PRESS RELEASE

PRYSMIAN S.P.A. FIRST-HALF RESULTS 2015

SALES CLIMB TO €3,737 MILLION (+7.0 % EXCLUDING WL)

RECORD ORDER BOOK OF ALMOST €3.5 BILLION

EXCELLENT PERFORMANCE BY ENERGY PROJECTS (+17.4% EXCLUDING WL) AND TELECOM (+13.1%)

ENERGY & INFRASTRUCTURE CONSOLIDATE RECOVERY

IMPROVEMENT IN PROFITABILITY WITH ADJ. EBITDA AT €315 M (+13.3%) EXCL. WL (€314 M INCL. WL, +54.1%)

€35 MILLION IMPROVEMENT EXPECTED IN WESTERN LINK RESULTS COMPARED WITH FORECAST

NET FINANCIAL POSITION DOWN TO €979 MILLION, BETTER THAN EXPECTED (€1,209 MILLION AT 30 JUNE 2014)

FY 2015 GUIDANCE UPDATED WITH GOAL OF REACHING TOP END OF ADJ. EBITDA RANGE €590M – €640M

(€616M - €666M EXCLUDING WL)

Milan, 30/7/2015. The Board of Directors of Prysmian S.p.A. has approved today the Group's consolidated results for the first half of 2015.

"The first-half results confirm the growth seen since the start of the year, which has shown further acceleration in the second quarter" explained CEO Valerio Battista. "The strategic businesses of submarine cables and systems and optical fibre cables have performed extremely well, while the situation in the more standardised businesses of power distribution and building wires is slowly but steadily improving. In this situation of consolidating market recovery, the Group has been able to intercept some of the most attractive business opportunities, boosting its transmission order book to a new record figure of almost €3.5 billion. Just a few weeks ago, it was awarded the NSN project, the longest HVDC link ever built and worth more than €550 million. I am also pleased to confirm that the plan in response to the problems emerging in the Western Link project execution is proceeding apace and producing better-than-expected results, allowing us to make a positive revision of €35 million to the project's initially estimated impact. Given this scenario, the Group aims to position itself at the top end of the Adjusted EBITDA range of €590-€640 million for full year 2015."

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

(in millions of Euro)

	1st half 2015	1st half 2014	% Change	% organic sales change
Sales	3,737	3,287	13.7%	7.6%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	296	189	56.7%	
Adjusted EBITDA	314	204	54.1%	
EBITDA	261	244	7.3%	
Adjusted operating income	242	133	82.0%	
Operating income	173	176	-1.3%	
Profit/(Loss) before taxes	120	102		
Net profit/(loss) for the period	78	80		

(in millions of Euro)

	30 June 2015	30 June 2014	Change
Net capital employed	2,554	2,715	(161)
Employee benefit obligations	362	329	33
Equity	1,213	1,177	36
of which attributable to non-controlling interests	33	35	(2)
Net financial position	979	1,209	(230)

FINANCIAL RESULTS

Group **Sales** amounted to €3,737 million compared with €3,287 million in the first half of 2014, posting organic growth of +7.6%, calculated for the same group perimeter and net of metal price and exchange rate effects; excluding the impact of the Western Link project, first–half organic growth would have been 7.0%. The additional acceleration in revenue growth reported in the second quarter (+8.0%, excluding the impact of Western Link) is evidence that the recovery seen since the start of the year can be sustained. The period has seen steadily improving performances by the Group's higher value-added businesses of submarine cables and systems and optical fibre telecom cables, which both reported double–digit organic growth. Performance in the market of SURF products and services for offshore oil production was also positive, particularly for umbilical and DHT (Down Hole Technology) cables. In addition, the signs of recovery in the businesses of building wires and power distribution cables also showed consolidation. Sales of high voltage underground cables were stable at 2014 first-half levels. In the industrial cables business, positive performances by Specialties & OEM and Elevators partly made up for weak demand in Oil & Gas and the effects of strong competition in the Automotive market.

Adjusted EBITDA (before net non-recurring expenses of €53 million) amounted to €314 million, a major increase on €204 million in the first half of 2014 (+54.1%), with an improvement in margins (Adjusted EBITDA represented 8.4% of sales, up from 6.2%). Excluding the impact of the Western Link project, Adjusted EBITDA would have been €315 million, compared with €278 million in the corresponding period of 2014 (+13.3%). The plan initiated in response to the problems emerging in the project's performance is delivering satisfying results, allowing a faster execution schedule, having regained all the available capacity and improved the efficiency of the production process. Thanks to these actions, as well as the strengthening of contractual guarantees and longer project timing agreed with the customer, the overall result is expected to improve by €35 million (€30 million in 2015 and €5 million in 2016). Exchange rate effects benefited EBITDA to the tune of €16 million in the period.

EBITDA[1] amounted to €261 million, compared with €244 million in the first half of 2014, and is stated after €53 million in net non-recurring expenses (€40 million in net non–recurring income in the first half of 2014).

Group Operating Income came to €173 million compared with €176 million in the first half of 2014. This decrease is mainly attributable to higher net non-recurring expenses and certain non–monetary effects such as impairment and fair value measurement of the new medium/long–term incentive plan.

Net Finance Costs amounted to €53 million, down from €74 million in the first half of 2014.

Net Profit of €78 million was in line with the €80 million reported in the same period of 2014.

Net Financial Position at the end of June 2015 amounted to €979 million, marking a considerable improvement from €1,209 million at 30 June 2014 (€802 million at 31 December 2014), reflecting the impact of the following factors:

- generation of €251 million in cash from operating activities (before changes in net working capital);
- negative impact of €198 million from changes in net working capital;
- payment of €25 million in taxes;
- receipt of €11 million in dividends from investments in equity-accounted companies;
- net operating capital expenditure of €72 million;
- payment of €64 million in net finance costs;
- payment of €91 million in dividends in the period.

[1] 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 PROJECTS

- **SUSTAINED GROWTH FOR SUBMARINE, UMBILICAL AND DHT CABLES**
- **HIGH VOLTAGE UNDERGROUND IN LINE WITH 2014**
- **POWER TRANSMISSION ORDER BOOK REACHES NEW RECORD OF ALMOST €3.5 BILLION**

Energy Projects sales to third parties reached €739 million in the first half of 2015, posting organic growth of +21.7%. Profitability improved significantly with an Adjusted EBITDA of €115 million, up from €36 million in the first half of 2014 and an Adjusted EBITDA margin on sales of 15.6% versus 6.2% in the first half of 2014. Excluding the adverse impact of the Western Link project, Sales would have been €797 million, with organic growth of +17.4%, and Adjusted EBITDA would have been €116 million (€110 million in the corresponding period of 2014).

Sales by the Submarine Cables and Systems business grew fast, particularly thanks to the capability to execute the numerous projects currently in the Group's order book. The deepwater cable for the Western Link project is at an advanced stage of production, with installation scheduled to start in the second half of the year. The implementation of the plan in response to the problems arising in cable manufacture is delivering positive results, with an improvement in the efficiency of the production process and acceleration in the execution schedule. The market continues to be strong, driven in particular by projects for the interconnection of transmission networks in Europe.

Sales by the High Voltage Underground business were essentially in line with the corresponding period of 2014. In Europe, strong performance in the United Kingdom was offset by weak demand in France, Italy and the Nordic countries. The award of the new interconnection project between France and Italy is nonetheless an encouraging sign of the real desire to create a single European electricity market. Sales in China and the Middle East also performed well, driven by sustained demand for energy infrastructure.

The order book for underground and submarine power transmission grew significantly, reaching a new peak of around €3.5 billion. The latest project awarded to the Group is NSN (North Sea Network), an interconnector between Britain and Norway worth more than €550 million; representing an important technological milestone as the longest HVDC link ever planned, this award confirms the Group's leadership in know-how and technology as well as its market reputation.

The strong sales performance by the SURF business continued to be underpinned by steady demand for umbilical cables in Brazil and by robust growth of the Down Hole Technology (DHT) market in North America.

(in millions of Euro)

	1st half 2015	1st half 2014	% Change	% organic sales change
Sales	739	589	25.6%	21.7%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**115**	**36**		
% of sales	15.6%	6.2%		
Adjusted EBITDA	**115**	**36**		
% of sales	15.6%	6.2%		
EBITDA	**100**	**88**	**13.6%**	
% of sales	13.5%	15.1%		
Amortisation and depreciation	(19)	(19)		
Adjusted operating income	**96**	**17**		
% of sales	13.0%	2.8%		

ENERGY PRODUCTS

- **CONTINUED RECOVERY FOR TRADE & INSTALLERS**
- **BETTER-THAN-EXPECTED IMPROVEMENT FOR POWER DISTRIBUTION**
- **INDUSTRIAL: GOOD RESULTS FOR ELEVATORS, IMPROVEMENT IN SPECIALTIES & OEM ; WEAKNESS IN O&G AND AUTOMOTIVE**

Energy Products sales to third parties amounted to €2,420 million, posting organic growth of +2.7% on the first half of 2014, mainly due to the recovery in volumes in North America and Northern Europe and the growth in Asian countries which were partially counterbalanced by the downward sales trend in Brazil. There was also a slight but steady improvement in profitability with Adjusted EBITDA reaching €128 million (+2.9% on the first half of 2014), while the margin remaining largely stable at 5.3% of sales (5.6% in the corresponding period of 2014).

(in millions of Euro)

	1st half 2015	1st half 2014	% Change	% organic sales change
Sales	2,420	2,210	9.5%	2.7%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**120**	**116**	**3.1%**	
% of sales	4.9%	5.3%		
Adjusted EBITDA	**128**	**125**	2.9%	
% of sales	5.3%	5.6%		
EBITDA	**113**	**115**	**-5.0%**	
% of sales	4.6%	5.2%		
Amortisation and depreciation	(31)	(31)		
Adjusted operating income	**97**	**94**	**2.4%**	
% of sales	4.0%	4.3%		

Energy & Infrastructure

Energy & Infrastructure sales to third parties amounted to €1,468 million, reflecting organic growth of +5.3% (faster in the second quarter with +7.1%). This result is due not only to the effective commercial strategy of differentiating and improving the sales mix but also to market growth in the United States and a recovery of infrastructure investment in some European countries such as Germany and the Nordics. The South American market continued to be weak. Adjusted EBITDA for the first half of 2015 reached €63 million, up from €54 million in the corresponding period of 2014, with the margin essentially stable at 4.3% of sales versus 4.1% the year before.

The 2015 first-half results for Trade & Installers reflected a consolidation of the signs of recovery emerging in the last few months of 2014, allowing moderate organic sales growth. The trend was positive in Spain, Britain and Eastern Europe, as well as in North America. The Brazilian market continued to be weak.

Power Distribution enjoyed a higher-than-expected growth in sales thanks to strong performance in certain countries like Germany, the Nordics and Argentina where the Group benefited from new investments to upgrade electricity networks. Prices remained in line with previous quarters.

Industrial & Network Components

Industrial & Network Components sales to third parties amounted to €897 million, reflecting negative organic growth of -2.0% particularly attributable to the persistent weakness of investments in infrastructure. Sales performance in the Oil & Gas sector was affected by weak demand for MRO services (Maintenance, Repair & Operations), as well as by the effects of the oil price slide which is setting back drilling projects. Specialties & OEM recorded positive organic growth, with good performance in Asia Pacific and Europe (thanks to nuclear power and railway projects). Elevators posted a solid performance across all regions. Automotive results continued to be affected by growing market competition. In the Network Components business, positive performance by high voltage products in China counterbalanced weakness in Europe. Adjusted EBITDA was slightly lower at €63 million, down from €66 million in the first half of 2014.

TELECOM

- **CONTINUED GROWTH IN DEMAND FOR OPTICAL CABLES; SUSTAINED ORGANIC SALES GROWTH (+13.1%)**
- **MAJOR IMPROVEMENT IN PROFITABILITY**
- **SOLID GROWTH ALSO FOR MULTIMEDIA SOLUTIONS**

Telecom sales to third parties amounted to €578 million, with a marked jump in organic growth (+13.1%) thanks to strong demand for optical fibre cables. Profitability benefited from stabilisation of prices, from investments to regain optical fibre cost competitiveness, which are delivering the expected results, and from the contribution of Yangtze Optical Fibre and Cable Joint Stock Limited Company (YOFC). Adjusted EBITDA came to €71 million compared with €43 million in the first half of 2014. The Adjusted EBITDA margin on sales improved to 12.2% from 8.8% in the first half of 2014.

The recovery in demand for Optical Cables and Connectivity extended to nearly every region, accompanied by a general stabilisation in prices. In Europe, in particular, growth was driven by the backhaul projects and FTTH/FTTA connections awarded to the Group by leading operators such as Telefonica in Spain, Orange and Free in France and Telecom Italia in Italy. In North America, development of the new ultra-broadband and FTTx networks led to a good increase in demand. In Asia Pacific, the NBN (National Broadband Network) project in Australia contributed to the region's growth, even if a slowdown is expected in the second half of the year. Less positive performances were recorded in South America (Brazil) where the market is failing to show significant signs of improvement.

The growth in Multimedia Solutions is proving solid, particularly in Asia Pacific and Brazil. Volumes and prices stabilised in Europe. The Group maintained its strategic focus on higher value-added products and businesses, such as data centres in Europe, and on improving customer service.

(in millions of Euro)

	1st half 2015	1st half 2014	% Change	% organic sales change
Sales	578	488	18.6%	13.1%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	**61**	**37**	**67.4%**	
% of sales	10.6%	7.6%		
Adjusted EBITDA	**71**	**43**	**65.3%**	
% of sales	12.2%	8.8%		
EBITDA	**50**	**44**	**37.1%**	
% of sales	8.7%	9.0%		
Amortisation and depreciation	(22)	(21)		
Adjusted operating income	**49**	**22**	**72.7%**	
% of sales	8.5%	4.5%		

BUSINESS OUTLOOK

The macro environment in the first few months of 2015 saw signs of stabilisation and slight improvement in Europe, 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. 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 short and medium-term contribution of these regions to world economic growth.
In such an economic context, the Group's expectation for FY 2015 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 signs of price stabilisation. In the Energy Projects segment, the Group confirms an improving trend with potential growth in the Submarine and SURF businesses, although partially offset by weak demand for High Voltage underground, a market also being penalised by growing competition in several regions. With reference to the Submarine cables business, the plan initiated in response to the problems emerging in performance of the Western Link project is proceeding better than expected, enabling a faster execution schedule having regained all the available capacity and improved the efficiency of the production process. Thanks to these actions, as well as the strengthening of contractual guarantees and longer project timing agreed with the customer, the overall result in terms of Adjusted EBITDA is expected to improve by €35 million compared with the original estimate, reducing the negative impact from €167 million originally estimated to €132 million. As far as 2015 is concerned, Western Link is forecast to have a negative impact on Adjusted EBITDA of €26 million compared with the original estimate of €56 million. In the Industrial Oil & Gas cables business, the drop in oil prices and consequent reduction in oil industry investments are likely to have a negative impact on the Group's activities, particularly from the second half of the year. The Telecom business is expected to see continued recovery in demand for optical fibre cables in the coming quarters, especially in Europe and the United States.
In addition, exchange rate effects, which had an adverse impact of about €14 million on Adjusted EBITDA in FY 2014, are forecast to have a positive impact on the FY 2015 results, assuming constancy of the rates in the first half of the year, purely as a result of translating profits expressed in other currencies into the Group’s reporting currency.
Based on the existing order book and considering the factors mentioned above, the Group is forecasting Adjusted EBITDA for FY 2015 in the range of €590–640 million (€616–666 million excluding the negative impact of the Western Link project), marking a significant improvement from the €509 million reported in 2014.
Lastly, the Prysmian Group will carry on during 2015 to integrate and rationalise activities with the objective of achieving the projected cost synergies and of further strengthening its presence in all areas of the business.

KEY EVENTS IN THE PERIOD

On 30 March 2015, Prysmian S.p.A. completed the placement exclusively with institutional investors of a seven-year unrated bond, for a total amount of €750 million. The bonds, with an issue price of €99.002, will pay an fixed annual coupon of 2.50%.
The settlement occurred on 9 April 2015 and the bonds have since been admitted to trading on the Luxembourg Stock Exchange.

The Prysmian Group's First-Half Financial Report at 30 June 2015, 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 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 30 June 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.

Prysmian Group

Prysmian Group is world leader in the energy and telecom cables and systems industry. With more than 130 years of experience, sales of nearly €7 billion in 2014, over 19,000 employees across 50 countries and 89 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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Prysmian Group

ANNEX A

Consolidated statement of financial position

(in millions of Euro)

	30 June 2015	31 December 2014
Non-current assets		
Property, plant and equipment	1,447	1,414
Intangible assets	555	561
Equity-accounted investments	249	225
Available-for-sale financial assets	12	12
Derivatives	1	1
Deferred tax assets	112	115
Other receivables	27	27
Total non-current assets	**2,403**	**2,355**
Current assets		
Inventories	1,043	981
Trade receivables	1,209	952
Other receivables	731	766
Financial assets held for trading	100	76
Derivatives	35	29
Cash and cash equivalents	292	494
Total current assets	**3,410**	**3,298**
Assets held for sale	10	7
Total assets	**5,823**	**5,660**
Equity attributable to the Group:	**1,180**	**1,150**
Share capital	22	21
Reserves	1,078	1,014
Net profit/(loss) for the period	80	115
Equity attributable to non-controlling interests:	**33**	**33**
Share capital and reserves	35	33
Net profit/(loss) for the period	(2)	-
Total equity	**1,213**	**1,183**
Non-current liabilities		
Borrowings from banks and other lenders	1,149	817
Other payables	12	13
Provisions for risks and charges	66	74
Derivatives	6	5
Deferred tax liabilities	42	53
Employee benefit obligations	362	360
Total non-current liabilities	**1,637**	**1,322**
Current liabilities		
Borrowings from banks and other lenders	244	568
Trade payables	1,514	1,415
Other payables	844	827
Derivatives	40	47
Provisions for risks and charges	298	269
Current tax payables	32	29
Liabilities held for sale	1	-
Total current liabilities	**2,973**	**3,155**
Total liabilities	**4,610**	**4,477**
Total equity and liabilities	**5,823**	**5,660**

Consolidated income statement

(in millions of Euro)

	1st half 2015	1st half 2014
Sales of goods and services	3,737	3,287
Change in inventories of work in progress, semi-finished and finished goods	42	62
Other income	33	44
of which non-recurring other income	*14*	*22*
Raw materials, consumables used and goods for resale	(2,397)	(2,126)
Fair value change in metal derivatives	(1)	6
Personnel costs	(509)	(461)
of which non-recurring personnel costs	*(23)*	*(7)*
of which personnel costs for stock option fair value	*(8)*	*(3)*
Amortisation, depreciation, impairment and impairment reversal	(79)	(71)
of which non-recurring impairment and impairment reversal	*(7)*	-
Other expenses	(671)	(580)
of which non-recurring other expenses and releases	*(44)*	*25*
Share of net profit/(loss) of equity-accounted companies	18	15
Operating income	**173**	**176**
Finance costs	(306)	(197)
of which non-recurring finance costs	*(3)*	*(13)*
Finance income	253	123
of which non-recurring finance income	-	-
Profit before taxes	**120**	**102**
Taxes	(42)	(22)
Net profit/(loss) for the period	**78**	**80**
Attributable to:		
Owners of the parent	80	80
Non-controlling interests	(2)	-
Basic earnings/(loss) per share (in Euro)	**0.37**	**0.37**
Diluted earnings/(loss) per share (in Euro)	**0.37**	**0.37**

Consolidated income statement - 2nd quarter (*)

(in millions of Euro)

	2nd quarter 2015	2nd quarter 2014
Sales of goods and services	1,984	1,708
Change in inventories of work in progress, semi-finished and finished goods	(31)	17
Other income	24	13
of which non-recurring other income	*13*	*1*
Raw materials, consumables used and goods for resale	(1,214)	(1,073)
Fair value change in metal derivatives	(21)	25
Personnel costs	(267)	(233)
of which non-recurring personnel costs	*(17)*	*(5)*
of which personnel costs for stock option fair value	*(7)*	*(2)*
Amortisation, depreciation, impairment and impairment reversal	(37)	(35)
of which non-recurring impairment and impairment reversal	*(1)*	-
Other expenses	(359)	(298)
of which non-recurring other expenses and releases	*(35)*	*24*
Share of net profit/(loss) of equity-accounted companies	11	10
Operating income	**90**	**134**
Finance costs	(129)	(102)
of which non-recurring finance costs	*(2)*	*(8)*
Finance income	96	63
Profit before taxes	**57**	**95**
Taxes	(21)	(20)
Net profit/(loss) for the period	**36**	**75**
Attributable to:		
Owners of the parent	39	73
Non-controlling interests	(3)	2

(*) The following statement has not been submitted to limited review by the independent auditors.

Consolidated Statement of Comprehensive Income

(in millions of Euro)

	1st half 2015	1st half 2014
Net profit/(loss) for the period	**78**	**80**
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	(9)	(1)
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	3	4
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	(1)	(1)
Currency translation differences	33	16
Total items that may be reclassified, net of tax	**29**	**18**
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	4	(21)
Recognition of pension plan asset ceiling	-	-
Actuarial gains/(losses) on employee benefits - tax effect	-	4
Total items that will NOT be reclassified, net of tax	**4**	**(17)**
Total comprehensive income/(loss) for the period	**111**	**81**
Attributable to:		
Owners of the parent	112	81
Non-controlling interests	(1)	-

Consolidated Statement of Comprehensive Income - 2nd quarter (*)

(in millions of Euro)

	2nd quarter 2015	2nd quarter 2014
Net profit/(loss) for the period	**36**	**75**
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	(3)	(2)
Fair value gains/(losses) on cash flow hedges - tax effect	1	-
Release of cash flow hedge reserve after discontinuing cash flow hedging - gross of tax	3	-
Release of cash flow hedge reserve after discontinuing cash flow hedging - tax effect	(1)	-
Currency translation differences	(29)	19
Total items that may be reclassified, net of tax	**(29)**	**17**
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	4	(21)
Recognition of pension plan asset ceiling	-	-
Actuarial gains/(losses) on employee benefits - tax effect	-	4
Total items that will NOT be reclassified, net of tax	**4**	**(17)**
Total comprehensive income/(loss) for the period	**11**	**75**
Attributable to:		
Owners of the parent	17	73
Non-controlling interests	(6)	2

(*) The following statement has not been submitted to limited review by the independent auditors.

Consolidated statement of cash flows

(in millions of Euro)

		1st half 2015	1st half 2014
	Profit/(loss) before taxes	120	102
	Depreciation, impairment and impairment reversals of property, plant and equipment	58	56
	Amortisation and impairment of intangible assets	14	15
	Impairment of assets	7	-
	Net gains on disposal of property, plant and equipment, intangible assets and acquisition purchase price adjustment	-	(23)
	Share of net profit/(loss) of equity-accounted companies	(18)	(15)
	Share-based payments	8	3
	Fair value change in metal derivatives and other fair value items	1	(6)
	Net finance costs	53	74
	Changes in inventories	(38)	(139)
	Changes in trade receivables/payables	(160)	(106)
	Changes in other receivables/ payables	-	(96)
	Changes in receivables/payables for derivatives	-	-
	Taxes paid	(25)	(29)
	Dividends received from equity-accounted companies	11	8
	Utilisation of provisions (including employee benefit obligations)	(33)	(79)
	Increases in provisions (including employee benefit obligations)	41	27
A.	**Net cash flow provided by/(used in) operating activities**	**39**	**(208)**
	Acquisitions	-	15
	Investments in property, plant and equipment	(74)	(67)
	Disposals of property, plant and equipment and assets held for sale	6	7
	Investments in intangible assets	(4)	(9)
	Investments in financial assets held for trading	(44)	(4)
	Disposals of financial assets held for trading	14	31
B.	**Net cash flow provided by/(used in) investing activities**	**(102)**	**(27)**
	Capital contributions and other changes in equity	2	-
	Dividend distribution	(91)	(90)
	Repayment of non-convertible bond - 2010	(400)	-
	EIB Loan	-	100
	Issuance of non-convertible bond - 2015	739	-
	Early repayment of credit agreement	(400)	(184)
	Finance costs paid	(305)	(175)
	Finance income received	241	121
	Changes in net financial payables	74	211
C.	**Net cash flow provided by/(used in) financing activities**	**(140)**	**(17)**
D.	**Currency translation gains/(losses) on cash and cash equivalents**	**1**	**(3)**
E.	**Total cash flow provided/(used) in the period (A+B+C+D)**	**(202)**	**(255)**
F.	**Net cash and cash equivalents at the beginning of the period**	**494**	**510**
G.	**Net cash and cash equivalents at the end of the period (E+F)**	**292**	**255**

ANNEX B

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

(in millions of Euro)

	1st half 2015	1st half 2014
Net profit/(loss) for the period	78	80
Taxes	42	22
Finance income	(253)	(123)
Finance costs	306	197
Amortisation, depreciation impairment and impairment reversal	79	71
Fair value change in metal derivatives	1	(6)
Fair value change in stock options	8	3
EBITDA	**261**	**244**
Company reorganisation	33	7
Antitrust	20	(32)
Acquisition price adjustment	-	(22)
Other net non-recurring expenses/(income)	-	7
Total non-recurring expenses/(income)	**53**	**(40)**
Adjusted EBITDA	**314**	**204**

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

(in millions of Euro)

	1st half 2015	1st half 2014	Change
EBITDA	**261**	**244**	**17**
Changes in provisions (including employee benefit obligations)	8	(52)	60
(Gains)/losses on disposal of property, plant and equipment, intangible assets and non-current assets	-	(1)	1
Share of net profit/(loss) of equity-accounted companies	(18)	(15)	(3)
Acquisition price adjustment	-	(22)	22
Net cash flow provided by operating activities (before changes in net working capital)	**251**	**154**	**97**
Changes in net working capital	(198)	(341)	143
Taxes paid	(25)	(29)	4
Dividends from investments in equity-accounted companies	11	8	3
Net cash flow provided by operating activities	**39**	**(208)**	**247**
Acquisitions	-	15	(15)
Net cash flow from operational investing activities	(72)	(69)	(3)
Free cash flow (unlevered)	**(33)**	**(262)**	**229**
Net finance costs	(64)	(54)	(10)
Free cash flow (levered)	**(97)**	**(316)**	**219**
Capital contributions and other changes in equity	2	-	2
Dividend distribution	(91)	(90)	(1)
Net cash flow provided/(used) in the period	**(186)**	**(406)**	**220**
Opening net financial position	**(802)**	**(805)**	**3**
Net cash flow provided/(used) in the period	(186)	(406)	220
Convertible bond equity component	-	-	-
Other changes	9	2	7
Closing net financial position	**(979)**	**(1,209)**	**230**