

Press release

PRYSMIAN S.P.A., FIRST-HALF 2010 RESULTS

2ND QUARTER IMPROVING: ORGANIC CHANGE IN SALES +4.3% (-11.2% IN 1ST QUARTER)

ADJ EBITDA EURO 106 MILLION IN 2ND QUARTER VS EURO 75 MILLION IN 1ST QUARTER

ORDER BOOK FOR HIGH VOLTAGE AND SUBMARINE CABLES CLIMBS TO EURO 1.4 BILLION AS OF JULY

Results at 30 June 2010

- **SALES: EURO 2,148 MILLION VS EURO 1,848 MILLION IN 1ST HALF 2009 (ORGANIC CHANGE -3.4%)**
- **ADJ EBITDA¹: EURO 181 MILLION VS EURO 193 MILLION IN 1ST HALF 2009 (-6.5%)**
- **ADJ OPERATING INCOME²: EURO 143 MILLION VS EURO 161 MILLION IN 1ST HALF 2009 (-11.0%)**
- **ADJ NET PROFIT³: EURO 77 MILLION VS EURO 94 MILLION IN 1ST HALF 2009 (-18.1%)**
- **NET FINANCIAL POSITION AT EURO 675 MILLION FROM EURO 660 MILLION AT 30 JUNE 2009**

FY 2010 ADJ EBITDA TARGET CONFIRMED IN THE RANGE OF EURO 350 – 400 MILLION

Milan, 3/8/2010. The Board of Directors of Prysmian S.p.A. has approved today the Company's consolidated results for the first half of 2010⁴.

MARKET SCENARIO

After a still uncertain start of the year, the second quarter reported the first signs of recovery in demand across all the Group's businesses, also driven by higher seasonal sales. To be remarked that, after several negative quarters, organic growth has come back to a positive sign (+4.3%) and profitability has improved, with second-quarter adjusted EBITDA up to Euro 106 million from Euro 75 million in the first quarter and also higher than Euro 103 million reported in the second quarter of 2009.

"Prysmian has been quick to take up the opportunities arising from the first signs of market recovery – comments CEO Valerio Battista - with a major improvement in Group's second-quarter results. Volumes have started to grow again even in the businesses most affected by the crisis, like those involved with the construction industry. Prysmian has confirmed its technological and market leadership in higher value-added businesses, securing contracts for some of the major power transmission and offshore wind farm projects. Not only we shall be producing the world's first 300 kV HVDC cables, but we have also secured a contract in Abu Dhabi for one of the longest EHV links planned in the Middle East. Prysmian is also following with attention the development of strategic renewable energy projects in Europe: we have formed together with some other major companies 'Friends of the Supergrid' to promote the creation of a supergrid in Northern Europe and we have joined the 'Transgreen' project to carry solar energy generated in the Sahara to Europe. Also thanks to new contracts secured, our order book for high voltage and submarine projects climbed to some Euro 1,400 million as of July. Based on this scenario we can confirm our year-end profit targets", concludes Battista.

FINANCIAL RESULTS

Sales amounted to Euro 2,148 million compared with Euro 1,848 million in the first half of 2009. Net of metal price and exchange rate effects and variation in the group perimeter, the **organic change** in sales was a negative 3.4%, although with performance differing markedly between the two quarters: the +4.3% in the second quarter helped mitigate the effect of the -11.2% in the first three months.

¹ Adjusted EBITDA is defined as EBITDA before non-recurring income and expenses, as reported in the table in Annex B.

² Adjusted operating income is defined as operating income before non-recurring income/(expenses) and the fair value change in metal derivatives.

³ Adjusted net profit is defined as net profit before non-recurring income/(expenses), the fair value change in metal derivatives, non-hedging exchange rate derivatives, gains (losses) on exchange rates and the related tax effects.

⁴ Half Year Financial Report at 30 June 2010 is subject to a limited auditing, as of today not yet completed.

Adjusted EBITDA amounted to Euro 181 million, with a significant improvement in the second quarter which confined the decline on the Euro 193 million of the first half 2009 (the margin on sales was 8.4% down from 10.5% in the corresponding period of 2009). The Group continues to focus on high value-added businesses, which accounted for over 60% of total adjusted EBITDA. **EBITDA**⁵ amounted to Euro 175 million, down 2.9% from Euro 180 million in the first half of 2009, with a margin on sales of 8.2% versus 9.8% in the corresponding period of 2009.

Adjusted operating income was Euro 143 million, down 11.0% from Euro 161 million in the first half of 2009 and representing a margin on sales of 6.7%, down from 8.7%. **Operating income**, including the non recurring items and the negative impact of Euro 17 million from fair value changes in metal derivatives compared with a positive impact of Euro 75 million in the first half of 2009, was Euro 115 million (Euro 223 million in 2009; -48.3%).

Net finance income and costs reported a negative balance of Euro 52 million, compared with a negative Euro 18 million in the first half of 2009. The change is primarily due to the impact of the Euro's strong depreciation on the fair value of currency derivatives, as well as the impact of issuing the unrated Eurobond and the entering into a new Forward Start Credit Agreement. These two financial transactions significantly strengthen the Group's financial structure and allowed to extend the debt's average maturity at a highly competitive cost.

Adjusted net profit came to Euro 77 million compared with Euro 94 million in the first half of 2009 (-18.1%), reporting a margin on sales of 3.7% (5.1% in the corresponding period of 2009). **Net profit** amounted to Euro 44 million. The decrease from Euro 150 million in the first half of 2009 is mainly attributable to fair value changes in metal derivatives, which were a positive Euro 75 million in the first half of 2009 compared with a negative Euro 17 million in the first half of 2010.

Free cash flow (levered) was a negative Euro 82 million (negative Euro 16 million in the first half of 2009). This cash flow was affected by the negative impact of higher metal prices on working capital (around Euro 81 million), by the cash outlay for the Ravin Cables acquisition (Euro 20 million), by bank fees and other expenses (Euro 16 million) relating to the Forward Start Agreement and by the Eurobond issue. Free cash flow (levered) generated over the last twelve months (July 2009 - June 2010) amounted to Euro 117 million.

At the end of June 2010, **Net financial position** was Euro 675 million compared with Euro 660 million at the end of June 2009 (Euro 474 million at the end of 2009). The net financial position at 30 June 2010 also includes some Euro 43 million for the impact of the two recent acquisitions in Russia and India.

STRATEGY DEVELOPMENT

- **Development of high-tech businesses**

In the first half of 2010 the Group invested Euro 31 million in high-tech businesses (Euro 51 million in the first half of 2009), mainly to complete the flexible pipes plant in Brazil and to increase production capacity for high voltage cables in China and the USA and for optical cables in Romania.

- **Expansion in high growth countries**

The Group has continued to integrate its new acquisitions in Russia (RybinskElektrokabel) and India (Ravin Cables). New organisational structures have been defined for these companies, and initial investments are being examined to increase penetration in high-tech businesses.

- **Focus on fixed costs and industrial efficiencies**

Despite the impact of intervening acquisitions, in the first half of 2010 the Group kept fixed costs largely stable relative to the corresponding period of 2009, having already made significant reductions in 2009 (Euro 206 million versus Euro 200 million, including the impact of the recent acquisitions). The Group also kept a strong focus on industrial efficiencies: efficiencies in materials, optimisation of logistics and production costs, and development of more effective production processes.

⁵ EBITDA is defined as earnings/(loss) before the fair value change in metal derivatives, amortisation, depreciation and impairment, finance income/costs, the share of income/(loss) from associates and dividends from other companies and taxes. For further information, please see the table in Annex B, which provides a reconciliation between Profit (Loss) for the period, EBITDA and Adj EBITDA.

ENERGY CABLES AND SYSTEMS PERFORMANCE AND RESULTS

- **NEW SUBMARINE PROJECTS FOR OFFSHORE WIND FARMS**
- **HIGH VOLTAGE: GROWING ORDER BOOK LED BY CHINA AND MIDDLE EAST**
- **POWER DISTRIBUTION RECOVERING: + 8% IN Q2 2010 VOLUMES ON Q2 2009**
- **BACK TO A POSITIVE ORGANIC GROWTH IN T&I: + 10.3% IN Q2 2010 VS - 8.6% IN Q1 2010**
- **INDUSTRIAL: INCREASING ORDER BOOK IN OIL & GAS CABLES; GROWTH IN RENEWABLES**

Sales to third parties by the Energy Cables and Systems segment amounted to Euro 1,925 million, compared with Euro 1,641 million in the first half of 2009. Net of metal price and exchange rate effects and changes in the group perimeter, the **organic change** in sales was a negative 3.6% in the first half, although reporting a clear trend reversal in the second quarter (+ 4.7%) recovering from the - 11.7% of the first three months. Adjusted EBITDA amounted to Euro 164 million (Euro 177 million in the first half of 2009), with a margin on sales down to 8.5% from 10.7% in the corresponding period of 2009. Adjusted operating income came to Euro 130 million (Euro 148 million in the first half of 2009), with the margin on sales down to 6.7% from 9.0% in the corresponding period of 2009.

Utilities

Sales to third parties by the Utilities business amounted to Euro 829 million, reporting an organic decrease of 5.9%. After a stable start to the year at the lows reached in the second half of 2009, demand started to recover in the second quarter, with improvements in both the power distribution and power transmission markets. In terms of profitability, margins were slightly lower, with adjusted EBITDA on sales at 14.4%, down from 15.8%, and adjusted operating income on sales at 12.4% down from 13.9%.

Sales by the submarine cable business enjoyed an organic increase on the corresponding period in 2009, confirming the recovery in investments by the utilities, particularly in offshore wind farms. In recent weeks Prysmian has been awarded two of the most important projects currently under development: HelWin1 and BorWin2, the world's first 300 kV HVDC link, confirming its market and technological leadership in this sector.

Demand for high voltage underground cables showed steady signs of recovery during the first six months of the year. In fact, in the second quarter larger utilities have resumed their investment programmes in Europe, China and the Middle East. The Group recently won the Transco project in Abu Dhabi, the largest contract for underground high voltage systems ever awarded to a single supplier in the Middle East.

Starting from the second quarter, the power distribution business confirmed the first signs of volume recovery, particularly in Europe. Second-quarter volumes were stable even in markets that had suffered most, such as North America, Brazil and South-East Asia. The high price of raw materials continued to put margins under pressure.

(in millions of Euro)

	1st half 2010	1st half 2009	% Change	% Organic change
Sales to third parties	829	801	3.5%	-5.9%
	% on sales			
	1st half 2010	1st half 2009	1st half 2010	1st half 2009
Adjusted EBITDA	120	126	14.4%	15.8%
Adjusted operating income	103	112	12.4%	13.9%

Trade & Installers

Sales to third parties by the Trade & Installers business amounted to Euro 699 million (Euro 489 million in the first half of 2009), posting an organic growth of 1.0% on the first half of 2009. The increase in volumes picked up significantly in the second quarter with + 10.3% organic growth compared with – 8.6% in the first quarter, particularly thanks to the resumption of demand in Europe, Brazil and Australia, and to the product mix with, for example, a growth in sales of cables for solar systems. An important contract was also signed to supply cables for the new underground railway in Istanbul. The growth in volumes reflected positively on second-quarter profits, with adjusted EBITDA climbing to Euro 15 million from Euro 5 million in the first three months of the year. Despite resumed growth in volumes, fluctuations in exchange rates and metal prices have kept price competition alight. Volumes are expected to carry on growing in the next quarters with a general stabilisation in prices. Adjusted operating margin on sales went down to 1.8% from 3.1% in the first half of 2009.

(in millions of Euro)

	1 st half 2010	1st half 2009	% Change	% Organic change
Sales to third parties	699	489	43.0%	1.0%
% on sales				
	1 st half 2010	1st half 2009	1st half 2010	1st half 2009
Adjusted EBITDA	20	23	2.9%	4.6%
Adjusted operating income	13	15	1.8%	3.1%

Industrial

Sales to third parties by the Industrial cables business amounted to Euro 344 million (Euro 314 million in the first half of 2009), reporting an organic decrease of 8.9%. Industrial cables also showed signs of a trend reversal in the second quarter with an organic growth of + 1.0% compared with - 17.3% in the first quarter. A number of important contracts were secured during the period in the Oil & Gas sector in Libya and Asia Pacific, while business in the renewable energy sector continued its positive trend. There was also strong growth in the order book for umbilical cables for the Oil & Gas sector during the first half of the year, which has improved sales visibility for the second half of the year. Volumes in the automotive industry carried on recovering. Adjusted operating margin on sales was 5.0%, down from 6.1% in the first half of 2009.

(in millions of Euro)

	1 st half 2010	1st half 2009	% Change	% Organic change
Sales to third parties	344	314	9.4%	-8.9%
% on sales				
	1 st half 2010	1st half 2009	1st half 2010	1st half 2009
Adjusted EBITDA	26	26	7.7%	8.4%
Adjusted operating income	17	19	5.0%	6.1%

TELECOM CABLES AND SYSTEMS PERFORMANCE AND RESULTS

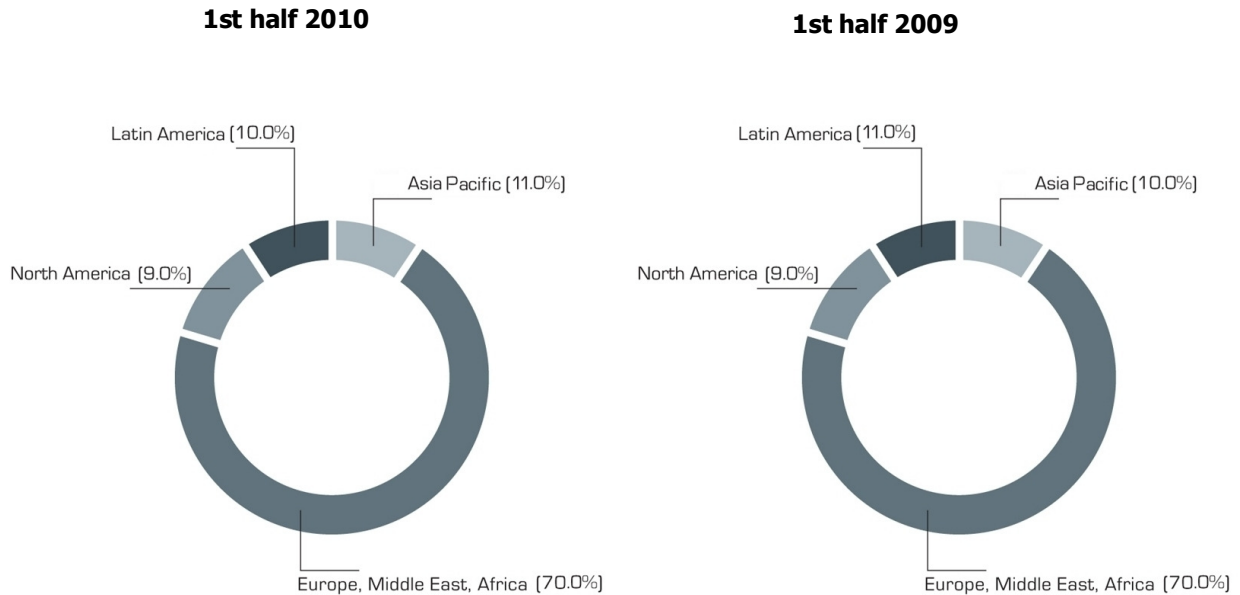
- **STABLE DEMAND FOR OPTICAL CABLES**
- **INCREASING VOLUMES AND MARKET SHARE IN OPTICAL CABLES**
- **STABLE MARGINS**

Sales to third parties by the Telecom Cables and Systems segment amounted to Euro 223 million (Euro 207 million in first half 2009), posting an organic decrease of 1.2% on the corresponding period of 2009, reflecting a negative first-quarter trend (-6.5%) that was partially reabsorbed by a second-quarter recovery (+3.4%). Although demand for optical cables was stable at its level of 2009, Prysmian boosted its market share during the first half of 2010 in every geographical area thanks to a 5% volume growth on the first half of 2009. The start of optical cable production at the new plant in Romania will allow the Group to increase its presence in markets in the Northern and Eastern European markets, where demand from alternative operators is most lively. Adjusted EBITDA rose slightly at Euro 17 million from Euro 16 million in the first half of 2009. Adjusted operating income was basically stable at Euro 13 million. In terms of margins, adjusted EBITDA was 7.4% from 7.6% of sales, while adjusted operating income was 5.8% from 6.1% of sales.

(in millions of Euro)

	1st half 2010	1st half 2009	% Change	% Organic change
Sales to third parties	223	207	8.1%	-1.2%
			% on sales	
	1st half 2010	1st half 2009	1st half 2010	1st half 2009
Adjusted EBITDA	17	16	7.4%	7.6%
Adjusted operating income	13	13	5.8%	6.1%

PERFORMANCE AND RESULTS BY GEOGRAPHICAL AREA



The Group's sales in **EMEA** (Europe, Middle East and Africa) reported an organic decrease of 1.3%. The second-quarter recovery in volumes for Trade & Installers and Power Distribution resulted in organic sales growth of 4.2% for the quarter. EMEA accounted for 70.0% of total sales in the period.

Sales in **North America** posted an organic decrease of 4.6% with a slight second-quarter recovery thanks to the high voltage projects started. North America accounted for 9.0% of total sales in the period.

Latin America posted an organic decrease in sales of 6.1%. There were signs of a second-quarter recovery in sales in the Industrial business area, particularly for the Oil & Gas industry, and in the Trade & Installers business area, which resulted in 9.7% organic growth for the quarter. The region accounted for 10.0% of total sales in the period.

Asia Pacific reported an organic decrease in sales of 14.0%, almost entirely attributable to lower volumes for the Power Distribution and Industrial businesses on the Australian market. Demand showed signs of stabilising in the second quarter. Asia Pacific accounted for 11.0% of total sales in the period.

BUSINESS OUTLOOK

After a first quarter that confirmed a stabilisation in demand and industrial output at the low levels already reached in the last part of 2009, the second quarter started to show the first signs of a moderate recovery in demand for all the Group's businesses. Although no major improvement in the economic environment is forecast, the Group expects to see in the second half of the year a continued recovery in volumes for the Trade & Installers and Power Distribution businesses, and a confirmation of the positive trend in orders for power transmission projects, for certain industrial applications such as renewable energy and offshore oil drilling, as well as for optical fibre cables supplied to major Telecom incumbents.

Based on the results achieved in the first six months, combined with the size of the current order book, the target for FY 2010 adjusted EBITDA can therefore be confirmed in the range of Euro 350-400 million announced at the end of the first quarter; this range is related to development of the reference markets demand in the second half of the year (FY 2009: Euro 403 million).

The Group also continues to rationalise and improve efficiency in its industrial footprint and to optimise its cost structure, while confirming its investment plans already started in the high value-added businesses to further strengthen its presence in the most profitable, high-growth segments.

KEY EVENTS OF THE FIRST HALF 2010

On March 30, 2010, with demand in excess of Euro 3,000 million, Prysmian SpA completed the placement of a five-year bond issue, listed on the Luxembourg Exchange, for a total amount of Euro 400 million, sold exclusively to qualified investors. The bonds, which were offered at a 99.674 issue price with a minimum denomination of 50,000 euros, mature on April 9, 2015 and carry a gross annual coupon of 5.25%. The Bonds are guaranteed by certain subsidiaries of Prysmian SpA.

Prysmian's Half-Year Financial Report at 30 June 2010, approved by the Board of Directors today, will be available to the public, together with the report by the independent auditors, from 6 August 2010 from the Company's registered offices in Viale Sarca 222, Milan and from Borsa Italiana S.p.A.. It will also be available on the corporate website at www.prysmian.com.

This document may contain forward-looking statements relating to future events and 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 as a result of a variety of factors.

The managers responsible for preparing corporate accounting documents (Massimo Branda and Jordi Calvo), hereby declare, pursuant to par. 2 art. 154-bis of Italy's Unified Financial Act, that the accounting information contained in this press release corresponds to the underlying documents, accounting books and records.

Prysmian

A leading player in the industry of high-tech cables and systems for energy and telecommunications, the Prysmian Group is a truly global business with more than Euro 3.7 billion in sales in 2009 and a strong position in higher value-added market segments. With its two businesses, Energy Cables & Systems (submarine and underground cables for power transmission and distribution, for industrial applications and for the distribution of electricity to residential and commercial buildings) and Telecom Cables & Systems (optical cables and fibres and copper cables for video, data and voice transmission), Prysmian boasts a global presence with subsidiaries in 39 countries, 56 plants in 24 countries, 7 Research & Development Centres in Europe, USA and South America, and around 12,000 employees.

Specialising in the development of products and systems even designed to customer specification, Prysmian's key strengths include: a focus on Research & Development, the capacity to innovate products and production processes, and the use of advanced proprietary technologies. Prysmian is listed on the Milan Stock Exchange in the Blue Chip index.

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ANNEX A

Consolidated Statement of Financial Position

(in millions of Euro)

	30 June 2010	31 December 2009
Non-current assets		
Property, plant and equipment	931	872
Intangible assets	67	43
Investments in associates	9	9
Available-for-sale financial assets	104	6
Derivatives	8	9
Deferred tax assets	73	47
Other receivables	43	28
Total non-current assets	1,235	1,014
Current assets		
Inventories	608	443
Trade receivables	828	622
Other receivables	451	359
Financial assets held for trading	51	42
Derivatives	34	44
Available-for-sale financial assets	50	-
Cash and cash equivalents	462	492
Total current assets	2,484	2,002
Assets held for sale	25	28
Total assets	3,744	3,044
Equity attributable to the Group:	628	677
Share capital	18	18
Reserves	565	411
Profit/(loss) for the period	45	248
Equity attributable to non-controlling interests:	39	21
Share capital and reserves	40	17
Profit/(loss) for the period	(1)	4
Total equity	667	698
Non-current liabilities		
Borrowings from banks and other lenders	1,219	884
Other payables	17	13
Provisions for risks and charges	41	41
Derivatives	57	7
Deferred tax liabilities	70	67
Employee benefits obligations	158	142
Total non-current liabilities	1,562	1,154
Current liabilities		
Borrowings from banks and other lenders	148	152
Trade payables	818	561
Other payables	360	326
Derivatives	69	46
Provisions for risks and charges	66	62
Current tax payables	54	45
Total current liabilities	1,515	1,192
Total liabilities	3,077	2,346
Total equity and liabilities	3,744	3,044

Consolidated Income Statement

(in millions of Euro)

	1st half 2010	1st half 2009
Sales of goods and services	2,148	1,848
Change in inventories of work in progress, semi-finished and finished goods	85	(35)
Other income	12	14
Raw materials and consumables used	(1,424)	(1,012)
Fair value change in metal derivatives	(17)	75
Personnel costs	(270)	(261)
<i>of which non-recurring personnel costs</i>	(4)	(6)
Amortisation, depreciation and impairment	(43)	(32)
<i>of which non-recurring amortisation, depreciation and impairment</i>	(5)	-
Other expenses	(376)	(374)
<i>of which non-recurring other expenses</i>	(2)	(7)
Operating income	115	223
Finance costs	(185)	(175)
Finance income	133	157
<i>of which non-recurring finance income</i>	2	8
Share of income from investments in associates and dividends from other companies	1	2
Profit before taxes	64	207
Taxes	(20)	(57)
Profit/(loss) for the period	44	150
Attributable to:		
Owners of the Parent	45	146
Non-controlling interests	(1)	4
Basic earnings/(loss) per share - (in Euro)	0.25	0.82
Diluted earnings/(loss) per share - (in Euro)	0.25	0.81

Consolidated Statement of comprehensive income

(in millions of Euro)

	1st half 2010	1st half 2009
Profit/(Loss) for the period	44	150
Fair value gains/(losses) on available-for-sale financial assets - gross of tax	(3)	-
Fair value gains/(losses) on available-for-sale financial assets - tax effect	1	-
Fair value gains/(losses) on cash flow hedges - gross of tax	(21)	-
Fair value gains/(losses) on cash flow hedges - tax effect	6	-
Actuarial gains/(losses) on employee benefits - gross of tax	(9)	3
Actuarial gains/(losses) on employee benefits - tax effect	3	-
Currency translation differences	29	41
Total post-tax other comprehensive income/(loss) for the period	6	44
Total comprehensive income/(loss) for the period	50	194
Attributable to:		
Owners of the Parent	48	190
Non-controlling interests	2	4

Consolidated Statement of Cash Flows

(in millions of Euro)	1st half 2010	1st half 2009
Profit before taxes	64	207
Depreciation and impairment of property, plant and equipment	35	30
Amortisation and impairment of intangible assets	3	2
Impairment of assets held for sale	5	-
Net gains from disposal of property, plant and equipment, intangible assets and other non-current assets	-	-
Share of income from investments in associates	(1)	(2)
Share-based compensation	-	-
Fair value change in metal derivatives	17	(75)
Net finance costs	52	18
Changes in inventories	(130)	51
Changes in trade receivables and payables	52	(42)
Changes in other receivables and payables	(66)	(88)
Changes in receivables/payables for derivatives	4	(3)
Taxes paid	(20)	(34)
Utilisation of provisions (including employee benefits obligations)	(32)	(33)
Increases in provisions (including employee benefits obligations)	17	17
A. Net cash flow provided by/(used in) operating activities	-	48
Acquisitions	(20)	-
Investments in property, plant and equipment	(24)	(44)
Investments in intangible assets	(7)	(7)
Investments in financial assets held for trading	(10)	(8)
Disposals of financial assets held for trading	7	11
Investments in available-for-sale financial assets	(152)	-
Disposals of available-for-sale financial assets	3	-
Dividends received	2	3
B. Net cash flow provided by/(used in) investing activities	(201)	(45)
Capital contribution and other changes in equity	13	3
Dividends paid	(75)	(75)
Purchase of treasury shares	-	-
Finance costs paid	(167)	(165)
Finance income received	131	149
Changes in net financial payables	258	(68)
C. Net cash flow provided by/(used in) financing activities	160	(156)
D. Currency translation gains/(losses) on cash and cash equivalents	11	5
E. Total cash flow provided/(used) in the period (A+B+C+D)	(30)	(148)
F. Net cash and cash equivalents at the beginning of the period	492	492
G. Net cash and cash equivalents at the end of the period (E+F)	462	344

ANNEX B

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

(in millions of Euro)

	1st half 2010	1st half 2009
Profit/(Loss) for the period	44	150
Taxes	20	57
Share of income from investments in associates and dividends from other companies	(1)	(2)
Finance income	(133)	(157)
Finance costs	185	175
Amortisation, depreciation and impairment	43	32
Fair value change in metal derivatives	17	(75)
EBITDA	175	180
Release of provision for tax inspections	(2)	-
Antitrust investigation legal cost	-	5
Company reorganisation	4	6
Special project costs	3	2
Environmental remediation	1	-
Adjusted EBITDA	181	193

Statement of Cash Flows with reference to change in Net Financial Position

(in millions of Euro)

	1st half 2010	1st half 2009	Change
EBITDA	175	180	(5)
Changes in provisions (including employee benefits obligations)	(15)	(16)	1
Net cash flow provided by operating activities (before changes in net working capital)	160	164	(4)
Changes in net working capital	(140)	(82)	(58)
Taxes paid	(20)	(34)	14
Net cash flow provided by/(used in) operating activities	-	48	(48)
Acquisitions	(20)	-	(20)
Net cash flow used in operational investing activities	(31)	(51)	20
Net cash flow used in financial investing activities	5	3	2
Free cash flow (unlevered)	(46)	-	(46)
Net finance costs	(36)	(16)	(20)
Free cash flow (levered)	(82)	(16)	(66)
Capital contribution and other changes in equity	13	3	10
Dividends paid	(75)	(75)	-
Net cash flow provided/(used) in the period	(144)	(88)	(56)
Net financial position at the beginning of the period	(474)	(577)	103
Net cash flow provided/(used) in the period	(144)	(88)	(56)
Other changes	(57)	5	(62)
Net financial position at the end of the period	(675)	(660)	(15)