Informazione Regolamentata n. 0902-44-2016	Data/Ora Ricezione 08 Novembre 2016 16:10:28	MTA

Societa'	:	PRYSMIAN
Identificativo Informazione Regolamentata	:	81079
Nome utilizzatore	:	PRYSMIANN04 - Bifulco
Tipologia	:	IRAG 03
Data/Ora Ricezione	:	08 Novembre 2016 16:10:28
Data/Ora Inizio Diffusione presunta	:	08 Novembre 2016 16:25:29
Oggetto	:	Prysmian S.p.A.: Third-quarter 2016 results

Testo del comunicato

Vedi allegato.

PRESS RELEASE

PRYSMIAN S.P.A. NINE-MONTH RESULTS 2016

SALES RISE TO €5,660 M (ORGANIC GROWTH +1.8%, IN LINE WITH 1H 2016)

PROJECT EXECUTION CAPABILITY DRIVES GROWTH BY ENERGY PROJECTS (+20.9%)

POSITIVE TREND FOR TELECOM CONFIRMED (+8.4%)

IMPROVEMENT IN PROFITABILITY BY ALL BUSINESSES, EXCEPT OIL & GAS

ADJ EBITDA CLIMBS TO €527 M (+11.5%), WITH MARGIN AT 9.3% (8.5% AT 30/9/2015)

NET PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT €188 MILLION (+33.3%)

NET FINANCIAL POSITION €1,017 M (€822 M EXCLUDING ACQUISITIONS; €955 M AT 30/9/2015)

FY 2016 GUIDANCE CONFIRMED; TARGET AT UPPER END OF ADJ EBITDA RANGE €670 M – €720 M

Milan, 8/11/2016. The Board of Directors of Prysmian S.p.A. has approved today the Group's consolidated results for the first nine months of 2016.

"Our capability to execute the major power transmission projects in our portfolio and confirmation of the solid growth trend by Telecom have driven the Group's 2016 nine-month results," explained CEO Valerio Battista. "Sales revenue has grown in line with the first half of the year, but above all we have seen another leap in profitability, with rising margins in almost all our businesses except for Oil & Gas, still affected by the very poor market conditions. Among the winning factors our insistent focus on reducing costs and our progress in rationalizing the manufacturing footprint. The market trend is confirmed as solid for the strategic businesses of power transmission, interconnections, offshore windfarms and optical cables for broadband telecom networks, while we expect the more cyclical businesses to gradually stabilise and Oil & Gas to experience continued difficulties. Based on these prospects, we are able to confirm the profitability targets for full year 2016, with ADJ EBITDA at the upper end of the range of €670-720 million."

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION
(in millions of Euro)

	9 months 2016	9 months 2015	% Change	% organic sales change
Sales	5,660	5,569	1.6%	1.8%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	503	445	12.9%	
Adjusted EBITDA	527	473	11.5%	
EBITDA	488	445	9.7%	
Adjusted operating income	398	364	9.3%	
Operating income	333	284	17.2%	
Profit/(Loss) before taxes	275	207	33.1%	
Net profit/(loss) for the period	198	139	43.0%	
Net profit attributable to owners of the parent	188	141	33.3%	

(in millions of Euro)

	30 September 2016	30 September 2015	Change
Net capital employed	2,968	2,516	452
Employee benefit obligations	393	357	36
Equity	1,558	1,204	354
of which attributable to non-controlling interests	223	32	191
Net financial position	1,017	955	62

FINANCIAL RESULTS

Group **Sales** amounted to €5,660 million, posting organic growth of +1.8% (in line with the organic growth recorded in the first half of the year), assuming the same group perimeter and excluding metal price and exchange rate effects. The strong growth in sales for Energy Projects is attributable to favourable phasing and improved execution capabilities for submarine projects. High voltage underground also performed well. The Telecom business has confirmed a solid growth trend for optical cables, also thanks to the recovery in fibre manufacturing competitiveness. Energy & Infrastructure report signs of slowing for Trade & Installers, partially offset by Power Distribution, which has posted positive results for the first nine months albeit with a slowdown in the third quarter as expected. Industrial & Network Components present a mixed picture, with weaker sales for Specialties & OEM but positive performance by Elevators and Automotive. Lastly, difficult market conditions continue to afflict the Oil & Gas business, impacted by a sharp drop in volumes and prices especially in the Core Oil&Gas cables segment.

Adjusted EBITDA[1] amounted to €527 million (of which €28 million from the additional contribution of fully consolidating Oman Cables Industry), up from €473 million in the first nine months of 2015 (+11.5%), despite the adverse impact of €18 million in exchange rate movements compared with the same period of 2015. Margins improved considerably with Adjusted EBITDA representing 9.3% of sales, up from 8.5%.

EBITDA[2] amounted to €488 million, up 9.7% from €445 million in the first nine months of 2015, including a total of €39 million in net expenses for business reorganisation, net non-recurring expenses and other net non-operating expenses (€28 million in the first nine months of 2015).

Group **Operating Income** came to €333 million, improving by +17.2% from €284 million in the first nine months of 2015.

Net finance costs came to €58 million compared with €77 million in the first nine months of 2015, reporting a reduction of €19 million mainly attributable to lower finance costs associated with improved efficiency of the financial structure and a reduction in average financial exposure.

Net profit came to €198 million, marking a significant increase from €139 million in the first nine months of 2015 (+43.0%). **Net profit attributable to owners of the parent** amounted to €188 million compared with €141 million in the corresponding period of 2015 (+33.3%).

Net Financial Position reported a balance of €1,017 million at 30 September 2016 (€955 million at 30 September 2015). Excluding the impact of recent acquisitions (OCI and GCDT), net financial position would have been €822 million at 30 September 2016.
The principal factors over the previous 12 months that have influenced net financial position at 30 September 2016 are:

- €583 million in cash flow provided by operating activities before changes in net working capital
- €99 million in reductions in working capital
- €85 million in tax payments
- €138 million in net cash flow for acquisitions
- €235 million in net cash outflow for investing activities
- €69 million in net payments of finance costs
- €101 million in dividend payouts
- other effects, of which €83 million linked to the first-time consolidation of the net financial position of Oman Cables Industry and €42 million in currency translation differences affecting net financial position.

---

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

ENERGY PROJECTS

- **PROJECT EXECUTION DRIVES GROWTH IN SUBMARINE CABLES**
- **POSITIVE PERFORMANCE BY HIGH VOLTAGE UNDERGROUND**
- **OFFSHORE WIND PROJECTS IN EUROPE EXPECTED TO ACCELERATE**

Energy Projects sales to third parties jumped to €1,172 million, posting organic growth of +20.9% on the first nine months of 2015. Profitability also improved, with Adjusted EBITDA at €172 million (+12.4%). The Adjusted EBITDA margin on sales was 14.6% versus 15.4% (13% excluding the €24 million write-up related to the Western Link project).

Sales of Submarine Cables and Systems have grown considerably, driven by progress in the execution of the important projects currently in the Group's order book. Margins are 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. The outlook for 2016 is stable for power interconnections while we expect an acceleration in offshore wind projects.

Sales by the High Voltage underground business have performed particularly well, driven by the execution of the France-Italy interconnector and the execution of projects in North America and Asia Pacific. The medium-term outlook is positive for markets in the Middle East, APAC and Central Europe.

The underground and submarine power transmission order book stands at €2,600 million.

(in millions of Euro)

	9 months 2016	9 months 2015	% Change	% organic sales change
Sales	1,172	993	18.0%	20.9%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**172**	**152**	**12.4%**	
% of sales	14.6%	15.4%		
Adjusted EBITDA	**172**	**153**	**12.4%**	
% of sales	14.6%	15.4%		
EBITDA	**169**	**173**	**-2.7%**	
% of sales	14.4%	17.5%		
Amortisation and depreciation	(26)	(22)		
Adjusted operating income	**146**	**131**	**11.8%**	
% of sales	12.4%	13.1%		

Prysmian Group

PRYSMIAN
Draka

ENERGY PRODUCTS

- **TRADE & INSTALLERS: WEAKER SALES WITH BETTER MARGINS**
- **POWER DISTRIBUTION: 9M GROWTH, 3Q SLOWDOWN AS EXPECTED, IMPROVED PROFITABILITY**
- **INDUSTRIAL: ELEVATORS AND AUTOMOTIVE POSITIVE, SLOWDOWN FOR SPECIALTIES & OEM**

Energy Products sales to third parties amounted to €3,398 million, posting negative year-on-year organic growth of -2.1%, with Oceania and certain Asian countries growing, Europe stable and a steep reduction in volumes in Brazil and Argentina. Adjusted EBITDA for the first nine months of 2016 was up +12.6% at €217 million. The Adjusted EBITDA margin improved to 6.4% on sales (5.7% in the corresponding period of 2015).

(in millions of Euro)

	9 months 2016	9 months 2015	% Change	% organic sales change
Sales	3,398	3,398	0.0%	-2.1%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**216**	**180**	**19.7%**	
% of sales	6.3%	5.3%		
Adjusted EBITDA	**217**	**193**	**12.6%**	
% of sales	6.4%	5.7%		
EBITDA	**188**	**171**	**9.9%**	
% of sales	5.5%	5.0%		
Amortisation and depreciation	(62)	(45)	37.4%	
Adjusted operating income	**155**	**148**	**-0.5%**	
% of sales	4.6%	4.4%		

Energy & Infrastructure

Energy & Infrastructure sales to third parties amounted to €2,300 million (of which €403 million contributed by Oman Cables Industry), with year-on-year negative organic growth of -1.9%. Adjusted EBITDA climbed to €123 million (of which €28 million from the additional contribution of fully consolidating Oman Cables Industry), up +25.3% on €99 million in the corresponding period of 2015 (with the Adjusted EBITDA margin on sales improving to 5.4% from 4.5%).

The results for Trade & Installers show a slight organic decline in sales, partly attributable to the Group's decision to focus on a product and channel mix designed to protect its profitability, which has improved. Positive performances were recorded in Northern Europe, while the important South American market, like APAC and Central-Southern Europe, has continued to turn down.
Power Distribution has confirmed a positive sales trend, even if with weaker third-quarter sales as expected, and a general improvement in profitability. Most of the impetus has come from markets in Northern Europe, the Netherlands and APAC. On the downside, demand has slowed in Germany and exchange rates have had a negative impact in Argentina.

Industrial & Network Components

Industrial & Network Components sales to third parties amounted €1,021 million, posting negative organic growth of -2.5%, mainly due to the instability of investment demand in certain industrial sectors. Adjusted EBITDA improved to €95 million from €92 million in the same period of 2015, with the margin on sales rising to 9.3% from 8.1% in the first nine months of 2015.
Specialties & OEM had a negative underlying sales performance, mainly due to slowdown in the mining and nuclear power stations sectors and in renewable energy in China, as partially offset by good performance in the defence and marine sectors. The situation in South America is particularly difficult. The Elevator business has enjoyed a solid performance thanks to the Group's success in increasing its market share in North America with the sale of accessories and after-market services. The Automotive business has reported an underlying increase in sales and a slight improvement in profitability, with positive performances in APAC and Eastern Europe benefiting from the new manufacturing set-up. Sales of Network Components were slightly higher, with solid performance by High Voltage only partially affected by a Medium Voltage slowdown in Europe.

OIL & GAS

- UMBILICALS SALES REFLECTING THE FRAMEWORK AGREEMENT IN BRAZIL
- PROJECT PHASING IMPACTS CORE CABLES BUSINESS
- FOCUS ON SUPPLY CHAIN OPTIMISATION AND EFFECTIVE USE OF MANUFACTURING FOOTPRINT

Oil & Gas sales to third parties came to €225 million, posting negative organic growth of -31.6% compared with the corresponding period of 2015. The performance of the Oil & Gas segment has been hit hard by the oil price trend, which is affecting investment decisions by the industry's players. Adjusted EBITDA for the first nine months of 2016 was €9 million compared with €21 million in the corresponding period of 2015 (-54.5%). The Adjusted EBITDA margin on sales was 4.1% (6.2% in the first nine months of 2015).

In particular, the phasing of both onshore and offshore projects in the Core Oil & Gas Cables business has resulted in a steep fall in volumes and drop in prices. Market conditions remain difficult and the Group confirms its focus on restructuring and optimizing the manufacturing footprint, continuing to rely on the greater competitiveness of its manufacturing facilities based in Asia.

In the SURF business (Subsea Umbilicals Risers and Flowlines), the performance of Umbilicals is evolving in line with expectations and reflects the renewed terms of the framework agreement in Brazil. The Group is continuing its efforts to optimise the supply chain and strengthen integration with key suppliers. The results for Downhole Technology products are in line with the corresponding period of 2015 and have benefited from full integration of Gulf Coast Downhole Technologies LLC, a company acquired in the second half of 2015.

(in millions of Euro)

	9 months 2016	9 months 2015	% Change	% organic sales change
Sales	225	331	-31.8%	-31.6%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**9**	**21**	**-54.2%**	
% of sales	4.2%	6.2%		
Adjusted EBITDA	**9**	**21**	**-54.5%**	
% of sales	4.1%	6.2%		
EBITDA	**8**	**10**	**-20.0%**	
% of sales	3.6%	3.0%		
Amortisation and depreciation	(11)	(9)	36.6%	
Adjusted operating income	**(2)**	**12**	**-277.9%**	
% of sales	-1.0%	3.7%		

TELECOM

- **HIGHER SALES AND IMPROVED PROFITABILITY**
- **GROWTH FOR OPTICAL FIBRE AND CABLES**
- **POSITIVE PERFORMANCE BY MULTIMEDIA SOLUTIONS**

Telecom sales to third parties amounted to €865 million, with organic growth of +8.4% driven by healthy demand for optical fibre cables and by strong demand for copper cables in APAC. Adjusted EBITDA for the first nine months of 2016 came in at €129 million, posting a year-on-year increase of +20.9% and an improvement in margin to 14.9% from 12.6% in the first nine months of 2015.

The Telecom Solutions business has confirmed the positive performance of optical cables and fibre, with a solid trend in Australia, North America and France. The recovery of efficiency and competitiveness by fibre manufacturing has been reflected in a significant improvement in margins. This has been accompanied by robust demand for copper cables in APAC.

Multimedia Solutions have enjoyed a positive performance in Europe, also thanks to increased production capacity for copper data transmission cables.

The high value–added business of optical connectivity accessories has performed well, triggered by the development of new FTTx networks (providing last mile broadband) in Europe and particularly in France, Spain and the Netherlands.

(in millions of Euro)

	9 months 2016	**9 months 2015**	**% Change**	**% organic sales change**
Sales	865	847	2.2%	8.4%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**106**	**92**	**15.3%**	
% of sales	12.2%	10.8%		
Adjusted EBITDA	**129**	**106**	**20.9%**	
% of sales	14.9%	12.6%		
EBITDA	**128**	**94**	**36.0%**	
% of sales	14.7%	11.1%		
Amortisation and depreciation	(30)	(33)		
Adjusted operating income	**99**	**73**	**60.8%**	
% of sales	11.4%	8.6%		

BUSINESS OUTLOOK

The first nine months of 2016 have witnessed a macroeconomic environment with modest but mixed growth by Europe's major economies, partially eroded by the uncertainty generated by the outcome of the referendum held in the United Kingdom on 23 June 2016, with a vote to leave the European Union. In the United States growth has remained stable but less intense than in 2015. Among the main emerging economies, China and Russia are showing signs of stabilising after the considerable uncertainties seen at the start of the year, while the economic and political situation in Brazil remains challenging.

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 slightly lower than the previous year with a general stabilisation in prices. Given the positive market environment for the Energy Projects segment, the Group expects both the Submarine and High Voltage underground businesses to improve their performance. In the Oil & Gas segment, the low oil price and consequent reduction of investments in new projects are expected to adversely affect the Group's activities, especially in its Core Oil & Gas Cables business. In the Telecom segment, it is expected that the growth in demand for optical fibre cables recorded in the first part of the year, will continue through to the end of 2016.
In addition, assuming current exchange rates remain unchanged, these can be expected to have a negative impact on the FY 2016 results simply 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 at upper end of the range €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 concerning 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 Quarterly Financial Report at 30 September 2016, approved by the Board of Directors today, will be made 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 nine-month results at 30 September 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.

Media Relations
Lorenzo Caruso
Corporate and Business Communications Director
Ph. 0039 02 6449.1
lorenzo.caruso@prysmiangroup.com

Investor Relations
Cristina Bifulco
Investor Relations Director
Ph. 0039 02 6449.1
mariacristina.bifulco@prysmiangroup.com

ANNEX A

Consolidated statement of financial position

(in millions of Euro)

	30 September 2016	31 December 2015 (*)
Non-current assets		
Property, plant and equipment	1,580	1,551
Intangible assets	781	823
Equity-accounted investments	187	177
Available-for-sale financial assets	12	12
Derivatives	2	1
Deferred tax assets	123	83
Other receivables	24	26
Total non-current assets	**2,709**	**2,673**
Current assets		
Inventories	961	984
Trade receivables	1,107	1,098
Other receivables	893	687
Financial assets held for trading	69	87
Derivatives	21	26
Cash and cash equivalents	314	547
Total current assets	**3,365**	**3,429**
Assets held for sale	114	119
Total assets	**6,188**	**6,221**
Equity attributable to the Group:	**1,335**	**1,278**
Share capital	22	22
Reserves	1,125	1,042
Net profit/(loss) for the period	188	214
Equity attributable to non-controlling interests:	**223**	**229**
Share capital and reserves	213	229
Net profit/(loss) for the period	10	-
Total equity	**1,558**	**1,507**
Non-current liabilities		
Borrowings from banks and other lenders	1,121	1,141
Other payables	15	16
Provisions for risks and charges	46	52
Derivatives	10	21
Deferred tax liabilities	97	86
Employee benefit obligations	393	341
Total non-current liabilities	**1,682**	**1,657**
Current liabilities		
Borrowings from banks and other lenders	289	262
Trade payables	1,407	1,377
Other payables	806	984
Derivatives	23	43
Provisions for risks and charges	283	275
Current tax payables	64	27
Liabilities held for sale	76	89
Total current liabilities	**2,948**	**3,057**
Total liabilities	**4,630**	**4,714**
Total equity and liabilities	**6,188**	**6,221**

(*) The previously published figures reported in the consolidated statement of financial position have been restated for the Purchase Price Allocation of Oman Cables Industry (SAOG).

Consolidated income statement

(in millions of Euro)	9 months 2016	9 months 2015
Sales of goods and services	5,660	5,569
Change in inventories of work in progress, semi-finished and finished goods	(9)	27
Other income	47	41
of which non-recurring other income	*-*	*-*
Raw materials, consumables used and goods for resale	(3,339)	(3,502)
Fair value change in metal derivatives	24	(29)
Personnel costs	(783)	(745)
of which personnel costs for company reorganisation	*(22)*	*(25)*
of which personnel costs for stock option fair value	*(35)*	*(16)*
Amortisation, depreciation, impairment and impairment reversal	(144)	(116)
of which (impairment) and impairment reversals related to company reorganisation	*(1)*	*(5)*
of which other (impairment) and impairment reversals	*(14)*	*(2)*
Other expenses	(1,147)	(988)
of which non-recurring (other expenses) and releases	*-*	*21*
of which (other expenses) for company reorganisation	*(5)*	*(7)*
Share of net profit/(loss) of equity-accounted companies	24	27
Operating income	**333**	**284**
Finance costs	(362)	(441)
of which non-recurring finance costs	*(1)*	*(2)*
Finance income	304	364
of which non-recurring finance income	*-*	*-*
Profit/(loss) before taxes	**275**	**207**
Taxes	(77)	(68)
Net profit/(loss) for the period	**198**	**139**
Attributable to:		
Owners of the parent	188	141
Non-controlling interests	10	(2)
Basic earnings/(loss) per share (in Euro)	**0.88**	**0.66**
Diluted earnings/(loss) per share (in Euro)	**0.86**	**0.65**

Consolidated income statement - 3rd quarter

(in millions of Euro)

	3rd quarter 2016	3rd quarter 2015
Sales of goods and services	1,875	1,832
Change in inventories of work in progress, semi-finished and finished goods	(16)	(15)
Other income	22	8
of which non-recurring other income	-	-
Raw materials, consumables used and goods for resale	(1,064)	(1,105)
Fair value change in metal derivatives	4	(28)
Personnel costs	(260)	(236)
of which personnel costs for company reorganisation	*(13)*	*(5)*
of which personnel costs for stock option fair value	*(11)*	*(8)*
Amortisation, depreciation, impairment and impairment reversal	(43)	(37)
of which (impairment) and impairment reversals related to company reorganisation	-	-
of which other (impairment) and impairment reversals	-	-
Other expenses	(412)	(317)
of which non-recurring (other expenses) and releases	-	*41*
of which (other expenses) for company reorganisation	*(3)*	*1*
Share of net profit/(loss) of equity-accounted companies	10	9
Operating income	**116**	**111**
Finance costs	(113)	(135)
of which non-recurring finance costs	-	*(1)*
Finance income	92	111
of which non-recurring finance income	-	-
Profit/(loss) before taxes	**95**	**87**
Taxes	(21)	(26)
Net profit/(loss) for the period	**74**	**61**
Attributable to:		
Owners of the parent	73	61
Non-controlling interests	1	-

Consolidated Statement of Comprehensive Income

(in millions of Euro)

	9 months 2016	9 months 2015
Net profit/(loss) for the period	**198**	**139**
Comprehensive income/(loss) for the period:		
- items that may be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on cash flow hedges - gross of tax	7	(2)
Fair value gains/(losses) on cash flow hedges - tax effect	(2)	1
Release of cash flow hedge reserve after discontinuing cash flow hedging - gross of tax	-	3
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	-	(1)
Currency translation differences	(37)	(52)
Total items that may be reclassified, net of tax	**(32)**	**(51)**
- 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	1
Total items that will NOT be reclassified, net of tax	**(49)**	**5**
Total comprehensive income/(loss) for the period	**117**	**93**
Attributable to:		
Owners of the parent	112	95
Non-controlling interests	5	(2)

Consolidated Statement of Comprehensive Income - 3rd quarter

(in millions of Euro)

	3rd quarter 2016	3rd quarter 2015
Net profit/(loss) for the period	**74**	**61**
Comprehensive income/(loss) for the period:		
- items that may be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on cash flow hedges - gross of tax	2	7
Fair value gains/(losses) on cash flow hedges - tax effect	(1)	(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	(16)	(85)
Total items that may be reclassified, net of tax	**(15)**	**(80)**
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	-	-
Recognition of pension plan asset ceiling	-	-
Actuarial gains/(losses) on employee benefits - tax effect	-	1
Total items that will NOT be reclassified, net of tax	**-**	**1**
Total comprehensive income/(loss) for the period	**59**	**(18)**
Attributable to:		
Owners of the parent	59	(17)
Non-controlling interests	-	(1)

Consolidated statement of cash flows

(in millions of Euro)

		9 months 2016	9 months 2015
	Profit/(loss) before taxes	275	207
	Depreciation, impairment and impairment reversals of property, plant and equipment	108	87
	Amortisation and impairment of intangible assets	36	29
	Net gains on disposal of property, plant and equipment, intangible assets and acquisition purchase price adjustment	(1)	-
	Badwill from business combinations	(5)	-
	Share of net profit/(loss) of equity-accounted companies	(24)	(27)
	Share-based payments	35	16
	Fair value change in metal derivatives and other fair value items	(24)	29
	Net finance costs	58	77
	Changes in inventories	10	(12)
	Changes in trade receivables/payables	17	(204)
	Changes in other receivables/ payables	(369)	18
	Taxes paid	(53)	(39)
	Dividends received from equity-accounted companies	7	15
	Utilisation of provisions (including employee benefit obligations)	(61)	(84)
	Increases in provisions (including employee benefit obligations)	55	43
A.	**Net cash flow provided by/(used in) operating activities**	**64**	**155**
	Acquisitions	-	-
	Investments in property, plant and equipment	(147)	(121)
	Disposals of property, plant and equipment and assets held for sale	2	9
	Investments in intangible assets	(7)	(5)
	Net investments in financial assets held for trading	(1)	(38)
	Disposals of financial assets held for trading	24	11
B.	**Net cash flow provided by/(used in) investing activities**	**(129)**	**(144)**
	Capital contributions and other changes in equity	-	3
	Dividend distribution	(101)	(91)
	Repayment of non-convertible bond - 2010	-	(400)
	EIB loan	(17)	(9)
	Issuance of non-convertible bond - 2015	-	739
	Early repayment of credit agreement	-	(400)
	Finance costs paid	(334)	(430)
	Finance income received	277	342
	Changes in net financial payables	14	2
C.	**Net cash flow provided by/(used in) financing activities**	**(161)**	**(244)**
D.	**Currency translation gains/(losses) on cash and cash equivalents**	**(3)**	**(14)**
E.	**Total cash flow provided/(used) in the period (A+B+C+D)**	**(229)**	**(247)**
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)**	**318**	**247**
	Cash and cash equivalents reported in statement of financial position	**314**	**247**
	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)

	9 months 2016	9 months 2015
Net profit/(loss) for the period	198	139
Taxes	77	68
Finance income	(304)	(364)
Finance costs	362	441
Amortisation, depreciation, impairment and impairment reversal	144	116
Fair value change in metal derivatives	(24)	29
Fair value change in stock options	35	16
EBITDA	**488**	**445**
Company reorganisation	27	32
Non-recurring expenses/(income):		-
Antitrust	-	(21)
Other non-operating expenses/(income)	12	17
Total adjustments to EBITDA	**39**	**28**
Adjusted EBITDA	**527**	**473**

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

(in millions of Euro)

	9 months 2016	9 months 2015	Change
EBITDA	**488**	**445**	**43**
Changes in provisions (including employee benefit obligations)	(6)	(41)	35
(Gains)/losses on disposal of property, plant and equipment, intangible assets and non-current assets	(1)	-	(1)
Badwill from business combinations	(5)		(5)
Share of net profit/(loss) of equity-accounted companies	(24)	(27)	3
Net cash flow provided by operating activities (before changes in net working capital)	**452**	**377**	**75**
Changes in net working capital	(342)	(198)	(144)
Taxes paid	(53)	(39)	(14)
Dividends from investments in equity-accounted companies	7	15	(8)
Net cash flow provided by operating activities	**64**	**155**	**(91)**
Acquisitions	-	-	-
Net cash flow from operational investing activities	(152)	(117)	(35)
Free cash flow (unlevered)	**(88)**	**38**	**(126)**
Net finance costs	(57)	(88)	31
Free cash flow (levered)	**(145)**	**(50)**	**(95)**
Capital contributions and other changes in equity	-	3	(3)
Dividend distribution	(101)	(91)	(10)
Net cash flow provided/(used) in the period	**(246)**	**(138)**	**(108)**
Opening net financial position	**(750)**	**(802)**	**52**
Net cash flow provided/(used) in the period	(246)	(138)	(108)
Other changes	(21)	(15)	(6)
Closing net financial position	**(1,017)**	**(955)**	**(62)**

Fine Comunicato n.0902-44	Numero di Pagine: 15