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Testo del comunicato

Vedi allegato



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PRESS RELEASE – INTEGRATED RESULTS AT 31 DECEMBER 2023

OUTSTANDING RESULTS SOUND MARGINS EXPANSION & STRONG CASH GENERATION

Well on track to deliver on mid-term targets, in line with the “Connect, to lead” strategy

- **REMARKABLE PERFORMANCE IN 2023:**
 - **Adj Ebitda at €1,628M (+9.4% vs 2022), with improving margins at 10.6% (9.3% in 2022)**
 - **Group net profit increase to €529M (€504M in 2022)**
 - **Strong cash generation with Free Cash Flow at €724M (+29.5% vs 2022)**
- **RECORD BACKLOG IN TRANSMISSION OF €18 BILLION**
- **INCREASED 2030 EMISSION REDUCTION AMBITION (SCOPE 1&2) TO 55-60% FROM 47%¹**
- **PROPOSED DIVIDEND INCREASE TO €0.70 PER SHARE (+16.7% VS 2022)**
- **FY 2024 OUTLOOK:**
 - **Adj Ebitda expected in the range of €1,575M–€1,675M**
 - **Free Cash Flow expected in the range of €675M–€775M**
 - **Scope 1&2 GHG emission reduction of 36% and Scope 3 reduction of 13% vs 2019**

Valerio Battista, Chief Executive Officer (CEO), commented: *“The sound margins expansion and the strong cash generation achieved in 2023 confirmed Prysmian’s resilience and the market leading position, thanks to our complete and balanced portfolio well exposed to the structural trends of the electrification and the energy transition. In a challenging environment, we achieved once again an excellent performance and ensured value creation to all our stakeholders. 2023 was my last year as CEO of Prysmian, and I am incredibly proud of the company we have built over the past 20 years, a strong organisation that is leading the industry, and that has the technology and resources to capitalize on exciting market opportunities and breaking new records year after year”*

Massimo Battaini, CEO-designate, stated: *“At our Capital Markets Day we laid out our “Connect, to Lead” strategy aimed at capitalizing on the Group’s leading market position to seize the opportunities presented by current market trends. We have reshaped our business into four new segments, effective from 1st January 2024 to better capture these opportunities. We continue to be at the forefront of innovation, thanks to our unparalleled R&D capabilities and our deep understanding of the evolving market dynamics. In light of our solid backlog across all segments, we are confident of achieving 2024 targets and are well on track to deliver the mid-term targets outlined at the CMD. I look forward to driving this company and our great team to the next level and to strengthening our role as global cabling solution provider leading the Energy Transition and Digital Transformation”.*

¹ -47% GHG emission reduction target approved by SBTi in June 2023. The range 55-60% is the new target proposed by Prysmian in line with the trajectory to net zero at 2035 .



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FINANCIAL HIGHLIGHTS

(in million euros)	2023	2022	change %
Sales	15,354	16,067	-1.1%*
Adjusted EBITDA	1,628	1,488	9.4%
Group Net Profit	529	504	5.0%
Net Financial Debt	1,188	1,417	-16.2%
Free Cash Flow ²	724	559	29.5%
Dividend per share (€)	0.70	0.60	16.7%

* Organic growth

Milan, 29 February 2024 - The Board of Directors of Prysmian S.p.A. approved the Group's consolidated results for 2023³.

Group Sales amounted to €15,354 million, with a slightly negative organic growth of -1.1% compared to 2022. The Projects Business reported a double-digit organic growth (+15.3%) thanks to a consistent execution of interconnection and offshore wind farm projects and projects with better margins. Sales in the Energy Business continue to benefit from the growth drivers of the energy transition: the expansion and upgrade of power grids, the energy generation from renewable sources, and the development of electric mobility and clouding. Overall, the Energy Business recorded a -1.3% organic growth, with a positive organic growth of +1.7% in the Industrial & Network Components. Volumes in the Telecom Business sharply declined in the second part of the year, mainly due to the US market downtrend.

Adjusted EBITDA rose by 9.4% to €1,628 million, with significantly improving margins at 10.6% compared to 9.3% in 2022. Strong improvement in the Projects Business with adj. EBITDA up 23.5% at €300 million thanks to the smooth execution and the improved project margins. The Energy Business margins improved significantly too (at 10.5% vs 8.1% in 2022), driven by higher profitability in power distribution and in particular in Industrial & Network Components, where the adj. EBITDA rose to €361 million (+43.2% vs 2022). A sharp market decline, especially in the US, negatively impacted the Telecom Business, with adj. EBITDA down to €140 million vs €271 in 2022. Q4 was particularly low, affected also by negative one-offs on top of the normal business seasonality.

EBITDA amounted to €1,485 million (€1,387 million in 2022), including net expenses for company reorganisations, non-recurring expenses and other non-operating expenses totalling €143 million (€101 million in 2022).

Net profit increased by 7.5% to €547 million (€509 in 2022). Net profit attributable to owners of the parent company amounted to €529 million (€504 million in 2022). This result is particularly positive taking into account the negative impacts of the €168 million impairment of the investment in Yangtze Optical Fiber (YOFC) and the €42 million impairment of fiber plant in Battipaglia (Italy).

Free Cash Flow² amounted to €724 million, up by 29.5% (€559 million for 2022), well above the upper part of the guidance (€550-650 million).

Net Financial Debt fell sharply to €1,188 million at year-end (€1,417 million at 31 December 2022), driven by strong cash flow generation.

² FCF excluding Acquisitions & Disposals and Antitrust impact

³ The Consolidated Financial Statements and Draft Separate Financial Statements are currently still being audited.



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BUSINESS OVERVIEW

FY PERFORMANCE BY BUSINESS

	SALES			Adjusted EBITDA			
	2023	2022	org. growth	2023	2022	margin 2023	margin 2022
PROJECTS	2,508	2,161	15.3%	300	243	12.0%	11.2%
ENERGY	11,357	12,033	-1.3%	1,188	974	10.5%	8.1%
<i>E&I</i>	7,620	8,196	-2.7%	843	736	11.1%	9.0%
<i>INDUSTRIAL & NWC</i>	3,358	3,442	1.7%	361	252	10.8%	7.3%
TELECOM	1,489	1,873	-18.9%	140	271	9.4%	14.5%
TOTAL GROUP	15,354	16,067	-1.1%	1,628	1,488	10.6%	9.3%

PROJECTS

Consistent execution and improved projects' margin drove solid results growth. Sales amounted to €2,508 million, with a strong +15.3% organic growth. Adjusted EBITDA leapt to €300 million (+23.5% vs 2022) with improving margins to 12.0% (11.2% in 2022).

The Group successfully completed the Vineyard Wind 1 project, the first utility-scale offshore wind farm in the US, and the record Viking Link, the world's longest onshore and offshore HVDC interconnector linking the power grids of the UK and Denmark. In the High Voltage Underground, the Group continued to produce the German Corridors cables in line with the plan and expect to start installation later this year.

In 2023, Prysmian acquired over €13 billion of new projects, bringing the total order book to approx. €20 billion (backlog + orders with solid commitment), increasing further the visibility on future performance. In February 2024, the Group received the Notice to Proceed for Amprion Frame Agreement and EGL 2 (projects awarded in 2023), bringing the total backlog up to approx. €18 billion.

ENERGY

Energy & Infrastructure

Sales in Energy & Infrastructure totalled €7,620 million with a -2.7% organic growth vs. 2022. Adj. EBITDA increased by 14.6% to €843 million (€736 million in 2022) with a strong margin improvement (11.1% in 2023 compared to 9.0% in 2022). Power Distribution and Overhead Lines recorded sustained growth and margins uplift driven by structural trends (grid hardening, renewables), while the construction cable business experienced volume softening and prices normalisation in the US, in line with expectations.

Industrial & Network Components

Sales of Industrial & Network Components amounted to €3,358 million with a positive organic growth of 1.7% compared to 2022. Renewables continued to grow double-digit YoY. Adj. EBITDA grew by 43.2% to €361 million (€252 million in 2022) with sound margins expansion at 10.8% compared to 7.3% in 2022. Profitability improved overall across all applications, in particular in OEM and Renewables.

TELECOM

Telecom sales declined to €1,489 million from 1,873 million in 2022 with a -18.9% organic growth. Adj. EBITDA was €140 million (€271 million in 2022), with margins declining to 9.4% compared to 14.5% in 2022.

Sales recorded a volume slowdown particularly in the second part of the year, mainly driven by the US market. Performance in Q4 was further affected by negative one-offs, on top of the normal business seasonality. The contribution from YOFC also was lower in 2023 at €27 million, down from €40 million of the previous year.

The long-term growth drivers for the Telecom Business remain strong driven by massive data growth as



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well as the increase of FTTH, 5G coverage, datacentres and IoT. The Group is well positioned to seize the opportunities offered by digitalisation.

PERFORMANCE BY GEOGRAPHICAL AREA⁴

(in million euros)	SALES		Adjusted EBITDA	
	2023	2022	2023	2022
EMEA	6,043	6,381	433	311
NORTH AMERICA	4,557	5,132	675	722
LATAM	1,236	1,275	137	120
APAC	1,010	1,118	83	92
TOTAL (excluding Projects)	12,846	13,906	1,328	1,245
PROJECTS	2,508	2,161	300	243
TOTAL GROUP	15,354	16,067	1,628	1,488

Sales in EMEA amounted to €6,043 million with a -1.7% organic growth. Strong adj. EBITDA increase of 39.2% to €433 million (€311 million in 2022) with sound margin expansion at 7.2% (4.9% in 2022), thanks to the positive performance of the Energy Business, in particular Power Distribution and OEM & Renewables.

In North America sales totalled €4,557 million, with negative organic growth of -5.9%. Adj. EBITDA was €675 million (€722 million in 2022), with improving margins at 14.8% compared to 14.1% in 2022. The Telecom Business decline and ongoing price softening in T&I, were fully offset by the strong performance of Power Distribution & Overhead Lines. Results were partly impacted by an adverse FX headwind (€22 million).

Sales in LATAM declined slightly to €1,236 million vs €1,275 in 2022, with negative organic growth of -6.0%. Adj. EBITDA increased to €137 million (€120 million in 2022) with solid margin improvement to 11.0% compared to 9.4% in 2022, mainly driven by T&I.

In Asia Pacific sales amounted to €1,010 million (-2.3% organic growth). Adj. EBITDA was €83 million (€92 million in 2022), affected by the lower contribution from YOFC (€13 million). Adj. EBITDA margins were stable at 8.2%.

NEW SEGMENT REPORTING

As outlined in the Capital Markets Day, Prysmian reshapes its business into four new segments from the existing three:

1. **Transmission**, including the Submarine Power and the Land HVDC business units, currently belonging to the Projects segment;
2. **Power Grid**, including HVAC business unit, also previously in Projects, and Power Distribution and Overhead Lines, currently in the Energy segment;
3. **Electrification**, including Industrial & Construction (former Trade & Installer) and Specialties (formerly in Industrial & NWC), currently in the Energy segment;
4. **Digital Solutions**, the current Telecom segment, including the following business units: Fiber and Optical Cables, Connectivity, Multimedia & Inside Plant cables (MMS).

⁴ Data by geographical area are stated excluding the Projects segment



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The new business segmentation reporting will start from Q1 2024, effective as of January 1, 2024. For ease of reference, the main financial results posted in the last three years are disclosed below according to the new segmentation:

(in million euros)	SALES			Adjusted EBITDA		
	2023	2022	2021	2023	2022	2021
TRANSMISSION	2,122	1,673	1,136	273	226	167
POWER GRID	3,394	3,605	2,791	390	194	162
ELECTRIFICATION	8,349	8,916	7,224	825	797	427
DIGITAL SOLUTIONS	1,489	1,873	1,585	140	271	220
TOTAL GROUP	15,354	16,067	12,736	1,628	1,488	976

ESG UPDATE

In 2023, GHG emissions (Scope 1 and Scope 2, market based) amounted to 616 ktCO₂eq, down 33% compared to the 2019 baseline. While Scope 3 GHG emissions were down 10% in the same period.

Prysmian is extremely committed to decarbonization. In line with the net-zero trajectory approved by SBTi (Science Based Target initiative), the group has upgraded its decarbonization strategy, accelerating the transition plan, and therefore foresees a Scope 1 and 2 GHG emissions reduction in the range of 55-60% by 2030, going beyond the 47% target approved by SBTi.

Sound improvements were reported also on the Social and Governance Dimension. The results of the initiatives that Prysmian has implemented in recent years, together with the investments undertaken in line with its Social Ambition, allowed the company to accelerate its efforts to achieve in 2027 several 2030 targets. Particularly relevant the achievement related to the employees shareholders of the company: at the end of 2023, 46% of Prysmian employees (shopfloor workers included) resulted shareholders of the company, approaching the target of having approximately 50% of the company employees shareholders of the group.

SUSTAINABILITY TARGETS AT A GLANCE

KPI	2022	2023	target 2027
Enable access to green electricity to households	21 m	56 m	210 m
Enable fast digital access to households	3 m	9 m	25 m
% of reduction of Scope 1&2 GHG Emissions vs baseline 2019	-28%	-33%	-45%
% of reduction of Scope 3 GHG Emissions vs baseline 2019	-7.5%	-10%	-23%
% of revenues linked to sustainable products	30%	37%	60%
% of recycled content on PE jacket and copper	10%	12.7%	19%
% of Executive women	15.7%	18.8%	27%
% of desk workers women hired	45%	46%	50%
% of shareholders employee	37%	46%	45-50%



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DIVIDEND PROPOSAL

Dividend represents an important pillar of the group Capital Allocation Strategy, as outlined at the Capital Markets Day in October. Prysmian foresees to progressively increase the total dividend distributed to shareholders by approximately 10% year-on-year.

Based on the results for 2023, the Board of Directors will recommend to the Shareholder' Meeting that a dividend of €0.70 per share be distributed (+16.7% vs. €0.60 distributed last year). The total pay-out will be approximately €191 million. If approved, the dividend will be paid out from 24 April 2024, with record date on 23 April 2024 and ex-dividend date on 22 April 2024.

	CMD targets	2023 Actual
Dividend Increase yoy	+10%	+16.7%
ROCE 2023	21-23%	23.1%
EBITDA conversion in FCF 2023	35-39%	44.5%
2022-2027 basic EPS CAGR	>10%	+33.8%*
2022-2027 Net Debt/EBITDA range	0.5-1.0x	0.7x

* excluding impairment

OUTLOOK

The cable industry is increasingly strategic due to long-term market trends which require resilient, high-performing, sustainable and innovative cable solutions: increased renewable generation, growing electricity demand, enhanced power grids, massive data growth. In this context, Prysmian is uniquely positioned to seize current market trends which require resilient, high-performing, sustainable and innovative cable solutions.

For FY 2024, Prysmian expects to achieve:

- o adjusted EBITDA in the range of €1,575-1,675 million
- o free cash flow in the range of €675-775 million
- o scope 1&2 GHG emission reduction of 36% and Scope 3 reduction of 13% vs 2019

At its Capital Markets Day, held on October 5, 2023, the Group presented its strategy to lead the Energy Transition and Digital Transformation – “Connect, to lead” – thereby outlining 2027 financial targets, consisting of:

- o Adj. EBITDA of €2bn (+/-€100m)
- o Free Cash Flow to €900m-1bn
- o EBITDA conversion in FCF to 47-48%
- o ROCE to 25-28%

These goals assume no material changes in both the geopolitical crisis relating to the conflicts in Ukraine and in Israel, in addition to excluding extreme dynamics in the prices of production factors or significant supply chain disruptions. The forecasts are based on the Company's current business perimeter, assuming a EUR/USD exchange rate of 1.08, and do not include impacts on cash flows related to Antitrust issues.

FURTHER BOARD OF DIRECTORS' RESOLUTIONS

Notice of Calling of the Ordinary Shareholders' Meeting

The Board of Directors resolved to call the Ordinary Shareholder' Meeting for Thursday, 18 April 2024 (single call).



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Authorisation to buy back and dispose of treasury shares

The Board of Directors decided to submit to the forthcoming Shareholder' Meeting a request for the authorisation to buy back and dispose of treasury shares, after revocation of the previous resolution approved by the AGM on 18 April 2023.

The authorisation requested establishes that the total number of shares that can be purchased, in one or more tranches, cannot exceed the 10% of the share capital at any time. Treasury shares may be purchased within the limits of available reserves recognised from time to time in the most recently approved annual financial statements. The plan has a maximum term of 18 months, commencing from the date of authorisation by the AGM.

The said authorisation will be requested to:

- o create the Company's portfolio of treasury shares (so-called "stock of shares") that can be used in any extraordinary transactions (e.g., mergers, de-mergers, purchase of equity investments) and to implement the remuneration policies approved by the Shareholders' Meeting and adopted by Prysmian;
- o use the treasury shares by exercising the rights ensuing from debt instruments, whether convertible or exchangeable for financial instruments issued by the Company, its subsidiaries or third-parties (e.g., takeover bids and/or share swaps);
- o dispose of own shares in service of share-based incentive plans or share ownership plans to allot and/or purchase shares also at favourable conditions, reserved for Prysmian's directors and/or employees;
- o ensure effective management of the Company's share capital, by creating investment opportunities also on the basis of available liquidity.

The buy-back and disposal of treasury shares will be performed in compliance with applicable laws and regulations in force:

- i. at a minimum price no more than 10% below the stock's official price during the trading session on the day before each transaction is undertaken;
- ii. at a maximum price no more than 10% above the stock's official price during the trading session on the day before each individual transaction is undertaken.

At today's date, Prysmian S.p.A. directly and indirectly holds 3,729,074 own shares.

Appointment as the independent auditors for the period 2025-2033

The publication of the Integrated Annual Report for the year ended 31 December 2014 will coincide with the end of the nine-years engagement of EY S.p.A. to audit the accounts of Prysmian; according to applicable law, this engagement cannot be renewed. The Board of Directors, in agreement with the Board of Statutory Auditors, resolved to submit to the Shareholders' Meeting the statutory audit engagement for financial years 2025 - 2033, a year in advance of the natural expiry of the current EY S.p.A. engagement. The shareholders will make their decision based on a recommendation proposal by the Board of Statutory Auditors, regarding both the firm to engage for the statutory audit and the fees payable for this engagement.

The required documentation will be made available within the deadlines provided by applicable regulations.

EVENTS AFTER 31 DECEMBER 2023

For significant events took place after Dec. 31, 2023, please refer to dedicated section in the corporate website www.prysmian.com

CONFERENCE CALL

The results at 31 December 2023 will be presented to the financial community during a conference call today at 10:00 CET. Please find below the link to access the webcast:

Webcast link

<https://edge.media-server.com/mmc/p/x27fg8ku>



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A recording of the conference call will be subsequently available on the Group's website: www.prysmian.com. The documentation used during the presentation will be available today in the Investor Relations section of the Prysmian website at www.prysmian.com and can be viewed on the Borsa Italiana website www.borsaitaliana.it and in the central storage mechanism at www.emarketstorage.com.

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Prysmian is a global cabling solutions provider leading the energy transition and digital transformation. By leveraging its wide geographical footprint and extensive product range, its track record of technological leadership and innovation, and a strong customer base, the company is well-placed to capitalise on its leading positions and win in new, growing markets. Prysmian's business strategy perfectly matches key market drivers by developing resilient, high-performing, sustainable and innovative cable solutions in the segments of Transmission, Power Grid, Electrification and Digital Solutions. Prysmian is a public company listed on the Italian Stock Exchange, with almost 150 years of experience, about 30,000 employees, 108 plants and 26 R&D centres in over 50 countries, and sales of over €15 billion in 2023.

For more info:

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The Integrated Annual Report, which includes the Draft Financial Statements of Prysmian S.p.A. and the Consolidated Financial Statements of Prysmian at 31 December 2023, together with the Directors' Report that contains the Consolidated Non-Financial Statement, approved by the Board of Directors will be made available to the public by the terms and conditions provided for by applicable law in force at the Company's registered office in Via Chiese 6, Milan. It will also be made available, by the same terms and conditions, on the corporate website www.prysmian.com, on the website of Borsa Italiana S.p.A www.borsaitaliana.it, and in the authorised central storage mechanism used by the Company at www.emarketstorage.com. This document may contain forward-looking statements relating to future events and future operating, economic and financial results of Prysmian. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Therefore, actual results may differ materially from those reflected in forward-looking statements due to a variety of factors. The managers responsible for preparing corporate accounting documents (Stefano Invernici and Alessandro Brunetti) hereby declare, pursuant to Article 154-bis, paragraph 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.

EBITDA means the operating result gross of the effect of the change in the fair value of derivatives on raw material prices, other items measured at fair value, amortisation, depreciation and write-downs. This indicator allows to present the Group's operating profitability situation before the main non-monetary items. Adjusted EBITDA means the EBITDA described above calculated before charges and income relating to corporate reorganisations, charges and income considered to be of a non-recurring nature, as indicated in the consolidated income statement, and other non-operating income and expenses. This indicator allows to present the Group's operating profitability before the main non-monetary items, without the economic effects of events considered unrelated to the current management of the Group itself.

Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies: Adjusted EBITDA as defined above calculated before the share of net profit/(loss) of equity-accounted companies;

Adjusted operating income means the operating income before income and expense for business reorganisation before non-recurring items, as presented in the consolidated income statement, before other non-operating income and expense and before the fair value change in metal derivatives and in other fair value items. The purpose of this indicator is to present the Group's operating profitability without the effects of events considered to be outside its recurring operations;

Organic growth means the growth in sales calculated net of changes in the scope of consolidation, changes in metal prices and exchange rate effects.

Net financial debt is an indicator of the financial structure, determined by the: sum of the following items: – Borrowings from banks and other lenders – non-current portion – Borrowings from banks and other lenders – current portion – Derivatives on financial transactions recorded as Non-current derivatives and classified under Long-term financial receivables – Derivatives on financial transactions recorded as Current derivatives and classified under Short-term financial receivables – Derivatives on financial transactions recorded as Non-current derivatives and classified under Long-term financial payables – Derivatives on financial transactions recorded as Current derivatives and classified under Short-term financial payables – Medium/long-term financial receivables recorded in Other non-current receivables – Loan arrangement fees recorded in Other non-current receivables – Short-term financial receivables recorded in Other current receivables – Loan arrangement fees recorded in Other current receivables – Financial assets at amortised cost – Financial assets at fair value through profit or loss – Financial assets at fair value through other comprehensive income – Cash and cash equivalents.



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ANNEX A**Consolidated Statement of Financial Position**

(in millions of Euro)	31 December 2023	31 December 2022
Non-current assets		
Property, plant and equipment	3,401	3,020
Goodwill	1,660	1,691
Other intangible assets	411	473
Equity-accounted investments	218	387
Other investments at fair value through other comprehensive income	10	12
Financial assets at amortised cost	3	3
Derivatives	41	135
Deferred tax assets	299	203
Other receivables	36	34
Total non-current assets	6,079	5,958
Current assets		
Inventories	2,264	2,241
Trade receivables	1,987	1,942
Other receivables	1,054	978
Financial assets at fair value through income statement	85	270
Derivatives	80	71
Financial assets at fair value through other comprehensive income	24	11
Cash and cash equivalents	1,741	1,285
Total current assets	7,235	6,798
Assets held for sale	9	-
Total assets	13,323	12,756
Equity		
Share capital	28	27
Reserves	3,224	3,054
Net result attributable to the Group	529	504
Equity attributable to the Group	3,781	3,585
Share capital and reserves attributable to non-controlling interests	191	186
Total equity	3,972	3,771
Non-current liabilities		
Borrowings from banks and other lenders	2,488	2,744
Employee benefit obligations	333	329
Provisions for risks and charges	58	31
Deferred tax liabilities	222	187
Derivatives	47	61
Other payables	53	28
Total non-current liabilities	3,201	3,380
Current liabilities		
Borrowings from banks and other lenders	608	323
Provisions for risks and charges	753	665
Derivatives	57	72
Trade payables	2,199	2,718
Other payables	2,469	1,694
Current tax payables	64	133
Total current liabilities	6,150	5,605
Total liabilities	9,351	8,985
Total equity and liabilities	13,323	12,756



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Consolidated Income Statement

(in millions of Euro)	2023	2022
Sales	15,354	16,067
Change in inventories of finished goods and work in progress	52	(30)
Other income	70	70
Total sales and income	15,476	16,107
Raw materials, consumables used and goods for resale	(9,705)	(10,588)
Fair value change in derivatives on commodities	6	(31)
Personnel costs	(1,804)	(1,758)
Amortisation, depreciation, impairment and impairment reversal	(574)	(403)
Other expenses	(2,572)	(2,525)
Share of net profit/(loss) of equity-accounted companies	33	47
Operating income	860	849
Finance costs	(1,093)	(1,116)
Finance income	997	1,006
Result before taxes	764	739
Taxes	(217)	(230)
Net Result	547	509
<i>Of which:</i>		
<i>- attributable to non-controlling interests</i>	18	5
<i>- attributable to the Group</i>	529	504
Basic earnings/(loss) per share (in Euro)	1.94	1.91
Diluted earnings/(loss) per share (in Euro)	1.84	1.90



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Consolidated Statement of Comprehensive Income

(in millions of Euro)	2023	2022
Net profit/(loss)	547	509
Other comprehensive income:		
A) Change in cash flow hedge reserve:	(35)	(34)
- Profit/(loss) for the year	(45)	(46)
- Taxes	10	12
B) Other changes relating to cash flow hedges:	(19)	(11)
- Profit/(loss) for the year	(24)	(15)
- Taxes	5	4
C) Change in currency translation reserve	(201)	142
D) Financial instruments at fair value:	(8)	-
- Profit/(loss) for the year	(12)	-
- Taxes	4	-
E) Actuarial gains/(losses) on employee benefits (*):	(8)	79
- Profit/(loss) for the year	(10)	109
- Taxes	2	(30)
Total other comprehensive income (A+B+C+D+E):	(271)	176
Total comprehensive income/(loss)	276	685
Of which:		
- attributable to non-controlling interests	8	11
- Group share	268	674

(*) the statement of comprehensive income items which cannot be restated in the net result of the year in subsequent periods



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Consolidated Statement of Cash Flows

(in millions of Euro)	2023	2022
Profit/(loss) before taxes	764	739
Amortisation, depreciation and impairment	574	403
Net gains on disposal of fixed assets	-	(1)
Share of net profit/(loss) of equity-accounted companies	(33)	(47)
Dividends received from equity-accounted companies	13	10
Share-based payments	57	104
Fair value change in derivatives on commodities	(6)	31
Net finance costs	96	110
Changes in inventories	(88)	(171)
Changes in trade receivables/payables	(523)	(175)
Changes in other receivables/payables	808	241
Change in employee benefit obligations	(16)	(16)
Change in provisions for risks	98	31
Net income taxes paid	(328)	(221)
A. Cash flow from operating activities	1,416	1,038
Cash flow from acquisitions and/or disposals	-	(7)
Investments in property, plant and equipment	(599)	(429)
Disposals of property, plant and equipment	-	2
Investments in intangible assets	(25)	(25)
Investments in financial assets at fair value through profit or loss and financial assets at amortised cost	(33)	(39)
Disposals of financial assets at fair value through profit or loss	214	-
Investments in financial assets or equity investments at fair value through other comprehensive income	(48)	-
B. Cash flow from investing activities	(491)	(498)
Capital contributions and other changes in equity	(4)	-
Dividend distribution	(165)	(148)
Proceeds of new loans	120	1,335
Repayments of loans	(200)	(2,000)
Changes in other net financial receivables/payables and other movements	(103)	(77)
Finance costs paid	(140)	(88)
Finance income received	68	17
C. Cash flow from financing activities	(424)	(961)
D. Net currency translation difference on cash and cash equivalents	(45)	4
E. Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	456	(417)
F. Cash and cash equivalents at the beginning of the period	1,285	1,702
G. Cash and cash equivalents at the end of the period (E+F)	1,741	1,285



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ANNEX B**Reconciliation table between Net result, EBITDA and adjusted EBITDA of the Group**

(in millions of Euro)	2023	2022
Net result	547	509
Taxes	217	230
Finance income	(997)	(1,006)
Finance costs	1,093	1,116
Amortisation, depreciation, impairment and impairment reversal	574	403
Fair value change in derivatives on commodities	(6)	31
Fair value change in stock options	57	104
EBITDA	1,485	1,387
Company reorganization	48	11
Non-recurring expenses/(income)	9	47
Other non-operating expenses/(income)	86	43
Total adjustments to EBITDA	143	101
Adjusted EBITDA	1,628	1,488



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Statement of Cash Flows with reference to change in net financial position

(In millions of Euro)	2023	2022	Change
EBITDA	1,485	1,387	98
Changes in provisions (including employee benefit obligations) and other movements	82	15	67
Net gains on disposal of property, plant and equipment and intangible assets	-	(1)	1
Share of net profit/(loss) of equity-accounted companies	(33)	(47)	14
Net cash flow from operating activities (before changes in net working capital)	1,534	1,354	180
Changes in net working capital	197	(105)	302
Taxes paid	(328)	(221)	(107)
Dividends from investments in equity-accounted companies	13	10	3
Net cash flow from operating activities	1,416	1,038	378
Cash flow from acquisitions and/or disposals	-	(7)	7
Net cash flow used in operating investing activities	(624)	(452)	(172)
Free cash flow (unlevered)	792	579	213
Net finance costs	(72)	(71)	(1)
Free cash flow (levered)	720	508	212
Dividend distribution	(165)	(148)	(17)
Capital contributions and other changes in equity	(4)	-	(4)
Net cash flow provided/(used) in the year	551	360	191
Opening net financial debt	(1,417)	(1,760)	343
Net cash flow provided/(used) in the year	551	360	191
Increase in net financial debt for IFRS 16	(153)	(58)	(95)
Other changes	(169)	41	(210)
Closing net financial debt	(1,188)	(1,417)	229



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ANNEX C**Statement of financial position of Prysmian S.p.A.**

(in Euro)	31 December 2023	31 December 2022
Non-current assets		
Property, plant and equipment	90,327,812	86,356,289
Intangible assets	112,770,729	125,832,341
Investments in subsidiaries	5,719,701,514	5,701,163,010
Derivatives	10,508,194	59,208,767
Deferred tax assets	575,490	-
Other receivables	87,907,198	480,905
Total non-current assets	6,021,790,937	5,973,041,312
Current assets		
Trade receivables	274,671,900	267,751,421
Other receivables	136,469,129	313,399,028
Financial assets at fair value	-	193,419,090
Derivatives	21,650,196	14,184,805
Cash and cash equivalents	404,507	935,390
Total current assets	433,195,732	789,689,734
Total assets	6,454,986,669	6,762,731,046
Equity:		
Share capital	27,653,445	26,814,425
Reserves	2,294,930,452	2,290,362,325
Net result	264,265,777	143,767,869
Total equity	2,586,849,674	2,460,944,619
Non-current liabilities		
Borrowings from banks and other lenders	2,263,786,516	2,592,754,055
Employee benefit obligations	6,217,788	6,085,009
Derivatives	-	-
Other payables	219,375	-
Deferred tax liabilities	-	10,005,178
Total non-current liabilities	2,270,223,679	2,608,844,242
Current liabilities		
Borrowings from banks and other lenders	498,843,643	223,427,951
Provisions for risks and charges	46,697,529	43,203,216
Derivatives	1,409,785	1,177,325
Trade payables	574,105,794	651,916,269
Other payables	476,856,565	771,051,672
Current tax payables	-	2,165,752
Total current liabilities	1,597,913,316	1,692,942,185
Total liabilities	3,868,136,995	4,301,786,427
Total equity and liabilities	6,454,986,669	6,762,731,046



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Income statement of Prysmian S.p.A.

(in Euro)	2023	2022
Sales and Other incomes	246,323,323	245,035,005
Raw materials, consumables used and goods for resale	(7,011,799)	(9,150,196)
Fair value change in derivatives on commodities	(27,074)	27,662
Personnel costs	(68,689,951)	(77,954,822)
Amortisation, depreciation, impairment and impairment reversal	(41,150,888)	(35,020,099)
Other expenses	(130,425,377)	(134,392,147)
Operating income	(981,766)	(11,454,597)
Finance costs	(164,332,705)	(89,062,002)
Finance income	114,527,357	75,097,619
Dividends from subsidiaries	340,210,884	243,001,115
(Impairment)/Reversal of impairment of investments	(35,449,980)	(66,714,088)
Result before taxes	253,973,790	150,868,047
Taxes	10,291,987	(7,100,178)
Net result	264,265,777	143,767,869



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Statement of Comprehensive Income of Prysmian S.p.A.

(in Euro)	2023	2022
Net result	264,265,777	143,767,869
Other components of comprehensive income/(loss) for the year:		
A) Change in the Cash Flow Hedge reserve:	(31,440,646)	61,334,194
- Gross of tax	(41,369,271)	80,702,886
- Tax effect	9,928,625	(19,368,693)
B) Actuarial gains/(losses) on employee benefits (*):	(134,520)	782,040
- Gross of tax	(177,000)	1,029,000
- Tax effect	42,480	(246,960)
Total other components of comprehensive income/(loss) for the year (A+B)	(31,575,166)	62,116,234
Total comprehensive result	232,690,611	205,884,103

(*) the statement of comprehensive income items which cannot be restated in the net result of the year in subsequent periods



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Statement of cash flows of Prysmian S.p.A.

(in Euro)	31 December 2023	31 December 2022
Profit before taxes	253,973,790	150,868,046
Amortisation, depreciation and impairment	41,150,888	35,020,099
Impairment/(revaluation) of investments	35,449,980	66,714,088
Dividends	(340,210,884)	(243,001,115)
Share-based compensation	6,300,220	20,518,943
Fair value change in derivatives on commodities	27,074	(27,662)
Net finance costs	49,805,348	13,964,384
Change in trade receivables/payables	(84,730,917)	46,540,467
Change in other receivables/payables	184,010,798	(36,812,672)
Change in employee benefit obligations	(258,895)	(292,460)
Change in provisions for risks and other movements	3,356,720	5,376,403
Taxes collected/(paid)	(10,985,680)	(7,273,430)
A, Cash flow from operating activities	137,888,442	51,595,090
Investments in property, plant and equipment	(11,374,442)	(2,875,388)
Investments in intangible assets	(18,157,542)	(23,235,163)
Investments in financial assets at fair value through profit or loss	197,768,000	-
Investments to recapitalise subsidiaries	(41,430,110)	(38,803,000)
Dividends received	327,381,884	179,671,995
B, Cash flow from investing activities	454,187,790	114,758,444
Dividend distribution	(159,782,301)	(144,058,262)
Sale of treasury shares	1,341,150	821,714
Proceeds of new loans	121,936,924	1,335,000,000
Repayment of loans	(200,000,000)	(1,249,823,897)
Redemption of bonds	-	(750,000,000)
Changes in other net financial receivables/payables	(328,303,204)	542,550,077
Finance costs paid	(129,114,408)	(71,941,734)
Finance income received	101,314,724	71,936,549
C, Cash flow from financing activities	(592,607,116)	(265,515,552)
D, Net increase/(decrease) in cash and cash equivalents (A+B+C)	(530,884)	(99,162,018)
E, Cash and cash equivalents at the beginning of the year	935,390	100,097,408
F, Cash and cash equivalents at the end of the year (D+E)	404,507	935,390

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