

Board of Directors approves results as of December 31 2016

**CIR GROUP: REVENUES FOR 2016 OVER € 2.6 BN (+3%)
EBITDA HIGHER AT € 260 M (+19%)**

Net income € 33.8 m (€ 42 m, of which € 11 m non-recurring income, in 2015)

**The contribution of the three industrial subsidiaries (Espresso, Sogefi and KOS)
to the earnings of the group is up by 23% on 2015 (€ 25.1 m vs € 20.4 m)**

Net financial position of the parent company at 31/12 a positive € 334.3 m

The Board of Directors will propose to the AGM a dividend distribution of € 0.038 per share

Financial highlights for the year 2016

(in millions of €)

	<u>2015</u>	<u>2016</u>	<u>Δ%</u>
Revenues	2,544.4	2,620.7	+3%
EBITDA	218.2	259.6	+19%
Net income	42.0	33.8	
Net debt (end of period)	121.7	143.6	

Milan, March 13 2017 – The **Board of Directors** of **CIR-Compagnie Industriali Riunite S.p.A.**, which met today under the chairmanship of **Rodolfo De Benedetti**, has approved the **proposed statutory financial statements** and the **consolidated financial statements of the group for the year ended December 31 2016** presented by Chief Executive Officer **Monica Mondardini**. Founded in 1976, the CIR group operates mainly in three sectors: **media (Gruppo Editoriale L'Espresso)**, **automotive components (Sogefi)** and **healthcare (KOS)**.

*"2016 – commented Chief Executive **Monica Mondardini** – was a significant year for the CIR group: Espresso began an important project of consolidation with ITEDI, which will be completed by the end of the first half of this year, Sogefi achieved a net improvement in its margins and cash flow generation and KOS, as well as having a new shareholding structure, reported significant growth in its results".*

Chairman **Rodolfo De Benedetti** made the following statement: *"We are satisfied with what was achieved in 2016, a year in which CIR obtained positive results and launched initiatives that will further develop the group in the longer term, in the interest of our companies and all our shareholders".*



Consolidated results

The **revenues** of the CIR group came in at **€ 2,620.7 million** in 2016, posting an **increase of 3%** from € 2,544.4 million in 2015, underpinned by the growth of *Sogefi* and *KOS*, which both reported a rise in revenues of 5%.

The **gross operating margin (EBITDA)** came to **€ 259.6 million** (9.9% of revenues), **up by 19%** from € 218.2 million in 2015 (8.6% of revenues). The significant growth was due to the higher EBITDA of *Sogefi* and *KOS*, while *Espresso* reported a slight decline.

The **net income of the group** totalled **€ 33.8 million** compared to a result before non-recurring income of € 31 million in 2015. In the previous year the group had realized non-recurring income of € 11 million, representing the difference between the capital gain on the sale of *Swiss Education Group* (€ 41.9 million) and the impairment loss on the shareholding in *Espresso* (- € 30.9 million). The net result for the year 2015, including non-recurring income, was € 42 million.

The **contribution of the industrial subsidiaries (Espresso, Sogefi and KOS)** to the earnings of 2016 amounted to **€ 25.1 million**, and was up by 23% from € 20.4 million in 2015.

Espresso, in this still difficult environment for the publishing sector, reported a slowing in the decline of revenues compared to previous years (-2.7% with the same consolidation perimeter) and a positive net result of € 10.4 million compared to € 17 million in 2015, which included the capital gain of € 10.3 million on the sale of *All Music*. The net financial position was a positive € 31.7 million at December 31 2016, compared to net debt of € 10.7 million at the end of 2015, as a financial surplus of € 42.4 million was reported during the period.

Sogefi reported a rise in revenues of 5%, thanks to significant development in North America and Asia and despite the crisis in the South American market. EBITDA increased by 32.2%, from € 115.5 million in 2015 to € 152.7 million in 2016. Net income went up from € 1.1 million in 2015 to € 9.3 million in 2016. Free cash flow was a positive € 31.2 million versus - € 24.8 million in 2015 (net debt stood at € 299 million at December 31 2016, down from € 322.3 million at December 31 2015).

Lastly, *KOS* reported an increase in revenues of 5%, thanks particularly to the development of the nursing home sector resulting from the acquisitions made in 2015; the net result was € 23.4 million (€ 19.8 million in 2015). Net debt stood at € 213.6 million at December 31 2016 (€ 210 million at December 31 2015).

The **contribution of the parent company** (including the non-industrial subsidiaries) to consolidated earnings came to a positive **€ 8.7 million**, down from € 21.6 million in 2015, which included the above-mentioned non-recurring income of € 11 million.

Consolidated net debt totalled **€ 143.6 million** at December 31 2016 compared to € 121.7 million at December 31 2015 (€ 165.3 million at September 30 2016).

The total net debt of the industrial subsidiaries, which stood at € 477.9 million at December 31 2016, declined by € 61.7 million compared to the end of 2015 mainly because of the positive cash flow generation of *Espresso* (+ € 42.4 million) and *Sogefi* (+ € 23.3 million).

The **net financial position of the parent company** (including the non-industrial subsidiaries) at December 31 2016 was **positive for € 334.3 million**, € 83.6 million lower than at the end of 2015 (€ 417.9 million);



the main disbursements were made to increase the interest in KOS (€ 64.3 million), to buy back own shares (€ 19.5 million), and to distribute dividends (€ 29.5 million).

The **equity of the group** amounted to **€ 1,052.3 million** at December 31 2016, down from € 1,103 million at December 31 2015. Despite the positive net result for the year, the change was due to the distribution of dividends for € 29.5 million, the buyback of own shares for € 19.5 million and the recognition, in application of IFRS 3, of the further interest acquired in KOS at the value of the equity acquired (€ 27 million) instead of at the price paid (€ 64.3 million).

At December 31 2016 the CIR group had **14,329 employees** (14,252 at December 31 2015).

Results of the industrial subsidiaries of the CIR group

Media: Espresso

Gruppo Editoriale L'Espresso is one of the most important publishing companies in Italy. It operates especially in the following sectors: newspapers and magazines, radio, internet and the collection of advertising. The group, which is 56.5% controlled by CIR, is listed on the Stock Exchange.

The sales revenues of *Espresso* in 2016 came to € 585.5 million, and were down by 3.2% on 2015 (-2.7% with the same consolidation basis) with less of a decline than in previous years.

Circulation revenues (including sundry revenues), totalling € 242.5 million, were down by 6.4% on 2015 (-5.5% with the same consolidation basis) in a market that has continued to report a significant fall in newspaper circulation (-8% in 2016 according to ADS figures).

Advertising revenues remained substantially in line with those of the previous year (-0.9%). Orders for radio and the internet showed a slight increase compared to 2015, while the printed press was affected by the critical performance of the market.

Costs fell by 2.4%, with a decline substantially in line with the decline in sales; in particular industrial fixed costs were down, as were logistics and distribution costs, editorial costs and management and administration costs.

EBITDA came to € 44.7 million (€ 47.5 million in 2015), including € 7.7 million of reorganization costs.

Net income came in at € 10.4 million, down from € 17.0 million in 2015; the difference is due to the sale, in the previous year, of *All Music* to *Discovery*, which gave rise to capital gains, classified in discontinued operations, equal to € 10.3 million in 2015 and € 2.0 million in 2016.

The net financial position was a positive € 31.7 million at December 31 2016, as there was a financial surplus in the year of € 42.4 million.

The Board of Directors of Espresso, at the meeting held on February 27 2017, voted to submit to the Annual General Meeting of the Shareholders a proposal to increase the share capital, with the exclusion of the option right pursuant to Art. 2441, paragraph four, of the Civil Code, which will be paid in through the contribution in kind by Fiat Chrysler Automobiles N.V. (FCA) and Ital Press Holding S.p.A. of shares representing the entire capital of ITEDI. The capital increase constitutes the implementation of the plan to merge the businesses of Espresso with those of ITEDI, which was the subject of the general agreement the signing of which was announced on August 1 2016. Completion of the deal, which is subject to authorization by the competent authorities and to conditions precedent typical of deals of this kind, is scheduled to take place in the first half of 2017.



The total amount of the capital increase has been set at € 79,969,000.00, of which € 14,497,678.65 will be allocated to nominal share capital and € 65,471,321.35 will be allocated to share premium. The capital increase will be executed by means of the issuance of a total of 96,651,191 new ordinary Espresso shares, each with a nominal value of € 0.15, of which 74,421,417 will be allotted to FCA and 22,229,774 will be allotted to Ital Press. On completion of the transaction, CIR will hold 43.40% of the share capital of Espresso, while FCA will hold 14.63% and Ital Press will hold 4.37%.

For more information on the results of Espresso see the press release published by the company on February 27 (goo.gl/ReuthF).

Automotive components: Sogefi

Sogefi is one of the main producers worldwide in the sectors of suspension, filtration, and air and cooling systems with 42 production plants in three continents. The company is controlled by CIR (57.1%) and is listed on the Stock Exchange.

Sogefi's sales revenues in 2016 came in at € 1,574.1 million and were up by 5% from € 1,499.1 million in 2015 (+9.8% with the same exchange rates).

The growth in revenues was driven by the significant development seen in North America (+16.9%) and in Asia (+25.6%) while Europe reported a rise of 1.4%. However, sales in South America declined by 7.1%, but showed an increase of 13.9% in the fourth quarter thanks to the first signs of a recovery in the market.

EBITDA came to € 152.7 million, posting growth of 32.2% compared to the figure for 2015 (€ 115.5 million). The rise was due to the growth in revenues and the improvement in profitability, which rose to 9.7% from 7.7% in 2015. The increase in profitability was the result of a slight increase in the gross margin and the lower impact of indirect costs.

Net income came in at € 9.3 million, up from € 1.1 million in 2015, after tax expense of € 32.6 million in 2016 (€ 12.9 million in 2015), as a consequence of the higher pre-tax result and of non-recurring taxes of € 10.2 million.

Net debt stood at € 299 million at December 31 2016 and was down by € 23.3 million compared to December 31 2015 (€ 322.3 million) and by € 15.1 million compared to September 30 2016 (€ 314.1 million).

For further information on the results of Sogefi see the press release published by the company on February 27 (goo.gl/e6AuoV).

Healthcare: KOS

KOS, which is controlled by CIR and in which F2i Healthcare has an interest, is one of the major groups in Italy in the sector of healthcare and care homes (nursing homes, rehabilitation centres, oncology treatments, diagnostics and management of hospital facilities). The group manages 77 facilities in Italy, mainly in the centre and north, for a total of around 7,300 beds, and is also active in India and the United Kingdom.

KOS reported revenues of € 461.1 million in 2016 (+5% from € 439.2 million in 2015), thanks to the acquisitions made in the previous year and to the organic growth in the care-home sector.

EBITDA was € 82.4 million, up by 12.9% from € 73 million in 2015.



Net income came in at € 23.4 million, up by 18.2% from € 19.8 million in 2015.

Net debt stood at € 213.6 million at December 31 2016 compared to € 210 million at December 31 2015, after the distribution of dividends of € 29.9 million.

During the year the *KOS* group continued its path of development in the care-home and rehabilitation areas.

More specifically, in Italy in September the group acquired control of a psychiatric rehabilitation facility in the Marche region (Villa Jolanda), further strengthening its presence in the sector.

Moreover, in 2016 the group opened its first rehabilitation facility in India through the company *ApoKOS*, an equal share joint venture with the main local healthcare operator Apollo. The facility, situated in the city of Hyderabad, has 64 beds devoted to the rehabilitation of patients with neurological, orthopaedic, cardiopulmonary, paediatric, geriatric and oncological problems.

In the area of oncology treatments and diagnostics, business is continuing to develop in Italy, India (with the subsidiary *ClearMedi Healthcare Ltd*) and the United Kingdom (with the subsidiary *Medipass Healthcare Ltd*).

Lastly, it should be remembered that following the changes in the shareholding structure that took place in 2016, the current shareholders of *KOS* are CIR with 59.53% of the capital and *F2i Healthcare* with 40.47%. *F2i* is the majority shareholder of *F2i Healthcare* but the Kingdom of Bahrain sovereign fund also has an interest.

Non-core investments

The *non-core investments* of the CIR group consist of private equity initiatives, non-strategic shareholdings and other investments with a total value at December 31 2016 of € 114.7 million (€ 113.7 million at December 31 2015).

More specifically, the CIR group has a diversified portfolio of funds in the private equity sector (with a fair value at December 31 2016 of € 58.1 million, down by € 1.1 million compared to December 31 2015). Total distributions in the period amounted to € 11 million, generating a capital gain of € 7 million.

At December 31 2016 CIR owned, both directly and indirectly, non-strategic equity investments worth € 18.3 million and a portfolio of non-performing loans with a total value of € 38.3 million.

Results of the parent company of the group CIR S.p.A.

The parent company of the group CIR S.p.A. closed financial year 2016 with net income of € 14.2 million which compares with a loss of € 8.4 million in 2015. The result for 2016 benefited from the receipt of dividends of € 23.2 million versus € 9.9 million in the year 2015.

Shareholders' equity stood at € 978.1 million, down by € 30.1 million from € 1,008.2 million at December 31 2015.



Outlook for 2017

As far as the performance of the CIR group in 2017 is concerned, in the automotive components sector, the process of increasing profitability is forecast to continue; in the media sector, there is insufficient evidence available today to be able to predict any market evolution that is significantly different from that which characterized 2016; in healthcare the business will continue to develop particularly in Italy.

Proposed dividend

The Board of Directors has decided to propose that the Annual General Meeting of the Shareholders approve a **dividend distribution of € 0.038 per share**. The dividend will be paid out on May 24 2017 with detachment of coupon no. 23 on May 22 and record date May 23.

Annual General Meeting of the Shareholders

The Annual General Meeting of the Shareholders has been called for April 27 2017 at the first call and for April 28 2017 at the second call. At the meeting held today the Board adopted the following resolutions:

- To put before the Shareholders' Meeting a motion to cancel and renew the Board's authorization for a period of 18 months for the purchase of a maximum of 40 million of the Company's own shares at a unit price that cannot be more than 10% higher or lower than the benchmark price recorded by the shares on regulated markets on the trading day preceding each single buyback transaction or the date on which the price is fixed. When the shares are bought back in the regulated market, the price must not be higher than the higher of the price of the last independent transaction and the highest current independent bid price on the same market, in compliance with what is set out in EU Delegated Regulation no. 2016/1052.

The main reasons why this authorization is being renewed are: to fulfil the obligations resulting from possible stock option plans or other awards of shares of the Company to employees or members of the Board of Directors of CIR, its subsidiaries or its parent company; to fulfil any obligations resulting from debt instruments that are convertible into or exchangeable with equity instruments; to have a portfolio of own shares to use as consideration for any possible extraordinary transactions, even those involving an exchange of equity holdings, with other entities within the scope of transactions of interest to the Company (as treasury stock); to support market liquidity of the shares; to take advantage of opportunities for creating value, as well as investing liquidity efficiently in relation to the market trend; for any other purpose qualified by the competent Authorities as admitted market practice in accordance with applicable European or domestic rules, and with the procedures established therein.

- To put before the Shareholders' Meeting for approval a stock grant plan for 2017 aimed at directors and/or executives of the company, its subsidiaries and its parent company for a maximum of 2,000,000 conditional rights, each of which will give the beneficiaries the right to be assigned free of charge 1 CIR share. The shares thus assigned will be made available from the own shares that the company is holding as treasury stock.

The Shareholders' Meeting will also be called upon to adopt a resolution on the renewal of the Board of Directors and the Board of Statutory Auditors.



COMUNICATO STAMPA
PRESS RELEASE

The executive responsible for the preparation of the company's financial statements, Giuseppe Gianoglio, hereby declares, in compliance with the terms of paragraph 2 Article 154 bis of the Finance Consolidation Act (TUF), that the figures contained in this press release correspond to the results documented in the company's accounts and general ledger.

Alternative performance indicators

Below the meaning and content are given of the "alternative performance indicators", not envisaged by IFRS accounting standards but used in this press release to provide a better evaluation of the economic and financial performance of the CIR group.

- **EBITDA (gross operating margin):** an indicator of operating performance calculated by adding "amortization, depreciation and write-downs" to the EBIT figure (earnings before financial items and taxes);
- **Consolidated net financial debt:** an indicator of the financial structure of the group; it is the algebraic sum of financial receivables, securities, available-for-sale financial assets and cash and cash equivalents in current assets, of bonds and notes and other borrowings in non-current liabilities, and of bank overdrafts, bonds and notes and other borrowings in current liabilities;
- **Aggregate net financial surplus:** an indicator of the financial structure of CIR and its financial subsidiaries; it is determined as the balance of borrowings net of cash and cash equivalents and current financial assets (financial receivables, securities and available-for-sale financial assets).

Attached are key figures from the consolidated statement of financial position and income statement

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euro)

ASSETS	31.12.2016	31.12.2015
NON-CURRENT ASSETS	2,056,164	2,071,525
INTANGIBLE ASSETS	988,003	997,652
TANGIBLE ASSETS	670,775	658,737
INVESTMENT PROPERTY	19,292	20,064
INVESTMENTS IN COMPANIES CONSOLIDATED AT EQUITY	129,987	131,833
OTHER EQUITY INVESTMENTS	5,323	5,830
OTHER RECEIVABLES	78,980	86,957
<i>of which with related parties</i>	1,644	2,693
SECURITIES	72,069	65,705
DEFERRED TAXES	91,735	104,747
CURRENT ASSETS	1,335,311	1,400,094
INVENTORIES	137,406	134,055
CONTRACTED WORK IN PROGRESS	40,947	39,178
TRADE RECEIVABLES	414,370	415,937
<i>of which with related parties</i>	1,666	2,259
OTHER RECEIVABLES	92,669	97,363
<i>of which with related parties</i>	105	655
FINANCIAL RECEIVABLES	30,183	30,496
SECURITIES	54,892	121,006
AVAILABLE-FOR-SALE FINANCIAL ASSETS	234,012	251,510
CASH AND CASH EQUIVALENTS	330,832	310,549
ASSETS HELD FOR DISPOSAL	3,418	9,005
TOTAL ASSETS	3,394,893	3,480,624
LIABILITIES AND EQUITY	31.12.2016	31.12.2015
EQUITY	1,518,476	1,590,294
ISSUED CAPITAL	397,146	397,146
less OWN SHARES	(64,283)	(54,211)
SHARE CAPITAL	332,863	342,935
RESERVES	310,850	340,336
RETAINED EARNINGS (LOSSES)	374,811	377,663
NET INCOME FOR THE PERIOD	33,751	42,014
EQUITY OF THE GROUP	1,052,275	1,102,948
MINORITY SHAREHOLDERS' EQUITY	466,201	487,346
NON-CURRENT LIABILITIES	938,119	1,010,070
BONDS	283,742	288,366
OTHER BORROWINGS	274,819	372,076
OTHER PAYABLES	15,140	9,286
DEFERRED TAXES	149,683	134,881
PERSONNEL PROVISIONS	131,058	124,478
PROVISIONS FOR RISKS AND LOSSES	83,677	80,983
CURRENT LIABILITIES	938,298	873,598
BANK OVERDRAFTS	12,771	19,517
BONDS	20,980	5,011
OTHER BORROWINGS	201,179	150,316
TRADE PAYABLES	432,507	427,418
<i>of which to related parties</i>	2,257	2,251
OTHER PAYABLES	198,084	199,569
PROVISIONS FOR RISKS AND LOSSES	72,777	71,767
LIABILITIES HELD FOR DISPOSAL	--	6,662
TOTAL LIABILITIES AND EQUITY	3,394,893	3,480,624

CONSOLIDATED INCOME STATEMENT

(in thousands of euro)

	2016	2015
SALES REVENUES	2,620,680	2,544,410
CHANGE IN INVENTORIES	5,460	(498)
COSTS FOR THE PURCHASE OF GOODS	(988,171)	(937,896)
COSTS FOR SERVICES	(613,197)	(623,738)
<i>of which from related parties</i>	(6,321)	(1,259)
PERSONNEL COSTS	(712,363)	(708,458)
OTHER OPERATING INCOME	26,732	32,579
<i>of which from related parties</i>	1,878	3,111
OTHER OPERATING COSTS	(80,331)	(91,592)
<i>of which with related parties</i>	--	(236)
ADJUSTMENTS TO THE VALUE OF INVESTMENTS CONSOLIDATED AT EQUITY	849	3,355
AMORTIZATION, DEPRECIATION AND WRITEDOWNS	(129,229)	(138,176)
INCOME BEFORE FINANCIAL ITEMS AND TAXES (E B I T)	130,430	79,986
FINANCIAL INCOME	13,044	13,548
<i>of which from related parties</i>	15	3,293
FINANCIAL EXPENSE	(60,207)	(63,197)
DIVIDENDS	11,557	257
GAINS FROM TRADING SECURITIES	11,860	76,880
LOSSES FROM TRADING SECURITIES	(668)	(2,360)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	2,568	(28,271)
NON-RECURRING INCOME (EXPENSE)	--	--
INCOME BEFORE TAXES	108,584	76,843
INCOME TAXES	(52,902)	(20,946)
RESULT AFTER TAXES FROM OPERATING ACTIVITY	55,682	55,897
INCOME/(LOSS) FROM ASSETS HELD FOR DISPOSAL	2,000	9,377
INCOME/(LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS	57,682	65,274
- (INCOME) LOSS OF MINORITY SHAREHOLDERS	(23,931)	(23,260)
- INCOME (LOSS) OF THE GROUP	33,751	42,014
BASIC EARNINGS (LOSS) PER SHARE (in euro)	0.0503	0.0590
DILUTED EARNINGS (LOSS) PER AZIONE (in euro)	0.0502	0.0589

CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euro)

	2016	2015
OPERATING ACTIVITIES		
NET INCOME/(LOSS) FOR THE YEAR INCLUDING MINORITY INTERESTS CONTINUING OPERATIONS	55,682	55,897
ADJUSTMENTS:		
AMORTIZATION, DEPRECIATION & WRITEDOWNS	129,229	138,176
ADJUSTMENT OF INVESTMENTS CONSOLIDATED AT EQUITY	2,356	(3,355)
ACTUARIAL VALUATION OF STOCK OPTION/STOCK GRANT PLANS	4,242	4,090
CHANGE IN PERSONNEL PROVISIONS, PROVISIONS FOR RISKS AND LOSSES	(2,808)	(32,865)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(2,568)	28,271
LOSSES (GAINS) FROM THE SALE OF CAPITALIZED SECURITIES	(16,366)	(41,893)
INCREASE (REDUCTION) IN NON-CURRENT RECEIVABLES & PAYABLES	38,622	26,272
(INCREASE) REDUCTION IN NET WORKING CAPITAL	7,620	(1,869)
CASH FLOW FROM OPERATING ACTIVITIES CONTINUING OPERATIONS	216,009	172,724
of which:		
- interest received (paid)	(34,029)	(40,809)
- income tax payments	(19,320)	(23,292)
INVESTING ACTIVITIES		
PRICE PAID FOR BUSINESS COMBINATIONS	(9,861)	(51,139)
NET FINANCIAL POSITION OF ACQUIRED COMPANIES	53	(20,285)
(PURCHASE) SALE OF MINORITY INTERESTS	(64,330)	--
(PURCHASE) SALE OF SECURITIES	87,025	(91,297)
SALE OF CAPITAL ASSETS	23,636	73,204
PURCHASE OF CAPITAL ASSETS	(137,152)	(127,813)
CASH FLOW FROM INVESTING ACTIVITIES CONTINUING OPERATIONS	(100,629)	(217,330)
FINANCING ACTIVITIES		
INFLOWS FROM CAPITAL INCREASES	11,487	289
OTHER CHANGES IN EQUITY	2,895	2,905
DRAWDOWN/(EXTINGUISHMENT) OF OTHER FINANCIAL PAYABLES/RECEIVABLES	(34,736)	53,156
PURCHASE OF OWN SHARES OF THE GROUP	(19,387)	(55,554)
DIVIDENDS PAID	(50,610)	(8,001)
CASH FLOW FROM FINANCING ACTIVITIES CONTINUING OPERATIONS	(90,351)	(7,205)
INCREASE (REDUCTION) IN NET CASH AND CASH EQUIVALENTS CONTINUING OPERATIONS	25,029	(51,811)
CASH FLOW/NET CASH AND CASH EQUIVALENTS AT START OF YEAR DISCONTINUED OPERATIONS	2,000	11,330
NET CASH AND CASH EQUIVALENTS AT START OF YEAR	291,032	331,513
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	318,061	291,032

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	Attributable to the Shareholders of the parent company							Minority Shareholders	Total
	Issued capital	Less own shares	Share capital	Reserves	Retained earnings (losses)	Net income (loss) for the period	Total		
<i>(in thousands of euro)</i>									
BALANCE AT DECEMBER 31 2014	397,146	(27,283)	369,863	307,108	450,886	(23,399)	1,104,458	468,741	1,573,199
Capital increases	--	--	--	--	--	--	--	289	289
Dividends to Shareholders	--	--	--	--	--	--	--	(8,001)	(8,001)
Retained earnings	--	--	--	--	(23,399)	23,399	--	--	--
Unclaimed dividends as per Art. 23 of the Company Bylaws	--	--	--	--	--	--	--	--	--
Adjustments for own share transactions	--	(26,928)	(26,928)	27,422	(53,811)	--	(53,317)	--	(53,317)
Movements between reserves	--	--	--	(3,987)	3,987	--	--	--	--
Notional recognition of stock options and stock grants	--	--	--	1,789	--	--	1,789	--	1,789
Effects of equity changes in subsidiaries	--	--	--	282	--	--	282	(3,835)	(3,553)
<i>Comprehensive result for the year</i>									
Fair value measurement of hedging instruments	--	--	--	11,384	--	--	11,384	6,554	17,938
Fair value measurement of securities	--	--	--	596	--	--	596	(41)	555
Securities fair value reserve released to income statement	--	--	--	(14,212)	--	--	(14,212)	(332)	(14,544)
Effects of equity changes in subsidiaries	--	--	--	143	--	--	143	136	279
Currency translation differences	--	--	--	4,004	--	--	4,004	(3,888)	116
Actuarial gains (losses)	--	--	--	5,807	--	--	5,807	4,463	10,270
Result for the period	--	--	--	--	--	42,014	42,014	23,260	65,274
<i>Total comprehensive result for the period</i>	--	--	--	7,722	--	42,014	49,736	30,152	79,888
BALANCE AT DECEMBER 31 2015	397,146	(54,211)	342,935	340,336	377,663	42,014	1,102,948	487,346	1,590,294
Capital increases	--	--	--	--	--	--	--	11,487	11,487
Dividends to Shareholders	--	--	--	--	(29,464)	--	(29,464)	(21,146)	(50,610)
Retained earnings	--	--	--	--	42,014	(42,014)	--	--	--
Unclaimed dividends as per Art. 23 of the Company Bylaws	--	--	--	8	--	--	8	--	8
Adjustments for own share transactions	--	(10,072)	(10,072)	10,278	(19,673)	--	(19,467)	--	(19,467)
Movements between reserves	--	--	--	(4,271)	4,271	--	--	--	--
Notional recognition of stock options and stock grants	--	--	--	2,084	--	--	2,084	--	2,084
Effects of equity changes in subsidiaries	--	--	--	(37,284)	--	--	(37,284)	(30,922)	(68,206)
<i>Comprehensive result for the year</i>									
Fair value measurement of hedging instruments	--	--	--	890	--	--	890	687	1,577
Fair value measurement of securities	--	--	--	5,184	--	--	5,184	--	5,184
Securities fair value reserve released to income statement	--	--	--	(574)	--	--	(574)	--	(574)
Effects of equity changes in subsidiaries	--	--	--	168	--	--	168	112	280
Currency translation differences	--	--	--	1,375	--	--	1,375	228	1,603
Actuarial gains (losses)	--	--	--	(7,344)	--	--	(7,344)	(5,522)	(12,866)
Result for the period	--	--	--	--	--	33,751	33,751	23,931	57,682
<i>Total comprehensive result for the period</i>	--	--	--	(301)	--	33,751	33,450	19,436	52,886
BALANCE AT DECEMBER 31 2016	397,146	(64,283)	332,863	310,850	374,811	33,751	1,052,275	466,201	1,518,476