



# C e m b r e

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

### BOARD APPROVES THE INTERIM REPORT AT SEPTEMBER 30, 2014

#### **CEMBRE (A STAR LISTED COMPANY): IN THE FIRST NINE MONTHS OF 2014 CONSOLIDATED TURNOVER UP 9.1% NET FINANCIAL POSITION AMOUNTS TO A SURPLUS OF €8 MILLION**

- Consolidated sales for the first nine months of 2014 grew worldwide, with domestic sales up 15% and exports up 5.6%
- Capital expenditure for the first nine months of 2014 amounts to €6.3 million

(€'000)	First nine months 2014	Sales margin %	First nine months 2013	Sales margin %	% change	3 <sup>rd</sup> Qtr. 2014	Sales margin	3 <sup>rd</sup> Qtr. 2013	Sales margin	% change
<b>Sales</b>	83,664	100	76,697	100	9.1%	27,051	100	24,438	100	10.7%
<b>Gross operating profit (Ebitda)</b>	18,186	21.7	14,932	19.5	21.8%	6,133	22.7	4,829	19.8	27.0%
<b>Operating profit (Ebit)</b>	14,469	17.3	11,638	15.2	24.3%	4,762	17.6	3,686	15.1	29.2%
<b>Profit before taxes</b>	14,672	17.5	11,481	15.0	27.8%	4,821	17.8	3,670	15.0	31.4%
<b>Net profit</b>	9,847	11.8	7,587	9.9	29.8%	3,034	11.2	2,397	9.8	26.6%
<b>Net financial position</b>	7,970		876							

*Brescia, November 14, 2014* - The Board of Directors of Cembre Spa – a company listed in the STAR segment of the Milan Stock Exchange and one of the largest European manufacturers of electrical connectors and tools for their installation – chaired by its Chairman and Managing Director Giovanni Rosani, approved at today's meeting the Report on the 3<sup>rd</sup> Quarter of 2014.

Consolidated sales for the first nine months of 2014 grew by 9.1% on the corresponding period in 2013 up from €76.7 million to €83.7 million. In the 3<sup>rd</sup> Quarter of 2014, **consolidated revenues** grew instead by 10.7% on the 3<sup>rd</sup> Quarter of 2013 from €24.4 million to €27.1 million.

In the first nine months of 2014, 39.2% of Group sales were represented by Italy (as compared with 37.2% in the first nine months of 2013), 45.4% by the rest of Europe (46.4% in the first nine months of 2013), and the remaining 15.4% by the rest of the World (16.4% in the first nine months of 2013). In the same period, domestic sales grew by 15.0% and exports were up 5.6% on the corresponding period in 2013.

**Consolidated gross operating profit** (Ebitda) for the first nine months of 2014 amounted to €18.2 million, corresponding to a 21.7% margin on sales, up 21.8% on €14.9 million reported in the first nine months of 2013 and corresponding to a 19.5% margin on sales.

Gross operating profit for the 3<sup>rd</sup> Quarter of 2014 amounted to €6.1 million, corresponding to a 22.7% margin on sales, up 27.0% on €4.8 million reported in the 3<sup>rd</sup> Quarter of 2013 and corresponding to a 19.8% margin on sales.

**Consolidated operating profit** (Ebit) for the first nine months of 2014 amounted to €14.5 million, corresponding to a 17.3% margin on sales, up 24.3% on €11.6 million in the first nine months of 2013, when it represented a 15.2% margin on sales. Consolidated operating profit for the 3<sup>rd</sup> Quarter of 2014 amounted to €4.8 million, representing a 17.6% margin on sales, up on €3.7 million in the 3<sup>rd</sup> Quarter of 2013, when it represented a 15.1% margin on sales.

**Consolidated profit before taxes** for the first nine months of 2014 amounts to €14.7 million, representing a 17.5% margin on sales, up 27.8% on the profit before taxes reported in the first nine months of 2013, amounting to €11.5 million and corresponding to a 15.0% margin on sales.

Profit before taxes for the 3<sup>rd</sup> Quarter of 2014 amounts to €4.8 million, corresponding to a 17.8% margin on sales, up 31.4% on €3.7 million in the 3<sup>rd</sup> Quarter of 2013, when it amounted to a 15.0% margin on sales.

**Consolidated net profit** for the first nine months of 2014 amounted to €9.8 million, representing an 11.8% margin on sales, up 29.8% on €7.6 million in the first nine months of 2013, when it represented a 9.9% margin on sales.

Net profit for the 3<sup>rd</sup> Quarter of 2014 amounted to €3.0 million, representing an 11.2% margin on sales, up 26.6% on €2.4 million in the 3<sup>rd</sup> Quarter of 2013, when it represented a 9.8% margin on sales.

**The consolidated net financial position** at September 30, 2014 amounted to a surplus of €8 million, improving on June 30, 2014, when it amounted to a surplus of €2.6 million. The consolidated net financial position at September 30, 2013 was equal to a surplus of €0.9 million.

**Capital investments** in the first nine months of 2014 amounted to €6.3 million, up on the corresponding period in 2013 when they amounted to €5.7 million.

*“In the first nine months of 2014 consolidated sales grew by 9.1% on the corresponding period in 2013 as a result of a 15.0% increase in domestic sales – achieved despite persisting difficult conditions in the Italian market – and a 5.6% increase in exports. Sales for the first ten months to October 2014 grew by 7.9% on the corresponding period in 2013, while at the end of the month the net financial position amounted to a surplus of €9.5 million – commented the Chairman and Managing Director, Giovanni Rosani. “We expect to close 2014 reporting a growth in turnover over the previous year and to maintain a net financial position in a strong surplus.” continued Giovanni Rosani.*

*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 the main companies in this 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.*

*Founded 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 612 as of September 30, 2014. 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](http://www.cembre.com) site.

**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.**

**Attachments: Financial Statements at September 30, 2014**

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.

The present Interim Report for the 3<sup>rd</sup> Quarter of 2014 has not been audited.

**Interim Report at September 30, 2014**  
**Consolidated Financial Statements**  
**Consolidated Comprehensive Income Statement**

	Nine months 2014	Nine months 2013
(euro '000)		
Revenues from sales and services provided	83.664	76.697
Other revenues	772	548
<b>TOTAL REVENUES</b>	<b>84.436</b>	<b>77.245</b>
Cost of goods and merchandise	(31.149)	(28.706)
Change in inventories	1.125	1.022
Cost of services received	(10.749)	(10.188)
Lease and rental costs	(1.038)	(1.000)
Personnel costs	(23.855)	(23.026)
Other operating costs	(786)	(721)
Increase in assets due to internal construction	707	498
Write-down of receivables	(498)	(186)
Accruals to provisions for risks and charges	(7)	(6)
<b>GROSS OPERATING PROFIT</b>	<b>18.186</b>	<b>14.932</b>
Property, plant and equipment depreciation	(3.289)	(3.039)
Intangible asset amortization	(302)	(255)
Write-down of fixed assets	(126)	-
<b>OPERATING PROFIT</b>	<b>14.469</b>	<b>11.638</b>
Financial income	11	9
Financial expenses	(7)	(55)
Foreign exchange gains (losses)	199	(111)
<b>PROFIT BEFORE TAXES</b>	<b>14.672</b>	<b>11.481</b>
Income taxes	(4.825)	(3.894)
<b>NET PROFIT FROM ORDINARY ACTIVITIES</b>	<b>9.847</b>	<b>7.587</b>
<b>Items that may be reclassified subsequently to profit and loss</b>		
Conversion differences included in equity	1.258	(308)
<b>COMPREHENSIVE INCOME</b>	<b>11.105</b>	<b>7.279</b>

**Interim Report at September 30, 2014**  
**Consolidated Financial Statements**  
**Consolidated Statement of Financial Position - Assets**

<b>ASSETS</b>	<b>Sept. 30, 2014</b>	<b>Dec. 31, 2013</b>
(euro '000)		
<b>NON CURRENT ASSETS</b>		
Tangible assets	64.292	61.602
Intangible assets	1.166	1.153
Other investments	10	5
Other non-current assets	10	10
Deferred tax assets	2.427	1.937
<b>TOTAL NON CURRENT ASSETS</b>	<b>67.905</b>	<b>64.707</b>
<b>CURRENT ASSETS</b>		
Inventories	38.738	36.758
Trade receivables	25.431	24.854
Tax receivables	849	807
Other receivables	531	1.378
Cash and cash equivalents	8.516	7.539
<b>TOTAL CURRENT ASSETS</b>	<b>74.065</b>	<b>71.336</b>
<b>NON-CURRENT ASSETS AVAILABLE FOR SALE</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>141.970</b>	<b>136.043</b>

## Interim Report at September 30, 2014

### Consolidated Financial Statements

#### Consolidated Statement of Financial Position - Liabilities and Shareholders' Equity

LIABILITIES AND SHAREHOLDERS' EQUITY	Sept. 30, 2014	Dec. 31, 2013
(euro '000)		
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock	8.840	8.840
Reserves	97.490	90.149
Net profit	9.847	10.503
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>116.177</b>	<b>109.492</b>
<b>NON-CURRENT LIABILITIES</b>		
Non-current financial liabilities	-	-
Employee Severance Indemnity and other personnel benefits	2.346	2.438
Provisions for risks and charges	123	79
Deferred tax liabilities	2.116	2.426
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>4.585</b>	<b>4.943</b>
<b>CURRENT LIABILITIES</b>		
Current financial liabilities	546	1.647
Trade payables	10.223	12.779
Tax payables	3.524	720
Other payables	6.915	6.462
<b>TOTAL CURRENT LIABILITIES</b>	<b>21.208</b>	<b>21.608</b>
<b>LIABILITIES ON ASSETS HELD FOR DISPOSAL</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>25.793</b>	<b>26.551</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>141.970</b>	<b>136.043</b>