

PRESS RELEASE

PRYSMIAN S.P.A. RESULTS AT 31 DECEMBER 2018*

COMBINED SALES (INCLUDING GENERAL CABLE FOR FULL YEAR 2018) AT €11,577M WITH +3.3% ORGANIC GROWTH

ADJUSTED COMBINED EBITDA (INCLUDING GENERAL CABLE FOR FULL YEAR 2018) AT €837M, INCLUDING WL PROJECT PROVISIONS TOTTALLING €95M FY 2018

REPORTED ADJUSTED EBITDA (INCLUDING GENERAL CABLE FOR THE 7 MONTHS FROM JUNE TO DECEMBER 2018) AT €763M, OF WHICH €123M ATTRIBUTABLE TO GENERAL CABLE

NET FINANCIAL DEBT AT €2,222M BETTER THAN EXPECTED (€436M AT 31/12/2017), INCLUDING €2,601M ATTRIBUTABLE TO THE ACQUISITION OF GENERAL CABLE

SYNERGIES GENERATED BY THE INTEGRATION WITH GENERAL CABLE AMOUNTED TO €35M IN 2018 (COMPARED TO A TARGET OF APPROXIMATELY €5M-€10M)

TOTAL 2018-2021 SYNERGIES EXPECTED ONE YEAR AHEAD OF FORECASTS AND REVISED UPWARDS TO €175M (INITIAL ESTIMATE WAS €150M)

FY 2019 GUIDANCE, ADJUSTED COMBINED EBITDA EXPECTED TO GROW IN THE RANGE OF €950M-€1,020M

FY 2019 FREE CASH FLOWS FORECAST AT ABOUT €300M (±10%) AFTER THE PAYMENT OF €90M

RESTRUCTURING COSTS

PROPOSED DIVIDEND PAY-OUT OF €0.43 PER SHARE

Milan, 05/03/2019. The Board of Directors of Prysmian S.p.A. has examined today the consolidated financial statements and draft separate financial statements for 2018.

"The 2018 results confirmed the positive performance of all businesses that reflected in the Group's organic growth, also thanks to General Cable's good contribution," stated Chief Executive officer Valerio Battista. "Sales organic growth was mainly supported by the strong performance of Telecom and High Voltage Underground, which contributed also in terms of profitability, thereby partially offsetting the impact of the Western Link Project provisions. In this regard, Prysmian Group is proving to be able to tackle all criticalities adopting any necessary measure to support its customers with the professionalism of a market leader.

The integration with General Cable continued to be a value creation driver, generating synergies that in 2018 exceeded initial expectations. This led us to revise upwards by as much as €25 million the initial target that will be achieved one year in advance (new target at €175 million by 2021). Net Financial Debt improved above expectations to €2,222 million at 31 December 2018.

This scenario allows us to announce an improving full-year 2019 profitability target, with Adjusted EBITDA in the range of €950 million-€1,020 million and Free Cash Flow projected at approximately €300 million, after the payment of about €90 million restructuring costs."

Group full combined results

(in millions of Euro)

	2018			2017 (**)		
	Prysmian	GC	Total	Prysmian	GC	Total
Sales	8,041	3,536	11,577	7,904	3,449	11,353
% sales change	1.7%	2.5%	2.0%			
% organic sales change	3.3%	3.3%	3.3%			
Adjusted EBITDA	640	197	837	736	204	940
% of sales	8.0%	5.6%	7.2%	9.3%	5.9%	8.3%

(*) At today's date, the audit process for the Consolidated and the draft Separate Financial statements is still underway

(**) General Cable's figures were adjusted following the application of the accounting standards and policies adopted by Prysmian. Figures for 2017 do not include the "non-core" perimeter of General Cable, which was entirely disposed of in 2017.

The previously published figures for prior periods have been restated following the introduction of IFRSs 9 and IFRS 15.

(in millions of Euro)

	31 December 2018	31 December 2017 (*)
	Total	of which General Cable Total
Net fixed assets	5,071	2,297
<i>of which: goodwill</i>	1,541	1,101
<i>of which: intangible assets</i>	591	314
<i>of which: property, plants & equipment</i>	2,629	882
Net working capital	721	381
<i>of which: derivatives</i>	(15)	1
<i>of which: Operative Net working capital</i>	736	380
Provisions & deferred taxes	(661)	(329)
Net Capital Employed	5,131	2,349
Employee provisions	463	121
Shareholders' equity	2,446	1,639
<i>of which: attributable to minority interest</i>	188	188
Net financial debt	2,222	436
Total financing and equity	5,131	2,430

(*) The previously published figures for prior periods have been restated following the introduction of IFRSs 9 and IFRS 15.

FINANCIAL RESULTS

The **Group's full combined sales**, thus including General Cable for full year 2018, amounted to €11,577 million (of which €3,536 million attributable to General Cable), with organic growth of +3.3% compared to 2017. General Cable's operations in Europe reported a good performance of the Optical Cables and Projects businesses (particularly in H1 2018); in North America, they reported growth, which accelerated in Q4 driven by the performance of volumes in the industrial application cable and Telecom segments, in addition to the ongoing recovery of the Power Distribution business. Latin America (LatAm) recorded a weak performance, which however showed signs of recovery in Q4, mainly attributable to the overhead cable business, whose market conditions proved particularly competitive.

Reported sales, including General Cable for the 7 months from June to December 2018, totalled €10,158 million, including €2,117 million generated by General Cable, consolidated as of the end of May 2018; excluding General Cable's contribution and net of metal price variations and exchange rate effects, organic growth was +3.3% compared to 2017. Growth was chiefly driven by the optical cables business and connectivity systems for broadband telecommunication networks, as well as the uptrend in High Voltage Underground.

Full-combined adjusted EBITDA, thus including General Cable for full year 2018, was €837 million (of which €197 million attributable to General Cable, in line with expectations) compared to €940 million in 2017 (of which €204 million attributable to General Cable). This figure was affected by the €41 million negative impact of exchange rates compared to 2017. In 2018, the impact of Western Link Project provisions amounted to €95 million, including €25 million allocated following the criticalities disclosed on 20 February 2019. The adverse effects generated by the Western Link provisions were mainly offset by the improved margins reported by Telecom and High Voltage Underground, as well as the synergies arising on the integration with General Cable, which amounted to approximately €35 million, up compared to the initial target of €5-€10 million set for 2018. Reported Adjusted EBITDA¹, including General Cable only for the 7 months from June to December 2018 (before net expenses for company reorganisation, net non-recurring expenses and other net non-operating expenses totalling €167 million) amounted to €763 million (€736 million in 2017), of which €123 million attributable to General Cable, consolidated as of the end of May 2018.

Reported EBITDA² amounted to €596 million, including €64 million attributable to General Cable, consolidated as of the end of May 2018. EBITDA included: net expenses for company reorganisation, net non-recurring expenses and other net non-operating expenses amounting to €167 million, mainly due to provisions for antitrust litigation in Brazil, related to the years before Prysmian was founded, totalling €69 million; reorganisation costs

¹ Adjusted means EBITDA, as defined in the following note, before income and expense for company reorganisation, non-recurring income and expense as recognised in the Consolidated Income Statement and other non-operating income and expense. The definition of this indicator was changed following CONSOB's adoption of the ESMA/2015/1415 document.

² EBITDA is defined as Operating income (loss), before the fair value change in metal derivatives and in other fair value items, amortisation, depreciation and impairment.

following the acquisition of General Cable amounting to €49 million; €35 million costs related to the acquisition and integration of General Cable; and the higher costs linked to stock inventory sales at fair value upon acquisition, amounting to €16 million and partially offset by the €36 million income from the dilutive effect in the stake held in YOFC.

Reported Operating income, including General Cable only for the 7 months from June to December 2018, was €310 million compared to €424 million in 2017.

The balance of net finance costs amounted to €112 million, compared to €99 million in 2017.

Reported Net profit, including General Cable only for the 7 months from June to December 2018, attributable to owners of the Parent was €130 million (€241 million in 2017).

Net Financial Debt amounted to €2,222 million at 31 December 2018 (€436 million at 31 December 2017). The main factors that influenced the Net Financial Debt in 2018 were:

- the impact generated by the acquisition of General Cable amounting to €2,601 million, made up of the share price paid (€1,290 million), ancillary costs for the acquisition (€96 million) and net debt refinancing (€1,215 million);
- operating cash flows (before changes in working capital) positive at €552 million;
- a decrease in net working capital amounting to €100 million;
- net operating investments totalling €278 million;
- net finance costs paid in the amount of €84 million;
- taxes paid amounting to €110 million;
- a dividend pay-out of €105 million;
- conversion into capital of the 2013 Convertible Bond amounting to €283 million;
- net inflows arising from capital increase totalling €496 million;
- other increases amounting to €39 million.

GENERAL CABLE INTEGRATION'S SYNERGIES ABOVE EXPECTATIONS IN 2018

The synergies generated by the integration with General Cable totalled €35 million in 2018, improving sharply compared to the initial forecasts of approximately €5 million-€10 million. This confirmed the significant creation of value arising from the integration of the two groups. These results were mainly achieved thanks to measures aimed at reducing fixed costs — following the organisational efficiencies achieved — and to savings in terms of material procurement (chiefly raw materials and metals).

In light of the positive performance reported in 2018, the Group revised upwards by €25 million the total value of expected synergies (€175 million compared to the €150 million initially estimated), achieving the target one year in advance (2021 instead of 2022). Synergies are expected to total about €120 million in 2019.

FOCUS ON THE PERFORMANCE OF OPERATIONS INCLUDED IN THE GENERAL CABLE PERIMETER (FY 2018) IN THE DIFFERENT GEOGRAPHICAL AREAS

North America

Sales of the operating segment North America amounted to €2,131 million in 2018, marking a 4.6% organic growth mainly attributable to the robust performance of the Industrial and Telecom business and to the uptrend in the Trade & Installers business. Power Distribution continued the recovery started in Q3 2018. Adjusted EBITDA was €139 million, down by €10 million primarily as a result of the negative impact of exchange rates and the rise in transport costs.

Europe

Sales of the operating segment Europe amounted to €863 million in 2018, with 8.2% organic growth driven by the uptrend of the Projects business (particularly in H1 2018) and of the optical cables market. Adjusted EBITDA was €25 million, compared to €20 million in 2017. The increase was mainly generated by the favourable sales mix.

Latin America

Sales of the operating segment Latin America totalled €542 million in 2018, with a -7.5% organic decline mainly attributable to the decrease in business volumes of overhead transmission lines in Brazil. Adjusted EBITDA amounted to €33 million, down €2 million compared to 2017. The good performance reported by the Industrial and Trade & Installers businesses contributed to the Adjusted EBITDA's significant improvement in Q4 2018.

CHANGES IN SEGMENT REPORTING

Following the acquisition of General Cable, the Group launched a reorganisation process that led to the redefinition of its segment reporting, and the ensuing identification of the new operating segments named Energy, Projects and Telecom. In detail:

- Energy segment: it includes the previous Energy Products segment and the Core Oil&Gas and DHT (Down Hole Technology) businesses; until the end of the previous quarter, the latter businesses were included in the OIL&GAS segment, which is no longer significant for the Group;
- Projects segment: it includes the previous Energy Projects segment, the Offshore Specialties business (previously included in the OIL&GAS segment) and the Submarine Telecom business, which became part of the perimeter following the acquisition of the General Cable Group;
- Telecom segment: it did not change as a result of the above-mentioned reorganisation.

PROJECTS

- **ORGANIC GROWTH (+4.7%) OF RESULTS; PROFITABILITY IMPACTED BY THE WESTERN LINK PROVISIONS**
- **ORDER BOOK AT 31 DECEMBER 2018 AT €1,900 MILLION; SUBMARINE MARKET SLIGHTLY IMPROVING, CONFIRMED AT ABOUT €3 BILLION**
- **POSITIVE PERFORMANCE OF HIGH VOLTAGE UNDERGROUND CONFIRMED IN Q4 THANKS TO THE GROWTH IN APAC, SOUTH EUROPE AND SOUTH AMERICA**

Projects full combined sales — including General Cable’s contribution for 12 months — totalled €1,804 million in 2018, with 4.7% growth compared to 2017. Adjusted EBITDA amounted to €170 million (€298 million in 2017), negatively impacted by the €95 million provisions related to the Western Link project in 2018, including €25 million allocated following the criticalities disclosed on 20 February 2019. Net of the provisions for the Western Link project, adjusted EBITDA of the Projects business was impacted by the phasing on some projects and some reworking activities, as well as by the unfavourable comparison with 2017 performance (when projects were finalised within the perimeter of both Prysmian and General Cable).

The organic growth of Submarine Cables and Systems was affected by the impact associated with the Western Link project. The main projects for the period were the connections of the offshore wind farms Borwin3 and 50 Hertz, the NSL between Norway and Great Britain, the Cobra cable link between the Netherlands and Denmark, and the IFA2 interconnector between France and Great Britain. Worth of notice is also the completion of several inter-array connections, such as the Wiking project — one of the most important offshore wind farms in the Baltic Sea — and the project that the Group was recently awarded for developing a cable system to connect Kincardine floating offshore wind farm to the British mainland. In addition, Prysmian has announced a project to build a new cable-laying vessel that is expected to be operational by Q2 2020. The new vessel will be the most capable on the market and will offer higher capacities and enhanced versatility in managing offshore wind farm interconnection and cabling projects thanks to cutting-edge features and equipment, thus supporting the Group’s prospects for long-term growth on the submarine cable system market.

In High Voltage Underground, the positive results already recorded in 9M 2018, driven mainly by the growth in demand in Asia Pacific, Southern Europe and South America, were confirmed also in Q4. During the period, the procurement process started for major interconnection projects in Germany (SüdLink and SüdOstLink) and in recent months the Group secured important projects, including: the involvement in the project worth \$190 million aimed at upgrading Washington D.C. area’s power transmission grid, and expected to run between 2019 and 2026, in several phases; the design, supply, installation and commissioning of two HV cable systems to transfer energy between the substations of Rangoon and Paya Lebar, in the city of Singaporean, worth €33 million. With regard to the Offshore Specialties business, the market of umbilical cables shrank in Brazil, the Group’s top market.

The (underground and submarine) power transmission order book totalled about €1,900 million (also including the order book of General Cable, which amounted to €175 million at December 2018), down compared to the previous year as a result of the decrease in the number of projects acquired during the year. The following table provides the related combined figures, which therefore include General Cable’s contribution for the period 1 January-12 December:

(in millions of Euro)

	2018			2017		
	Prysmian	GC	Total	Prysmian (*)	GC (**)	Total
Sales	1,538	266	1,804	1,533	221	1,754
% sales change	0.3%	20.4%	2.8%			
% organic sales change	2.6%	19.2%	4.7%			
Adjusted EBITDA	149	21	170	278	20	298
% of sales	9.7%	7.8%	9.4%	18.2%	9.1%	17.0%

(*) The previously published figures for prior periods have been restated following the introduction of IFRSs 9 and IFRS 15.

(**) General Cable’s figures were adjusted following the application of the accounting standards and policies adopted by Prysmian. Figures for 2017 do not include the “non-core” perimeter of General Cable, which was entirely disposed of in 2017.

ENERGY

- **T&I GROWTH CONFIRMED IN Q4 THANKS TO AN INCREASE IN VOLUMES IN EUROPE AND NORTH AMERICA**
- **POWER DISTRIBUTION: POSITIVE ORGANIC GROWTH IN Q4 AND IMPROVED PROFITABILITY THANKS TO THE INCREASE IN VOLUMES AND OPERATING EFFICIENCIES**
- **INDUSTRIAL & NWC: GOOD ORGANIC GROWTH**

Energy full combined sales — including General Cable’s contribution for 12 months — amounted to €8,139 million, with +2.4% organic growth, thanks to the increase in volumes recorded in Europe and North America. Adjusted EBITDA was €372 million (€395 million 2017), with a 4.6% ratio of Adjusted EBITDA to sales (4.9% in 2017). The following table provides the related combined figures, which therefore include General Cable’s contribution for the period 1 January-12 December:

(in millions of Euro)

	2018			2017		
	Prysmian	GC	Total	Prysmian	GC (*)	Total
Sales	5,233	2,906	8,139	5,113	2,894	8,007
% sales change	2.3%	0.4%	1.7%			
% organic sales change	3.1%	1.1%	2.4%			
Adjusted EBITDA	235	137	372	244	151	395
% of sales	4.5%	4.7%	4.6%	4.8%	5.2%	4.9%

(*) General Cable’s figures were adjusted following the application of the accounting standards and policies adopted by Prysmian. Figures for 2017 do not include the “non-core” perimeter of General Cable, which was entirely disposed of in 2017.

Energy & Infrastructure

Energy & Infrastructure full combined sales — including General Cable’s contribution for 12 months — amounted to €5,492 million, with +2.1% organic growth compared to 2017. Adjusted EBITDA was €207 million compared to €233 million in 2017 (ratio of Adjusted EBITDA to sales at 3.8% compared to 4.3% in 2017).

Following the merger with General Cable, the Group expanded the Energy & Infrastructure business’ product portfolio and strengthened its geographical position in areas such as North America and Latin America.

In 2018, Trade & Installers reported ongoing organic growth, confirmed also in Q4 2018, thanks to the continuous increase in volumes in North America and Europe. Adjusted EBITDA improved slightly, mainly as a result of the increase in profitability in South Europe (following the CPR introduction) and of the positive performance reported in North America, partially offset by the negative impacts generated by the trend characterising North Europe, Central and Eastern Europe and the APAC region.

Power Distribution reported a positive organic sales trend in Q4 2018, particularly in North America and Europe. Unfavourable exchange rates and the weakness reported by Northern Europe affected the profitability results of this business, which nevertheless improved sharply in Q4 2018 as a consequence of increased volumes and operating efficiencies. The Overhead segment declined chiefly due to the highly competitive market conditions in South America.

Industrial & Network Components

Industrial & Network Components full combined sales — including General Cable’s contribution for 12 months — amounted to €2,353 million, with a sharp +3.3% organic growth in 2018. Adjusted EBITDA amounted to €167 million, in line with €169 million in 2017 (ratio of Adjusted EBITDA to Sales went from 7.4% to 7.1%). The Specialties, OEMs & Renewables market recorded an organic growth of sales, although declining in Q4 2018, with an ongoing performance increase of Railways, Solar and Crane applications and a stable trend reported by Mining and Wind. Growth was chiefly driven by North America and South America and the recovery of the APAC area, whereas profitability was affected by the unfavourable exchange rates. The solid growth reported by the Elevators business, also confirmed in Q4 2018, was supported by the favourable market conditions in North America, coupled with a stable performance in the APAC region. Adjusted EBITDA recovered in Q4 2018, benefiting particularly from the increase in volumes and despite the negative impact of exchange rates and pricing pressure. The sales uptrend of the Automotive business was driven in particular by growth in North America (decreasing in Q4). Adjusted EBITDA benefited from the increase in volumes, the rationalisation of manufacturing footprint and all measures aimed at reducing costs in Europe and North America. Lastly, Network Components showed a solid performance, supported by the volume increase in China and North America.

TELECOM

- **SHARP SALES UPTREND THANKS TO THE POSITIVE PERFORMANCE OF EUROPE, NORTH AMERICA (RIBBON) AND LATIN AMERICA**
- **PROFITABILITY INCREASE THANKS TO VOLUMES GROWTH, EFFICIENCIES AND OPTIMISATION OF MANUFACTURING SET-UP**
- **SOLID MMS PERFORMANCE THANKS TO THE STRONG DEMAND FOR DATA CENTRES AND DATA CABLES IN EUROPE AND A MIX IMPROVEMENT IN NORTH AMERICA**

In 2018, Telecom full combined sales — including General Cable’s contribution for 12 months — amounted to €1,634 million (€1,592 million in 2017), with 6.4% organic growth driven by the positive trend in Europe and Latin America. Adjusted EBITDA rose sharply to €295 million compared to €247 million in 2017. Margins also improved with an 18% ratio of Adjusted EBITDA to sales (15.5% in 2017), benefiting from the increase in volumes, the recovery of industrial efficiencies and the positive results of the subsidiary YOFC in China. A positive €11 million one-off impact was generated by the release of the write-down of a receivable due by a Brazilian client, written down in 2016, and by the carry over of 2017 positive results of YOFC.

With regard to the Telecom business, the integration of General Cable allowed Prysmian Group to increase its exposure to the American Multimedia Solutions market, increase its optical cable production capacity and strengthen its presence in Latin America.

The organic growth of sales of the Telecom Solutions business was attributable to the Group’s ability to seize the ongoing increasing demand for optical cables by operators that are developing broadband networks. In Europe, the volume trend was positive and the price level remained constant. In North America, the development of new ultra-broadband networks is generating a constant rise in demand, which benefits Prysmian, as testified by the three-year agreement worth \$300 million signed with Verizon for the supply of optical cables starting in January 2018. Brazil and Argentina also showed an increase in investments by the main telecom operators. In Australia, works related to the construction of NBN’s new “multi-technology” platform continued successfully, although volumes are declining as the project is entering the completion phase.

In the reporting period, Prysmian announced the implementation of the FlexRibbon™ line, with two new products containing 1,728 and 3,456 fibres. Designed applying the MassLink™ and FlexRibbon™ technologies, they can fit the maximum fibre count in the smallest possible cable, reaching a high level of flexibility, combining the high fiber density of the Flex technology with Ribbon cables’ fast splicing. These products will support broadband data centres managed by the major companies worldwide.

The high value-added business of optical connectivity accessories continued to perform well, thanks to the development of new FTTx networks (last mile broadband access) in Europe, particularly in France.

Multimedia Solutions performed well, particularly in Europe, where demand was also driven by the growing investments in Data Centres and the strong demand for data cables for industrial applications and residential buildings. The combined figures, considering General Cable for the period 1 January – 12 December, are reported below:

(in millions of Euro)

	2018			2017		
	Prysmian	GC	Total	Prysmian	GC (*)	Total
Sales	1,270	364	1,634	1,258	334	1,592
% sales change	1.0%	9.0%	2.6%			
% organic sales change	5.0%	11.3%	6.4%			
Adjusted EBITDA	256	39	295	214	33	247
% of sales	20.1%	10.7%	18.0%	17.0%	9.9%	15.5%

(*) General Cable’s figures were adjusted following the application of the accounting standards and policies adopted by Prysmian. Figures for 2017 do not include the “non-core” perimeter of General Cable, which was entirely disposed of in 2017.

BUSINESS OUTLOOK

In 2018, the global economy grew compared to the previous year, despite the emergence of signs of cyclical deterioration in many advanced economies and emerging countries. In the Euro area, growth slowed down as of the second half of the year, partly due to financial instability factors but also to the deterioration of companies' expectations and the weakness of demand.

The US continued to show a robust growth rate, driven by internal consumption and investments. Amongst the main emerging economies, in China the slowdown of economic activity, which started in early 2018, continued also in the last months of the year, despite the fiscal stimulus measures introduced by the government.

The consolidation of such trends seems to be confirmed in early 2019, and some economies are expected to worsen. The expansion of international economic activity is indeed hindered by multiple uncertainty and risk factors: the consequences of the negative outcome of the US-China trade negotiations currently underway, the rekindling of financial tensions in emerging countries, the decision, as yet to be finalized, on how Brexit will take place.

Within this macroeconomic scenario, Prysmian Group expects that FY 2019 demand in the cyclical construction and industrial cable businesses will be slightly higher than in 2018. The medium voltage utilities cable business is also expected to show a trend of moderate recovery, with uneven performances at the level of the various geographical areas. In the Submarine systems and cables business, Prysmian Group is aiming to reaffirm its leading position, also in light of a market that is expected to remain stable at the levels of 2018. The results of this business will be positively influenced by the recovery of the negative effect of the Western Link provisions (€95 million). At organic level, said results are expected to decrease in 2019 due to the limited collection of orders in 2018. In the High Voltage Underground systems and cables business, the Group expects virtual stability, with a gradual improvement in expected performance in China and South-East Asia due to the new manufacturing set-up. Finally, for the Telecom segment the Group expects that growth will remain solid in 2019, driven by the increase in demand for optical cables in Europe and North America, whereas a slowdown is expected due to a reduction in volumes on the Australian market.

The effect of converting subsidiaries' results into the consolidated reporting currency is assumed to be neutral on the Group's operating performance.

In light of the above considerations, the Group expects to achieve an adjusted EBITDA for FY 2019 in the range of €950-1,020 million, significantly up compared to €837 million reported in 2018 (which included the €95 million negative effect of the Western Link project).

Estimated synergies that can be achieved in 2019 amount to €120 million (€85 million incremental in 2019). Moreover, for 2019 the Group forecasts a cash flow generation of approximately €300 million, with a foreseeable maximum fluctuation of 10% (FCF before acquisition and disposals). This amount includes the planned cash outflow of €90 million for restructuring and integration activities.

2019 objectives do not include further impacts of the Western Link project and do not take into account the effect of the implementation of IFRS 16. Moreover, the cash objective includes the negative effect of the Western Link criticalities occurred on 19 February 2019, and does not take into account any impacts from the dispute with the Brazilian Antitrust Regulator.

Prysmian Group continues to optimise its organisational and production structures with the aim of achieving by financial year 2021, a level of cumulated synergies generated by the integration of General Cable of €175 million (compared to €35 million realised at year-end 2018), a higher amount compared to the previous target of €150 million by 2022 and one year ahead of initial expectations.

This forecast is based on the Company's current business perimeter.

FURTHER BOARD OF DIRECTORS' RESOLUTIONS

Notice of Calling of Annual General Meeting

The Board of Directors has vested the Chairman of the Board of Directors and the Chief Executive Officer with powers to severally call the Annual General Meeting (AGM) for Wednesday, 17 April 2019, in single call.

Based on the results for 2018, the Board of Directors will recommend to the forthcoming AGM that a dividend of €0.43 per share be distributed, involving a total pay-out of approximately €113 million.

If approved, the dividend will be paid out from 25 April 2019, with record date on 24 April 2019 and ex-dividend date on 23 April 2019.

Motion to confirm a Director's appointment

Prysmian's Board of Directors has also resolved to submit to the forthcoming AGM the proposal to confirm as Director Francesco Gori, who was co-opted on 18 September 2018 following Director Massimo Tononi's resignation.

Share buy-back plan

The Board of Directors decided to submit to the forthcoming AGM a request for the authorisation to buy back and dispose of treasury shares, after revocation of the previous resolution approved by the AGM on 12 April 2018.

The plan envisages the possibility to buy back, in one or more tranches, a total number of shares not exceeding 10% of share capital, calculated taking account of treasury shares already purchased and not yet disposed of as per previous AGM's resolutions. Treasury shares may be purchased within the limits of available reserves recognised from time to time in the most recently approved annual financial statements.

The plan has a maximum term of 18 months, commencing from the date of authorisation by the AGM.

The said authorisation will be requested to:

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

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

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

At 5 March 2019, Prysmian S.p.A. directly and indirectly holds 5,096,883 own shares.

All relevant documentation required under applicable regulations will be made available to Shareholders and the public in the manner and within the terms set forth by applicable laws and regulations.

Group employee incentive plan

Having heard the favourable opinion of the Compensation, Nomination and Sustainability Committee, the Board of Directors has resolved to submit for approval to the forthcoming AGM a proposal for the adoption of several amendments and/or integrations to the long-term incentive plan reserved for Prysmian Group's Management, initially envisaged for the 2018-2020 period and that has now been extended for the 2018-2021 period.

The amended plan envisages that in case pre-set performance conditions for the four-year period 2018-2021 are achieved, Company's shares shall be granted to the Plan's participants.

In 2018, the integration with General Cable Corporation, which was rapidly started after the closing at mid-year,

continued to be implemented in line with the plans that envisage completion of the integration by 2021. The related synergies are also expected to be achieved by the same year. Against this background, the long-term incentive plan 2018-2020 has been the main retention tool, used in integrating General Cable Corporation's key resources – in terms of expertise – in the Prysmian Group. However, the Projects business showed a series of operating issues in the execution phase, especially related to the Western Link project, which significantly affected the Group's short-term performance.

The amendments to the plan are aimed at better aligning its characteristics to the Group's new medium-term perspective (2021), strengthening the retention and motivation lever for the approximately 600 plan beneficiaries, who are a key asset for strategy execution and the achievement of expected results, while keeping a constant alignment with the interests of the shareholders.

The main amendments to the plan concern the period and performance terms, which are extended to include 2021; thus, the four-year plan will be in line with the integration roadmap. The lock-up period, which limits the sale of a portion of the shares in the Plan, is extended from two to three years. Moreover, in addition to the shares arising from the capital increase approved by the AGM on 12 April 2018, treasury shares will also be used in service of the Plan.

A condition of access to the Plan, which is solely share-based, is that participants defer a portion of their yearly bonus accrued for the years 2018, 2019 and 2020; such deferral is conditional upon the achievement of further economic and financial performance objectives, as well as objectives of value generation for the shareholders that are measured over the four-year period 2018-2021. In addition, the plan involves the free granting of shares, also conditional upon the achievement of multi-year economic and financial objectives, as well as objectives of value creation for the shareholders.

The plan further strengthens the shareholding participation of Prysmian Group's Management at every level. The Management's variable remuneration is largely based on shares and the Management is a stable shareholder of the Company.

The information memorandum relating to the proposed amendments to the incentive plan will be published within the terms provided for by the law.

Sustainability Report

The Board of Directors approved the Consolidated Non-Financial Statement (NFS) pursuant to Legislative Decree No. 254/16 containing the Company's non-financial disclosures on areas specifically related to environmental, social and employee topics, as well as the respect for human rights and anti-corruption and bribery matters.

The NFS has been drawn up in accordance with the GRI Sustainability Reporting Standards ('in accordance – core' option), issued by the Global Reporting Initiative (GRI) in 2016. In accordance with the 2017 NFS and the requirements set forth by Legislative Decree No. 254/16, the 2018 NFS includes approximately 60 GRI indicators and has been prepared taking into account all sustainability topics that are deemed material to the Group and its stakeholders and are presented in the materiality matrix, updated in 2018 through an internal stakeholder engagement event.

The NFS reports data and information regarding all the companies belonging to Prysmian Group as at 31 December 2018 and consolidated on a line-by-line basis in the annual Financial Statements. However, in accordance with the requirements set forth by Legislative Decree No. 254/16 and in light of the acquisition of General Cable finalised in financial year 2018, all plants and operations falling within Prysmian Group's pre-acquisition consolidation area are recognised for the entire reporting period (January 2018 – December 2018), whereas those included in the former General Cable's consolidation area are accounted for in the period starting from the date of acquisition (June 2018 - December 2018).

The NFS confirms that in 2018 Prysmian Group improved its performance in several environmental, social and economic areas. Within the **environmental area**, results were reported in: waste recycling (66% vs 50% in 2017); reuse of reels for cables transportation (>50% vs >40% in 2017), exceeding the 2020 target (40%) ahead of time; product families included in the calculation of CO₂ emissions (60% vs 5% in 2017); recyclable products acquired annually to support circular economy (86% vs >80% in 2017).

In addition, the Group improved its performance also in some aspects of the **social area**, mainly in the following areas: key position taken on following internal staff promotions (90% vs >80% in 2017), exceeding the >80% target set for 2020 ahead of time; women in executive positions (10.8% vs 6.4% in 2017).

In the reporting period, the Company provided over **350,000 training hours**, in addition to more than **37,000 hours offered through Prysmian's Training Academy**, which were attended by **approximately 900 employees**.

Including General Cable's contribution, Prysmian Group reported an **economic value generated** of €10,293 million. Investments amounted to €295 million and were aimed chiefly at strengthening the production capacity of higher value-added segments, i.e., optical fibres and submarine cables for transmission of data and energy. €105 million was invested in research & development, where the Group can boast over 50 partnerships with international universities and research institutes.

Prysmian Group continued to cooperate with international NGOs to implement projects aimed at **developing local communities** through the donation of cables, such as the construction — in partnership with Electriciens sans frontières — of photovoltaic installations in the village of Chiulo, Angola, to resolve the local hospital's severe energy shortage, and in Palermo, Italy, to provide electricity to a facility that is home to approximately one hundred individuals in situations of adversity.

In light of the positive performance achieved in 2018 in all the three areas, the Group confirmed its inclusion in the main international sustainability indices and assessments, including the Dow Jones Sustainability Index and CDP.

Prysmian Group's Financial Report at 31 December 2018, approved by the Board of Directors today, will be made available to the public by 27 March 2019 at the Company's registered office in Via Chiese 6, Milan, and at Borsa Italiana S.p.A. 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. This 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 results may differ materially from those reflected in forward-looking statements due to a variety of factors. The managers responsible for preparing corporate accounting documents (Carlo Soprano and Alessandro Brunetti) hereby declare, pursuant to Article 154-bis paragraph 2 of Italy's Unified Financial Act, that the accounting information contained in this press release corresponds to the underlying documents, accounting books and records.

The results at 31 December 2018 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 www.emarketstorage.com.

Prysmian Group

Prysmian Group is world leader in the energy and telecom cable systems industry. With almost 140 years of experience, sales of over €11 billion, about 29,000 employees in over 50 countries and 112 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 2018	31 December 2017 (*)
Non-current assets		
Property, plant and equipment	2,629	1,646
Intangible assets	2,132	735
Equity-accounted investments	294	217
Other investments at fair value through other comprehensive income	13	12
Financial assets at amortised cost	5	2
Derivatives	2	14
Deferred tax assets	161	149
Other receivables	33	18
Total non-current assets	5,269	2,793
Current assets		
Inventories	1,515	954
Trade receivables	1,635	1,131
Other receivables	666	419
Financial assets at fair value through income statement	25	40
Derivatives	19	45
Financial assets at fair value through other comprehensive income	10	11
Cash and cash equivalents	1,001	1,335
Total current assets	4,871	3,935
Asset held for sale	3	-
Total assets	10,143	6,728
Equity attributable to the Group:	2,258	1,451
Share capital	27	22
Reserves	2,101	1,188
Net profit/(loss) for the year	130	241
Equity attributable to non-controlling interests:	188	188
Share capital and reserves	188	192
Net profit/(loss) for the year	-	(4)
Total equity	2,446	1,639
Non-current liabilities		
Borrowings from banks and other lenders	3,161	1,466
Other payables	12	8
Provisions for risks and charges	51	33
Derivatives	9	2
Deferred tax liabilities	238	103
Employee benefit obligations	463	355
Total non-current liabilities	3,934	1,967
Current liabilities		
Borrowings from banks and other lenders	98	370
Trade payables	2,132	1,686
Other payables	921	692
Derivatives	41	35
Provisions for risks and charges	533	321
Current tax payables	38	18
Total current liabilities	3,763	3,122
Total liabilities	7,697	5,089
Total equity and liabilities	10,143	6,728

(*) The previously published prior year consolidated figures have been restated following the introduction of IFRS 9 and IFRS 15.

Consolidated income statement

(in millions of Euro)

	2018 (*)	2017 (**)
Sales of goods and services	10,158	7,904
Change in inventories of work in progress, semi-finished and finished goods	(85)	57
Other income	139	81
Raw materials, consumables used and goods for resale	(6,542)	(4,912)
Fair value change in metal derivatives	(48)	12
Personnel costs	(1,260)	(1,086)
<i>of which personnel costs for company reorganisation</i>	(57)	(24)
<i>of which personnel costs for stock option fair value</i>	(6)	(49)
Amortisation, depreciation, impairment and impairment reversal	(232)	(199)
<i>of which impairment</i>	(5)	(18)
Other expenses	(1,879)	(1,475)
<i>of which non-recurring (other expenses) and releases</i>	(69)	(18)
<i>of which (other expenses) for company reorganisation</i>	(9)	(6)
Share of net profit/(loss) of equity-accounted companies	59	42
Operating income	310	424
Finance costs	(414)	(349)
<i>of which non-recurring finance costs</i>	(2)	(2)
<i>of which impact from hyperinflationary economies</i>	(6)	-
Finance income	302	250
Profit/(loss) before taxes	198	325
Taxes	(68)	(88)
Net profit/(loss) for the year	130	237
Attributable to:		
Owners of the parent	130	241
Non-controlling interests	-	(4)
Basic earnings/(loss) per share (in Euro)	0.53	1.14
Diluted earnings/(loss) per share (in Euro)	0.53	1.11

(*) General Cable Group's results have been consolidated for the period 1 June – 31 December 2018

(**) The previously published figures for previous periods have been restated following the introduction of IFRS 9 and IFRS 15.

Consolidated Statement of Comprehensive Income

(in millions of Euro)

	2018 (*)	2017 (**)
Net profit/(loss) for the year	130	237
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	(14)	11
Fair value gains/(losses) on cash flow hedges - tax effect	4	(5)
Evaluation of Financial assets at fair value through other comprehensive income	(1)	-
Currency translation differences	(6)	(169)
Total items that may be reclassified, net of tax	(17)	(163)
- items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	(4)	17
Actuarial gains/(losses) on employee benefits - tax effect	2	(3)
Total items that will NOT be reclassified, net of tax	(2)	14
Total comprehensive income/(loss) for the year	111	88
Attributable to:		
Owners of the parent	104	120
Non-controlling interests	7	(32)

(*) General Cable Group's results have been consolidated for the period 1 June – 31 December 2018

(**) The previously published figures for the prior periods have been restated following the introduction of IFRS 9 and IFRS 15.

Consolidated statement of cash flows

(in millions of Euro)

	2018 (*)	2017 (**)
Profit/(loss) before taxes	198	325
Depreciation, impairment and impairment reversals of property, plant and equipment	173	154
Amortisation and impairment of intangible assets	59	45
Net gains on disposal of property, plant and equipment, intangible assets and capital gains from dilutions in associates and other non-monetary movements	(37)	(2)
Share of net profit/(loss) of equity-accounted companies	(59)	(42)
Share-based payments	6	49
Fair value change in metal derivatives and other fair value items	48	(12)
Net finance costs	112	99
Changes in inventories	80	(101)
Changes in trade receivables/payables	108	122
Changes in other receivables/payables	(184)	64
Taxes paid	(110)	(104)
Dividends received from equity-accounted companies	16	10
Utilisation of provisions (including employee benefit obligations)	(69)	(64)
Increases and/or realises of provisions (including employee benefit obligations) and others	121	64
Net cash flow provided by/(used in) operating activities	462	607
Net cash flow from acquisitions and/or disposals	(1,208)	(7)
Investments in property, plant and equipment	(267)	(237)
Disposals of property, plant and equipment and assets held for sale	7	3
Investments in intangible assets	(18)	(20)
Investments in financial assets at fair value through profit/(loss)	(7)	(2)
Disposal of financial assets at fair value through profit/(loss)	17	11
Investments in associates	-	(1)
Investments in financial assets at fair value through other comprehensive income	-	(13)
Net cash flow provided by/(used in) investing activities	(1,476)	(266)
Capital contributions and other changes in equity	496	3
Shares buyback	-	(100)
Dividend distribution	(105)	(101)
Early repayment of credit facility	-	(50)
EIB loans	(17)	(16)
Issuance of the EIB 2017 loan	-	110
Borrowings for acquisition	1,700	-
Repayment acquisition borrowing	(200)	-
Unicredit Loan	200	-
Issuance of convertible bond - 2017	-	500
CDP loan	-	100
GC Convertible bond	(396)	-
Finance costs paid	(362)	(398)
Finance income received	278	328
Changes in net financial receivables/payables	(902)	(7)
Net cash flow provided by/(used in) financing activities	692	369
Currency translation gains/(losses) on cash and cash equivalents	(12)	(21)
Total cash flow provided/(used) in the year	(334)	689
Net cash and cash equivalents at the beginning of the year	1,335	646
Net cash and cash equivalents at the end of the year	1,001	1,335

(*) General Cable Group's results have been consolidated for the period 1 June – 31 December 2018

(**) The previously published figures for previous periods have been restated following the introduction of IFRS 9 and IFRS 15.

ANNEX B

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

(in millions of Euro)

	2018 (*)	2017 (**)
Net profit/(loss) for the year	130	237
Taxes	68	88
Finance income	(302)	(250)
Finance costs	414	349
Amortisation, depreciation, impairment and impairment reversal	232	199
Fair value change in metal derivatives	48	(12)
Fair value change in stock options	6	49
EBITDA	596	660
Company reorganisation	66	30
<i>of which General Cable reorganisation costs</i>	49	-
Non-recurring expenses/(income):		
Antitrust	69	18
Other non-operating expenses/(income)	32	28
<i>of which General Cable acquisition related costs</i>	4	16
<i>of which General Cable acquisition integration costs</i>	31	-
<i>of which release of General Cable inventory step-up</i>	16	-
<i>of which YOFC dilution effect</i>	(36)	-
Total adjustments to EBITDA	167	76
Adjusted EBITDA	763	736

(*) General Cable Group's results have been consolidated for the period 1 June - 31 December 2018

(**) The previously published figures for previous periods have been restated following the introduction of IFRS 9 and IFRS 15.

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

(in millions of Euro)

	2018	2017 (*)	Change
EBITDA	596	660	(64)
Changes in provisions (including employee benefit obligations)	52	-	52
(Gains)/losses on disposal of property, plant and equipment, intangible assets and non-current assets and dilution of equity investment	(37)	(2)	(35)
Share of net profit/(loss) of equity-accounted companies	(59)	(42)	(17)
Net cash flow provided by operating activities (before changes in net working capital)	552	616	(64)
Changes in net working capital	4	85	(81)
Taxes paid	(110)	(104)	(6)
Dividends from investments in equity-accounted companies	16	10	6
Net cash flow provided/(used) by operating activities	462	607	(145)
Cash flow from acquisitions and/or disposal	(1,290)	(7)	(1,283)
Net cash flow used in operating activities	(278)	(254)	(24)
<i>Of which for investment of Wuhan ShenHuan</i>	-	(35)	35
Free cash flow (unlevered)	(1,106)	346	(1,452)
Net finance costs	(84)	(70)	(14)
Free cash flow (levered)	(1,190)	276	(1,466)
Share buy back	-	(100)	100
Dividend distribution	(105)	(101)	(4)
Capital contributions and other changes in equity	496	3	493
Net cash flow provided/(used) in the year	(799)	78	(877)
Opening net financial debt	(436)	(537)	101
Net cash flow provided/(used) in the year	(799)	78	(877)
Equity component of Convertible Bond 2017	-	48	(48)
Conversion of Convertible Bond 2013	283	13	270
Net financial debt of General Cable	(1,215)	-	(1,215)
Other changes	(55)	(38)	(17)
Closing net financial debt	(2,222)	(436)	(1,786)

(*) The previously published figures for previous periods have been restated following the introduction of IFRS 9 and IFRS 15.

ANNEX C

Separate statement of financial position Prysmian S.p.A.

(in Euro)

	31 December 2018	31 December 2017
Non-current assets		
Property, plant and equipment	82,509,896	80,076,250
Intangible assets	98,239,440	92,874,639
Investments in subsidiaries	5,263,944,115	2,073,321,485
Derivatives	-	-
Deferred tax assets	5,786,330	1,751,417
Other receivables	2,492,614	1,118,870
Total non-current assets	5,452,972,395	2,249,142,661
Current assets		
Trade receivables	146,858,200	154,004,449
Other receivables	182,769,127	1,149,602,561
Derivatives	159,877	266,619
Cash and cash equivalents	40,374	27,504
Total current assets	329,827,578	1,303,901,133
Total assets	5,782,799,973	3,553,043,794
Share capital and reserves:		
Share capital	26,814,425	21,748,275
Reserves	1,979,214,736	1,195,056,847
Net profit/(loss) for the year	99,963,473	111,295,319
Total equity	2,105,992,634	1,328,100,441
Non-current liabilities		
Borrowings from banks and other lenders	3,147,837,776	1,460,325,162
Other payables	3,794	-
Derivatives	8,349,000	-
Employee benefit obligations	6,590,833	6,730,060
Total non-current liabilities	3,162,781,403	1,467,055,222
Current liabilities		
Borrowings from banks and other lenders	32,959,694	313,435,459
Trade payables	355,985,323	370,041,124
Other payables	20,283,830	23,488,002
Derivatives	6,116,761	17,568,206
Provisions for risks and charges	91,308,184	21,703,380
Current tax payables	7,372,144	11,651,960
Total current liabilities	514,025,936	757,888,131
Total liabilities	3,676,807,339	2,224,943,353
Total equity and liabilities	5,782,799,973	3,553,043,794

Separate income statement Prysmian S.p.A.

(in Euro)

	2018	2017(*)
Sales of goods and services	-	-
Change in inventories of work in progress, semi-finished and finished goods	-	-
Other income	203,109,982	155,649,779
<i>of which non-recurring other income</i>	497,222	563,923
Raw materials, consumables used and goods for resale	(3,325,255)	(2,982,069)
Personnel costs	(53,040,293)	(79,095,820)
<i>of which personnel costs for company reorganizations</i>	(1,363,000)	(2,551,960)
<i>of which personnel costs for stock option fair value</i>	(717,781)	(19,250,884)
Amortisation, depreciation and impairment	(15,958,087)	(11,819,231)
Other expenses	(173,710,712)	(96,841,534)
<i>of which non-recurring other (expenses)/income</i>	(68,800,561)	(469,760)
Operating income	(42,924,365)	(35,088,876)
Finance costs	(66,287,486)	(73,455,961)
<i>of which non-recurring finance costs</i>	(791,453)	(1,021,700)
Finance income	70,320,724	37,895,055
<i>of which non-recurring finance income</i>	515,443	516,172
Dividends from subsidiaries	141,907,103	162,522,685
(Impairment losses) / reversal of impairment of investments	-	-
Profit before taxes	103,015,976	91,872,903
Taxes	(3,052,503)	19,422,416
Net profit/(loss) for the year	99,963,473	111,295,319

(*) The previously published prior periods consolidated figures have been restated following the introduction of IFRS 15

Separate statement of comprehensive income Prysmian S.p.A.

(in thousands of Euro)

	2018	2017
Net profit/(loss) for the year	99,963	111,295
Items that will be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on cash flow hedges - gross of tax	(14,168)	(173)
Fair value gains/(losses) on cash flow hedges - tax effect	3,400	42
Total items that may be reclassified, net of tax effect	(10,768)	(131)
Items that will NOT be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) on employee benefits - gross of tax	102	33
Actuarial gains/(losses) on employee benefits - tax effect	(24)	(8)
Total items that will NOT be reclassified subsequently to profit or loss:	78	25
Total comprehensive income/(loss) for the year	89,273	111,189

Separate statement of cash flows Prysmian S.p.A.

(in Euro)

	2018	2017
Profit/(loss) before taxes	103,015,976	91,872,903
Depreciation and impairment of property, plant and equipment	3,728,037	2,992,969
Amortisation and impairment of intangible assets	12,230,049	8,826,937
Impairment reversal	-	-
(Net gains)/losses on disposals of property, plant and equipment, intangible assets and other non-current assets	(35,000)	(48,870)
Share-based payments	717,781	19,250,879
Dividends from subsidiaries	(141,907,103)	(162,522,685)
Fair value change in metal derivatives	-	-
Net finance costs	(4,033,230)	35,560,600
Changes in trade receivables/payables	(6,909,552)	59,341,935
Changes in other receivables/ payables	56,754,083	23,704,881
Taxes cashed/(paid)	14,193,930	28,633,940
Utilisation of provisions (including employee benefit obligations)	(629,000)	(2,048,000)
Increases in provisions (including employee benefit obligations)	68,806,000	2,744,000
A Net cash flow provided by/(used in) operating activities	105,931,971	108,309,490
Investments in property, plant and equipment	(6,247,000)	(6,902,276)
Disposal of property, plant and equipment	-	8,295
Investments in intangible assets	(17,510,000)	(60,704,646)
Investments to recapitalise subsidiaries	(3,188,495,000)	-
Dividends received	142,458,147	143,398,628
B Net cash flow provided by/(used in) investing activities	(3,069,793,853)	75,800,000
Capital contributions	495,608,090	-
Dividend distribution	(96,181,000)	(91,154,011)
Unicredit Loan	200,000,000	-
Term Loan	1,000,000,000	-
Bridge Loan	700,000,000	-
Repayment Bridge Loan	(200,000,000)	-
Share buy back	-	(100,232,035)
Sale of treasury shares	577,000	697,749
Early repayment Credit Facility 2014	-	(50,000,000)
Repayment EIB Loan 2013	(16,667,000)	(16,667,333)
Insurance of the EIB Loan 2017	-	110,000,000
Issuance of Convertible bond 2017	-	500,000,000
CDP Loan	-	100,000,000
Finance costs paid	(59,986,000)	(41,661,000)
Finance income received	54,151,000	39,172,082
Changes in other financial receivables/ payables	886,372,662	(634,239,294)
C Net cash flow provided by/(used in) financing activities	2,963,874,752	(184,083,842)
D Total cash flow provided/(used) in the year (A+B+C)	12,871	25,649
E Net cash and cash equivalents at the beginning of the year	27,504	1,855
F Net cash and cash equivalents at the end of the year (D+E)	40,374	27,504