

PRYSMIAN S.P.A. FY 2015 RESULTS

GOOD SALES GROWTH (ORGANIC GROWTH +5.3%)

EXCELLENT PERFORMANCE BY ENERGY PROJECTS (+15.8%)

SOLID TREND FOR TELECOM (+9.9%) AND RECOVERY BY ENERGY & INFRASTRUCTURE (+3.0%)

PROFIT OBJECTIVES ACHIEVED, WITH ADJ. EBITDA AT €623M, +22.6%

NET PROFIT LEAPS TO €214 MILLION

NET FINANCIAL POSITION BETTER THAN EXPECTED AT €750M (€529M EXCLUDING ACQUISITIONS)

PROPOSED DIVIDEND €0.42 PER SHARE

**ACQUISITIONS OF OMAN CABLES AND GULF COAST BOOST PRESENCE IN MIDDLE EAST
AND IMPROVE O&G COMPETITIVENESS**

Milan, 24/2/2016. The Board of Directors of Prysmian S.p.A. has approved today the Company's consolidated financial statements and separate financial statements for 2015¹.

"Revenue growth, improved profitability and solidity of the financial structure have all characterised 2015 which has closed with better-than-expected results," commented CEO Valerio Battista. Our ability to defend the more strategic, high value-added businesses continues to be decisive. The market for submarine cables and systems has rewarded our project execution capability, which has been further enhanced by investments in technological innovation, production capacity and in installation with the new cable-laying vessel "Cable Enterprise". In the Telecom business, the recovery of optical fibre competitiveness and our ability to develop innovative technological solutions for broadband, are allowing us to take full advantage of the opportunities in what is proving a solid market. The Group has also continued its commitment to containing costs and reorganising its manufacturing footprint, taking the number of plants closed to as many as 12 since initiating the integration process with Draka. This commitment, combined with careful financial management, has helped to ensure strong cash flows and a considerably better net financial position than expected. We are pleased to have achieved our original profit targets and we are able to propose shareholders a dividend in line with 2014."

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

(in millions of Euro)

	2015	2014	% Change	% organic sales change
Sales	7,361	6,840	7.6%	5.3%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	584	466	25.6%	
Adjusted EBITDA	623	509	22.6%	
EBITDA	622	496	25.7%	
Adjusted operating income	473	365	29.6%	
Operating income	399	312	28.5%	
Profit/(Loss) before taxes	310	172	80.5%	
Net profit/(loss) for the period	214	115	86.2%	

(in millions of Euro)

	31 December 2015	31 December 2014	Change
Net capital employed	2,515	2,345	170
Employee benefit obligations	341	360	(19)
Equity	1,424	1,183	241
of which attributable to non-controlling interests	146	33	113
Net financial position	750	802	(52)

¹ The audit of the consolidated financial statements and separate financial statements had not yet been completed as at today's date.

FINANCIAL RESULTS

Group **Sales** amounted to €7,361 million, posting **organic growth of +5.3%** assuming the same group perimeter and excluding metal price and exchange rate effects. The capability to execute the many important submarine cable projects in its order book was a decisive factor in the growth in the Group's sales. High voltage underground sales were stable, while SURF (Subsea Umbilicals Risers Flowlines) enjoyed a positive performance, especially thanks to umbilical sales. Sales by the Energy Products segment posted a slight recovery by Trade & Installers and a good performance by Power Distribution. The downturn in O&G and Automotive hurt the overall result of the Industrial cables business. Lastly, in the Telecom segment the Group benefited from the continued growth in demand for optical cables and improved competitiveness of its products.

Adjusted EBITDA (before net non-recurring expenses of €1 million) reported a jump of +22.6% to €623 million from €509 million in 2014. Excluding the adverse impact of the Western Link project, Adjusted EBITDA would have been €649 million, versus €603 million in 2014. The improvement in profitability was steady throughout the year, particularly in the Energy Projects and Telecom segments. The Industrial cables business, however, was affected first and foremost by the decline in volumes in the Oil&Gas sector.

EBITDA amounted to €622 million, up +25.7% on €496 million in 2014, and is stated after €1 million in net non-recurring expenses (€13 million in net expenses in 2014).

Group **Operating Income** came to €399 million, posting an increase of +28.5% on €312 million in 2014. This improvement mainly reflects the growth in EBITDA, partly thanks to recovery in the execution of the Western Link project. Profitability was adversely impacted, however, by the effects of fair value changes in metal derivatives and in stock options serving long-term incentive plans.

Net Finance Costs came to €89 million, down from €140 million in 2014, thanks to lower borrowing costs associated with the optimised financial structure.

Net Profit amounted to €214 million, posting a sharp increase (+86.2%) on €115 million in 2014.

Net Financial Position amounted to €750 million at the end of December 2015 (compared with €802 million at the end of 2014), marking a considerable improvement even on the initial forecasts and equal to €529 million excluding the impact of acquisitions. The main factors affecting the year-end balance were:

- generation of €508 million in cash from operating activities (before changes in net working capital);
- decrease of €243 million in net working capital; this decrease is mainly attributable to the sharp decrease in working capital employed in the Energy Projects business (arising from effective project execution), to the significant reduction in the level of inventories and to the decline in raw material prices;
- payment of €71 million in taxes;
- receipt of €17 million in dividends from investments;
- cash outlay of €138 million for acquisitions;
- net operating capital expenditure of €200 million;
- payment of €100 million in net finance costs;
- payment of €91 million in dividends;
- consolidation of €83 million in gross debt pertaining to Oman Cables Industry.

STRATEGY DEVELOPMENT

Industrial investments

In 2015 gross capital expenditure came to €210 million, up from €163 million the previous year. Among the highest impact projects: the growth in production capability at the submarine cable plants in Arco Felice (Italy) and Pikkala (Finland), the expansion of production at the High Voltage plant in Abbeville (USA), investments to regain optical fibre competitiveness at the plants in Battipaglia (Italy), Douvrin (France) and Sorocaba (Brazil), and the start of extension work on the new optical cable plant of excellence in Slatina (Romania) and on the plant in Durango (Mexico). The Group has also invested in boosting its execution capability for large submarine projects, with the upgrade of the "Cable Enterprise" cable-laying ship and the purchase of a new cable-laying barge.

Investments for external growth

The Group made two key strategic acquisitions in 2015. In the USA it acquired Gulf Coast Downhole Technologies (GCDDT), active in the design and supply of innovative downhole equipment for the Oil & Gas industry. Prysmian also signed an agreement to increase its stake in Oman Cables Industry (SAOG) to approximately 51%, thereby gaining control and bolstering its presence in the strategic Middle East region.

Innovation

Prysmian invested around €73 million in Research and Development in 2015. One of the main results was the qualification of the new extruded 525 kV cable system for direct current applications (EHVDC) that will significantly increase maximum transmissible power for bipolar cable systems to over 2.6 GW. Also of note were the achievement of qualification for P-Laser 320 kV high-performance eco-friendly cable, product innovations for fire-resistant eco-friendly building wires, and new applications and qualifications in the fields of Oil&Gas, Nuclear and Renewables. The Telecom business reported the development of a new range of bend-resistant BendBright^{XS} optical fibres, and the enlargement of the product range for Flextube.

Organisation and human resources

The process of regionalising structures in Europe was taken forward in 2015 with the aim of improving commercial synergies and the supply chain in an increasingly integrated market context. The two regions of Central East Europe and South Europe were created. In terms of the development of intellectual capital and talent, the various programs have continued for both employees and potential candidates: over the course of the year, about 700 employees passed through the doors of the Prysmian Group Academy, and the new Manufacturing Academy was inaugurated; the Graduate Program, now in its fifth year, has resulted in the employment of 40 new high-potential resources; the new "Make It" recruitment program aimed at engineers and technicians has also been launched. The YES share purchase plan for employees also continued, with the number of employee-shareholders climbing to 6,500, representing over 40% of those entitled.

Sustainability

During 2015, the Group continued to devote ever more attention to Corporate Social Responsibility, in particular by analysing the impact of its activities in a more detailed fashion, by adopting additional KPIs and new policies, by improving disclosure and by implementing stakeholder engagement initiatives. Among the main achievements were its entry to the FTSE4Good global index, the 10-point improvement of position in the Dow Jones Sustainability Index, the certification by an accounting firm of the Sustainability Report prepared under the G4 guidelines of the Global Reporting Initiative, and participation in the Carbon Disclosure Project. The Board of Directors has put the Compensation and Nominations Committee in charge of supervising issues concerning sustainability.

ENERGY PROJECTS OPERATING SEGMENT PERFORMANCE AND RESULTS

- **EXCELLENT PERFORMANCE FOR SUBMARINE CABLES; ORDER INTAKE OF APPROX. €1 BILLION**
- **HIGH VOLTAGE UNDERGROUND STABLE**
- **GROWTH IN SURF REVENUE THANKS TO UMBILICALS**

Energy Projects sales to third parties reached €1,587 million in 2015, posting organic growth of +15.8%. The profitability of the Energy Projects segments, inclusive of the adverse impact of the Western Link project, was significantly higher, with Adjusted EBITDA at €246 million, +59.7% on €154 million in 2014 (excluding the impact of Western Link, Adjusted EBITDA would have risen to €272 million versus €248 million in 2014).

Sales performance by Submarine Cables and Systems for power transmission was very buoyant, particularly thanks to the capability to execute the numerous projects currently in the order book. The Group worked on completing major contracts such as the Italy-Montenegro, Dardanelles Strait and Greece-Cyclades interconnectors, connections for offshore wind farms such as Borwin3 and Dolwin3 in Germany, and the Exxon Mobil project in the United States. The recovery of production process efficiency as well as accelerated execution of the Western Link project made it possible to reduce the project's negative impact by €30 million. The submarine projects order intake stood at €2,600 million at the end of December 2015, with order intake exceeding €1 billion in 2015 alone.

Sales of High Voltage Underground power transmission cables were generally stable compared with 2014, despite weak demand for new energy infrastructure in some European markets and the geopolitical uncertainties in Russia. Performance in the two major markets of North America and China was stable, while positive results were posted in Britain and the Middle East.

The Group enjoyed positive sales in the SURF business (offering products and services for offshore oil production), particularly thanks to strong demand for umbilicals in Brazil and the good growth in the Down Hole Technology (DHT) business; the latter segment benefited from the enlarged geographic presence and product portfolio, thereby limiting the impact of falling oil prices. The Group confirms its commitment to developing this important value-added market segment and in 2015 completed the acquisition of Gulf Coast Downhole Technologies in North America.

(in millions of Euro)

	2015	2014	% Change	% organic sales change
Sales	1,587	1,355	17.1%	15.8%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	246	154	59.7%	
% of sales	15.5%	11.4%		
Adjusted EBITDA	246	154	59.7%	
% of sales	15.5%	11.3%		
EBITDA	269	195	37.9%	
% of sales	17.0%	14.4%		
Amortisation and depreciation	(44)	(40)		
Adjusted operating income	202	114	77.2%	
% of sales	12.7%	8.4%		

ENERGY PRODUCTS OPERATING SEGMENT PERFORMANCE AND RESULTS

- **SLIGHT RECOVERY BY TRADE & INSTALLERS**
- **POSITIVE PERFORMANCE FOR POWER DISTRIBUTION**
- **INDUSTRIAL: NEGATIVE ORGANIC GROWTH MAINLY DUE TO O&G INVESTMENT AND AUTOMOTIVE DOWNTURN**

Energy Products sales to third parties amounted to €4,665 million, posting positive organic growth of +1.2% due to volume recovery in Europe, North America, Oceania and Argentina. Adjusted EBITDA came to €243 million versus €239 million in 2014 (+2.1%).

(in millions of Euro)

	2015	2014	% Change	% organic sales change
	2015	2014	% Change	% organic sales change
Sales	4,665	4,491	3.9%	1.2%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	225	221	2.0%	
% of sales	4.8%	4.9%		
Adjusted EBITDA	243	239	2.1%	
% of sales	5.2%	5.3%		
EBITDA	242	195	24.1%	
% of sales	5.2%	4.3%		
Amortisation and depreciation	(62)	(62)		
Adjusted operating income	181	177	2.9%	
% of sales	3.9%	3.9%		

Energy & Infrastructure

Energy & Infrastructure sales to third parties amounted to €2,795 million, reporting positive organic growth of +3.0% in a market scenario nonetheless still marked by uncertain demand for energy and related infrastructure in some European markets and by persistent difficulties in Brazil. Adjusted EBITDA came to €128 million, having improved from €108 million in 2014.

Static organic growth and stable prices characterised the performance of Trade & Installers, which benefited from the trend in North America, Britain, Northern Europe, Spain and some Asian markets, while business contracted in South America primarily due to lower demand in Brazil. Demand was still weak in Brazil. The Group has continued the strategy of focusing its business relationships on large customers and of enhancing the range of high value-added products like fire-resistant and LSOH cables.

Power Distribution recorded a positive sales performance, benefiting from the volume recovery in North Europe and strong demand in Germany, North America and Argentina. Even in this segment, the Group has reinforced its commitment to developing higher value-added products like P-Laser, the first totally eco-friendly cable in the world which is gaining ever increasing recognition from the Utilities.

Industrial & Network Components

Industrial & Network Components sales to third parties amounted to €1,749 million (with negative organic growth of -2.3%), a performance affected by the instability of demand in some sectors, only partly offset by the wide geographic spread and breadth of the range of products/applications offered by the Group.

In the Oil & Gas business, the reduction in investments caused by falling oil prices had a particular impact on the more capital intensive sectors, such as offshore and the MRO business (Maintenance, Repair & Operations). The OEM business posted good results for Crane, Railway and Nuclear applications, particularly in North America and Europe, in contrast with Rolling Stock and Marine applications affected by the difficult market scenario. In the renewables area, solar did well in North America, while demand for onshore wind applications slowed in China and North Europe. Strong competition in standard products caused Automotive performance to deteriorate in the first half of the year, followed by a partial second-half recovery. The Elevators business performed extremely well in nearly all its geographic markets, particularly APAC and EMEA. Lastly, Network Components enjoyed positive sales in China and North America, but weaker demand from High Voltage in Europe.

In terms of profitability, Adjusted EBITDA came in at €113 million compared with €126 million in 2014, basically attributable to the downturn in the Oil&Gas business, as partially offset by other industrial sectors.

TELECOM OPERATING SEGMENT PERFORMANCE AND RESULTS

- **GROWTH IN DEMAND FOR OPTICAL CABLES GLOBALLY AND INCREASE IN SALES VOLUMES**
- **IMPROVEMENT IN PROFITABILITY WITH RECOVERY IN MARGINS**
- **POSITIVE TREND FOR MULTIMEDIA SOLUTIONS**

Telecom sales to third parties amounted to €1,109 million, recording strong organic growth on 2014 (+9.9%). Adjusted EBITDA reported a major improvement to €134 million, +14.9% on 2014, with higher margins achieved thanks to measures to rationalise manufacturing footprint and regain fibre cost competitiveness.

Optical cables displayed a solid upward trend in demand in nearly all the major markets, particularly North America, Europe and Australia. Prices also stabilised, being less influenced by the pressure present throughout 2014. In Europe, the Group won contracts for work on major projects to realise backhaul links and FTTH connections for leading operators, in particular Orange and Free in France and Telecom Italia in Italy. In North America the development of ultra-broadband and FTTx networks, providing 1 Gbps internet connections, stimulated a continuous increase in demand. By contrast, investments continue to slow in Brazil, which posted a drop in volumes. The Group maintains a constant focus on developing innovative solutions for ultra-broadband networks, such as the hybrid energy-telecom cable system developed in the last few months of 2015.

The high value-added Connectivity business enjoyed a positive trend, thanks to the development of new FTTx networks (for last mile broadband access) in Europe and North America.

Multimedia Solutions reported a positive trend, particularly in Europe. The business's recovery in earnings reflected an improved product mix and the results of cost efficiency measures. The Group is focused on developing higher value-added products, such as data centres in Europe, and on rationalising its presence in lower margin businesses.

(in millions of Euro)

	2015	2014	% Change	% organic sales change
Sales	1,109	994	11.6%	9.9%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	113	91	24.6%	
% of sales	10.2%	9.1%		
Adjusted EBITDA	134	116	14.9%	
% of sales	12.1%	11.7%		
EBITDA	119	116	2.6%	
% of sales	10.7%	11.6%		
Amortisation and depreciation	(44)	(42)		
Adjusted operating income	90	74	19.7%	
% of sales	8.1%	7.4%		

BUSINESS OUTLOOK

The macro environment in 2015 saw a gradual stabilisation in the Eurozone, supported by the quantitative easing programme launched by the European Central Bank, while remaining sturdy in the United States. The European negotiations to refinance Greek debt, a source of financial market volatility, have created turmoil in the economic environment in Europe and internationally. The persistent geopolitical tensions in the Middle East and Russia, together with the slowdown by some economies like China and Brazil, continue to raise doubts over the contribution of these regions to world economic growth, with implications for the related exchange rates.

In such an economic context, the Group's expectation for FY 2016 is that demand in the cyclical businesses of medium voltage cables for utilities and building wires will record a slight volume recovery on the previous year with price stabilisation. In the Energy Projects segment, the Group confirms an improving trend with growth in the Submarine business, general stability in the High Voltage underground business and a slight contraction in SURF. With reference to the Submarine cables business, the plan initiated in response to the problems in performing the Western Link project is proceeding as expected. In the Oil & Gas cables business, the drop in oil prices and consequent reduction in oil industry investments are likely to continue to have a negative impact on the Group's activities. The Telecom business is expected to see continued growth in demand for optical fibre cables in 2016 albeit at a slower pace than in 2015 and with fluctuations dependent on actual progress in the execution of projects to upgrade networks to optical fibre.

In addition, exchange rate effects are forecast to have a negative impact on the FY 2016 results, assuming constancy of the rates at the start of the year, purely as a result of translating profits expressed in other currencies into the Group's reporting currency.

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

OTHER RESOLUTIONS BY THE BOARD OF DIRECTORS

Notice of Annual General Meeting

The Board of Directors has given the Chairman of the Board of Directors and the Chief Executive Officer several authority to perform all the formalities to convene the Annual General Meeting (AGM) for Wednesday, 13 April 2016, in single call.

Based on the results for 2015, the Board of Directors will recommend to the forthcoming AGM that a dividend of €0.42 per share be declared, involving a total pay-out of approximately €90 million.

If approved, the dividend will be paid out from 20 April 2016, record date 19 April 2016 and ex-div date 18 April 2016.

Share buy-back programme

The Board of Directors has decided to request the forthcoming AGM for authorisation to initiate a programme for the buy-back and disposal of treasury shares, after revoking the previous resolution adopted at the AGM on 16 April 2015.

The programme will provide the opportunity to purchase, on one or more occasions, a number of shares whose total cannot exceed 10% of share capital, taking account of treasury shares already purchased in execution of previous shareholder resolutions and not yet disposed of. Purchases may not exceed the amount of available reserves reported in the most recently approved annual financial statements. The programme will last for a maximum of 18 months commencing from the date of approval by the shareholders in AGM.

The shareholders' approval is being requested:

- to provide the Company with a portfolio of treasury shares, including those already held by the Company, that can be used for any extraordinary corporate actions (for example, mergers, demergers, purchases of equity investments);
- in order to use the treasury shares purchased to service the exercise of rights arising from convertible debt instruments or instruments exchangeable with financial instruments issued by the Company, its subsidiaries or by third parties (for example, in takeovers bids and/or exchanges of shares);
- to use treasury shares to satisfy share-based incentive plans or share purchase plans reserved for directors and/or employees of the Prysmian Group;
- to allow efficient management of the Company's capital, by creating an investment opportunity, also for its available liquidity.

Treasury shares will be bought back and sold in accordance with applicable laws and regulations:

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

As at the present date, the Company directly and indirectly holds 2,707,176 treasury shares. The legally required documentation will be made available to shareholders and the public at the locations and within the deadlines required by applicable regulations.

Group employee share purchase plan

Having obtained the approval of the Compensation Committee and Nominations Committee, the Board of Directors has resolved to submit to the forthcoming AGM the introduction of a new global share ownership plan (the "Plan") for all employees of the Prysmian Group with indefinite employment contracts who have completed their probationary period.

The reasons for introducing the Plan are:

- to strengthen the sense of belonging to the Group by offering employees at all levels of the organisation an opportunity to share in its successes, through equity ownership
- to align the interests of stakeholders: (the Prysmian Group, employees and shareholders), by identifying a common goal of creating long-term value
- to strengthen employee confidence and engagement in achieving new goals and better performance.

The Plan will offer the opportunity to purchase Prysmian's ordinary shares on preferential terms, with a maximum discount of 25% on the stock price, given in the form of treasury shares. The shares purchased will be subject to a retention period, during which they cannot be sold. The Plan envisages three purchase windows: 2017, 2018 and 2019.

The Plan's beneficiaries will also include the Chief Executive Officer, the Chief Financial Officer, the Chief Strategy Officer, the Executive Vice President of the Energy Projects Business and key management personnel, for whom the stock discount will be just 1%. The Plan therefore qualifies as "of particular relevance" within the meaning of art. 84-bis, par. 2 of the Issuer Regulations. A maximum number of 600,000 treasury shares will be earmarked to serve the discounted purchases envisaged by the Plan.

In the Plan's implementation phase following approval by the AGM, Prysmian will define the details for the different countries, which may vary according to local laws, and reserves the right to exclude those countries where restrictions or local rules may render its implementation inappropriate or ineffective.

The proposal, which will be submitted for approval by the forthcoming AGM, calls for the Board of Directors to be vested with the powers to implement the Plan.

The information memorandum relating to the plan will be published within the required deadline.

Corporate bonds

On 30 March 2015, Prysmian S.p.A. completed the placement with institutional investors of an unrated bond, on the Eurobond market, for a total nominal value of €750 million. The bond, with an issue price of €99.002, has a 7-year maturity and will pay a fixed annual coupon of 2.50%.

The bond, settled on 9 April 2015, has been listed on the Luxembourg Stock Exchange.

The Prysmian Group's Annual Report at 31 December 2015, approved by the Board of Directors today, will be available to the public from the Company's registered office in Viale Sarca 222, Milan and from Borsa Italiana S.p.A. by 23 March 2016. It will also be available on the corporate website at www.prysmiangroup.com and in the authorised central storage mechanism used by the company at www.emarketstorage.com. The present document may contain forward-looking statements relating to future events and future operating, economic and financial results of the Prysmian Group. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Therefore, actual future results may differ materially from what is expressed in forward-looking statements for a variety of factors.

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

The results at 31 December 2015 will be presented to the financial community during a conference call to be held today at 18:00 CET, a recording of which will be subsequently made available on the Group's website: www.prysmiangroup.com.

The documentation used during the presentation will be available today in the Investor Relations section of the Prysmian website at www.prysmiangroup.com, and can be viewed on the Borsa Italiana website www.borsaitaliana.it and in the central storage mechanism for regulated information at www.emarketstorage.com.

Prysmian Group

Prysmian Group is world leader in the energy and telecom cables and systems industry. With almost 140 years of experience, sales of about €7.5 billion in 2015, over 19,000 employees across 50 countries and 88 plants, the Group is strongly positioned in high-tech markets and offers the widest possible range of products, services, technologies and know-how. It operates in the businesses of underground and submarine cables and systems for power transmission and distribution, of special cables for applications in many different industries and of medium and low voltage cables for the construction and infrastructure sectors. For the telecommunications industry, the Group manufactures cables and accessories for voice, video and data transmission, offering a comprehensive range of optical fibres, optical and copper cables and connectivity systems. Prysmian is a public company, listed on the Italian Stock Exchange in the FTSE MIB index.

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ANNEX A

Consolidated statement of financial position

(in millions of Euro)

	31 December 2015	31 December 2014
Non-current assets		
Property, plant and equipment	1,551	1,414
Intangible assets	722	561
Equity-accounted investments	177	225
Available-for-sale financial assets	12	12
Derivatives	1	1
Deferred tax assets	83	115
Other receivables	26	27
Total non-current assets	2,572	2,355
Current assets		
Inventories	979	981
Trade receivables	1,098	952
Other receivables	687	766
Financial assets held for trading	87	76
Derivatives	26	29
Cash and cash equivalents	547	494
Total current assets	3,424	3,298
Assets held for sale	119	7
Total assets	6,115	5,660
Equity attributable to the Group:	1,278	1,150
Share capital	22	21
Reserves	1,042	1,014
Net profit/(loss) for the year	214	115
Equity attributable to non-controlling interests:	146	33
Share capital and reserves	146	33
Net profit/(loss) for the year	-	-
Total equity	1,424	1,183
Non-current liabilities		
Borrowings from banks and other lenders	1,141	817
Other payables	16	13
Provisions for risks and charges	52	74
Derivatives	21	5
Deferred tax liabilities	63	53
Employee benefit obligations	341	360
Total non-current liabilities	1,634	1,322
Current liabilities		
Borrowings from banks and other lenders	262	568
Trade payables	1,377	1,415
Other payables	984	827
Derivatives	43	47
Provisions for risks and charges	275	269
Current tax payables	27	29
Liabilities held for sale	89	-
Total current liabilities	3,057	3,155
Total liabilities	4,691	4,477
Total equity and liabilities	6,115	5,660

Consolidated income statement

(in millions of Euro)

	2015	2014
Sales of goods and services	7,361	6,840
Change in inventories of work in progress, semi-finished and finished goods	(44)	28
Other income	104	113
<i>of which non-recurring other income</i>	54	37
Raw materials, consumables used and goods for resale	(4,484)	(4,303)
Fair value change in metal derivatives	(27)	7
Personnel costs	(1,001)	(948)
<i>of which non-recurring personnel costs</i>	(38)	(52)
<i>of which personnel costs for stock option fair value</i>	(25)	(3)
Amortisation, depreciation, impairment and impairment reversal	(171)	(188)
<i>of which non-recurring impairment and impairment reversal</i>	(21)	(44)
Other expenses	(1,378)	(1,280)
<i>of which non-recurring other expenses</i>	(17)	2
Share of net profit/(loss) of equity-accounted companies	39	43
Operating income	399	312
Finance costs	(530)	(479)
<i>of which non-recurring finance costs</i>	(8)	(18)
Finance income	441	339
<i>of which non-recurring finance income</i>	13	4
Profit before taxes	310	172
Taxes	(96)	(57)
Net profit/(loss) for the year	214	115
Attributable to:		
Owners of the parent	214	115
Non-controlling interests	-	-
Basic earnings/(loss) per share (in Euro)	1.00	0.54
Diluted earnings/(loss) per share (in Euro)	1.00	0.54

Consolidated Statement of Comprehensive Income

(in millions of Euro)

	2015	2014
Net profit/(loss) for the year	214	115
Comprehensive income/(loss) for the year:		
- items that may be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on cash flow hedges - gross of tax	1	(8)
Fair value gains/(losses) on cash flow hedges - tax effect	-	2
Release of cash flow hedge reserve after discontinuing cash flow hedging - gross of tax	2	4
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	(1)	(1)
Currency translation differences	(44)	32
Total items that may be reclassified, net of tax	(42)	29
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	23	(50)
Recognition of pension plan asset ceiling	-	8
Actuarial gains/(losses) on employee benefits - tax effect	(4)	11
Total items that will NOT be reclassified, net of tax	19	(31)
Total comprehensive income/(loss) for the year	191	113
Attributable to:		
Owners of the parent	192	111
Non-controlling interests	(1)	2

Consolidated statement of cash flows

(in millions of Euro)

	2015	2014
Profit/(loss) before taxes	310	172
Depreciation, impairment and impairment reversals of property, plant and equipment	138	137
Amortisation and impairment of intangible assets	33	51
Results of operating and financial investment and divestment activities	(36)	(30)
Share of net profit/(loss) of equity-accounted companies	(39)	(43)
Share-based payments	25	3
Fair value change in metal derivatives and other fair value items	27	(7)
Net finance costs	89	140
Changes in inventories	81	(76)
Changes in trade receivables/payables	(54)	(16)
Changes in other receivables/ payables	216	90
Changes in receivables/payables for derivatives	-	1
Taxes paid	(71)	(72)
Dividends received from equity-accounted companies	17	36
Utilisation and release of provisions (including employee benefit obligations)	(87)	(193)
Increases in provisions (including employee benefit obligations)	48	170
A. Net cash flow provided by/(used in) operating activities	697	363
Acquisitions	(138)	9
Investments in property, plant and equipment	(204)	(143)
Disposals of property, plant and equipment and assets held for sale	10	6
Investments in intangible assets	(6)	(18)
Investments in financial assets held for trading	(48)	(8)
Disposals of financial assets held for trading	16	25
B. Net cash flow provided by/(used in) investing activities	(370)	(129)
Capital contributions and other changes in equity	3	-
Purchase of treasury shares	-	(20)
Dividend distribution	(91)	(90)
Repayment of non-convertible bond - 2010	(400)	-
EIB Loan	(8)	100
Issuance of non-convertible bond - 2015	739	-
Early repayment of credit agreement	(400)	(184)
Finance costs paid	(518)	(440)
Finance income received	418	330
Changes in net financial payables	11	46
C. Net cash flow provided by/(used in) financing activities	(246)	(258)
D. Currency translation gains/(losses) on cash and cash equivalents	(16)	8
E. Total cash flow provided/(used) in the year (A+B+C+D)	65	(16)
F. Net cash and cash equivalents at the beginning of the year	494	510
G. Net cash and cash equivalents at the end of the year (E+F)	559	494
Cash and cash equivalents reported in statement of financial position	547	494
Cash and cash equivalents included in assets held for sale	12	-

ANNEX B

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

(in millions of Euro)

	2015	2014
Net profit/(loss) for the year	214	115
Taxes	96	57
Finance income	(441)	(339)
Finance costs	530	479
Amortisation, depreciation, impairment and impairment reversal	171	188
Fair value change in metal derivatives	27	(7)
Fair value change in stock options	25	3
EBITDA	622	496
Company reorganisation	53	48
Antitrust	(29)	(31)
Effect of YOFC dilution	-	(8)
Acquisition price adjustment	-	(22)
Effect of consolidating Oman Cables Industry	(44)	
Other net non-recurring expenses/(income)	21	26
Total non-recurring expenses/(income)	1	13
Adjusted EBITDA	623	509

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

(in millions of Euro)

	2015	2014	Change
EBITDA	622	496	126
Changes in provisions (including employee benefit obligations)	(39)	(23)	(16)
(Gains)/losses on disposal of property, plant and equipment, intangible assets and non-current assets	(36)	(8)	(28)
Share of net profit/(loss) of equity-accounted companies	(39)	(43)	4
Acquisition price adjustment	-	(22)	22
Net cash flow provided by operating activities (before changes in net working capital)	508	400	108
Changes in net working capital	243	(1)	244
Taxes paid	(71)	(72)	1
Dividends from investments in equity-accounted companies	17	36	(19)
Net cash flow provided by operating activities	697	363	334
Acquisitions	(138)	9	(147)
Net cash flow from operational investing activities	(200)	(155)	(45)
Free cash flow (unlevered)	359	217	142
Net finance costs	(100)	(110)	10
Free cash flow (levered)	259	107	152
Capital contributions and other changes in equity	3	(20)	23
Dividend distribution	(91)	(90)	(1)
Net cash flow provided/(used) in the year	171	(3)	174
Opening net financial position	(802)	(805)	3
Net cash flow provided/(used) in the year	171	(3)	174
Other changes	(119)	6	(125)
Closing net financial position	(750)	(802)	52

ANNEX C

Separate statement of financial position

(in Euro)

	31 December 2015	31 December 2014
Non-current assets		
Property, plant and equipment	51,990,084	33,626,451
Intangible assets	38,172,608	43,993,725
Investments in subsidiaries	1,893,969,030	1,818,399,274
Derivatives	-	-
Deferred tax assets	3,386,349	1,584,004
Other receivables	18,397,869	5,266,663
Total non-current assets	2,005,915,940	1,902,870,117
Current assets		
Trade receivables	111,678,229	149,574,290
Other receivables	574,205,679	569,284,117
Derivatives	128,436	196,737
Cash and cash equivalents	16,199	2,314,234
Total current assets	686,028,543	721,369,378
Total assets	2,691,944,483	2,624,239,495
Share capital and reserves:		
Share capital	21,672,092	21,671,239
Reserves	1,019,429,309	893,799,487
Net profit/(loss) for the year	155,147,628	191,556,235
Total equity	1,196,249,029	1,107,026,961
Non-current liabilities		
Borrowings from banks and other lenders	1,105,162,068	772,097,616
Other payables	60,512	-
Employee benefit obligations	6,936,467	7,576,241
Total non-current liabilities	1,112,159,047	779,673,857
Current liabilities		
Borrowings from banks and other lenders	82,818,566	456,219,674
Trade payables	269,640,439	255,319,731
Other payables	11,774,894	11,080,849
Derivatives	87,912	176,126
Provisions for risks and charges	14,646,696	14,713,092
Current tax payables	4,567,900	29,205
Total current liabilities	383,536,407	737,538,677
Total liabilities	1,495,695,454	1,517,212,534
Total equity and liabilities	2,691,944,483	2,624,239,495

Separate income statement

(in Euro)

	2015	2014
Sales of goods and services	1,132,939,437	1,091,702,248
Change in inventories of work in progress, semi-finished and finished goods	-	(1,124,530)
Other income	124,562,284	106,624,599
Raw materials, consumables used and goods for resale	(1,134,279,975)	(1,090,772,337)
Fair value change in metal derivatives	(15,723)	(31,880)
Personnel costs	(48,580,261)	(39,880,929)
<i>of which non-recurring personnel costs</i>	(556,117)	(2,185,838)
<i>of which personnel costs for stock option fair value</i>	(8,097,337)	(495,887)
Amortisation, depreciation and impairment	(10,876,021)	(9,492,951)
Other expenses	(74,169,677)	(47,348,242)
<i>of which non-recurring other (expenses)/income</i>	(7,698,270)	17,835,905
Operating income	(10,419,936)	9,675,978
Finance costs	(54,050,204)	(58,414,473)
<i>of which non-recurring finance costs</i>	(2,183,292)	(2,048,425)
Finance income	30,365,738	19,552,167
<i>of which non-recurring finance income</i>	531,431	257,837
Dividends from subsidiaries	190,457,488	221,071,176
Impairment losses / reversal of impairment of investments	(12,350,840)	(16,465,310)
Profit before taxes	144,002,246	175,419,538
Taxes	11,145,382	16,136,697
Net profit/(loss) for the year	155,147,628	191,556,235

Separate statement of comprehensive income

(in thousand of Euro)

	2015	2014
Net profit/(loss) for the year	155,148	191,556
Items that will be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on cash flow hedges - gross of tax	(39)	(27)
Fair value gains/(losses) on cash flow hedges - tax effect	11	7
Total items that may be reclassified, net of tax effect	(28)	(20)
Items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	276	(973)
Actuarial gains/(losses) on employee benefits - tax effect	(76)	268
Total items that will NOT be reclassified subsequently to profit or loss:	200	(705)
Total comprehensive income/(loss) for the year	155,320	190,831

Separate statement of cash flows

(in thousand of Euro)

	2015	2014
Profit/(loss) before taxes	144,002	175,420
Depreciation and impairment of property, plant and equipment	1,533	1,344
Amortisation and impairment of intangible assets	9,343	8,149
Impairment reversal	12,351	16,465
Net gains on disposals of property, plant and equipment, intangible assets and other non-current assets	(1)	(85)
Share-based payments	8,097	496
Dividends from subsidiaries	(190,458)	(221,071)
Fair value change in metal derivatives	16	32
Net finance costs	23,684	38,862
Changes in inventories	-	1,125
Changes in trade receivables/payables	52,217	(89,824)
Changes in other receivables/ payables	(25,284)	13,314
Taxes cashed/(paid)	30,447	18,701
Utilisation of provisions (including employee benefit obligations)	(751)	(1,200)
Increases/(Release) in provisions (including employee benefit obligations)	212	(18,454)
A Net cash flow provided by/(used in) operating activities	65,408	(56,726)
Investments in property, plant and equipment	(19,100)	(2,436)
Disposal of property, plant and equipment	-	263
Investments in intangible assets	(4,316)	(10,951)
Investments in subsidiaries	(85,000)	(118,000)
Dividends received	188,818	221,071
B Net cash flow provided by/(used in) investing activities	80,402	89,947
Capital contributions	1	212
Dividend distribution	(89,843)	(88,857)
Share buy back	-	(19,954)
Sale of treasury share	332	416
Early repayment of 2011 Credit Agreement	(400,000)	-
Proceeds from non conv. bond - 2015	739,140	-
Repayment of non conv. Bond - 2010	(400,000)	-
EIB Loan	(8,333)	100,000
Early repayment of 2010 Credit Agreement	-	(87,916)
Finance costs paid	(42,324)	(37,361)
Finance income received	29,760	19,226
Changes in other financial receivables/ payables	23,159	78,727
C Net cash flow provided by/(used in) financing activities	(148,108)	(35,507)
D Total cash flow provided/(used) in the year (A+B+C)	(2,298)	(2,286)
E Net cash and cash equivalents at the beginning of the year	2,314	4,600
F Net cash and cash equivalents at the end of the year (D+E)	16	2,314