



BORSA ITALIANA - STAR segment

PRESS RELEASE

THE BOARD APPROVES 2017 COMPANY FINANCIAL STATEMENTS

AND CONSOLIDATED FINANCIAL STATEMENTS:

(in brackets the results at 31/12/2016)

EXCELLENT RESULTS FOR THE GROUP

ALL FINANCIAL INDICATORS STRONGLY IMPROVING

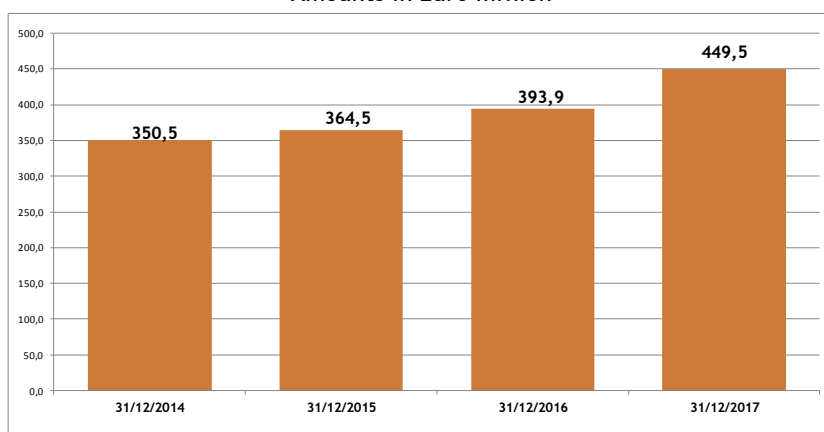
PROPOSED AN INCREASE OF THE DIVIDEND TO € 0.40 PER SHARE

- Consolidated REVENUES at € 449.5m (+14.1% compared to € 393.9m);
- Adjusted EBITDA at € 45.1m (+24.7% compared to € 36.1m), representing 10% of turnover;
- GROUP NET PROFIT at € 18.7m (+83.3% compared to € 10.2m);
- NET FINANCIAL POSITION at € -69.6m (compared to € -84.2m);
- ORDERS BACKLOG at €169.9m (+18.5% compared to €143.4m) and further increased to €185.6m at 31/01/2018.

Collegno (TO), March 2nd 2018 - The Board of Directors of Prima Industrie S.p.A, a company leader in high technology laser systems, sheet metal working systems and electronic components for industrial applications, met today to approve the Company financial statements as at 31/12/2017 and the consolidated financial statements.

The Group ended 2017 with a turnover of 449,503 thousand euro, an increase of 14.1% compared to 2016. The growth in turnover is now a constant trend over time and the CAGR of revenues for the period 2014-2017 (as can be seen in the graph below) was 8.6%.

Amounts in Euro million



This positive trend is the result of the good performance of the reference markets and is also the result of the significant investments made by the Group during the last few years in research and development (renewal of the product range and development of fiber laser sources) and of the commercial reinforcement. The excellent results of the Group in 2017 were supported by the very good performance of the 3D laser machines business, which benefited from the strong investments made by the automotive and aerospace markets. The growth in the sales of the systems was also significant, supported by the technological evolution of "Industry 4.0", focused on interconnected machines and automated production lines.

Following is the consolidated revenues geographical breakdown at 31/12/2017 compared with same period of the previous year:

Revenues	31/12/17		31/12/16	
	<i>Euro thousand</i>	<i>%</i>	<i>Euro thousand</i>	<i>%</i>
EMEA	242.240	53,9	226.094	57,4
AMERICAS	118.016	26,3	94.331	23,9
APAC	89.247	19,8	73.461	18,7
TOTAL	449.503	100,0	393.886	100,0

The above shows that the Group's turnover for the year 2017 (compared to 2016) grew in all areas, recording a significant increase in AMERICAS for 23,685 thousand euro, in EMEA for 16,146 thousand euro and in APAC for 15,786 thousand euro.

The Group recorded consolidated revenues in EMEA for 242,240 thousand euro; revenues in Italy have been about 74 million euro equal to 16.5% of consolidated revenues and the machinery orders acquisition in 2017 increased by 66% compared to the previous year, also thanks to the introduction of tax incentives linked to "Industry 4.0".

Revenues in Northern Europe have been equal to 7.2% of consolidated revenues, in Russia and Oriental Europe have been equal to 8.1%, in Spain 6.2% and in Germany 5.3%.

The portion generated by AMERICAS significantly increased compared to 2016, growing from 94,331 thousand euro to 118,016 thousand euro (+25.1%); much of this increase is attributable to USA and Mexico. Also in this area, orders acquisition has substantially grown (+24.5%).

As mentioned, APAC revenues increased compared to 2016, growing from 73,461 thousand euro to 89,247 thousand euro (+21.5%); this growth is mainly referred to China, Australia and Japan whose revenues have grown respectively from 52,284 thousand euro to 63,856 thousand euro, from 1,562 thousand euro to 7,625 thousand euro and from 2,073 thousand euro to 3,482 thousand euro.

Orders acquisition of this area has grown by almost 33%.

The breakdown of revenues by segment, before inter-sector items, is as follows:

Revenues	31/12/17		31/12/16	
	<i>Euro thousand</i>	<i>%</i>	<i>Euro thousand</i>	<i>%</i>
PRIMA POWER	423.118	94,1	368.669	93,6
PRIMA ELECTRO	52.325	11,6	42.222	10,7
Inter-sector revenues	(25.940)	(5,7)	(17.005)	(4,3)
TOTAL	449.503	100,0	393.886	100,0

From the foregoing it is noted that the overall growth in revenues is attributable to both the PRIMA POWER division (€ 54,449 thousand) and the PRIMA ELECTRO division (€ 10,103 thousand). The revenue growth of the PRIMA ELECTRO division is due to the captive supplies of fiber lasers.

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Here below are the main economic indicators of the Group by Division, compared with the corresponding period of the previous year:

Values in euro thousand

31/12/17	Revenues	Gross Margin	Gross Margin %	EBITDA	EBITDA %	EBIT	EBIT %	NET RESULT
PRIMA POWER	423.118	99.104	23,4%	41.137	9,7%	27.574	6,5%	18.045
PRIMA ELECTRO	52.325	10.586	20,2%	2.167	4,1%	(1.166)	-2,2%	839
ELIMINATIONS	(25.940)	(283)	-1,1%	(126)	-0,5%	(112)	-0,4%	(216)
GROUP	449.503	109.407	24,3%	43.178	9,6%	26.296	5,9%	18.668

(% calculated over the revenues)

Values in euro thousand

31/12/16	Revenues	Gross Margin	Gross Margin %	EBITDA	EBITDA %	EBIT	EBIT %	NET RESULT
PRIMA POWER	368.669	86.509	23,5%	34.363	9,3%	22.139	6,0%	12.158
PRIMA ELECTRO	42.222	9.750	23,1%	1.257	3,0%	(3.415)	-8,1%	(1.506)
ELIMINATIONS	(17.005)	(276)	-1,6%	(211)	-1,2%	(196)	-1,2%	(492)
GROUP	393.886	95.983	24,4%	35.409	9,0%	18.528	4,7%	10.160

(% calculated over the revenues)

The **Gross Margin** of the Group at 31/12/2017 amounted to 109,407 thousand euro, up by 13,424 thousand euro compared to 95,983 thousand euro in the same period of 2016; gross margin on sales is 24.3% and remained substantially stable compared to 2016 (24.4%).

Group **EBITDA** at 31/12/2017 is equal to 43,178 thousand euro (9.6% of revenues) growing by 7,769 thousand euro compared to same period of previous year (35,409 thousand euro, equal to 9.0% of revenues).

It should be noted that EBITDA at 31/12/2017 shows net non-recurring costs of € 1,885 thousand (at 31/12/2016 these costs amounted to 726 thousand euro) and therefore the Group's **adjusted EBITDA** is equal to 45,063 thousand euro (10.0% of revenues), up by 8,928 thousand euro compared to the previous year (36,135 thousand euros equal to 9.2%).

Group **EBIT** at 31/12/2017 amounts to 26,296 thousand euro (equal to 5.9% of consolidated sales) increasing of 7,768 thousand euro compared to 31/12/2016 (it was equal to 18,528 thousand euro, i.e. 4.7% of revenues). Such result is affected by depreciation of intangible assets for 12,472 thousand euro, of tangible fixed assets for 4,387 thousand euro. With regard to the amortization of intangible assets, they mainly relate to amortization of development costs (8,488 thousand euro) and to the amortization related to assets with a defined useful life recognized in the FINN-POWER Group business combination (brand and customer relations - "customer list") which amount to 3,180 thousand euro.

The Group **EBT** at 31/12/2017 is positive for 21,852 thousand euro increasing by 10,504 thousand euro compared to 31/12/2016 (amounting to 11,347 thousand euro). This amount reflects net financial charges (including profits and losses on exchange rates) for 7,000 thousand euro (at 31/12/2016 they amounted to 8,230 thousand euro). Financial charges for 2017 include the charges recorded in December, following the

full early repayment of the loan with the Finnish banks. This repayment led to the release to the income statement of ancillary costs not yet amortized; this effect is equal to 126 thousand euro.

The result of exchange rate management is negative for 2,973 thousand euro (at 31/12/2016 it was negative for 349 thousand euro); however, it should be noted that the result of the management of foreign exchange derivatives is positive for 2,500 thousand euro.

The net result of other equity investments is positive for 2,556 thousand euro and refers for 2,560 thousand euro to a capital gain deriving from the sale of EPS SA shares, whose investment is classified as non-current assets held for sale, and for 4 thousand euro to a write-down of the stake Caretek srl held by PRIMA ELECTRO SpA.

The **Group's NET PROFIT** as at 31/12/2017 amounted to 18,668 thousand euro (it was 10,160 thousand euro at 31/12/2016), while the Net Result pertaining to the Parent Company amounted to 18,515 thousand euro. Income taxes for 2017 show a negative net balance of 3,184 thousand euros. The balance of current and deferred taxes is equal to 2,449 thousand euro, IRAP is equal to 602 thousand euro and other taxes including those relating to previous years are equal to 133 thousand euro

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At 31/12/2017 the Group's **net financial position** shows a net debt of 69,632 thousand euro, a significant improvement compared to 84,215 thousand euro at 31/12/2016.

Below is a detailed table of net debt:

Values expressed in Euro thousand	31/12/17	31/12/16
CASH & CASH EQUIVALENTS	(70.521)	(62.680)
CURRENT FINANCIAL RECEIVABLES	(849)	(792)
CURRENT FINANCIAL LIABILITIES	42.525	35.790
NON CURRENT FINANCIAL LIABILITIES	98.477	111.897
NET FINANCIAL POSITION	69.632	84.215

* * * * *

In 2017 the Group's **order acquisition** (inclusive of the after-sale) amounted to 480.6 million euro, an increase of 12.7% compared to 426.5 million euro at 31/12/2016.

In 2017, the Group achieved the highest order acquisition in its history.

The consolidated order backlog (non-inclusive after-sale) at 31/12/2017 amounted to 169.9 million euro (compared to 143.4 million euro at 31/12/2016).

At 31/01/2018 the order backlog further grew to 185.6 million euro.

Research and development activities carried out by the Group in 2017 totaled 23,401 thousand euro, or 5.2% of consolidated revenues.

The capitalized portion amounted to 7,134 thousand euro (of which 4,196 thousand euro in PRIMA POWER segment and 2,938 thousand euro in PRIMA ELECTRO segment), down if compared to 10,098 thousand euro at 31/12/2016.

At 31/12/2017, Group **employees** amounted to 1,781, of which 1,509 in PRIMA POWER division and 272 in PRIMA ELECTRO division. Compared to 31/12/2016, they increased by 117 units.

The **parent company Prima Industrie S.p.A.** closed the year 2017 with a turnover of 153,465 thousand euro, an EBITDA of 9,745 thousand euro and a net profit of 6,771 thousand euro.

Based on the excellent results achieved, the Board of Directors has decided to propose to the Shareholders' Meeting the distribution of a dividend of € 0.40 per share, i.e. 33% higher than that distributed in the previous year.

For the first time, with reference to the 2017 financial year, the Company publishes its **Sustainability Report** (Consolidated Statement of a non-financial nature pursuant to Legislative Decree No. 254/2016), confirming that our results were also achieved thanks to a responsible management focused on creating value together with sustainable growth.

The Board of Directors also resolved today to submit a Long Term Incentive Plan for a three years period, based on shares of Prima Industrie SpA to the next Shareholders' Meeting, addressed to Group managers, through the free allocation of newly issued Prima Industrie shares, pursuant to articles 114-bis of the TUF and 2349 of the Civil Code.

The Incentive Plan is an instrument of participation to the Company's capital, in order to enhance the key role of senior managers and Vice-Presidents for the achievement of Group results and to retain them in the relationship with the company.

The Incentive Plan provides, under the achievement of certain economic and financial parameters related to the period 2018-2020, the allocation of newly issued Prima Industrie ordinary shares against a free capital increase.

The recipients of the Plan do not include directors of the Company.

The relative documentation will be made available to the shareholders and the public pursuant to current legislation and in the terms provided therein.

In the event that the objectives are fully achieved and therefore the maximum number of shares envisaged is assigned (equal to 150,000), the maximum dilution envisaged can be estimated at approximately 1.43% of the current share capital.

Finally, the Board also resolved to propose to the Shareholders' Meeting the possibility of giving the Board itself a proxy to increase the share capital with exclusion of the option right up to 10% of the share capital for a maximum period of five years pursuant to of the articles 2441 4th paragraph and 2443 of the civil code.

The Chairman of Prima Industrie, Gianfranco Carbonato, noted: *"The 2017 financial year was characterized by excellent results, achieved, thanks to a constant and sustained demand and to the first returns of the strong investments made on the product range and on the market. The excellent order backlog at the beginning of the year, the cash generation and the good order acquisition of the first two months of 2018, allow the Group to confirm the targets for further growth for the current year."*

The Board of Directors has resolved to call the Annual General Meeting on April 19, 2018 (1st call), April 20, 2018 (2nd call) and, if necessary, on April 23, 2018 (3rd call for the Extraordinary session only).

The Board of Directors will propose to the Annual General Meeting to destine the net profit of the parent company, amounting to euro 6,771,475.00, to Legal Reserve for euro 338,573.75, and to distribute euro 4,193,309.60 of the said net profit as ordinary dividend, i.e. a dividend unit of 0.40 euro for each of the 10,483,274 shares and to allocate as Extraordinary Reserve the residual euro 2,239,591.65.

The payment of the dividend, if approved by the AGM, will take place as follows:

- May 21, 2018: Ex-dividend date
- May 22, 2018: Record date
- May 23, 2018: Payment Date

“The manager responsible for preparing the company’s financial reports, Davide Danieli, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records”.

The draft of company financial statements at December 31, 2017, the Directors’ Report, the Statutory Auditors’ Reports and the Reports of the independent auditors as well as the consolidated financial statements at December 31, 2017, the Directors’ Reports relevant to the agenda of AGM, the Report on Corporate Governance and Ownership Structure, the Sustainability Report ex Law decree 254/2016 and the Report on Remuneration will be made available to anyone upon request at the registered office and will also be available under the “Investors” section of the Company’s website www.primaindustrie.com, as well as on the authorized storage mechanism 1info, www.1info.it, within the legal terms.

PRIMA INDUSTRIE heads a leading Group in developing, manufacturing and marketing of laser systems for industrial applications, sheet metal processing machinery, as well as industrial electronics and laser technologies.
The parent company Prima Industrie S.p.A. is listed on the Italian Stock Exchange since 1999 (MTA- STAR segment).
With 40 years of experience the Group can count on about 13,000 machines installed in more than 80 countries worldwide and is among the main worldwide manufacturers in its own reference market.

The Group has about 1,800 employees and manufacturing sites in **Italy** (PRIMA INDUSTRIE S.p.A, PRIMA ELECTRO S.p.A, FINN-POWER Italia Srl), **Finland** (FINN-POWER Oy), **USA** (Convergent Photonics LLC, PRIMA POWER LASERDYNE LLC.) and **China** (PRIMA POWER SUZHOU Co. Ltd.). Remarkable is as well its direct commercial and after-sales presence in BRIC, NAFTA, European Union and other emerging Asian countries.

The Prima Industrie Group is structured on 2 Business Units:

Laser and sheet metal processing machines (Prima Power): including design, manufacturing and marketing of:

- Laser machines for cutting, welding and drilling of 3D and 2D components.
- Machines for sheet metal treatment by means of mechanical tools (punching machines, combined punching/shearing systems, combined punching/laser cutting systems, panel benders and automation systems).

Industrial electronics and laser technologies (Prima Electro): including development, manufacturing and marketing of power and control electronics, and of high-power laser sources for industrial applications, destined both to the Group machines and to third parties.

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CONSOLIDATED BALANCE SHEET

Values in Euro	31/12/2017	of which related parties	31/12/2016	of which related parties
Property, plant and equipment	35.627.751	-	35.281.369	-
Intangible assets	149.603.479	-	155.713.399	-
Investments accounted for using the equity method	-	-	1.009.341	1.009.341
Other investments	355.004	180.000	139.051	-
Non current financial assets	9.578	-	9.578	-
Deferred tax assets	11.340.432	-	11.555.324	-
NON CURRENT ASSETS	196.936.244		203.708.062	
Inventories	113.035.328	-	98.561.165	-
Trade receivables	113.649.234	163.339	88.376.748	50.647
Other receivables	8.018.722	-	6.425.617	-
Current tax receivables	9.380.123	-	5.053.888	-
Derivatives	57.536	-	-	-
Financial assets	791.509	-	791.509	-
Cash and cash equivalents	70.520.659	-	62.679.901	-
CURRENT ASSETS	315.453.111		261.888.828	
Assets held for sale	1.111.136	727.238	318.812	-
TOTAL ASSETS	513.500.491		465.915.702	
Capital stock	26.208.185	-	26.208.185	-
Legal reserve	4.652.958	-	4.565.082	-
Other reserves	69.311.022	-	70.738.752	-
Currency translation reserve	1.360.295	-	6.848.598	-
Retained earnings	27.620.077	-	19.276.926	-
Net result	18.515.392	-	10.102.304	-
<i>Stockholders' equity of the Group</i>	<i>147.667.929</i>	<i>-</i>	<i>137.739.847</i>	<i>-</i>
<i>Minority interest</i>	<i>1.285.839</i>	<i>-</i>	<i>1.212.065</i>	<i>-</i>
STOCKHOLDERS' EQUITY	148.953.768		138.951.912	
Interest-bearing loans and borrowings	98.396.076	-	111.675.762	-
Employee benefit liabilities	7.693.863	-	8.100.353	-
Deferred tax liabilities	5.997.482	-	8.340.653	-
Provisions	172.119	-	162.684	-
Derivatives	80.445	-	220.866	-
NON CURRENT LIABILITIES	112.339.985		128.500.318	
Trade payables	110.465.363	-	88.448.383	-
Advance payments	43.620.216	-	26.029.170	-
Other payables	24.950.838	1.552.686	22.076.067	774.582
Interest-bearing loans and borrowings	42.524.711	-	34.894.444	-
Current tax payables	6.071.926	-	7.695.264	-
Provisions	24.573.684	-	18.424.370	-
Derivatives	-	-	895.774	-
CURRENT LIABILITIES	252.206.738		198.463.472	
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	513.500.491		465.915.702	

CONSOLIDATED INCOME STATEMENT

Values in Euro	31/12/2017	of which related parties	31/12/2016	of which related parties
Net revenues	449.503.244	270.436	393.885.774	395.563
Cost of goods sold	(340.096.252)	-	(297.902.746)	-
GROSS MARGIN	109.406.992	-	95.983.028	-
Research and Development costs	(12.563.644)	-	(10.932.964)	-
Sales and marketing expenses	(29.630.518)	-	(27.903.449)	-
General and administrative expenses	(24.034.482)	(2.263.223)	(21.737.648)	(1.411.733)
OPERATING GROSS MARGIN (EBITDA)	43.178.348	-	35.408.967	-
<i>of which: non recurring items</i>	<i>(1.885.086)</i>	<i>-</i>	<i>(725.313)</i>	
Impairment - Write-off	(23.299)	-	(1.027.682)	-
Depreciation	(16.858.918)	-	(15.853.684)	-
OPERATING PROFIT (EBIT)	26.296.131		18.527.601	
<i>of which: non recurring items</i>	<i>(1.908.385)</i>	<i>-</i>	<i>(1.752.995)</i>	
Financial income	2.760.000	-	626.831	-
Financial expenses	(6.786.647)	-	(8.507.194)	-
Net exchange differences	(2.973.478)	-	(349.409)	-
Net result of investments accounted for using the equity method	-	-	1.057.207	1.057.207
Net result of other investments (*)	2.555.677	2.560.223	(7.729)	-
RESULT BEFORE TAXES (EBT)	21.851.683		11.347.307	
<i>of which: non recurring items</i>	<i>521.291</i>	<i>-</i>	<i>(703.517)</i>	
Taxes	(3.183.842)	-	(1.187.184)	-
NET RESULT	18.667.841		10.160.123	
- Attributable to Group shareholders	18.515.392	-	10.102.304	-
- Attributable to minority shareholders	152.449	-	57.819	-
RESULT PER SHARE - BASIC (in euro)	1,77		0,96	
RESULT PER SHARE - DILUTED (in euro)	1,77		0,96	

(*) It must be outlined that this figure includes a financial gain deriving from EPS SA sale of share for 2.560 thousand euro. In the Balance Sheet the EPS SA investment is classified in the Assets held for sale.

CONSOLIDATED STATEMENT OF CASH FLOWS

VALUES IN EURO	31/12/2017	of which related parties	31/12/2016	of which related parties
Net result	18.667.841		10.160.123	
<i>Adjustments (sub-total)</i>	13.139.444	-	29.886.002	-
Depreciation, impairment & write-off	16.882.217	-	16.881.366	-
Gain from sales of shares in other investments (**)	(2.560.223)	(2.560.223)	(1.057.207)	(1.057.207)
Net change in deferred tax assets and liabilities	(2.128.279)	-	(3.887.211)	-
Change in employee benefits	(406.490)	-	187.571	-
Change in inventories	(14.474.163)	-	(4.568.458)	-
Change in trade receivables	(25.272.486)	(112.692)	(1.962.853)	170.358
Change in trade payables and advances	39.608.026	-	14.768.934	(1.283)
Net change in other receivables/payables and other assets/liabilities	1.490.842	778.104	9.523.860	156.686
Cash Flows from (used in) operating activities (A)	31.807.285		40.046.125	
Cash flow from investments				
Acquisition of tangible fixed assets (*)	(5.449.124)	-	(3.176.344)	-
Acquisition of intangible fixed assets	(640.836)	-	(904.090)	-
Capitalization of development costs	(6.842.883)	-	(9.710.945)	-
Net disposal of fixed assets	99.965	-	72.280	-
Devaluation of Other Investments	4.546	-	7.729	-
Capital increase/decrease in Other investments (*)	2.621.826	851.711	(25.422)	-
Capital increase/decrease investments accounted for using the equity method	-		1.271.421	1.271.421
Cash Flows from (used in) investing activities (B)	(10.206.507)		(12.465.371)	
Cash flow from financing activities				
Change in other financial assets/liabilities and other minor items	221.762	-	651.232	-
Increases in loans and borrowings (including bank overdrafts)	33.615.117	-	11.514.175	-
Repayment of loans and borrowings (including bank overdrafts)	(38.323.278)	-	(16.203.858)	-
Repayments in financial lease liabilities	(603.245)	-	(170.909)	-
Dividends paid	(3.144.981)	-	(2.620.818)	-
Change in currency translation reserve	(5.488.303)	-	883.189	-
Other variations	41.583	-	(277.111)	-
Cash Flows from (used in) financing activities (C)	(13.681.345)		(6.224.100)	
Cash Flows from (used in) change of minority shareholders (D)	(78.675)		(42.161)	
Net change in cash and equivalents (E=A+B+C+D)	7.840.758		21.314.493	
Cash and equivalents beginning of period (F)	62.679.901		41.365.408	
Cash and equivalents end of period (G=E+F)	70.520.659		62.679.901	

(*) not included the acquisition of real estate assets by means of a financial lease and included assets held for sale

(**) The gain is relevant to EPS SA sale for share, this investment is classified in the Assets held for Sale

PRIMA INDUSTRIE S.p.A. - BALANCE SHEET

Values in Euro	31/12/2017	of which related parties	31/12/2016	of which related parties
Property, plant and equipment	14.277.886	-	13.954.864	-
Intangible assets	9.665.603	-	9.945.490	-
Investment in subsidiaries	171.937.588	171.937.588	159.429.421	159.429.421
Other investments	232.431	180.000	11.931	-
Financial assets - loan to the subsidiaries	-	-	2.800.000	2.800.000
Deferred tax assets	2.589.901	-	2.291.324	-
NON CURRENT ASSETS	198.703.409		188.433.030	
Inventories	25.462.069	-	24.445.109	-
Trade receivables	57.180.626	18.370.602	43.266.836	17.939.689
Other receivables	2.656.924	159.841	2.638.733	-
Current tax receivables	2.007.586	-	3.045.409	-
Derivatives	57.536	-	-	-
Financial assets	6.503.094	5.711.585	5.886.259	5.094.750
Cash and cash equivalents	25.242.811	-	7.456.973	-
CURRENT ASSETS	119.110.646		86.739.319	
TOTAL ASSETS	317.814.055		275.172.349	
Capital stock	26.208.185	-	26.208.185	-
Legal reserve	4.652.958	-	4.565.082	-
Other reserves	69.607.122	-	71.034.163	-
Retained earnings	(1.697.935)	-	(1.697.935)	-
Net result	6.771.475	-	1.757.529	-
STOCKHOLDERS' EQUITY	105.541.805		101.867.024	
Interest-bearing loans and borrowings	89.938.582	1.500.000	83.857.011	4.000.000
Employee benefit liabilities	3.635.568	-	3.778.483	-
Deferred tax liabilities	884.804	-	806.191	-
Provisions	1.471.621	-	1.008.735	-
Derivatives	80.445	-	82.687	-
NON CURRENT LIABILITIES	96.011.020		89.533.107	
Trade payables	58.293.382	18.130.686	47.895.027	11.534.326
Advance payments	5.538.417	-	2.110.241	-
Other payables	7.971.510	1.232.347	6.773.985	690.222
Interest-bearing loans and borrowings	35.812.419	7.910.587	19.236.238	85.160
Current tax payables	3.125.602	-	2.275.053	-
Provisions	5.519.900	-	4.585.900	-
Derivatives	-	-	895.774	-
CURRENT LIABILITIES	116.261.230		83.772.218	
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	317.814.055		275.172.349	

PRIMA INDUSTRIE S.p.A. - INCOME STATEMENT

Values in Euro	31/12/2017	of which related parties	31/12/2016	of which related parties
Net revenues	153.464.705	59.631.811	124.694.119	53.678.595
Cost of goods sold	(127.613.972)	(27.818.528)	(103.462.176)	(19.894.356)
GROSS MARGIN	25.850.733	-	21.231.943	-
Research and Development costs	(2.179.578)	(101.252)	(2.373.596)	-
Sales and marketing expenses	(6.229.408)	1.083.827	(4.302.810)	136.990
General and administrative expenses	(7.696.609)	(712.462)	(6.424.223)	473.675
OPERATING GROSS MARGIN (EBITDA)	9.745.138		8.131.314	
<i>of which: non recurring items</i>	<i>(55.450)</i>		<i>(251.427)</i>	
Depreciation	(3.285.373)	-	(2.712.717)	-
OPERATING PROFIT (EBIT)	6.459.765		5.418.597	
<i>of which: non recurring items</i>	<i>(55.450)</i>		<i>(251.427)</i>	
Financial income	8.237.215	5.626.142	3.507.775	3.066.806
Financial expenses	(6.559.703)	(1.826.304)	(6.378.796)	(209.784)
Net exchange differences	(524.919)	-	(237.608)	-
RESULT BEFORE TAXES (EBT)	7.612.358		2.309.968	-
<i>of which: non recurring items</i>	<i>(1.687.781)</i>		<i>(360.238)</i>	
Taxes	(840.883)	-	(552.439)	-
NET RESULT	6.771.475		1.757.529	

PRIMA INDUSTRIE S.p.A. - STATEMENT OF CASH FLOWS

VALUES IN EURO	31/12/2017	of which related parties	31/12/2016 (**)	of which related parties
Net result	6.771.475	-	1.757.529	-
<i>Adjustments (sub-total)</i>	5.690.248	-	7.994.979	-
Depreciation	3.285.373	-	2.712.717	-
Net change in deferred tax assets and liabilities	(219.964)	-	80.136	-
Change in employee benefits liabilities	(142.915)	-	40.405	-
Change in inventories	(1.016.960)	-	(2.929.829)	-
Change in trade receivables	(13.913.790)	(430.913)	(4.005.972)	(1.282.326)
Change in trade payables and advances	13.826.531	6.596.360	12.609.297	5.434.284
Net change in other receivables/payables and other assets/liabilities	3.871.973	382.284	(511.775)	111.032
Cash Flows from (used in) operating activities (A)	12.461.723		9.752.508	
Cash flow from investments				
Acquisition of tangible fixed assets (*)	(1.061.175)	-	(728.277)	-
Acquisition of intangible fixed assets	(363.747)	-	(414.445)	-
Capitalization of development costs	(1.803.441)	-	(2.141.945)	-
Net disposal of fixed assets	110	-	22.938	-
Capital Increase FINN-POWER OY	-	-	(18.228.867)	(18.228.867)
Acquisition of investment in FINN-POWER ITALIA	(13.547.879)	(13.547.879)	-	-
Devaluation PRIMA POWER SOUTH AMERICA Ltda	315.186	315.186	82.656	82.656
Devaluation PRIMA POWER AUSTRALASIA	10.944	10.944	26.155	26.155
Devaluation PRIMA POWER GmbH	1.306.201	1.306.201	-	-
Variations in Other investments	(220.500)	180.000	-	-
Cash Flows from (used in) investing activities (B)	(15.364.301)		(21.381.785)	
Cash flow from financing activities				
Change in financial receivables and other financial assets	2.183.165	2.183.165	15.093.094	15.093.094
Change in other non current financial liabilities and other minor items	(951.417)	-	963.030	-
Increases in loans and borrowings (including bank overdrafts)	32.245.862	5.325.427	10.613.958	1.585.160
Repayment of loans and borrowings (including bank overdrafts)	(9.527.119)	-	(10.372.313)	-
Repayments in financial lease liabilities	(160.990)	-	(25.515)	-
Dividends paid	(3.144.981)	-	(2.620.818)	-
Other variations	43.896	-	(79.971)	-
Cash Flows from (used in) financing activities (C)	20.688.416		13.571.465	
Net change in cash and equivalents (D=A+B+C)	17.785.838		1.942.188	
Cash and equivalents beginning of period (E)	7.456.973		5.514.785	
Cash and equivalents end of period (F=D+E)	25.242.811		7.456.973	

(*) not included the acquisition of real estate assets by means of a financial lease

(**) for a better comprehension, the 2016 figures have been re-exposed