Joint-stock Company
Main Office: Via Serenissima, 9 – 25135 Brescia
VAT no: 00541390175
Share Capital: € 8.840.000 fully paid up
Registration no: 00541390175
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Press release

BOARD APPROVES INTERIM REPORT ON THE 1st QUARTER OF 2013

Cembre (STAR): consolidated sales decline slightly in the 1st Quarter of 2013 while growing by 1.4% in the first four months of the year over the first four months of 2012

- Consolidated sales for the 1st Quarter of 2013 decline by 1.7%, as a result of a 5.2% decline in domestic sales and a 0.4% growth in exports.
- Consolidated sales for the first four months of the year grow by 1.4% over the corresponding period in 2012

Consolidated figures *(€'000)*	**1st Qtr. 2013**	**Sales margin %**	**1st Qtr. 2012**	**Sales margin %**	**Change**
Sales	25,672	*100*	26,129	*100*	*-1.7%*
Gross operating profit	4,913	*19.1*	5,337	*20.4*	*-7.9%*
Operating profit	3,886	*15.1*	4,458	*17.1*	*-12.8%*
Pre-tax profit	3,846	*15*	4,339	*16.6*	*-11.4%*
Net profit	2,255	*8.8*	2,577	*9.9*	*-12.5%*
Net financial position	(2,217)		1,171		

Brescia, May 15, 2013 – The Board of Directors of Cembre Spa, chaired by the Chairman and Managing Director Giovanni Rosani, approved at today's meeting the Consolidated Financial Statements at **March 31, 2013**.

In the first three months of 2013, **consolidated revenues** declined by 1.7% on the 1st Quarter of 2012, from €26.1 million to €25.7 million. In the same period, domestic sales (€9.5 million) declined by 5.2%, and exports (€16.1 million) increased by 0.4% on the 1st Quarter of 2012.
In the 1st Quarter of 2013, 37.2% of sales were represented by Italy, 47.5% by the rest of Europe and 15.3% by the rest of the world.

Consolidated gross operating profit (EBITDA) declined by 7.9% from €5.3 million in the 1st Quarter of 2012 (representing a 20.4% margin on sales), to €4.9 million (a 19.1% margin on sales) in the 1st Quarter of 2013. In the 1st Quarter of 2013, in addition to the mentioned decline in sales, gross operating profit was affected also by the increase in personnel costs. The average number of employees increased in fact from 602 in the 1st Quarter of 2012, to 616 in the corresponding period in 2013. In the same period, the parent company made use of an average of 39 outsourced workers, part of which were employed in the bringing into operation of the new automated warehouse and the transfer of inventories to the new structure. Personnel training sessions on workplace safety were held outside work hours, determining an increase in overtime costs.

Consolidated operating profit (EBIT) for the 1st Quarter of 2013 amounted to €3.9 million, representing a 15.1% margin on sales, down 12.8% on €4.5 million in the 1st Quarter of 2012 (when it represented a 17.1% margin on sales).

Consolidated profit before taxes for the 1st Quarter of 2013 was equal to €3.8 million, representing a 15% margin on sales, down 11.4% on €4.3 million in the 1st Quarter of 2012, when it represented 16.6% of sales.

Consolidated net profit before taxes for the 1st Quarter of 2013 was equal to €2.3 million, representing an 8.8% margin on sales, down 12.5% on €2.6 million in the 1st Quarter of 2012, when it represented 9.9% of sales.

The **consolidated net financial position** of the Group declined from a surplus of €1.2 million at March 31, 2012, to a deficit of €2.2 million at March 31, 2013 due to the strong capital expenditure made in the past year. At December 31, 2012, the net financial position amounted to a surplus of €0.6 million. Short-term financial debt does not include €2.7 million of dividends on the 2012 financial year payable to Shareholders on May 23, 2013, as resolved by the Shareholders' Meeting on April 29, 2013.

Capital expenditure made in the 1st Quarter of 2013 by the Group amounted to €2.3 million, down slightly on the corresponding period in 2012 when it amounted to €2.5 million.

"In the 1st Quarter of 2013 consolidated revenues declined by about 1.7% on the corresponding period in 2012, while sales for the first four months of the year were up by 1.4%. This recovery is due to the increase in exports that grew in the first four months of the year by 4.8%, while in the same period domestic sales declined by 2.3% over the first four months of 2012. The Group has a balanced net financial position, reporting a deficit of €2.3 million at April 30, 2013" – commented Cembre's Chairman and Managing Director, Giovanni Rosani. "*We thus expect to close 2013 reporting a slight increase in sales and an improvement in the net financial position*" continued Giovanni Rosani.

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Cembre designs, manufactures and distributes electrical connectors and cable accessories. It enjoys a leadership position in Italy and significant market shares in the rest of Europe. It is also the world's largest producer of connector installation tools (mechanical, pneumatic and hydraulic) and tools for cable shearing. The products it has developed for connection to the rail and for other railway applications are used by major companies in the sector round the world.
Cembre owes its success to an insistence on innovative, high-quality products, a broad and thorough collection, and an extensive distribution network both in Italy and abroad.
Established in Brescia in 1969, the Cembre Group is now a full-fledged international force. Along with the parent company in Brescia it has six subsidiaries: five trading companies (in Germany, France, Spain, the United States and Norway) and one manufacturing and trading subsidiaries (Cembre Ltd. in Birmingham, U.K.), for a total workforce of 616 as of March 2013. Since 1990 its products have been certified by Lloyd's Register Quality Assurance for the design and production of accessories for cables, electrical connectors and tools for their installation.
Cembre has been listed on the Italian Stock Exchange since December 15, 1997, and on the STAR section since September 24, 2001.

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For further information please visit the Investor Relation section in the www.cembre.com site.

Attachments: Financial Statements at March 31, 2013
The Quarterly Report at March 31, 2013 has not been audited.

The manager responsible for preparing the Company's financial reports, Claudio Bornati, 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.

In the present press release use is made of certain alternative performance indicators that are not envisaged in IFRS-EU accounting principles, and whose significance and content are illustrated below, in line with the CESR/05-178b recommendation published on November 3, 2005:

Gross operating profit (EBITDA): defined as the difference between sales revenues and costs for materials, of services received, and the net balance of operating income and charges. It represents the profit before depreciation, amortization and write-downs, cash flow from financial activities and taxes.
Operating profit (EBIT): defined as the difference between Gross operating profit and the value of depreciation, amortization and write-downs. It represents the profit achieved before financial activities and taxes.
Net financial position: represents the algebraic sum of cash and cash equivalents, financial receivables and current and non-current financial debt.

Cembre S.p.A.

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1st Quarter 2013 Interim Report

Consolidated Statement of Financial Position

	Mar. 31, 2013	Dec. 31, 2012 Restated*
(euro '000)		
ASSETS		
A) NON-CURRENT ASSETS		
Property, plant and equipment	60.223	59.157
Intangible assets	1.002	942
Financial assets available for sale	5	5
Other non-current assets	13	13
Deferred tax assets	1.616	1.890
TOTAL NON-CURRENT ASSETS	**62.859**	**62.007**
B) CURRENT ASSETS		
Inventories	37.848	36.815
Trade receivables	24.635	25.098
Tax receivables	1.534	1.512
Other receivables	2.873	2.447
Cash and cash equivalents	5.883	4.839
TOTAL CURRENT ASSETS	**72.773**	**70.711**
C) NON-CURRENT ASSETS AVAILABLE FOR SALE	-	-
TOTAL ASSETS(A+B+C)	**135.632**	**132.718**
LIABILITIES AND SHAREHOLDERS' EQUITY		
A) SHAREHOLDERS' EQUITY		
Capital stock	8.840	8.840
Reserves	93.036	81.709
Net profit	2.255	11.507
TOTAL SHAREHOLDERS' EQUITY	**104.131**	**102.056**
B) NON-CURRENT LIABILITIES		
Non-current financial liabilities	-	-
Employee Severance Indemnity and other personnel benefits	2.414	2.431
Provisions for risks and charges	79	81
Deferred tax liabilities	2.692	2.698
TOTAL NON-CURRENT LIABILITIES	**5.185**	**5.210**
C) CURRENT LIABILITIES		
Current financial liabilities	8.100	4.219
Trade payables	11.699	14.864
Tax payables	1.436	422
Other payables	5.081	5.947
TOTAL CURRENT LIABILITIES	**26.316**	**25.452**
D) LIABILITIES ON ASSETS HELD FOR DISPOSAL	-	-
TOTAL LIABILITIES (B+C+D)	**31.501**	**30.662**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (A+B+C+D)	**135.632**	**132.718**

*Certain amounts shown here do not correspond to the annual consolidated financial statements as at Decembre 31, 2012 and reflect adjustments made according to amendments to accounting standard IAS 19.

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1st Quarter 2013 Interim Report

Consolidated Stetement of Comprehensive Income

	I Quarter 2013	I Quarter 2012
(euro '000)		
Revenues from sales and services provided	25.672	26.129
Other revenues	143	165
TOTAL REVENUES	**25.815**	**26.294**
Cost of goods and merchandise	(9.806)	(9.309)
Change in inventories	1.052	520
Cost of services received	(3.501)	(3.766)
Lease and rental costs	(331)	(347)
Personnel costs	(8.124)	(7.940)
Other operating costs	(232)	(185)
Increase in assets due to internal construction	90	118
Write-down of receivables	(48)	(46)
Accruals to provisions for risks and charges	(2)	(2)
GROSS OPERATING PROFIT	**4.913**	**5.337**
Tangible asset depreciation	(953)	(797)
Intangible asset amortization	(74)	(82)
OPERATING PROFIT	**3.886**	**4.458**
Financial income	4	10
Financial expenses	(17)	(46)
Foreign exchange gains (losses)	(27)	(83)
PROFIT BEFORE TAXES	**3.846**	**4.339**
Income taxes	(1.591)	(1.762)
NET PROFIT FROM ORDINARY ACTIVITIES	**2.255**	**2.577**
NET PROFIT FROM ASSETS HELD FOR DISPOSAL	**-**	**-**
NET PROFIT	**2.255**	**2.577**
Items that can be reclassified to profit and loss		
Conversion differences included in equity	(180)	(87)
COMPREHENSIVE INCOME	**2.075**	**2.490**