PRESS RELEASE

PRYSMIAN S.P.A. FIRST-HALF RESULTS 2014

CONTINUED RECOVERY IN VOLUMES, TRANSMISSION ORDER BOOK REACHES RECORD €3 BILLION

SLIGHT IMPROVEMENT IN PROFITABILITY, EXCLUDING WESTERN LINK IMPACT AND EXCHANGE RATES

FY 2014 ADJ EBITDA TARGET IN RANGE €506M – €556M (€600M- €650M EXCLUDING WL IMPACT)

FIRST-HALF RESULTS 2014

- **SALES: €3,287 MILLION (+1.3% ORGANIC CHANGE ON 1H 2013; +3.4% EXCLUDING W. LINK)**
- **ADJ EBITDA[1]: €204 MILLION (-27.8% ON 1H 2013); €278M EXCLUDING WESTERN LINK (-1.4% ON 1H 2013)**
- **ADJ OPERATING INCOME[2]: €133 MILLION (-22.7% ON 1H 2013); €207M EXCLUDING W. LINK (-0.5% ON 1H 2013)**
- **ADJ NET PROFIT[3]: €59 MILLION (-48.7% ON 1H 2013); €111M EXCLUDING W. LINK (-3.5% ON 1H 2013)**
- **NET FINANCIAL POSITION: €1,209 MILLION, OF WHICH APPROX. €70M FOR W. LINK IMPACT (€1,186M AT 30 JUNE 2013)**

Milan, 31/7/2014. The Board of Directors of Prysmian S.p.A. has approved today the Group's consolidated results for the first half of 2014.

"The results of the first half of 2014 include the financial impact of the problems encountered in the execution of the Western Link project and the effects of exchange rate trends" explains CEO Valerio Battista. "Excluding these two major factors, it is important to note the recovery in volumes and slight improvement in profitability since the start of the year, albeit less visible than in the first quarter. With regard to the Western Link project, I am pleased to report that the extensive and rigorous testing performed to ensure the perfect execution of such an important project has been successfully completed on the submarine cables and now allows us to have a realistic view of the overall impact on the project's profitability. The power transmission business has continued to grow and, thanks to intensive tendering and continuous customer confidence, our Group's order book has reached a record Euro 3 billion."

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

(in millions of Euro)	1st half 2014	1st half 2013 (*)	% Change
Sales	3,287	3,504	-6.2%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	189	268	-29.5%
Adjusted EBITDA	204	282	-27.8%
EBITDA	244	256	-4.5%
Adjusted operating income	133	208	-22.7%
Operating income	176	138	27.5%
Profit/(loss)before taxes	102	56	82.1%
Net profit/(loss) for the period	80	41	94.6%

(in millions of Euro)	30 June 2014	30 June 2013 (*)	Change
Net capital employed	2,715	2,656	59
Employee benefit obligations	329	332	(3)
Equity	1,177	1,138	39
of which attributable to non-controlling interests	35	32	3
Net financial position	1,209	1,186	23

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

1 Adj EBITDA is defined as EBITDA before non-recurring income/(expenses), as reported in the table in Annex B.

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

3 Adj net profit is defined as net profit before non-recurring income and expenses, the fair value change in metal derivatives and in other fair value items, the effect of currency and interest rate derivatives, exchange rate differences, non-monetary interest on the convertible bond and the related tax effects.

FINANCIAL RESULTS

Group **Sales** amounted to €3,287 million compared with €3,504 million in the first half of 2013, posting **organic growth of +1.3%,** assuming the same group perimeter and excluding metal price and exchange rate effects. Without the negative impact of the Western Link project, organic growth would have been +3.4%, confirming the slight uptrend in volumes already seen in the first quarter after several quarters of organic decline. The growth in volumes and sales was attributable not only to the performance of the power transmission business, whose order book reached a record figure of €3 billion, but also to the recovery in sales in the Trade & Installers market. First-half sales for the Industrial business were weaker than expected. The Telecom business, which had already reported the first signs of trend reversal in the first quarter, posted a positive performance in volumes.

Adjusted EBITDA amounted to €204 million (€282 million in the first half of 2013) before €40 million in net non-recurring income. Excluding the adverse impact of the Western Link contract, totalling €74 million in the first half of 2014, as well as €14 million in negative exchange rate effects, Adjusted EBITDA would have been €292 million (+3.5% on the first half of 2013). With the aim of preserving its levels of profitability, the Group has maintained its focus on reducing costs and rationalising its manufacturing footprint.

EBITDA[4] amounted to €244 million (€256 million in the first half of 2013), including €40 million in net non-recurring income mainly attributable to the price adjustment of €22 million against the acquisition of Global Marine Systems Energy Ltd. and to the net release of €32 million from the antitrust provision, following the European Commission's ruling early in April.

Adjusted operating income came to €133 million. Excluding the Western Link impact, it would have been €207 million (in line with €208 million in the first half of 2013).

Operating income was €176 million. Excluding the Western Link impact, it would have been €250 million (a significant increase on €138 million in the first half of 2013).

Net finance income and costs reported a negative balance of €74 million, down from €82 million in the first half of 2013, thanks to the improvement in financial structure and in the cost of Group debt and also to early refinancing of the Term Loan due to mature on 31 December 2014.

Adjusted net profit amounted to €59 million. Excluding the negative impact of the Western Link project, adjusted net profit would have been €111 million, slightly down from €115 million in the first half of 2013. **Net profit** was €80 million, almost double the figure of €41 million in the first half of 2013. Without the impact of the Western Link project, net profit for the first half of 2014 would have been €132 million.

Net financial position at the end of June 2014 amounted to €1,209 million (of which approximately €70 million due to negative effects associated with the Western Link project), compared with €805 million at 31 December 2013 (€1,186 million at 30 June 2013), reflecting the impact of the following factors:

- positive cash flow from operating activities (before changes in net working capital) of €154 million;
- negative impact of €341 million from changes in net working capital;
- payment of €29 million in taxes;
- net operating investments of €69 million;
- receipt of €8 million in dividends;
- payment of €90 million in dividends;
- payment of €54 million in net finance costs;
- receipt of €15 million upon completing the price adjustment process for the Global Marine Ltd. acquisition.

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

ENERGY CABLES AND SYSTEMS PERFORMANCE AND RESULTS

- **UTILITIES: POWER TRANSMISSION ORDER BOOK AT RECORD LEVEL OF €3 BILLION**
- **RECOVERY IN T&I VOLUMES; PROFITABILITY HURT BY PRICES AND EXCHANGE RATE EFFECTS**
- **POWER DISTRIBUTION STILL WEAK**
- **INDUSTRIAL: IMPROVEMENT IN RENEWABLES AND ELEVATORS; WEAK OEM & SPECIALTIES AND O&G ONSHORE**

Sales to third parties by the Energy Cables and Systems business amounted to €2,799 million, with **organic growth** of +1.4% on the first half of 2013; excluding the Western Link impact, sales would have been €2,870 million, with organic growth of +3.8%. Adjusted EBITDA came to €161 million. Excluding the impact of the Western Link project, Adjusted EBITDA would have been €235 million, slightly up from €232 million in the first half of 2013.

(in millions of Euro)

	1st half 2014	1st half 2013 (*)	% Change
Sales to third parties	2,799	2,990	-6.4%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**152**	**225**	**-32.4%**
% of sales	5.4%	7.5%	
Adjusted EBITDA	**161**	**232**	**-30.5%**
% of sales	5.8%	7.7%	
EBITDA	**203**	**219**	**-6.5%**
% of sales	7.3%	7.3%	
Amortisation and depreciation	(50)	(53)	-4.7%
Adjusted operating income	**111**	**179**	**-23.9%**
% of sales	4.0%	6.0%	

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

Utilities

Sales to third parties by the Utilities business amounted to €992 million, recording negative organic variation of -2.2% due to the impact of the Western Link project, without which sales would have posted positive organic growth of +4.5%. The reduction in Adjusted EBITDA to €64 million in the first half of 2014 from €124 million in the corresponding period of 2013 was entirely due to the negative impact of Western Link; excluding this effect, Adjusted EBITDA would have risen by 11.3% to €138 million.

Sales of High Voltage Underground Cables were positive, benefiting in particular from good performance on strategic markets like Asia Pacific and the Middle East. Sales performance in Northern European was also positive, partly thanks to the contribution of onshore grid connections for submarine projects. The Group has continued to focus on technological leadership and a rational, efficient manufacturing footprint to confirm its positioning in this business.

The results of the Submarine Cables and Systems business were penalised by the impact of the technical problems in executing the Western Link project, which had an overall negative effect of €71 million on sales in the first half of 2014. The procedures duly deployed by the Group for testing and optimising materials and processes have allowed it to limit the overall impact on the project, estimated to total €94 million in 2014 and €167 million for the entire duration (2014-2016).

The outlook for underground and submarine power transmission cables and systems remains positive, with this business’s order book reaching the record figure of €3 billion for the first time. The programmes to upgrade production capacity and installation capabilities (with the upgrade of the Cable Enterprise, the Group's new cable-laying vessel) will allow the Group to meet the needs of customers by remaining a credible and reliable player in a market that continues to grow.

The Power Distribution business continued to be affected by the ongoing weakness of demand in nearly all the major world markets, due to low levels of investment by the utilities. The Group has long deployed cost containment measures to limit the impact on profitability.

(in millions of Euro)

	1st half 2014	1st half 2013 (*)	% change	% organic sales change
Sales to third parties	992	1,067	-7.0%	-2.2%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**61**	**122**	**-50.0%**	
% of sales	6.1%	11.4%		
Adjusted EBITDA	**64**	**124**	**-48.4%**	
% of sales	6.5%	11.6%		
Adjusted operating income	**44**	**104**	**-57.7%**	
% of sales	4.4%	9.7%		

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

Trade & Installers

Sales to third parties by the Trade & Installers business confirmed the signs of an upturn in volumes and sales seen since the start of the year, reporting sales of €944 million in the first half of 2014 with organic growth of +7.4% from the low point hit in the first half of 2013. In Europe, signs of dynamism were confirmed in Eastern Europe and in the north (Nordics and the UK) as well as in Turkey. In North America, the positive trend in demand is expected to continue in coming quarters, while South America has slowed after a period of great buoyancy. Lastly, in Asia Pacific the Group is implementing a selective growth strategy focused on higher margin countries and markets. The Group confirms its global leadership in projects that require higher levels of technology and know-how, such as fire-resistant and LSOH cables that are increasingly deployed in strategic buildings and infrastructure such as the EXPO 2015 in Milan. Despite the growth in sales, profitability continued to suffer from price pressure and negative exchange rate effects. Adjusted EBITDA amounted to €34 million, compared with €41 million in the first half of 2013.

(in millions of Euro)

	1st half 2014	1st half 2013 (*)	% change	% organic sales change
Sales to third parties	944	974	-3.1%	7.4%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**29**	**37**	**-21.6%**	
% of sales	3.1%	3.8%		
Adjusted EBITDA	**34**	**41**	**-17.1%**	
% of sales	3.6%	4.2%		
Adjusted operating income	**23**	**28**	**-17.9%**	
% of sales	2.4%	2.9%		

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

Industrial
Sales to third parties by the Industrial cables business amounted to €817 million, delivering slightly negative organic variation of -0.3%. The Industrial cables business continued to show large differences in performance between the many market segments and geographical regions. In the Oil & Gas business, the growth in demand for cables for offshore oil production in North Europe (Norway and the UK) was offset by the decline in the Middle Eastern market, primarily in the onshore sector. The outlook for the second half is positive thanks to a good order book for both offshore and onshore contracts. In the SURF business (offering technologies, products and services for offshore oil production), after a weak start to the year, the execution of Umbilical projects currently in the order book will mainly fall in the second half of the year, while the commercial policy of enlarging the customer base globally has continued thanks to a new organisation, headquartered in Houston with sales offices in Europe, Asia and the Middle East. The Specialties & OEM business had a weak first half compared with the strong first half in 2013, mainly due to the slowdown in infrastructure investments in North America and the ongoing weakness of demand in Europe. The market sectors to suffer most were cables for the mining, defence and the nuclear industries, while the renewable energy, rail transport and port cranes market sectors all showed signs of recovery. Elevators continued to enjoy excellent sales performance both in the established U.S. market and in more recently entered European and Asian markets. Lastly, in the Automotive business, good performance in North America and Asia helped offset lower demand in Europe.
Adjusted EBITDA amounted to €58 million, compared with €63 million in the first half of 2013.

(in millions of Euro)

	1st half 2014	**1st half 2013 (*)**	**% change**	**% organic sales change**
Sales to third parties	817	895	-8.7%	-0.3%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**57**	**62**	**-8.1%**	
% of sales	7.0%	6.9%		
Adjusted EBITDA	**58**	**63**	**-7.9%**	
% of sales	7.1%	7.0%		
Adjusted operating income	**41**	**45**	**-8.9%**	
% of sales	5.0%	5.0%		

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

TELECOM CABLES AND SYSTEMS PERFORMANCE AND RESULTS

- **GROWTH IN DEMAND FOR OPTICAL CABLES IN EUROPE. FIRST POSITIVE SIGNS IN N. AND S. AMERICA AS WELL**
- **CONTINUED DECLINE FOR COPPER CABLES**
- **RATIONALISATION AND COST-CUTTING TO LIMIT IMPACT OF FALLING PRICES AND EXCHANGE RATE EFFECTS ON PROFITABILITY**

Sales to third parties by the Telecom Cables and Systems segment amounted to €488 million, recording a slight organic increase (+0.8%), compared with €514 million in the first half of 2013.

Optical cables enjoyed a strong recovery in demand in almost all the major world markets even if general pressure on prices limited the positive effects on revenues. In Europe, in particular, the Group started work on major projects for leading operators, such as BT in the United Kingdom, Telefonica and Jazztel in Spain, and Orange in France. In North America, demand started to recover after the downturn caused by the ending of government incentives. In South America, the renewal of stimulus measures should lead to a more visible market recovery in the second half. Lastly, almost every country in Asia Pacific experienced growth except for Australia, which was still affected by the new execution schedule for the NBN project.

Multimedia Solutions posted a recovery in profitability due to the strategy of focusing on higher value-added products, such as data centres in Europe, and of rationalising the presence in lower margin businesses.

The high value-added connectivity business grew, albeit marginally, thanks to the development of new FTTx networks (for last mile broadband access), particularly in France, United Kingdom and the Netherlands.

Lastly, copper cables continued their steady decline due to the retirement of traditional networks in favour of next-generation ones.

The Group has continued to implement cost containment measures in order to limit the impact of low prices and exchange rates on profitability. Adjusted EBITDA amounted to €43 million, compared with €50 million in the first half of 2013.

(in millions of Euro)

	1st half 2014	1st half 2013 (*)	% Change
Sales to third parties	488	514	-5.1%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**37**	**43**	**-14.2%**
% of sales	7.6%	8.3%	
Adjusted EBITDA	**43**	**50**	**-15.4%**
% of sales	8.8%	9.8%	
EBITDA	**44**	**38**	**11.7%**
% of sales	9.0%	7.4%	
Amortisation and depreciation	(21)	(21)	
Adjusted operating income	**22**	**29**	**4.5%**
% of sales	4.5%	5.6%	

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

BUSINESS OUTLOOK

The macroeconomic environment in the first part of 2014, especially in those areas hardest hit by the crisis, has shown signs of stabilisation and improvement compared with the recessionary trend experienced since the second half of 2011.
In such an economic context, the Group is forecasting for 2014 that demand for medium voltage cables for utilities will follow the current slowing trend and that building wires will make a gradual recovery over the course of coming quarters. It also confirms the positive trend in demand in the high value-added businesses of power transmission and offshore Oil & Gas, as well as the steady recovery of demand for optical fibre cables from the record lows reported in 2013.
During the last few days of April, the manufacture of the cables for the Western HVDC Link project in the United Kingdom encountered some technical problems, which were duly placed under investigation. Accordingly, for the purposes of the quarterly financial report at 31 March 2014 the Directors had felt unable to estimate reliably the outcome of this contract, and so its revenues were recognised to the extent of the costs incurred. Following examination of the quality of the cable produced and analysis of the materials and the manufacturing process, the Directors have felt able in this half-year report to make a reliable estimate of the project's revenues and costs. In the first half of the year this has resulted in total elimination of the margins recognised on the contract and recognition of a provision to cover the expected contract loss.
Based on the order book and considering the negative impact of the technical problems with the manufacture of cables for the Western Link project, as well as negative exchange rate effects, the Group is forecasting Adjusted EBITDA for FY 2014 in the range of €506-556 million (€600-650 million excluding the negative impact of the Western Link project estimated at €94 million for FY 2014) compared with €613 million (*) in 2013.
Lastly, the Prysmian Group will carry on during 2014 to integrate and rationalise activities with the goal of achieving the projected cost synergies and of further strengthening its presence in all its areas of business.

(*) The previously published figure for Adjusted EBITDA in 2013 (€612 million) has been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

OTHER RESOLUTIONS BY THE BOARD OF DIRECTORS

As a result of the effects of the Western Link project, the Board also decided not to execute the mandate received from the shareholders allowing implementation of the Long-Term Incentive Plan (LTI) for the years 2014-2016.

Corporate bonds

The unrated bond, for a total nominal amount of €400 million, placed on 30 March 2010 with institutional investors on the Eurobond market, will mature within eighteen months of the end of 2013. The bond, with a 5-year term maturing on 9 April 2015, has been admitted to the Official List of the Luxembourg Stock Exchange.

The Prysmian Group's Half-Year Financial Report at 30 June 2014, approved by the Board of Directors today, will be available to the public at the Company's registered office in Viale Sarca 222, Milan and at Borsa Italiana S.p.A. by the legally required deadline. It will also be available on the corporate website at www.prysmiangroup.com and in the mechanism for the central storage of regulated information known as "1Info" at www.1info.it. 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 30 June 2014 will be presented to the financial community during a conference call to be held today at 18:00 CET, a recording of which will be subsequently made available on the Group's website: www.prysmiangroup.com.

The documentation used during the presentation will be available today in the Investor Relations section of the Prysmian website at www.prysmiangroup.com.

Prysmian Group

Prysmian Group is the world leader in the energy and telecom cables and systems industry. With more than 130 years of experience, sales of €7 billion in 2013, 19,000 employees across 50 countries and 91 plants, the Group is strongly positioned in high-tech markets and offers the widest range of products, services, technologies and know-how. In the Energy sector, Prysmian Group operates in the business of underground and submarine power transmission cables and systems, special cables for applications in many different industrial sectors and medium and low voltage cables for the construction and infrastructure industry. In the Telecom sector, the Group manufactures cables and accessories for the voice, video and data transmission industry, offering a complete 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)

	30 June 2014	31 December 2013 (*)	1 January 2013 (*)
Non-current assets			
Property, plant and equipment	1,415	1,390	1,484
Intangible assets	587	588	608
Equity-accounted investments	212	205	193
Available-for-sale financial assets	12	12	12
Derivatives	4	2	3
Deferred tax assets	111	130	125
Other receivables	30	28	40
Total non-current assets	**2,371**	**2,355**	**2,465**
Current assets			
Inventories	1,028	881	866
Trade receivables	1,051	933	1,083
Other receivables	795	722	560
Financial assets held for trading	71	93	78
Derivatives	21	23	16
Cash and cash equivalents	255	510	787
Total current assets	**3,221**	**3,162**	**3,390**
Assets held for sale	6	12	4
Total assets	**5,598**	**5,529**	**5,859**
Equity attributable to the Group:	**1,142**	**1,147**	**1,112**
Share capital	21	21	21
Reserves	1,041	977	925
Net profit/(loss) for the period	80	149	166
Equity attributable to non-controlling interests:	**35**	**36**	**35**
Share capital and reserves	35	33	33
Net profit/(loss) for the period	-	3	2
Total equity	**1,177**	**1,183**	**1,147**
Non-current liabilities			
Borrowings from banks and other lenders	801	1,119	1,428
Other payables	14	20	23
Provisions for risks and charges	60	51	73
Derivatives	7	7	41
Deferred tax liabilities	74	97	91
Employee benefit obligations	329	308	344
Total non-current liabilities	**1,285**	**1,602**	**2,000**
Current liabilities			
Borrowings from banks and other lenders	742	292	311
Trade payables	1,425	1,409	1,416
Other payables	658	688	616
Derivatives	41	42	24
Provisions for risks and charges	245	279	317
Current tax payables	25	34	28
Total current liabilities	**3,136**	**2,744**	**2,712**
Total liabilities	**4,421**	**4,346**	**4,712**
Total equity and liabilities	**5,598**	**5,529**	**5,859**

(*) The previously published prior year consolidated financial statements have been restated following the adoption of IFRS 10 and IFRS 11.

Consolidated income statement

(in millions of Euro)

	1st half 2014	1st half 2013 (*)
Sales of goods and services	3,287	3,504
Change in inventories of work in progress, semi-finished and finished goods	62	97
Other income	44	28
of which non-recurring other income	*22*	*7*
Raw materials, consumables used and goods for resale	(2,126)	(2,266)
Fair value change in metal derivatives	6	(37)
Personnel costs	(461)	(480)
of which non-recurring personnel costs	*(7)*	*(12)*
of which personnel costs for stock option fair value	*(3)*	*(7)*
Amortisation, depreciation and impairment	(71)	(74)
Other expenses	(580)	(648)
of which non-recurring other expenses	*25*	*(21)*
Share of net profit/(loss) of equity-accounted companies	15	14
Operating income	**176**	**138**
Finance costs	(197)	(244)
of which non-recurring finance costs	*(13)*	*(20)*
Finance income	123	162
Dividends from other companies	-	-
Profit/(loss) before taxes	**102**	**56**
Taxes	(22)	(15)
Net profit/(loss) for the period	**80**	**41**
Attributable to:		
Owners of the parent	80	42
Non-controlling interests	-	(1)
Basic earnings/(loss) per share (in Euro)	**0.37**	**0.20**
Diluted earnings/(loss) per share (in Euro)	**0.37**	**0.20**

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

Consolidated Statement of Comprehensive Income

(in millions of Euro)

	1st half 2014	1st half 2013 (*)
Net profit/(loss) for the period	**80**	**41**
Comprehensive income/(loss) for the period:		
- items that may be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on cash flow hedges - gross of tax	(1)	6
Fair value gains/(losses) on cash flow hedges - tax effect	-	(3)
Release of cash flow hedge reserve after discontinuing cash flow hedging - gross of tax	4	15
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	(1)	(5)
Currency translation differences	16	(32)
Total items that may be reclassified, net of tax	**18**	**(19)**
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	(21)	16
Actuarial gains/(losses) on employee benefits - tax effect	4	(2)
Total items that will NOT be reclassified, net of tax	**(17)**	**14**
Total comprehensive income/(loss) for the period	**81**	**36**
Attributable to:		
Owners of the parent	81	37
Non-controlling interests	-	(1)

(*) The previously published prior year consolidated financial statements have been restated following the adoption of IFRS 10 and IFRS 11.

Consolidated statement of cash flows

(in millions of Euro)

		1st half 2014	1st half 2013 (*)
	Profit/(loss) before taxes	102	56
	Depreciation and impairment of property, plant and equipment	56	58
	Amortisation and impairment of intangible assets	15	16
	Net gains on disposals of property, plant and equipment, intangible assets and other non-current assets and price adjustment	(23)	(1)
	Share of net profit/(loss) of equity-accounted companies	(15)	(14)
	Share-based payments	3	7
	Fair value change in metal derivatives and other fair value items	(6)	37
	Net finance costs	74	82
	Changes in inventories	(139)	(137)
	Changes in trade receivables/payables	(106)	(36)
	Changes in other receivables/ payables	(96)	(165)
	Changes in receivables/payables for derivatives	-	-
	Taxes paid	(29)	(27)
	Dividends received from equity-accounted companies	8	16
	Utilisation of provisions (including employee benefit obligations)	(79)	(66)
	Increases in provisions (including employee benefit obligations)	27	29
A.	**Net cash flow provided by/(used in) operating activities**	**(208)**	**(145)**
	Acquisitions	15	-
	Investments in property, plant and equipment	(67)	(39)
	Disposals of property, plant and equipment and assets held for sale	7	1
	Investments in intangible assets	(9)	(9)
	Investments in financial assets held for trading	(4)	(17)
	Disposals of financial assets held for trading	31	11
B.	**Net cash flow provided by/(used in) investing activities**	**(27)**	**(53)**
	Capital contributions and other changes in equity	-	-
	Dividend distribution	(90)	(91)
	EIB Loan	100	-
	Proceeds from convertible bond	-	296
	Early repayment of credit agreement	(184)	(486)
	Finance costs paid	(175)	(215)
	Finance income received	121	143
	Changes in net financial payables	211	148
C.	**Net cash flow provided by/(used in) financing activities**	**(17)**	**(205)**
D.	**Currency translation gains/(losses) on cash and cash equivalents**	**(3)**	**(9)**
E.	**Total cash flow provided/(used) in the period (A+B+C+D)**	**(255)**	**(412)**
F.	**Net cash and cash equivalents at the beginning of the period**	**510**	**787**
G.	**Net cash and cash equivalents at the end of the period (E+F)**	**255**	**375**

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

ANNEX B

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

(in millions of Euro)

	1st half 2014	1st half 2013 (*)
Net profit/(loss) for the period	80	41
Taxes	22	15
Dividends from other companies	-	-
Finance income	(123)	(162)
Finance costs	197	244
Amortisation, depreciation and impairment	71	74
Fair value change in metal derivatives	(6)	37
Fair value change in stock options	3	7
EBITDA	**244**	**256**
Company reorganisation	7	21
Antitrust	(32)	(1)
Environmental remediation and other costs	-	2
Acquisition price adjustment	(22)	-
Other net non-recurring expenses/(income)	7	4
Adjusted EBITDA	**204**	**282**

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.

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

(in millions of Euro)

	1st half 2014	1st half 2013 (*)	Change
EBITDA	244	256	(12)
Changes in provisions (including employee benefit obligations)	(52)	(37)	(15)
Net gains on disposals of property, plant and equipment, intangible assets and other non-current assets	(1)	(1)	-
Share of net profit/(loss) of equity-accounted companies	(15)	(14)	(1)
Acquisition price adjustment	(22)	-	(22)
Net cash flow provided by operating activities (before changes in net working capital)	**154**	**204**	**(50)**
Changes in net working capital	(341)	(338)	(3)
Taxes paid	(29)	(27)	(2)
Dividends from investments in equity-accounted companies	8	16	(8)
Net cash flow provided by operating activities	**(208)**	**(145)**	**(63)**
Acquisitions	15	-	15
Net cash flow from operational investing activities	(69)	(47)	(22)
Free cash flow (unlevered)	**(262)**	**(192)**	**(70)**
Net finance costs	(54)	(72)	18
Free cash flow (levered)	**(316)**	**(264)**	**(52)**
Dividend distribution	(90)	(91)	1
Net cash flow provided/(used) in the period	**(406)**	**(355)**	**(51)**
Opening net financial position	**(805)**	**(888)**	**83**
Net cash flow provided/(used) in the period	(406)	(355)	(51)
Convertible bond equity component	-	39	(39)
Other changes	2	18	(16)
Closing net financial position	**(1,209)**	**(1,186)**	**(23)**

(*) The previously published prior year comparative figures have been restated following the introduction of IFRS 10 and IFRS 11 and a new method of classifying the share of net profit (loss) of associates and joint ventures.