- **POWER DISTRIBUTION GROWTH IN LINE WITH FORECAST**
- **INDUSTRIAL: ELEVATORS AND AUTOMOTIVE POSITIVE, SLOWDOWN FOR SPECIALTIES & OEM**

Energy Products sales to third parties amounted to €2,298 million (of which €289 million from the line-by-line consolidation of Oman Cables Industry since 1 January 2016), recording negative organic growth of -1.3%, with Oceania and certain Asian countries growing, Europe and North America stable and a steep reduction in underlying sales in Brazil and Argentina. Adjusted EBITDA for the first half of 2016 came to €151 million, posting a strong increase of €25 million (+20.0%) on the corresponding period of 2015, almost all of which due to the first–time consolidation of Oman Cables Industry. The Adjusted EBITDA margin improved to 6.6% on sales (5.5% in the corresponding period of 2015).

(in millions of Euro)

	1st half 2016	1st half 2015	% Change	% organic sales change
Sales	2,298	2,275	1.0%	-1.3%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**150**	**118**	**28.0%**	
% of sales	6.5%	5.2%		
Adjusted EBITDA	**151**	**126**	**20.0%**	
% of sales	6.6%	5.5%		
EBITDA	**134**	**119**	**14.2%**	
% of sales	5.8%	5.2%		
Amortisation and depreciation	(41)	(30)	40.0%	
Adjusted operating income	**110**	**96**	**5.5%**	
% of sales	4.8%	4.2%		

Energy & Infrastructure

Energy & Infrastructure sales to third parties amounted to €1,567 million (of which €289 million contributed by Oman Cables Industry), versus €1,468 million in the first half of 2015 (organic change of -1.1%). Profitability improved, with Adjusted EBITDA climbing to €87 million (of which €24 million contributed by Oman Cables Industry) from €63 million in the corresponding period of 2015, and the margin on sales improving to 5.5% from 4.3%. This result confirms the gradual recovery in profitability seen since the beginning of 2015.

The 2016 first-half results for Trade & Installers show a slight organic decline in sales, attributable to the Group's decision to focus on a product and channel mix designed to improve its profitability. Positive performances were recorded in Eastern and Northern Europe and in Oceania, while the South American market continued to suffer from macroeconomic downturn.
Power Distribution confirmed a positive sales trend, particularly driven by the markets in North America, the Netherlands, Northern Europe and Asia Pacific. On the downside, second-quarter activity slowed as expected in Germany, while demand declined in Argentina.

Industrial & Network Components

Industrial & Network Components sales to third parties amounted to €682 million, posting negative underlying growth of -1.5%, mainly due to the weakness of investment demand in certain sectors of Specialties & OEM, with a rationale of differentiation by geography and application. Adjusted EBITDA improved to €64 million from €61 million in the first half of 2015, with the margin on sales rising to 9.4% from 8.2%. Specialties & OEM remained generally stable in the first six months of the year, with a slight slowdown in the second quarter. Defence, Crane and Marine cables all enjoyed positive sales, while Nuclear, Railways, Mining and Renewables recorded weak results. The Elevator business enjoyed a solid performance thanks to the Group's success in increasing its market share in North America and APAC with the sale of accessories and after-market services. The Automotive business reported a good underlying increase in second-quarter sales, with strong performance in China and Eastern Europe benefiting from the new manufacturing set-up. The Network Components business managed to improve its profitability thanks to optimisation of manufacturing footprint and improved high voltage product mix.

OIL & GAS

- **FOCUS ON SUPPLY CHAIN OPTIMISATION AND EFFECTIVE USE OF MANUFACTURING FOOTPRINT**
- **GREATER RESILIENCE OF SURF THANKS TO INTEGRATION WITH GCDT**
- **CONTINUING IMPACT OF OIL CRISIS**

Oil & Gas sales to third parties came to €156 million in the first six months of 2016, 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, as well as by a difficult basis of comparison with the same period in 2015. Adjusted EBITDA for the first six months of the year came to €7 million, down from €17 million in the corresponding period of 2015, with a margin on sales of 4.2% down from 7.0%.

In particular, the deterioration in performance by the core Oil & Gas cables business reflects adverse market conditions which have caused demand to slow for both offshore and onshore projects. In response to the steady erosion of margins, the Group will make greater use of its Asia-based manufacturing facilities while continuing to invest in making production more efficient.

In the SURF business (Subsea Umbilicals Risers and Flowlines), the performance of Umbilicals has been in line with forecast and reflects the new framework agreement in Brazil. The Group is continuing its efforts to optimise the supply chain and strengthen integration with key suppliers.
The contraction in volumes in the Downhole Technology business has been partly offset by synergies from the recent acquisition of Gulf Coast Downhole Technologies LLC, a North American company acquired in the second half of 2015.

(in millions of Euro)

	1st half 2016	1st half 2015	% Change	% organic sales change
Sales	156	245	-36.3%	-33.9%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**7**	**17**	**-63.4%**	
% of sales	4.2%	7.0%		
Adjusted EBITDA	**7**	**17**	**-63.5%**	
% of sales	4.2%	7.0%		
EBITDA	**5**	**3**	**-29.2%**	
% of sales	3.4%	3.0%		
Amortisation and depreciation	(8)	(5)	24.6%	
Adjusted operating income	**(1)**	**12**	**-275.2%**	
% of sales	-0.8%	4.7%		

TELECOM

- **ORGANIC SALES UP +5.8%**
- **IMPROVEMENT IN PROFITABILITY DESPITE BAD DEBT PROVISIONS IN BRAZIL**
- **CONTINUED GROWTH FOR COPPER CABLES AND MULTIMEDIA SOLUTIONS**

Telecom sales to third parties amounted to €570 million, with organic growth of +5.8%, reflecting not only generally stable revenue from optical fibre cables but also strong growth in copper cables in Australia. Profitability improved, partly thanks to effective actions to regain optical fibre cost competitiveness, which are producing the expected results, and to the benefits of expanding capacity in Eastern Europe. Adjusted EBITDA came in at €78 million (€86 million excluding €8 million in bad debt provisions in Brazil) compared with €71 million in the first half of 2015. The Adjusted EBITDA margin on sales was much improved at 13.7% (15.1% excluding the impact of bad debt provisions in Brazil), up from 12.2% in the first half of 2015.

In the Telecom solutions business, sales of optical cables were largely stable with signs of accelerating in the second quarter; this reflected strong performance in Australia with the National Broadband Network project, in North America with the development of new ultra-broadband networks and in France with the construction of backhaul links and FTTH connections for leading operators. However, most European countries and South America made a weak contribution to sales growth with the major TLC operators still holding back on new investment.

Multimedia Solutions continued their upward trend thanks to growth in the European market and production capacity extension in the copper business.

The Group is resolutely moving ahead with its plans to increase competitiveness and profitability by creating manufacturing centres of excellence. In Slatina (Romania) the Group has created a new state-of-the-art production facility allowing it to serve the European market.

(in millions of Euro)

	1st half 2016	1st half 2015	% Change	% organic sales change
Sales	570	578	-1.5%	5.8%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**65**	**61**	**7.1%**	
% of sales	11.5%	10.6%		
Adjusted EBITDA	**78**	**71**	**11.0%**	
% of sales	13.7%	12.2%		
EBITDA	**77**	**56**	**31.6%**	
% of sales	13.5%	8.7%		
Amortisation and depreciation	(20)	(22)		
Adjusted operating income	**58**	**49**	**53.4%**	
% of sales	10.3%	8.5%		

BUSINESS OUTLOOK

The first six months of 2016 have witnessed moderate growth in the world's major economies, partially eroded by the uncertain economic and political environment in some emerging countries. The outcome of the referendum held in the United Kingdom on 23 June 2016, with a vote to leave the European Union, has unleashed considerable economic and political uncertainty, translating into immediate reaction by the exchange rates of the major international currencies.

Growth has remained stable in the United States while political uncertainty in Brazil has continued to have an adverse impact on the country's economy. The picture is completed by China and Russia, whose economies are showing signs of stabilising after the considerable uncertainties seen at the start of the year.

In such a context, the Group's expectation for FY 2016 is that demand in the cyclical businesses of building wires and medium voltage cables for utilities will be in line with the previous year with a general stabilisation in prices. Given the positive market environment for the Energy Projects segment, the Prysmian Group expects both the Submarine and High underground businesses to improve their performance. In the Oil & Gas segment, the low oil price and consequent reduction in investments in new projects are expected to 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 the second half of 2016 albeit at a slower pace than in 2015.

In addition, assuming constancy of current rates, 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 considerable improvement from the €623 million reported in 2015. This forecast takes into account the current order book and the factors mentioned above, and reflects the expectations for the full consolidation of Oman Cables Industry from 1 January 2016.

Lastly, the Prysmian Group is continuing in 2016 to rationalise its activities with the objective of achieving projected cost efficiencies and greater competitiveness in all areas of its business.

The Prysmian Group's First-Half Financial Report at 30 June 2016, approved by the Board of Directors today, will be available to the public by the legally required deadline 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 30 June 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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Prysmian Group

PRYSMIAN Draka

ANNEX A

Consolidated statement of financial position

(in millions of Euro)

	30 June 2016	31 December 2015 Restated (*)
Non-current assets		
Property, plant and equipment	1,563	1,551
Intangible assets	791	823
Equity-accounted investments	182	177
Available-for-sale financial assets	12	12
Derivatives	1	1
Deferred tax assets	122	83
Other receivables	26	26
Total non-current assets	**2,697**	**2,673**
Current assets		
Inventories	987	984
Trade receivables	1,171	1,098
Other receivables	862	687
Financial assets held for trading	84	87
Derivatives	30	26
Cash and cash equivalents	288	547
Total current assets	**3,422**	**3,429**
Assets held for sale	133	119
Total assets	**6,252**	**6,221**
Equity attributable to the Group:	**1,265**	**1,278**
Share capital	22	22
Reserves	1,128	1,042
Net profit/(loss) for the period	115	214
Equity attributable to non-controlling interests:	**223**	**229**
Share capital and reserves	214	229
Net profit/(loss) for the period	9	-
Total equity	**1,488**	**1,507**
Non-current liabilities		
Borrowings from banks and other lenders	1,139	1,141
Other payables	15	16
Provisions for risks and charges	49	52
Derivatives	12	21
Deferred tax liabilities	98	86
Employee benefit obligations	393	341
Total non-current liabilities	**1,706**	**1,657**
Current liabilities		
Borrowings from banks and other lenders	276	262
Trade payables	1,481	1,377
Other payables	851	984
Derivatives	36	43
Provisions for risks and charges	275	275
Current tax payables	43	27
Liabilities held for sale	96	89
Total current liabilities	**3,058**	**3,057**
Total liabilities	**4,764**	**4,714**
Total equity and liabilities	**6,252**	**6,221**

(*)The figures presented in the consolidated statement of financial position published and approved by the Shareholders' Meeting on 13 April 2016 have been restated for the purchase price allocation of Oman Cables Industry (SAOG), conducted in accordance with the procedures and timing established by IFRS 3 - Business Combinations.

Consolidated income statement

(in millions of Euro)

	1st half 2016	1st half 2015
Sales of goods and services	3,785	3,737
Change in inventories of work in progress, semi-finished and finished goods	7	42
Other income	25	33
of which non-recurring other income	-	-
Raw materials, consumables used and goods for resale	(2,275)	(2,397)
Fair value change in metal derivatives	20	(1)
Personnel costs	(523)	(509)
of which personnel costs for company reorganisation	*(9)*	*(20)*
of which personnel costs for stock option fair value	*(24)*	*(8)*
Amortisation, depreciation, impairment and impairment reversal	(101)	(79)
of which (impairment) and impairment reversals related to company reorganisation	*(1)*	*(5)*
of which other (impairment) and impairment reversals	*(14)*	*(2)*
Other expenses	(735)	(671)
of which non-recurring (other expenses) and releases	-	*(20)*
of which (other expenses) for company reorganisation	*(2)*	*(8)*
Share of net profit/(loss) of equity-accounted companies	14	18
Operating income	**217**	**173**
Finance costs	(249)	(306)
of which non-recurring finance costs	*(1)*	*(1)*
Finance income	212	253
of which non-recurring finance income	-	-
Profit/(loss) before taxes	**180**	**120**
Taxes	(56)	(42)
Net profit/(loss) for the period	**124**	**78**
Attributable to:		
Owners of the parent	115	80
Non-controlling interests	9	(2)
Basic earnings/(loss) per share (in Euro)	**0.54**	**0.37**
Diluted earnings/(loss) per share (in Euro)	**0.54**	**0.37**

Consolidated income statement - 2nd quarter (*)

(in millions of Euro)

	2nd quarter 2016	2nd quarter 2015
Sales of goods and services	1,975	1,984
Change in inventories of work in progress, semi-finished and finished goods	-	(31)
Other income	12	24
of which non-recurring other income	*-*	*(1)*
Raw materials, consumables used and goods for resale	(1,178)	(1,214)
Fair value change in metal derivatives	18	(21)
Personnel costs	(266)	(267)
of which personnel costs for company reorganisation	*(5)*	*(16)*
of which personnel costs for stock option fair value	*(12)*	*(7)*
Amortisation, depreciation, impairment and impairment reversal	(43)	(37)
of which (impairment) and impairment reversals related to company reorganisation	*-*	*1*
of which other (impairment) and impairment reversals	*-*	*(2)*
Other expenses	(380)	(359)
of which non-recurring (other expenses) and releases	*-*	*(20)*
of which (other expenses) for company reorganisation	*-*	*(8)*
Share of net profit/(loss) of equity-accounted companies	7	11
Operating income	**145**	**90**
Finance costs	(95)	(129)
of which non-recurring finance costs	*(1)*	*(1)*
Finance income	76	96
of which non-recurring finance income	*-*	*-*
Profit/(loss) before taxes	**126**	**57**
Taxes	(39)	(21)
Net profit/(loss) for the period	**87**	**36**
Attributable to:		
Owners of the parent	84	39
Non-controlling interests	3	(3)

* The figures for 2nd quarter 2016 and 2015 have not been subjected to limited review by the independent auditors

Consolidated Statement of Comprehensive Income

(in millions of Euro)

	1st half 2016	1st half 2015
Net profit/(loss) for the period	**124**	**78**
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	5	(9)
Fair value gains/(losses) on cash flow hedges - tax effect	(1)	3
Release of cash flow hedge reserve after discontinuing cash flow hedging - gross of tax	-	3
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	-	(1)
Currency translation differences	(21)	33
Total items that may be reclassified, net of tax	**(17)**	**29**
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	(63)	4
Recognition of pension plan asset ceiling	-	-
Actuarial gains/(losses) on employee benefits - tax effect	14	-
Total items that will NOT be reclassified, net of tax	**(49)**	**4**
Total comprehensive income/(loss) for the period	**58**	**111**
Attributable to:		
Owners of the parent	53	112
Non-controlling interests	5	(1)

Consolidated Statement of Comprehensive Income - 2nd quarter (*)

(in millions of Euro)

	2nd quarter 2016	2nd quarter 2015
Net profit/(loss) for the period	**84**	**36**
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	(6)	(3)
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
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	-	(1)
Currency translation differences	19	(29)
Total items that may be reclassified, net of tax	**14**	**(29)**
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	(63)	4
Recognition of pension plan asset ceiling	-	-
Actuarial gains/(losses) on employee benefits - tax effect	14	-
Total items that will NOT be reclassified, net of tax	**(49)**	**4**
Total comprehensive income/(loss) for the period	**49**	**11**
Attributable to:		
Owners of the parent	49	17
Non-controlling interests	-	(6)

* The figures for 2nd quarter 2016 and 2015 have not been subjected to limited review by the independent auditors.

Consolidated statement of cash flows

(in millions of Euro)		1st half 2016	1st half 2015
	Profit/(loss) before taxes	180	120
	Depreciation, impairment and impairment reversals of property, plant and equipment	77	58
	Amortisation and impairment of intangible assets	24	21
	Net gains on disposal of property, plant and equipment, intangible assets and acquisition purchase price adjustment	(1)	-
	Share of net profit/(loss) of equity-accounted companies	(14)	(18)
	Share-based payments	24	8
	Fair value change in metal derivatives and other fair value items	(20)	1
	Net finance costs	37	53
	Changes in inventories	(18)	(38)
	Changes in trade receivables/payables	28	(160)
	Changes in other receivables/ payables	(300)	-
	Changes in receivables/payables for derivatives	(1)	-
	Taxes paid	(38)	(25)
	Dividends received from equity-accounted companies	2	11
	Utilisation of provisions (including employee benefit obligations)	(44)	(33)
	Increases in provisions (including employee benefit obligations)	31	41
A.	**Net cash flow provided by/(used in) operating activities**	**(33)**	**39**
	Investments in property, plant and equipment	(99)	(74)
	Disposals of property, plant and equipment and assets held for sale	1	6
	Investments in intangible assets	(4)	(4)
	Net investments in financial assets held for trading	9	(44)
	Disposals of financial assets held for trading	5	14
B.	**Net cash flow provided by/(used in) investing activities**	**(88)**	**(102)**
	Capital contributions and other changes in equity	-	2
	Dividend distribution	(101)	(91)
	Repayment of non-convertible bond - 2010	-	(400)
	EIB loan	(8)	-
	Issuance of non-convertible bond - 2015	-	739
	Early repayment of credit agreement	-	(400)
	Finance costs paid	(254)	(305)
	Finance income received	212	241
	Changes in net financial payables	18	74
C.	**Net cash flow provided by/(used in) financing activities**	**(133)**	**(140)**
D.	**Currency translation gains/(losses) on cash and cash equivalents**	**(1)**	**1**
E.	**Total cash flow provided/(used) in the period (A+B+C+D)**	**(255)**	**(202)**
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)**	**292**	**292**
	Cash and cash equivalents reported in statement of financial position	**288**	**292**
	Cash and cash equivalents included in assets held for sale	**4**	**-**

ANNEX B

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

(in millions of Euro)

	1st half 2016	1st half 2015
Net profit/(loss) for the period	124	78
Taxes	56	42
Finance income	(212)	(253)
Finance costs	249	306
Amortisation, depreciation, impairment and impairment reversal	101	79
Fair value change in metal derivatives	(20)	1
Fair value change in stock options	24	8
EBITDA	**322**	**261**
Company reorganisation	11	28
Non-recurring expenses/(income):		
Antitrust	-	20
Other non-operating expenses/(income)	14	5
Total adjustments	**25**	**53**
Adjusted EBITDA	**347**	**314**

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

(in millions of Euro)

	1st half 2016	1st half 2015	Change
EBITDA	**322**	**261**	**61**
Changes in provisions (including employee benefit obligations)	(13)	8	(21)
(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	(14)	(18)	4
Net cash flow provided by operating activities (before changes in net working capital)	**294**	**251**	**43**
Changes in net working capital	(291)	(198)	(93)
Taxes paid	(38)	(25)	(13)
Dividends from investments in equity-accounted companies	2	11	(9)
Net cash flow provided by operating activities	**(33)**	**39**	**(72)**
Acquisitions	-	-	-
Net cash flow from operational investing activities	(101)	(72)	(29)
Free cash flow (unlevered)	**(134)**	**(33)**	**(101)**
Net finance costs	(42)	(64)	22
Free cash flow (levered)	**(176)**	**(97)**	**(79)**
Capital contributions and other changes in equity	-	2	(2)
Dividend distribution	(101)	(91)	(10)
Net cash flow provided/(used) in the period	**(277)**	**(186)**	**(91)**
Opening net financial position	**(750)**	**(802)**	**52**
Net cash flow provided/(used) in the period	(277)	(186)	(91)
Other changes	(4)	9	(13)
Closing net financial position	**(1,031)**	**(979)**	**(52)**

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