SPAFID CONNECT

Informazione Regolamentata n. 0206-29-2021	Data/Ora Ricezione 12 Maggio 2021 17:41:45	MTA

Societa'	:	PIRELLI & C.
Identificativo Informazione Regolamentata	:	147014
Nome utilizzatore	:	PIRELLISPAN03 - Mauri
Tipologia	:	REGEM
Data/Ora Ricezione	:	12 Maggio 2021 17:41:45
Data/Ora Inizio Diffusione presunta	:	12 Maggio 2021 17:41:46
Oggetto	:	PIRELLI & C. SPA BOARD APPROVES CONSOLIDATED RESULTS TO 31 MARCH 2021

Testo del comunicato

Vedi allegato.

E-MARKET SDIR CERTIFIED

PRESS RELEASE

PIRELLI & C. SPA BOARD APPROVES CONSOLIDATED RESULTS TO 31 MARCH 2021

PIRELLI: MARKED GROWTH IN REVENUES (+18.4%) AND EBIT (+19.6%)

HIGH VALUE STRENGTHENED, +33.3% CAR VOLUMES ≥18" (MARKET +20%)

NET PROFIT RISES TO 42.2 MILLION EURO

IMPROVED CASH FLOW COMPARED WITH FIRST QUARTER 2020

- Revenues: 1,244.7 million euro, an increase of 18.4% compared with first quarter 2020 (organic variation +24.5%). High Value revenues reach 72.6% of total revenues, +3 basis points compared with the first quarter of 2020

- Total volumes grew 22.2%: +33.3% Car volumes ≥18" (market +20%) with the performance in Apac double the market and +39% volumes ≥19" (market +26%)

- Price/mix +2.3% in first quarter 2021 (-1.3% in the first quarter 2020) thanks to the over-performance of High Value and improved product mix

- Adjusted ebit: +19.6% to 168.8 million euro (141.1 million in first the quarter 2020), with a margin at 13.6% (13.4% in the first quarter 2020)

- The adjusted Ebit margin, in line with company expectations, discounts the impact of some costs with a seasonality concentrated in the first quarter. Profitability seen improving in the coming quarters thanks to the contribution of internal levers and the normalization of the seasonality of costs

- Net profit: +9.6% to 42.2 million euro (+38.5 million euro in the first quarter 2020)

- Net cash flow: -653.5 million euro, an improvement compared with -753.5 million euro in the first quarter 2020) thanks to the operating performance and management of working capital

- Net financial position: -3,911.9 million euro (-3,258.4 million euro on 31 December 2020 and -4,260.7 million euro on 31 March 2020) because of the usual seasonality of working capital

***

2021 TARGETS

Confirms 2021 targets issued on 31 March with presentation of Industrial Plan 2021-2022| 2025

***

Milan, 12 May 2021 – The Board of Directors of Pirelli & C. Spa met today and approved the consolidated results through 31 March 2021, in line with the course indicated in the industrial plan 2021-2022|2025 and which reflect the first evidence of "key programs" launched at the beginning of 2021. In detail:

- Commercial program:
  in the context of a general recovery, Pirelli registered a **performance better than the global performance of the High Value market**, with growth of +33% in volumes of Car ≥18" (market +20%), and of +39% of volumes of Car ≥19" (market +26%) thanks to a portfolio of products

with elevated technological content and production and logistics structures able to manage demand volatility. **Exposure to electric grew**, with Original Equipment volumes equal to about 8 times those of the first quarter of 2020. The company also **consolidated leadership in China** at the high end both in Original Equipment (thanks to significant exposure to Premium Car makers and partnerships with the main local Premium electric vehicle makers) and Replacement (intercepting the recovery in demand through the distribution channel and strong development of on-line channels). In the **Standard segment** sales were also higher than the market, thanks to the focus of products with higher rim sizes. **Progressive improvement of the price/mix** - in line with the targets for the year – that more than offsets the impact of raw materials on adjusted Ebit.

- **Innovation program**
  During the quarter around 70 technical homologations were registered in Original Equipment, equal to over 20% of the annual target (around 80% concentrated in rim sizes ≥19" and around 50% in Specialties). In the Replacement channel, two new product lines were launched in Europe.
- **Competitiveness program**
  Pirelli recorded gross benefits of 26 million euro (15 million net of inflation) thanks to the launch of phase 2 of the efficiencies' plan which brought savings in product costs (*modularity* and *design-to-cost*), manufacturing (completion of optimization of industrial footprint and efficiency actions), SG&A (optimization of warehouse logistics network and negotiation actions in purchasing) and Organization (recourse to digital transformation).
- **Operations program**
  During the quarter the course towards a return to optimal plant saturation levels continued – already at about 90% - with the simultaneous optimization of inventory levels (substantially stable compared with the end of 2020 – 19.5% of revenues in the last 12 months - notwithstanding a higher level of demand).
- **Digitalization program**
  The actions aimed at transforming the company's key processes by 2023 continues, connecting in real time and integrating internal functions with external partner/clients through digital platforms, "data lake" and models of artificial intelligence.

In the first quarter, Pirelli registered growth in the main economic indicators, supported by the recovery in demand. In particular:

Revenues amounted to 1,244.7 million euro, an increase of 18.4% compared with the first quarter of 2020 **(~+10% ÷~ +12% 2021 targets),** thanks to the recovery in demand in the main geographical areas with a strengthening of market share in the main segments. The economic growth of revenues was +24.5% (-6.1% the impact from forex/hyperinflation Argentina). High Value reached 72.6% of group sales (+3 basis points compared with 69.6% in the first quarter of 2020).

Revenue variants		31/03/2021
Volumes		+22.2%
	of which High Value +29,3%	
	of which Standard +15.4%	
Price/Mix		+2.3%
Forex/Hyperinflation Argentina		-6.1%
Total variation (1Q2021 vs 1Q2020)		+18.4%

The performance of Pirelli volumes in the first quarter shows growth of 22.2% **(~+11%÷ ~+13% 2021 targets**) and reflects the recovery of demand in both segments: High Value registered growth of 29.3% **(~+15%÷ ~+17% 2021 targets**), while Standard grew 15.4% **(~+6%÷ ~+8% 2021 targets**).

E-MARKET SDIR CERTIFIED

In particular, in Car ≥18", Pirelli registered an increase of 33.3%, markedly better than the market's performance (+20%) and with a performance in Apac double the market. In particular:

- Original Equipment: Pirelli volumes +36.2% (market +18.2%) thanks to exposure to Premium and Prestige car makers and the consolidation of client portfolios in North America and Apac, where the latter benefitted from the favourable comparison basis compared with the negative trend of the first quarter of 2020;
- Replacement: Pirelli volumes +30.9% (market +21.3%) with an increase in market shares in the principle geographical areas.

Marked growth in volumes of **Car ≥19**" which registered an increase of +39% compared with a market that grew +26%.

In **Car ≤17"** the growth of **volumes** in the quarter (+11.7%) was also more marked compared with the market (+10.1%) thanks to the focus on products with bigger rim sizes.

The **price/mix** in the first quarter was +2.3% (**~+2.5%÷~+3% targets**), a marked improvement compared with +0.6% in the fourth quarter of 2020, because of strong growth in High Value in the ≥19'' segment and specialties, in particular in Apac. The price/mix trend in the first quarter was in line with the company's expectations and does not yet reflect the rebalancing of the channel mix (foreseen in the second half of the year) and price increases (implemented from March in Europe, from April in China and from May in the USA).

In the first quarter, the impact of **forex/hyperinflation Argentina** was negative -6.1% (**~-3.5% year targets**) because of the devaluation of the dollar (-8% compared with the first quarter 2020) and the main currencies in emerging countries compared with the euro (Brazilian real -26%, ruble -18%).

Profitability

Profitability *(euro millions)*	31/03/2021	% of revenues	31/03/2020	% of revenues	Variation y/y
Adjusted Ebitda	**266.5**	**21.4%**	**244.2**	**23.2%**	**+9.1%**
Ebitda	223.5	18.0%	220.2	20.9%	+1.5%
Adjusted Ebit	**168.8**	**13.6%**	**141.1**	**13.4%**	**+19.6%**
Ebit	97.4	7.8%	88.4	8.4%	+10.2%

The **adjusted Ebit in the first quarter of 2021** was 168.8 million euro, an increase of +19.6% compared with 141.1 million in the same period of 2020, with an adjusted Ebit margin of 13.6% compared with 13.4% in the first quarter of 2020 (**>14% ÷ ~15% 2021 targets**) thanks to improved internal levers (volumes, price/mix, efficiencies) which more than offset the negatives of the external context (raw materials, inflation, forex impact).

In detail, in the first quarter, the adjusted Ebit reflects:

- the positive effect of volumes (+95.9 million euro), which benefits from the recovery in demand;
- the **positive effect of price/mix** (+16.0 million euro) which more than offset the increase in raw materials' costs (-11.1 million euro), due to the depreciation of the main currencies the group's production countries (South America, Romania, Russia);
- the **positive effect of Phase 2 of the Competitiveness Plan** which generated structural efficiencies of 25.8 million euro, which compensated for **inflation** (-10.8 million euro) and the **reversal impact of the Covid Plan** of -15 million euro (equal to the balance between 25 million euro of discretionary costs relative to activities suspended in 2020 to counterbalance the effects of the pandemic and the benefits stemming from the greater plant utilization equal to 10 million euro). In the first quarter the impact of the "reversal impact" of the Covid plan amounted to 50% of that expected in 2021 (- 29 million euro);
- the **negative impact of exchange rates** (-11 million euro) and **amortizations** (-4 million euro);
- **the impact of increases of "Costs for growth and other"** (-58.1 million euro), which include:

- -27 million of greater costs (almost the total foreseen for the year) for R&D, sponsorships and marketing (the latter equal to -19 million euro);
- -10.6 million relative to greater provisions for the management incentive plan both in the short term (which had been cancelled in 2020) and long term;
- -20.5 million euro of increases in “other costs” relative to activities which in 2020, because of Covid, were postponed to the second part of the year.

In 2021 the increase of “costs for growth and other” is estimated in total at around -30 million euro (an improvement from -58.1 million euro in the first quarter), mainly due to:

- the normalization of the seasonality of some expense items;
- the positive impact on costs derived from both the normalization of inventories compared with 2020 and the increase of the same in 2021.

Over the coming quarters, profitability is seen improving thanks to the performance above the market’s at the high end, price/mix which will offset the increase in raw materials, the progressive realization of the 2021 competitiveness plan and the normalization of seasonality of “costs for growth and other costs”.

Ebit was 97.4 million euro (88.4 million euro in 2020) and includes:

- amortization of intangible assets identified in the context of PPA of 28.4 million euro (in line with the first quarter 2020);
- one-off, non-recurring and restructuring charges and other of 39.4 million euro (18.6 million euro in the first quarter of 2020) mainly due to actions to rationalize structures, as well as the retention plan (approved by the Board on 26 February 2018) of 2.3 million euro (1.9 million euro in 2020);
- direct costs linked to the Covid-19 emergency of 3.6 million euro (5.4 million in the first quarter of 2020), mainly related to personal protection materials.

The **result from equity investments** was -0.1 million euro compared with -5.3 million euro in the first quarter of 2020.

Net financial charges in the first quarter of 2021 were 40 million euro compared with 32.5 million euro in the same period of 2020. The increase of 7.5 million euro mainly reflects costs for commissions not yet amortized which impact the income statement ahead of time. This effect is due to the partial reimbursement – before the contractual expiry in June 2022 – of the group’s principle bank line which led to the booking in the first quarter of 2021 of charges which for the most part would have been registered in the income statement during the year. Following the partial reimbursement, which took place in February 2021, Pirelli will benefit over the coming months from lower financial charges on its main bank line.

In the first quarter of 2021, the cost of debt on an annual basis (calculated on the last twelve months) was 2.1% (1.94% on 31 December 2020).

Fiscal charges in the first quarter of 2021 were 15.1 million euro compared with a pretax profit of 57.3 million euro, with a tax rate at 26.4%, in line with the tax rate expected for 2021.

Net profit in the first quarter 2021 was +42.2 million euro, up by 9.6% from +38.5 million in the first quarter of 2020.

Net cash flow was -653.5 million euro (an improvement of 100 million compared with -753.5 million in the first quarter 2020) mainly thanks to the improvement of **the operating net cash flow**, equal to -567.2 million compared with -696.5 million in the first quarter of 2020. This variation reflects:

- the positive effect of the performance of the operating result (168.8 million euro in the first three months of 2021, compared with 141.1 million in the same period of 2020);
- greater tangible and intangible investments (CapEx) of 33.2 million euro (89.8 million euro in the first quarter of 2021 compared with 56.6 million euro in the first quarter of 2020), mainly destined to High Value activities, the constant improvement of the mix and quality of all the factories. The increase compared with the first quarter in 2020 (the latter influenced by the actions put in place to mitigate the impact of Covid-19) is in line with the recovery in investments expected for 2021;

- lower cash absorption linked to working capital and other of -144.0 million euro (-717.2 million euro in the first quarter of 2021 compared with -861.2 million euro in the first quarter of 2020). This improvement was mainly due to:
    - effective management of inventories, which were substantially stable at end of 2020 levels (19.5% of revenues of the last 12 months) which compare with growth in the first quarter of 2020 (equal to 22.5% of revenues) because of the Covid-19 emergency;
    - lower cash absorption linked to payables, also because of the low level of investments made in the last quarter of 2020. This improvement was partially offset by the greater cash absorption connected with trade receivables (in line with the recovery of the business and increase in revenues compared with the first quarter of 2020).

The **net financial position** on 31 March 2021 was negative 3,911.9 million euro (-3,258.4 million on 31 December 2020 and -4,260.7 million euro on 31 March 2020) with cash absorption lower by about 100 million euro compared with the first quarter of 2020 thanks to improved operational performance and management of working capital, particularly inventories above mentioned.

The liquidity margin, on 31 March 2021 at 1,456.0 million euro, guarantees the coverage of debt maturities with banks and other financiers until the first half of 2023, also thanks to the company's right to extend bank debt maturing in June 2022 for an additional two years.

***

2021 Targets

Pirelli confirms the 2021 targets that were announced to the market during the presentation to the financial community, on 31 March 2021, of the Industrial Plan 2021-2022| 2025.

***

Events after 31 March 2021

For events after 31 March 2021, please consult the dedicated section in the intermediate management report that will be available at the company website www.pirelli.com

***

Conference call

The results through 31 March 2021 will be illustrated today, 12 May 2021, at 18.30 in a conference call with the participation of the Executive Vice Chairman and CEO of Pirelli & C. SpA, Marco Tronchetti Provera, and top management. Journalists will be able to follow the presentation by telephone, with the possibility of asking questions, by dialing **+39 02 805 88 27**. The presentation will also be webcast – in real time – at www.pirelli.com in the Investors section, where the slides will also be available.

***

The intermediate management report through 31 March 2021 will be available to the public by the end of today at the Company's legal headquarters, as well as being published on the Company website (www.pirelli.com) and the eMarket Storage (www.emarketstorage.com) storage mechanism.

***

The manager with responsibility for the preparation of the company accounting documents of Pirelli & C. S.p.A., Mr. Francesco Tanzi, declares that in accordance with paragraph 2 of srticle 154 bis of the Testo Unico della Finanza that the accounting information contained in this release correspond to the results of documents, books and accounting scripts.

***

Pirelli press office – Tel. +39 02 64424270 – pressoffice@pirelli.com
Pirelli investor relations – Tel. +39 02 64422949 – ir@pirelli.com
www.pirelli.com

Pirelli – Economic data to 31.03.2021

(in millions of euro)		**1 Q 2021**	**1 Q 2020**
Net sales		**1.244,7**	**1.051,6**
EBITDA adjusted (°)		**266,5**	**244,2**
% of net sales		21,4%	23,2%
EBITDA (°°)		**223,5**	**220,2**
% of net sales		18,0%	20,9%
EBIT adjusted		**168,8**	**141,1**
% of net sales		13,6%	13,4%
Adjustments:	- amortisation of intangible assets included in PPA	(28,4)	(28,7)
	- non-recurring, restructuring expenses and other	(39,4)	(18,6)
	- COVID-19 direct costs	(3,6)	(5,4)
EBIT		**97,4**	**88,4**
% of net sales		7,8%	8,4%
Net income/(loss) from equity investments		(0,1)	(5,3)
Financial income/(expenses) (°°)		(40,0)	(32,5)
Net income/(loss) before tax		**57,3**	**50,6**
Tax income/(expenses)		(15,1)	(12,1)
Tax rate %		26,4%	24,0%
Net income/(loss)		**42,2**	**38,5**
Eanings/(loss) per share (in euro per share)		0,04	0,04
Net income/(loss) adjusted		93,9	76,3
Net income/(loss) attributable to owners of the Parent Company		39,0	37,2

(°) The adjustments refer to one-off, non-recurring and restructuring expenses to the amount of euro 37.1 million (euro 16.7 million for the first quarter of 2020), expenses relative to the retention plan approved by the Board of Directors on February 26, 2018 to the amount of euro 2.3 million (euro 1.9 million for the first quarter of 2020), and COVID-19 direct costs to the amount of euro 3.6 million (euro 5.4 million for the first quarter of 2020).

(°°) This item includes the impacts deriving from the application of the accounting standard IFRS 16 – Leases, on EBITDA to the amount of euro +24 million (euro +26.7 million for the first quarter of 2020), and on financial expenses to the amount of euro -6.2 million (euro -5.9 million for the first quarter of 2020).

E-MARKET SDIR CERTIFIED

Pirelli – Balance sheet data to 31.03.2021

(in millions of euro)		03/31/2021	12/31/2020	03/31/2020
Fixed assets		**8.870,6**	**8.857,1**	**9.174,9**
	Inventories	874,5	836,4	1.137,4
	Trade receivables	814,1	597,7	658,6
	Trade payables	(862,1)	(1.268,0)	(961,3)
Operating net working capital		**826,5**	**166,1**	**834,7**
% of net sales (*)		18,4%	3,9%	16,5%
	Other receivables/other payables	2,1	(25,6)	163,5
Net working capital		**828,6**	**140,5**	**998,2**
% of net sales (*)		18,4%	3,3%	19,7%
Net invested capital		**9.699,2**	**8.997,6**	**10.173,1**
Equity		**4.632,8**	**4.551,9**	**4.590,3**
Provisions		1.154,5	1.187,3	1.322,1
Net financial (liquidity)/debt position		**3.911,9**	**3.258,4**	**4.260,7**
Equity attributable to owners of the Parent Company		4.521,7	4.447,4	4.493,3
Investments in intangible and owned tangible assets (CapEx)		89,8	140,0	56,6
Increases in rights of use		26,7	68,5	22,9
Research and development expenses		58,6	194,6	53,2
% of net sales		4,7%	4,5%	5,1%
Research and development expenses - High Value		54,9	182,5	49,4
% of High Value sales		6,1%	6,0%	6,7%
Employees (headcount at end of period)		30.776	30.510	31.197
Industrial sites (number)		19	19	19

(°) during interim periods net sales refer to the last twelve months.

Cash flow statement

(in millions of euro)	**1 Q**	
	2021	**2020**
EBIT adjusted	168,8	141,1
Amortisation and depreciation (excluding PPA amortisation)	97,7	103,1
Investments in owned tangible and intangible assets (CapEx)	(89,8)	(56,6)
Increases in rights of use	(26,7)	(22,9)
Change in working capital / other	(717,2)	(861,2)
Operating net cash flow	**(567,2)**	**(696,5)**
Financial income / (expenses)	(40,0)	(32,5)
Taxes paid	(37,1)	(31,4)
Cash Out for non-recurring, restructuring expenses and other	(28,9)	(20,7)
Differences from foreign currency translation / other	15,9	27,6
Net cash flow before dividends, extraordinary transactions and investments	**(657,3)**	**(753,5)**
(Acquisition) / Disposals of investments	3,8	-
Net cash flow before dividends paid by the Parent Company	**(653,5)**	**(753,5)**
Dividends paid by the Parent Company	-	-
Net cash flow	**(653,5)**	**(753,5)**

ALTERNATIVE PERFORMANCE INDICATORS

This document, in addition to the financial measures provided for by the International Financial Reporting Standards (IFRS), also includes measures derived from the latter, even though not provided for by the IFRS (Non-GAAP Measures). These measures are presented in order to allow for a better assessment of the results of the Group's operations and should not be considered as alternatives to those required by the IFRS.

In particular, the Non-GAAP Measures used were the following:

- **EBITDA:** is equal to the EBIT, but excludes the depreciation and amortisation of property, plant and equipment and intangible assets. The EBITDA is used to measure the ability to generate earnings, excluding the impacts deriving from investments;
- **EBITDA adjusted:** is an alternative measure to the EBITDA which excludes non-recurring, restructuring and one-off expenses, COVID-19 direct costs and expenses relative to the retention plan approved by the Board of Directors on February 26, 2018;
- **EBITDA margin:** is calculated by dividing the EBITDA by revenues from sales and services (net sales). This measure is used to evaluate operating efficiency, excluding impacts deriving from investments;
- **EBITDA margin adjusted:** is calculated by dividing the EBITDA adjusted by revenues from sales and services (net sales). This measure is used to evaluate operating efficiency excluding, the impacts deriving from investments, operating costs attributable to non-recurring, restructuring and one-off expenses, COVID-19 direct costs and expenses relative to the retention plan approved by the Board of Directors on February 26, 2018;
- **EBIT:** is an intermediate measure which is derived from the net income/(loss) but which excludes taxes, financial income, financial expenses and net income/(loss) from equity investments. The EBIT is used to measure the ability to generate earnings, including the impacts deriving from investments;
- **EBIT adjusted:** is an alternative measure to the EBIT which excludes, the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations, operating costs attributable to non-recurring, restructuring and one-off expenses, COVID-19 direct costs and expenses relative to the retention plan approved by the Board of Directors on February 26, 2018;
- **EBIT margin:** is calculated by dividing the EBIT by revenues from sales and services (net sales). This measure is used to evaluate operating efficiency;
- **EBIT margin adjusted:** is calculated by dividing the EBIT adjusted by revenues from sales and services (net sales). This measure is used to evaluate operating efficiency excluding the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations, operating costs attributable to non-recurring, restructuring and one-off expenses, COVID-19 direct costs, and expenses relative to the retention plan approved by the Board of Directors on February 26, 2018;
- **Net income/(loss) adjusted:** is calculated by excluding the following items from the net income/(loss):
    - o the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations, operating costs attributable to non-recurring, restructuring and one-off expenses, COVID-19 direct costs, and expenses relative to the retention plan approved by the Board of Directors on February 26, 2018;
    - o non-recurring expenses/income recognised under financial income and expenses;
    - o non-recurring expenses/income recognised under taxes, as well as the tax impact relative to the adjustments referred to in the previous points.
- **Fixed assets:** this measure is constituted of the sum of the Financial Statement items, *"Property, plant and equipment", "Intangible assets", "Investments in Associates and Joint Ventures", "Other financial assets at fair value through other Comprehensive Income"* and *"Other non-current financial assets at fair value through the Income Statement".* Fixed assets represent the non-current assets included in the net invested capital;
- **Net operating working capital**: this measure is constituted by the sum of *"Inventory", "Trade receivables"* and *"Trade payables";*
- **Net working capital:** this measure is constituted by the net operating working capital, and by other receivables and payables and derivative financial instruments not included in the net financial position. This measure represents short-term assets and liabilities included in the net invested capital and is used to measure short-term financial stability;
- **Net invested capital:** this measure is constituted by the sum of (i) fixed assets, and (ii) net working capital. Net invested capital is used to represent the investment of financial resources;
- **Provisions:** this measure is constituted by the sum of *"Provisions for liabilities and charges (current and non-current)", "Provisions for employee benefit obligations (current and non-current)", "deferred tax liabilities"* and *"deferred tax assets".* The item provisions represents the total amount of net liabilities due to obligations of a probable but uncertain nature;
- **Net financial debt:** is calculated pursuant to the CONSOB Notice of July 28, 2006, and in compliance with ESMA/2013/319 Recommendations. Net financial debt represents borrowings from banks and other financial institutions net of, cash and cash equivalents, other current financial assets at fair value through the Income Statement, current financial receivables (included in the Financial Statements under the item *"Other receivables"*), and current derivative financial instruments included in the net financial position (included in the Financial Statements under current assets, current liabilities and non-current liabilities, as *"Derivative financial instruments"*);
- **Net financial position:** this measure represents the net financial debt less the *"non-current financial receivables"* (included in the Financial Statements under *"Other receivables"*) and non-current derivative financial instruments included in the net financial position (included in the Financial Statements under non-current assets as *"Derivative financial instruments"*). Total net financial position is an alternative measure to net financial debt which includes non-current financial assets;
- **Operating net cash flow:** is calculated as the change in the net financial position relative to operations;
- **Net cash flow before dividends, extraordinary transactions and investments**: is calculated by adding the change in the net financial position due to financial and tax management, to the operating net cash flow;
- **Net cash flow before dividends paid by the Parent company:** is calculated by adding the change in the net financial position due to extraordinary transactions and investments, to net cash flow before dividends, extraordinary transactions and investments;
- **Net cash flow:** is calculated by adding the change in the net financial position due to the payment of dividends by the Parent company, to the net cash flow before dividends paid by the Parent company;
- **Investments in intangible and owned tangible assets (CapEx):** this is calculated as the sum of investments (increases) in intangible assets, and investments (increases) in property, plant and equipment excluding any increases relative to the right of use;
- **Increases in the right of use:** is calculated as the increases in the right of use relative to lease contracts.

Fine Comunicato n.0206-29	Numero di Pagine: 10