

V2 le 02/03/2017



**CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2016**

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1. Consolidated income statement

<i>In thousands of euro</i>	Notes	12 months	
		2016	2015
NET SALES	2	4 418 361	4 441 853
Purchases adjusted for changes in inventory	3	-2 763 912	-2 858 157
Personnel costs	4	-839 169	-820 190
Depreciation and amortization	5	-125 267	-119 372
Other current operating expense	6	-502 910	-492 269
CURRENT OPERATING PROFIT		187 103	151 865
Other operating expense	7	-18 626	-40 904
Other operating income	7	12 516	7 681
TOTAL OPERATING PROFIT		180 993	118 642
Financial expense	8	-38 278	-35 704
Financial income	8	10 210	9 349
Group share of results of associates	9	6 715	8 936
PROFIT BEFORE TAX		159 640	101 223
Income tax expense	10	-47 693	-39 203
Net income from continuing operations		111 947	62 020
Net income from discontinued operations		-	41
NET INCOME		111 947	62 061
Net income attributable to equity holders of the parent company		104 494	57 020
Non-controlling interests	23	7 453	5 041
EARNINGS PER SHARE			
Attributable to equity holders of the parent company :			
• basic	11	7,48	4,07
• diluted	11	7,30	3,97
For continuing operations :			
• basic		7,48	4,06
• diluted		7,30	3,96

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>In thousands of euro</i>	Notes	12 months	
		2016	2015
NET INCOME		111 947	62 061
Other comprehensive income:			
Foreign exchange differences ⁽¹⁾		22 078	8 007
Change in fair value of available-for-sale financial assets		-946	5 256
Change in fair value of cash flow hedges, net of taxes ⁽²⁾		-2 837	2 511
Other changes		-468	-
Share of associates and joint ventures in recyclable components		-97	258
Total recyclable components of other comprehensive income		17 730	16 032
Actuarial gains and losses relating to employment benefit plans		-7 678	8 100
Share of associates and joint ventures in non-recyclable components		23	234
Total non-recyclable components of other comprehensive income		-7 655	8 334
Total other comprehensive income net of tax	21	10 075	24 366
TOTAL COMPREHENSIVE INCOME NET OF TAXE		122 022	86 427
Group share		115 092	77 201
Non-controlling interests	23	6 930	9 226

(1) Mainly relating to the following foreign currencies: USD, EGP, BRL, CNY, ARS.

(2) Mainly relating to hedging of interest rates and raw materials.

2. Consolidated statement of balance sheet

ASSETS

<i>In thousands of euro</i>	Notes	December 31, 2016	December 31, 2015
Intangible assets	12	434 163	433 707
Property, plant and equipment	13	928 558	882 520
Other financial assets	14	30 823	31 022
Investments in associates	9	118 417	126 344
Non-current derivative financial instruments	18	18 253	17 126
Deferred tax assets	15	33 368	26 076
TOTAL NON-CURRENT ASSETS		1 563 582	1 516 795
Inventories and work in progress	16	462 461	429 071
Trade and other receivables	17	797 047	790 321
Tax receivable		36 469	24 619
Current derivative financial instruments	18	6 948	3 657
Other current financial assets	19	12 466	18 394
Cash and cash equivalents	20	430 824	371 088
TOTAL CURRENT ASSETS		1 746 215	1 637 150
Assets held for sale or relating to discontinued operations		938	948
TOTAL ASSETS		3 310 735	3 154 893

EQUITY AND LIABILITIES

<i>In thousands of euro</i>	Notes	December 31, 2016	December 31, 2015
Paid-in capital	22	86 956	94 165
Reserves	22	-12 835	-23 901
Retained earnings		1 186 253	1 100 881
GROUP SHARE OF EQUITY		1 260 374	1 171 145
Non-controlling interests	23	101 312	99 731
TOTAL EQUITY	22	1 361 686	1 270 876
Provisions	24	110 609	106 540
Non-current financial borrowings	25	196 573	193 439
Other non-current liabilities	26	36 204	28 401
Non-current derivative financial instruments	28	6 559	6 847
Deferred tax liabilities	15	52 579	56 698
TOTAL NON-CURRENT LIABILITIES		402 524	391 925
Trade and other payables	27	932 687	892 460
Tax payable		14 652	12 130
Current derivative financial instruments	28	3 793	1 193
Bank borrowings	25	595 347	585 846
TOTAL CURRENT LIABILITIES		1 546 479	1 491 629
Liabilities held for sale or relating to discontinued operations		46	463
TOTAL LIABILITIES		1 949 049	1 884 017
TOTAL EQUITY AND LIABILITIES		3 310 735	3 154 893

3. Consolidated statement of cash flows

<i>In thousands of euro</i>	Notes	12 months	
		2016	2015
Net income from discontinued operations or in process of sale		-	41
Net income from continuing operations		111 947	62 020
Income tax expense	10	47 693	39 203
Depreciation and amortization	5	125 267	119 372
Gains and losses on disposal of assets		1 959	15 532
Group share of results of associates	9	-6 715	-8 936
Net financial expense		11 517	20 166
Other non-cash income and expense		10 842	5 150
Gross operating margin		302 510	252 507
Interest paid		-20 018	-28 304
Interest received		8 869	8 072
Income tax paid		-64 480	-39 596
Change in working capital	29	-10 788	42 078
Net cash flow from operating activities for continuing operations		216 093	234 757
Net cash flow from operating activities for discontinued operations or in process of sale		-	-19
NET CASH FLOW FROM OPERATING ACTIVITIES		216 093	234 738
Acquisition of subsidiaries, operating units and non-controlling interests		-	-55 890
Disposal of businesses net of the cash transferred		13 564	44 364
Purchase of tangible and intangible non-current assets	2	-180 323	-157 671
Proceeds from disposal of assets		13 576	2 775
Acquisition/disposal of financial assets and changes in other current financial assets		3 391	6 057
Dividends received (including dividends received from associates)		1 272	13 777
Net flow from investment associated with continuing operations		-148 517	-146 588
Net flow from investment associated with discontinued operations or in process of sale		-3	-
NET CASH USED IN INVESTING ACTIVITIES		-148 520	-146 588
Net cash flow from financing activities			
Purchase of treasury shares	22	-7 211	-775
Share capital increase paid by non-controlling interests		-	1 678
Movements on the share capital of associates		-	380
Proceeds of borrowings	25	130 824	8 307
Repayment of borrowings	25	-39 829	-179 554
Dividends paid		-16 539	-16 538
Net cash flow from financing activities for continuing operations		67 245	-186 502
Net cash flow from financing activities for discontinued operations or in process of sale		-	-
NET CASH FLOW FOR FINANCING ACTIVITIES		67 245	-186 502
Impact of foreign exchange differences		8 535	17 393
Net change in cash and cash equivalents		143 353	-80 959
Reclassification of cash and cash equivalents for discontinued operations or in process of sale		216	-
OPENING CASH AND CASH EQUIVALENT	20	247 222	328 182
CLOSING CASH AND CASH EQUIVALENT	20	390 792	247 222

4. Consolidated statement of changes in equity

Equity attributable to shareholders of the parent company					
	Paid-in capital	Reserves	Retained earnings	Non-controlling interests	Total consolidated equity
<i>In thousands of euro</i>	(note 22)	(note 22)		(note 23)	
EQUITY AT 01/01/2015	94 714	-44 573	1 068 583	101 109	1 219 833
Restatement IFRIC 21	-	-	4 149	-	4 149
EQUITY AT 01/01/2015 restated⁽¹⁾	94 714	-44 573	1 072 732	101 109	1 223 982
Dividends distributed			-11 221	-5 317	-16 538
Total comprehensive income at 12/31/2015		20 672	56 529	9 226	86 427
Stock purchase option plans:					
• Value of services provided	226				226
• Sale of treasury shares	-775				-775
Purchase of treasury shares	-				-
Change in share capital			-	1 678	1 678
Change in consolidation scope:					
• Put options granted to non-controlling interests			-17 159	-6 966	-24 125
Others			-	1	1
EQUITY AT 12/31/2015	94 165	-23 901	1 100 881	99 731	1 270 876
Dividends distributed			-13 944	-2 595	-16 539
Total comprehensive income at 12/31/2016		11 066	104 026	6 930	122 022
Stock purchase option plans:					
Purchase of treasury shares ⁽²⁾	-7 209			-2	-7 211
Changes in share capital				-	-
Changes in consolidation scope:					
• Put options granted to non-controlling interests			-4 745	-2 716	-7 461
• Change in percentage of interest			36	-36	-
Others			-1	-	-1
EQUITY AT 12/31/2016	86 956	-12 835	1 186 253	101 312	1 361 686

(1) With effect from January 1st 2015 (and with retroactive effect from January 1st 2014), the Group has applied IFRIC 21, Levies.

(2) SAVENCIA SA had the opportunity to repurchase its own shares (127 885 shares).