

BORSA ITALIANA - STAR segment

PRESS RELEASE

**THE BOARD APPROVES THE COMPANY FINANCIAL STATEMENTS AND  
CONSOLIDATED FINANCIAL STATEMENTS 2015:  
REVENUES UP BY 4%, ADJUSTED EBITDA IN LINE WITH PREVIOUS YEAR  
PROFITABILITY IMPACTED BY EMERGENT MARKETS AND NON RECURRING ITEMS**

€/thousand (except dividend)	31/12/2015			31/12/2014		
	Actual	Adj*	% Adj on revenues	Actual	Adj*	% Adj on revenues
Revenues	364.5			350.5		
EBITDA	31.4	32.0	8.8%	33.8	31.8	9.1%
EBIT	17.5	18.5	5.1%	22.3	20.4	5.8%
EBT	8.1	11.6	3.2%	14.8	12.9	3.7%
Net result	6.0		1.7%	9.8		2.8%
Net financial position	-101.7			-92.1		
Order backlog	117.7			94.5		
Dividend per share	0.25			0.20		

Adj \*: excluding non-recurring items.

**RESEARCH AND DEVELOPMENT ACTIVITIES TO A TOTAL OF 23.6 MILLION EURO (6.5% OF REVENUES) AGAINST 20.9 MILLION EURO IN 2014 (6.1% OF REVENUES), CONFIRMING THE GROUP IN THE OFFICIAL RANKING OF THE FIRST 500 UE COMPANIES IN TERMS OF INNOVATION INVESTMENTS**

**PRIMA INDUSTRIE IS PROUD TO ANNOUNCE THE INTRODUCTION ON THE MARKET OF ITS OWN FIBER LASER, BECOMING THE FIRST LASER MACHINES MANUFACTURER WORLDWIDE TO HAVE INTERNALLY DEVELOPED SUCH TECHNOLOGY**

**THE BOARD OF DIRECTORS PROPOSE TO THE SHAREHOLDERS' MEETING:**

- **THE DISTRIBUTION OF A DIVIDEND EQUAL TO 0.25 EURO FOR SHARE, COMPARED TO 0.20 EURO.**
- **THE AUTHORIZATION FOR THE PURCHASE OF TREASURY STOCK FOR A MAXIMUM TOTAL VALUE OF 10 MILLION EURO.**

*Collegno (TO), march 9<sup>th</sup> 2016* - The Board of Directors of Prima Industrie S.p.A., a leader in high technology laser systems, sheet metal working systems and electronic components for industrial applications, met today to approve the financial statements as at 31/12/2015 and the consolidated financial statements.

The 2015 financial year results were affected, under a macroeconomic point of view, by the performance of emerging markets that proved unsatisfactory (Russia and Brazil) and, worse than the expectations of beginning of the year also in China.

In addition, the profitability of the year 2015 was affected by several non-recurring items compared to the previous year and by the investments made by the Group aimed at medium/long term growth.

In particular we recall the following investments:

- the new organization of sales and service in China (the world's largest market for capital goods and the Group's second largest market after the United States), after the start-up of Prima Power Suzhou plant;
- the significant investments in research and development (6.5% of revenues), confirming Prima Industrie among the first 500 companies in UE under research and development activity point of view;
- a substantial development activity of new products, in particular in laser machines segment (after the successful launch of 3D laser machine, LaserNext, at the end of 2014, the introduction in 2015 of LaserGenius, a 2D laser cutting machine very advanced, based on innovative materials and performance at the top of today's technology);
- the completion of the development and of the industrialization of Group's laser with CF3000 fiber technology. We are the first manufacturer of laser machines to introduce to the market its own fiber laser;
- the start up of a new research activity, partially financed by EU 2020 Horizon Project, in the new promising business of Additive Manufacturing.

**Consolidated revenues** at 31/12/2015 amount to 364,466 thousand euro, an increase of 4.0% compared to the previous year (equal to 350,464 thousand euro).

The geographical break down of consolidated sales at 31/12/2015 compared with the year 2014 is as follows:

Revenues	31/12/15		31/12/14	
	<i>Euro thousand</i>	<i>%</i>	<i>Euro thousand</i>	<i>%</i>
EMEA	228.640	62,7	209.750	59,9
AMERICAS	80.919	22,2	79.923	22,8
APAC	54.907	15,1	60.791	17,3
<b>TOTAL</b>	<b>364.466</b>	<b>100,0</b>	<b>350.464</b>	<b>100,0</b>

The Group continues to generate a significant portion of revenues in EMEA; the weight of this area increased from 59.9% at 31/12/2014 to 62.7% at 31/12/2015. In particular the Group generated good results in Italy (14.9% of consolidated revenues, positively influenced also by revenues carried out by Prima Electro division), in Northern Europe (9.3% of consolidated revenues), in Spain (7.2% of consolidated revenues), in Germany (6.8% of consolidated revenues) and in Eastern Europe (6.2% of consolidated revenues).

Revenues achieved in Russia, due to the complex political situation, decreased from 6.3% at 31/12/2014 to 3.7% at 31/12/2015.

The portion generated by AMERICAS is mainly related to Northern America, whose weight represents 21.7% of consolidated revenues at 31/12/2015.

As for APAC the main portion relates to China (10.6% of consolidated revenues).

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

Revenues	31/12/15		31/12/14	
	<i>Euro thousand</i>	%	<i>Euro thousand</i>	%
PRIMA POWER	326.190	89,5	312.226	89,1
PRIMA ELECTRO	53.435	14,7	52.841	15,1
Inter-sector revenues	(15.159)	(4,2)	(14.603)	(4,2)
<b>TOTAL</b>	<b>364.466</b>	<b>100,0</b>	<b>350.464</b>	<b>100,0</b>

The **Value of production** at 31/12/2015 amount to 390,657 thousand euro, an increase of 4.9% compared to the same period of 2014 (an increase of 18,247 thousand euro).

The value of production for the period includes increases for internal work for 11,751 thousand euro (11,502 thousand euro at 31/12/2014); these costs mainly relate to investments in development activities. Other operating revenues are also present for 4,773 thousand euro (6,491 thousand euro at 31/12/2014); it should be noted that this item includes non-recurring profits from the sale of licenses in respect of industrial cooperation agreements for 1,260 thousand euro (the non-recurring profits at 31/12/2014 were equal to 2,940 thousand euro).

\* \* \* \* \*

Performance indicators	31/12/15		31/12/14	
	<i>Euro thousand</i>	% on sales	<i>Euro thousand</i>	% on sales
EBITDA	31.402	8,6	33.780	9,6
EBITDA Adj (*)	32.011	8,8	31.783	9,1
EBIT	17.487	4,8	22.299	6,4
EBIT Adj (*)	18.504	5,1	20.352	5,8
EBT	8.132	2,2	14.842	4,2
EBT Adj (*)	11.558	3,2	12.895	3,7
NET RESULT	5.606	1,5	9.389	2,7
NET RESULT ATTRIBUTABLE TO GROUP SHAREHOLDERS	6.017	1,7	9.763	2,8

(\*) net of non recurring items

The Group's **EBITDA** is equal to 31,402 thousand euro (8.6% of sales).

Following is the Group EBITDA at 31/12/2015 and 31/12/2014 by segment (before inter sector items):

EBITDA	31/12/15		31/12/14	
	<i>Euro thousand</i>	%	<i>Euro thousand</i>	%
PRIMA POWER	25.246	80,4	27.468	81,3
PRIMA ELECTRO	6.134	19,5	6.277	18,6
Inter sector items and eliminations	22	0,1	35	0,1
<b>TOTAL</b>	<b>31.402</b>	<b>100,0</b>	<b>33.780</b>	<b>100,0</b>

This result, despite the increase in revenues, is decreasing, as it essentially reflects the lower performance of the PRIMA POWER segment compared to the same period of the previous year.

To this extent, it should be specified that EBITDA at 31/12/2014 benefited from a non-recurring net profit amounting to 1,997 thousand euro; on the result at 31/12/2015, however, non-recurring items are negative for 609 thousand euro and they mainly refer to a sale of licenses equal to 1,260 thousand euro and to restructuring/reorganization costs, litigation and customers penalties equal to 1,869 thousand

euro. Furthermore the result is negatively affected by the decline in sales in Russia (high-margin market for the PRIMA POWER products) and by the follow-up of the Prima Power Suzhou investment for which start-up costs were incurred as well as costs for the commercial and after-sales service strengthening.

Consolidated **EBIT** at 31/12/2015 is 17,487 thousand euro a decrease of 4,812 thousand euro compared to the same period of 2014 (it was equal to 22,299 thousand euro). This decrease comes from the lower EBITDA (and related non-recurring events) as explained above, and from the increase of depreciations that are equal to 13,507 thousand euro (an increase compared to 31/12/2014 of 2,226 thousand euro).

In particular the depreciations relate to intangible assets for 10,104 thousand euro, to tangible fixed assets for 3,403 thousand euro and to an *impairment* for 408 thousand euro (mainly on development costs of PRIMA ELECTRO division). Regarding the depreciation of the intangible assets, the main depreciation relates to amortization of development costs (6,480 thousand euro) and to amortization of assets with a defined useful life recognized in the FINN-POWER business combination (brand and “customer list”) for 3,094 thousand euro.

Consolidated **EBT** at 31/12/2015 is equal to 8,132 thousand euro, a decrease of 6,710 thousand euro compared to the previous year (it was equal to 14,842 thousand euro). This amount reflects net financial charges (including profits and losses in exchange rates) for 9,311 thousand euro (at 31/12/2014 they amounted to 7,258 thousand euro). Also in this case the costs increase is due to non-recurring items; in fact financial charges for the year 2015 include costs incurred between February and March 2015 due to the full repayment of the FINPOLAR loan amounting to 2,123 thousand euro. It should be noted that financial items include the devaluation for 236 thousand euro, of the financial receivable from Wuhan Unity company resulting from the sale by PRIMA INDUSTRIE SpA of the last 5% of the investment in Shanghai Unity Prima.

EBT was also negatively affected by the financial result of the exchange rates, which in the year 2015 was negative for 532 thousand euro (at 31/12/2014 it was negative for 147 thousand euro); it should be nonetheless noted that the effect of derivatives on currencies is positive for 442 thousand euro.

The **NET RESULT** at 31/12/2015 amounts to 5,606 thousand euro (9,389 thousand euro at 31/12/2014). Income taxes for the year 2015 show negative balance of 2,526 thousand euro, of which IRAP for 720 thousand euro.

\* \* \* \* \*

At 31/12/2015 the **net financial position** of the Group shows a net debt equal to 101,747 thousand euro, compared to 92,089 thousand euro at 31/12/2014.

Below is a breakdown of the net financial position:

Value expressed in Euro thousand	31/12/15	31/12/14
CASH & CASH EQUIVALENTS	(41.365)	(35.867)
CURRENT FINANCIAL RECEIVABLES	(839)	(442)
CURRENT FINANCIAL LIABILITIES	25.731	56.663
NON CURRENT FINANCIAL LIABILITIES	118.220	71.735
<b>NET FINANCIAL POSITION</b>	<b>101.747</b>	<b>92.089</b>

In order to provide a better disclosure relating to the consolidated net financial position at 31/12/2015, we remind that (including costs):

- the Club Deal loan agreement Club Deal amounts to 35,995 thousand euro;

- the *Bond* amounts to 40,460 thousand euro;
- the *Finnish Loan* amounts to 23,517 thousand euro;
- payables to leasing companies (almost exclusively for real estate) amount to 2,654 thousand euro.

The *covenants* measured on the consolidated financial statements as at 31/12/2015 are matched.

\* \* \* \* \*

During the year 2015 the Group **order acquisition** (including after-sale service) totaled 389.9 million euro, an increase of 4.1% against 374.6 million euro at 31/12/2014.

Consolidated **order backlog** (not including after-sale service) at 31/12/2015 amounts to 117.7 million euro (+24.5% against 94.5 million euro at 31/12/2014).

At 31/01/2016 order backlog rose to 129.3 million euro, confirming positive outlook for the year 2016.

Also in light of the good expectations for the current financial year, the Board of Directors has decided to propose to the shareholders meeting the distribution of a dividend of 0.25 euro per share, that is 25% higher than what was paid out during the previous year, equal to a *pay out* of approx. 50%.

**Research and development** activities carried out by the Group during the year 2015 amounted to 23,564 thousand euro, equal to 6.5% of turnover.

The capitalized portion was 10,844 thousand euro.

At 31/12/2015 the Group **employees** are equal to 1,643, of which 1,379 in the PRIMA POWER division and 264 in the PRIMA ELECTRO division. This is an increase of 64 units compared to 31/12/2014.

The parent company **Prima Industrie S.p.A.** ended at 31/12/2015 with a turnover of 109,781 thousand euro, an EBITDA of 9,922 thousand euro and a net profit of 1,407 thousand euro.

\* \* \* \* \*

Today, the Group has also announced the completion of the development and production of a high-power laser source with fiber technology, thus becoming the first laser machine manufacturer which has internally developed its own laser source with fiber technology.

The laser source CF3000 (3 KW), achieved through an intensive development activity over the last few years, was already successfully installed since over six months at some pilot customers'; it will be produced at the Group plants of Chicopee (Massachusetts - USA), Barone Canavese (Turin) and, in perspective, at Suzhou's plant (China) .

The CF4000 (4 KW) will also be introduced during the year.

Up today the only supplier of fiber laser sources for the Group was the U.S. company IPG Photonics, with which Prima Industrie maintains a strong long-lasting relationship.

The development of this product will allow Prima Industrie Group to rely on an alternative for a highly strategic component for its own business such as the fiber laser source, which represents today a winning technology for specific applications.

Prima Industrie is expecting a remarkable growth from laser machines, taking advantage of the recent introduction of new models, such as Laser Next in the field of for three-dimensional laser cutting machines (and in particular for the automotive market), Platino 2.0 Fiber and LaserGenius in the segment of 2D cutting, and CombiGenius in the sector of laser-punching combi machines.

The Group's target for 2016, the first year for the fiber laser production, is a gradual ramp-up in volumes up to approx. 10 units per month to be delivered to customers.

The own laser source will also allow a more efficient after-sale activity, allowing to return to a situation where the Group is the sole responsible towards the end users.

Gianfranco Carbonato, Chairman of Prima Industrie, showing his satisfaction for such an important achievement, declares: *"With the introduction of the fiber laser we achieved an excellent result for the Group, thanks to which we will be able to offer our customers from time to time the most convenient solution, having the chance to present our Group to the end user as the sole supplier. Our expectations for the current year, on the basis of the excellent backlog of the beginning of the year, are moderately optimistic, although the year 2016 has opened in an economic environment affected by new uncertainties that, this time, characterize not only emerging markets, but also some of the most consolidated markets. We will face, therefore, the possible volatility of markets with great commitment and flexibility"*.

The Board of Directors has resolved to call the Annual General Meeting for the day April 20th, 2016 (1st call) and April 21st, 2016 (2nd call) to resolve on the following agenda:

1. 2015 Annual Report and relevant documents: consequent resolutions. Examination of 2015 Group Consolidated Annual Report;
2. Report on the Remuneration ex article 123-ter of T.U.F.
3. Appointment of the Statutory Auditors Board and of its Chairman and determination of relevant fees for the whole mandate 2016-2017-2018;
4. Authorisation to purchase and dispose of treasury stock pursuant to articles. 2357 and 2357-ter of the Civil Code, art. 132 T.U.F. and art. 144-bis of the Issuer Regulations and subsequent additions and modifications; related and consequent resolutions.

The Board of Directors will propose to the AGM to destine the net profit of the parent company, of euro 1,406,734.00, for euro 70,336.70 to Legal Reserve and to distribute the residual euro 1,336,397.30 as ordinary dividend, and to distribute euro 1,284,421.20 relating to undistributed retained earnings previously accrued as Extraordinary Reserve, equal to an overall dividend unit of 0.25 Euro per each of the 10,483,274 shares.

The Board will also request to the Shareholders' Meeting the authorization to the purchase and sale of treasury stock (pursuant to art. 2357 and 2357 of the Civil Code) for a maximum number of 500,000 shares and a maximum total value of 10 million euro; the request is aimed primarily at supporting market liquidity and to service any free allocation to shareholders, even as dividends in kind.

*"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 Company Management will comment the results just approved during the STAR Conference planned by Borsa Italiana S.p.A. in Milan on March 16<sup>th</sup>, 2016.**

The company draft financial statements at 31 December 2015, the Directors' Report, the Statutory Auditors' Reports and the Reports of the independent auditors as well as the consolidated financial statements at 31 December 2015, the Directors' Reports for the agenda of AGM, the Report on Corporate Governance and Ownership Structure and the Report on Remuneration will be made available to anyone upon request at the registered office and will also be available in the "Investors" section of the Company's website [www.primaindustrie.com](http://www.primaindustrie.com) as well as on the authorized storage mechanism 1info, [www.1info.it](http://www.1info.it), within the legal terms.

## CONSOLIDATED BALANCE SHEET

Values in Euro	31/12/2015	of which related parties	31/12/2014	of which related parties
Property, plant and equipment	28.465.557	-	26.912.167	-
Intangible assets	157.770.974	-	155.552.322	-
Investments accounted for using the equity method	1.223.555	1.223.555	759.072	759.072
Other investments	121.358	-	171.358	-
Non current financial assets	35.000	-	35.000	-
Deferred tax assets	9.845.765	-	9.957.302	-
Other non current assets	19.703	-	19.867	-
<b>NON CURRENT ASSETS</b>	<b>197.481.912</b>		<b>193.407.088</b>	
Inventories	93.992.707	-	77.503.950	-
Trade receivables	86.413.895	221.005	85.663.907	5.287
Other receivables	8.019.131	-	6.943.043	-
Current tax receivables	7.029.222	-	5.951.830	-
Derivatives	47.225	-	-	-
Financial assets	791.509	-	441.891	-
Cash and cash equivalents	41.365.408	-	35.866.508	-
<b>CURRENT ASSETS</b>	<b>237.659.097</b>		<b>212.371.129</b>	
Assets held for sale	284.000	-	284.000	-
<b>TOTAL ASSETS</b>	<b>435.425.009</b>		<b>406.062.217</b>	
Capital stock	26.208.185	-	26.208.185	-
Legal reserve	4.494.745	-	4.455.497	-
Other reserves	72.243.694	-	71.967.701	-
Currency translation reserve	5.965.409	-	1.639.850	-
Retained earnings	14.786.376	-	5.523.165	-
Net result	6.016.715	-	9.762.948	-
<b>Stockholders' equity of the Group</b>	<b>129.715.124</b>	-	<b>119.557.346</b>	-
<b>Minority interest</b>	<b>1.196.407</b>	-	<b>1.150.354</b>	-
<b>STOCKHOLDERS' EQUITY</b>	<b>130.911.531</b>		<b>120.707.700</b>	
Interest-bearing loans and borrowings	117.805.350	-	68.678.974	-
Employee benefit liabilities	7.912.782	-	8.682.372	-
Deferred tax liabilities	10.518.305	-	10.822.071	-
Provisions	150.551	-	144.551	-
Derivatives	414.635	-	3.055.597	-
<b>NON CURRENT LIABILITIES</b>	<b>136.801.623</b>		<b>91.383.565</b>	
Trade payables	78.323.460	1.283	77.593.622	5.527
Advance payments	21.385.159	-	16.933.871	-
Other payables	19.218.309	617.896	19.926.668	591.410
Interest-bearing loans and borrowings	25.700.281	-	56.534.173	-
Current tax payables	7.257.725	-	8.027.279	-
Provisions	15.796.491	-	14.826.479	-
Derivatives	30.430	-	128.860	-
<b>CURRENT LIABILITIES</b>	<b>167.711.855</b>		<b>193.970.952</b>	
<b>TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES</b>	<b>435.425.009</b>		<b>406.062.217</b>	

## CONSOLIDATED INCOME STATEMENT

Values in Euro	31/12/2015	of which related parties	31/12/2014	of which related parties
Net revenues	364.465.523	373.914	350.464.388	185.103
Other income	4.773.331	38.736	6.490.991	52.733
Change in inventories of finished goods and WIP	9.667.276	-	3.952.493	-
Increases in fixed assets for internal work	11.751.310	-	11.502.326	-
Use of raw materials, consumables, supplies and goods	(173.263.011)	-	(161.559.297)	-
Personnel cost	(100.223.151)	(350.186)	(93.831.488)	(338.520)
Depreciation	(13.507.132)	-	(11.281.428)	-
Impairment	(407.924)	-	(199.618)	-
Other operating expenses	(85.769.211)	(1.064.961)	(83.239.814)	(1.073.301)
<b>OPERATING PROFIT</b>	<b>17.487.011</b>		<b>22.298.553</b>	
<i>of which: non recurring items</i>	<i>(1.017.205)</i>		<i>1.946.964</i>	
Financial income	693.514	-	112.442	-
Financial expenses	(9.472.762)	-	(7.223.349)	-
Net exchange differences	(531.702)	-	(147.049)	-
Net result of investments accounted for using the equity method	-	-	(250.000)	(250.000)
Net result of other investments	(44.300)	-	51.037	-
<b>RESULT BEFORE TAXES</b>	<b>8.131.761</b>		<b>14.841.634</b>	
<i>of which: non recurring items</i>	<i>(3.425.832)</i>		<i>1.947.497</i>	
Taxes	(2.525.917)	-	(5.453.088)	-
<b>NET RESULT</b>	<b>5.605.844</b>		<b>9.388.546</b>	
- Attributable to Group shareholders	6.016.715	-	9.762.948	-
- Attributable to minority shareholders	(410.871)	-	(374.402)	-
<b>RESULT PER SHARE - BASIC (in euro)</b>	<b>0,57</b>		<b>0,93</b>	
<b>RESULT PER SHARE - DILUTED (in euro)</b>	<b>0,57</b>		<b>0,93</b>	



## CONSOLIDATED STATEMENT OF CASH FLOWS

VALUES IN EURO	31/12/2015	of which related parties	31/12/2014 (**)	of which related parties
<b>Net result</b>	<b>5.605.844</b>		<b>9.388.546</b>	
<i>Adjustments (sub-total)</i>	<b>(1.759.599)</b>	-	<b>10.761.197</b>	-
Depreciation and impairment	13.915.056	-	11.481.046	-
Net change in deferred tax assets and liabilities	(192.229)	-	(1.838.288)	-
Change in employee benefits	(769.590)	-	950.832	-
Change in inventories	(16.488.757)	-	(11.289.485)	-
Change in trade receivables	(749.988)	(215.718)	(6.830.831)	5.287
Change in trade payables and advances	5.181.126	(4.244)	12.829.426	5.527
Net change in other receivables/payables and other assets/liabilities	(2.655.217)	26.486	5.458.497	19.871
<b>Cash Flows from (used in) operating activities (A)</b>	<b>3.846.245</b>		<b>20.149.743</b>	
<b>Cash flow from investments</b>				
Acquisition of tangible fixed assets (*)	(4.558.955)	-	(5.290.850)	-
Acquisition of intangible fixed assets	(1.334.088)	-	(581.175)	-
Capitalization of development costs	(10.337.511)	-	(10.728.928)	-
Net disposal of fixed assets (*)	133.191	-	72.503	-
Decrease of SUP investment	-	-	1.149.839	-
Devaluation of other investments	50.000	-	20.000	-
Changes in capital of investments accounted for using the equity method	(464.483)	(464.483)	(911.695)	(911.695)
Net result of investments accounted for using the equity method	-	-	250.000	250.000
<b>Cash Flows from (used in) investing activities (B)</b>	<b>(16.511.846)</b>		<b>(16.020.306)</b>	
<b>Cash flow from financing activities</b>				
Change in other financial assets/liabilities and other minor items	(3.127.350)	-	(1.311.267)	-
Increases in loans and borrowings (including bank overdrafts)	138.290.097	-	17.046.196	-
Repayment of loans and borrowings (including bank overdrafts)	(120.076.216)	-	(16.290.437)	-
Dividends paid	(2.096.655)	-	-	-
Change in currency translation reserve	4.325.559	-	3.777.956	-
Other variations	392.142	-	(1.119.596)	-
<b>Cash Flows from (used in) financing activities (C)</b>	<b>17.707.577</b>		<b>2.102.852</b>	
<b>Cash Flows from (used in) change of minority shareholders (D)</b>	<b>456.924</b>		<b>440.070</b>	
<b>Net change in cash and equivalents (E=A+B+C+D)</b>	<b>5.498.900</b>		<b>6.672.359</b>	
<b>Cash and equivalents beginning of period (F)</b>	<b>35.866.508</b>		<b>29.194.149</b>	
<b>Cash and equivalents end of period (G=E+F)</b>	<b>41.365.408</b>		<b>35.866.508</b>	

(\*) included tangible fixed assets classified in the assets held for sale

(\*\*) for a better comparability, the 2014 figures have been reclassified

## PRIMA INDUSTRIE S.p.A. - BALANCE SHEET

Values in Euro	31/12/2015	of which related parties	31/12/2014	of which related parties
Property, plant and equipment	6.773.620	-	6.612.386	-
Intangible assets	9.487.291	-	7.237.967	-
Investment in subsidiaries	141.200.554	141.200.554	134.686.788	134.686.788
Other investments	11.931	-	11.931	-
Financial assets - loan to the subsidiaries	-	-	42.580.356	42.580.356
Other financial assets	18.128.639	18.128.639	17.762.945	17.762.945
Deferred tax assets	2.381.269	-	3.172.022	-
<b>NON CURRENT ASSETS</b>	<b>177.983.304</b>		<b>212.064.395</b>	
Inventories	21.515.280	-	18.767.027	-
Trade receivables	39.260.864	16.657.363	39.882.495	14.720.480
Other receivables	2.377.098	-	2.105.856	44.400
Current tax receivables	4.377.960	-	2.730.650	-
Derivatives	47.225	-	-	-
Other current financial assets	5.650.714	4.859.205	1.319.202	877.311
Cash and cash equivalents	5.514.785	-	6.820.329	-
<b>CURRENT ASSETS</b>	<b>78.743.926</b>		<b>71.625.559</b>	
<b>TOTAL ASSETS</b>	<b>256.727.230</b>		<b>283.689.954</b>	
Capital stock	26.208.185	-	26.208.185	-
Legal reserve	4.494.745	-	4.455.497	-
Other capital reserves	72.539.104	-	72.662.718	-
Retained earnings	(1.775.643)	-	(1.883.860)	-
Net result	1.406.734	-	784.956	-
<b>STOCKHOLDERS' EQUITY</b>	<b>102.873.125</b>		<b>102.227.496</b>	
Interest-bearing loans and borrowings	83.429.200	2.500.000	65.375.760	-
Employee benefit liabilities	3.738.078	-	4.100.916	-
Deferred tax liabilities	816.000	-	847.917	-
Provisions	1.140.534	-	7.404.404	-
Derivatives	-	-	2.363.958	-
<b>NON CURRENT LIABILITIES</b>	<b>89.123.812</b>		<b>80.092.955</b>	
Trade payables	34.405.904	6.100.042	38.795.392	9.192.266
Advance payments	2.990.067	58.285	2.974.091	365.329
Other payables	6.254.049	579.190	7.054.614	558.529
Interest-bearing loans and borrowings	12.357.303	-	44.679.618	-
Current tax payables	4.080.670	-	2.949.688	-
Provisions	4.642.300	-	4.916.100	-
<b>CURRENT LIABILITIES</b>	<b>64.730.293</b>		<b>101.369.503</b>	
<b>TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES</b>	<b>256.727.230</b>		<b>283.689.954</b>	

## PRIMA INDUSTRIE S.p.A. - INCOME STATEMENT

Values in Euro	31/12/2015	of which related parties	31/12/2014	of which related parties
Net revenues	109.781.243	49.854.708	98.016.681	36.198.700
Other income	4.531.445	1.626.864	6.271.515	1.590.778
Change in inventories of finished goods and WIP	4.147.894	-	818.389	-
Increases in fixed assets for internal work	3.002.678	-	3.244.630	-
Use of raw materials, consumables, supplies and goods	(61.549.655)	(12.644.599)	(51.788.636)	(11.973.646)
Personnel cost	(23.075.526)	(338.368)	(22.271.668)	(338.520)
Depreciation	(1.679.938)	-	(1.530.476)	-
Impairment	-	-	(121.270)	-
Other operating expenses	(26.915.791)	(2.427.124)	(25.984.124)	(2.640.634)
<b>OPERATING PROFIT</b>	<b>8.242.350</b>		<b>6.655.041</b>	
<i>of which: non recurring items</i>	<i>1.038.142</i>		<i>2.601.638</i>	
Financial income	2.176.719	2.437.881	2.840.254	1.668.196
Financial expenses	(8.092.411)	(751.373)	(7.086.959)	-
Net exchange differences	(144.063)	-	(507.210)	-
<b>RESULT BEFORE TAXES</b>	<b>2.182.595</b>		<b>1.901.126</b>	
<i>of which: non recurring items</i>	<i>(2.014.470)</i>		<i>2.118.742</i>	
Income taxes	(775.861)	-	(1.116.170)	-
<b>NET RESULT</b>	<b>1.406.734</b>		<b>784.956</b>	

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

VALUES IN EURO	31/12/2015	of which related parties	31/12/2014 (*)	of which related parties
<b>Net result</b>	<b>1.406.734</b>	<b>-</b>	<b>784.956</b>	<b>-</b>
<b>Adjustments (sub-total)</b>	<b>(20.204.277)</b>	<b>-</b>	<b>6.416.054</b>	<b>-</b>
Depreciation, impairment and amortization	1.679.938	-	1.651.746	-
Net change in deferred tax assets and liabilities	758.836	-	(722.661)	-
Change in employee benefits liabilities	(362.838)	-	386.339	-
Change in inventories	(2.748.253)	-	(3.177.788)	-
Change in trade receivables	621.631	(1.936.883)	(1.280.128)	(2.641.094)
Change in trade payables and advances	(4.373.512)	(3.092.224)	8.094.678	2.083.386
Net change in other receivables/payables and other assets/liabilities	(15.780.079)	(23.739)	1.463.868	(64.323)
<b>Cash Flows from (used in) operating activities (A)</b>	<b>(18.797.543)</b>		<b>7.201.010</b>	
<b>Cash flow from investments</b>				
Acquisition of tangible fixed assets	(750.116)	-	(2.123.865)	-
Acquisition of intangible fixed assets	(764.939)	-	(99.314)	-
Capitalization of development costs	(2.670.393)	-	(2.930.831)	-
Net disposal of fixed assets and investment in subsidiaries	94.952	-	1.500.853	-
Capital Increase FINN-POWER OY	(5.000.000)	(5.000.000)	-	-
Capital Increase PRIMA POWER GMBH	(1.039.712)	(1.039.712)	-	-
Devaluation PRIMA POWER GMBH	-	-	750.366	750.366
Reversal of devaluation provision of PRIMA POWER GMBH	6.960.288	-	-	-
Capital Increase PRIMA POWER SUZHOU	(474.053)	(474.053)	(2.611.629)	(2.611.629)
Capital Increase PRIMA POWER SOUTH AMERICA Ltda	-	-	(206.603)	(206.603)
Devaluation PRIMA POWER SOUTH AMERICA Ltda	650.948	650.948	466.072	466.072
Capital Increase PRIMA POWER MAKINA TICARET LIMITED SIRTEKI	-	-	(340.105)	(340.105)
Devaluation PRIMA POWER AUSTRALASIA	43.037	43.037	305.497	305.497
Decrease SUP Investment	-	-	181.836	-
<b>Cash Flows from (used in) investing activities (B)</b>	<b>(2.949.988)</b>		<b>(5.107.723)</b>	
<b>Cash flow from financing activities</b>				
Change in financial receivables and other financial assets	37.883.150	38.232.768	2.851.141	3.293.032
Change in other non current financial liabilities and other minor items	(1.082.282)	-	274.185	-
Increases in loans and borrowings (including bank overdrafts)	94.324.602	2.500.000	13.663.615	-
Repayment of loans and borrowings (including bank overdrafts)	(108.695.046)	-	(15.252.130)	-
Dividends	(2.096.654)	-	-	-
Other changes	108.217	-	(211.793)	-
<b>Cash Flows from (used in) financing activities (C)</b>	<b>20.441.987</b>		<b>1.325.018</b>	
<b>Net change in cash and equivalents (D=A+B+C)</b>	<b>(1.305.544)</b>		<b>3.418.305</b>	
<b>Cash and equivalents beginning of period (E)</b>	<b>6.820.329</b>		<b>3.402.024</b>	
<b>Cash and equivalents end of period (F=D+E)</b>	<b>5.514.785</b>		<b>6.820.329</b>	

(\*) for a better comparability, the 2014 figures have been reclassified