



COSTRUZIONI ELETTROMECCANICHE BRESCIANE

INTERIM REPORT

THIRD QUARTER 2016

Cembre S.p.A.

Head Office: Via Serenissima 9, Brescia, Italy
Share Capital: EUR 8,840,000 (fully paid-up).
Registration no: 00541390175 (Commercial Register of Brescia)

This document contains translations of the quarterly report prepared in the Italian language for the purpose of the Italian law and of CONSOB regulations (CONSOB is the public authority responsible for regulating the Italian securities market)

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Corporate Boards and Independent Auditors

Board of Directors

Giovanni Rosani	Chairman and Managing Director
Anna Maria Onofri	Vice-Chairman
Sara Rosani	Director
Giovanni De Vecchi	Director
Aldo Bottini Bongrani	Director
Fabio Fada	Independent Director
Giancarlo Maccarini	Independent Director
Paolo Giuseppe La Pietra	Independent Director

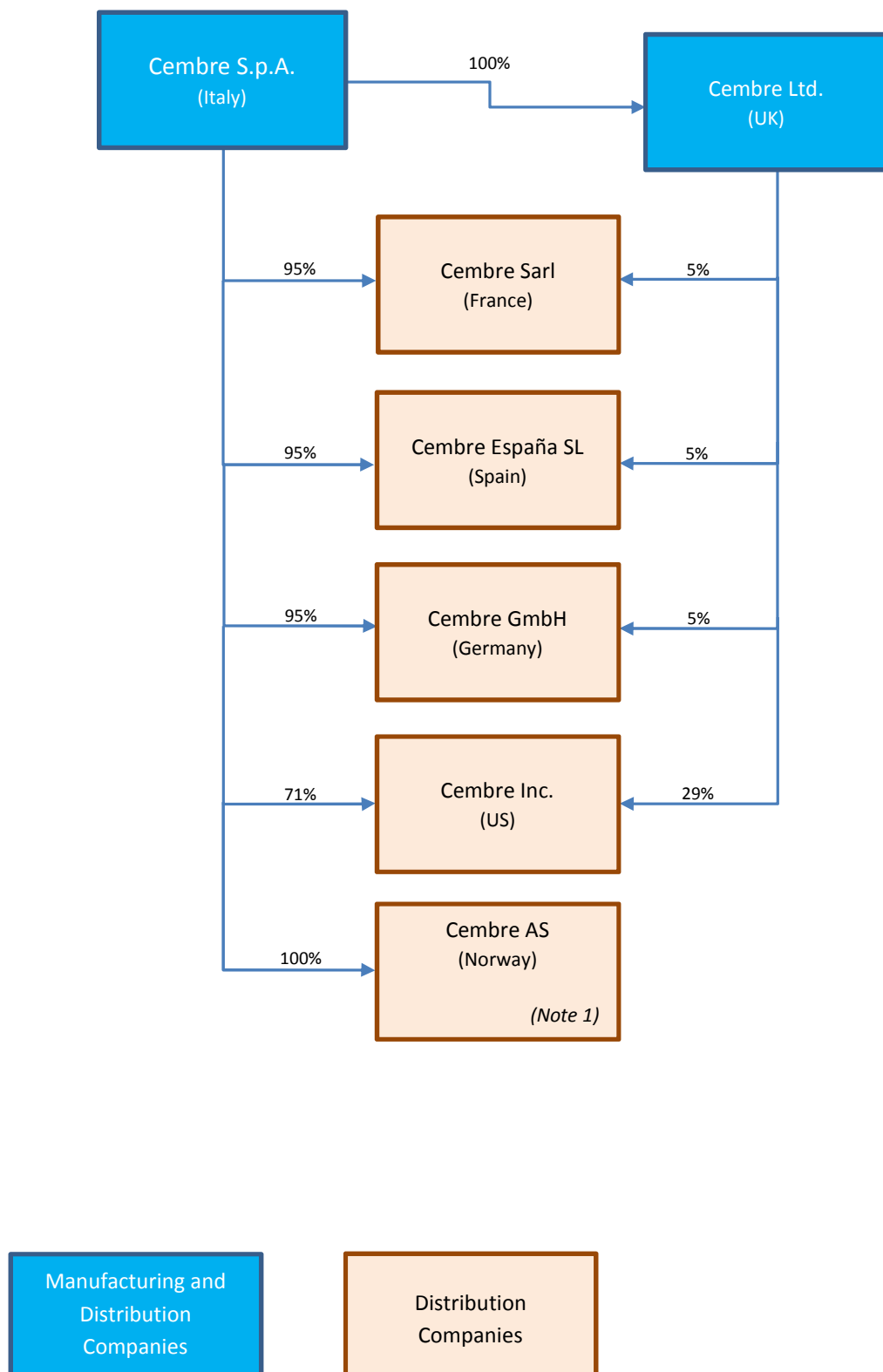
Board of Statutory Auditors

Fabio Longhi	Chairman
Andrea Boreatti	Permanent Auditor
Rosanna Angela Pilenga	Permanent Auditor
Maria Grazia Lizzini	Substitute Auditor
Gabriele Baschetti	Substitute Auditor

Independent Auditors

PricewaterhouseCoopers S.p.A.

Group Structure



Note 1: Under liquidation since March 2016

Management Report

In the first nine months of 2016 consolidated sales of the Cembre Group declined slightly on the corresponding period in 2015 decreasing by 0.8% from €91,278 thousand in the first nine months of 2015 to €90,518 thousand in the corresponding period in 2016. Results were strongly affected by the sharp decline of the British pound against the euro after the Brexit vote. Applying the same exchange rates used in the first nine months of 2015 in the translation of financial statements of subsidiaries (respectively denominated in British pounds, US dollars and Norwegian crowns), consolidated sales in euro terms would in fact have increased by 0.9%.

Domestic sales grew in the period by 0.2% to €36.7 million, while exports to European countries grew slightly by 0.3% to €38.8 million and sales to the rest of the world declined by 5.9% to €15.0 million.

In the first nine months of 2016, 40.6% of Group sales were represented by Italy (as compared with 40.1% in the first nine months of 2015), 42.9% by the rest of Europe (42.5% in the first nine months of 2015), and the remaining 16.5% by the rest of the World (17.4% in the first nine months of 2015).

Revenues by geographical area

<i>(euro '000)</i>	First nine months 2016	First nine months 2015	Change	First nine months 2014	First nine months 2013	First nine months 2012	First nine months 2011	First nine months 2010	First nine months 2009	First nine months 2008
Italy	36,716	36,632	0.2%	32,769	28,499	30,549	34,591	29,252	22,053	31,705
Rest of Europe	38,848	38,750	0.3%	37,972	35,625	35,323	33,094	29,578	26,956	32,680
Rest of the World	14,954	15,896	-5.9%	12,923	12,573	11,534	9,965	8,638	7,037	8,093
Total	90,518	91,278	-0.8%	83,664	76,697	77,406	77,650	67,468	56,046	72,478

In the first nine months of 2016 the parent company and the French, German and US subsidiaries reported an increase in sales. The UK subsidiary registered a 4.3% increase in sales measured in British pounds, but due to the devaluation of the currency against

the euro, sales in euro terms declined in the period by 5.6%. The Spanish subsidiary registered instead a 3.9% decline in sales.

Starting with 2016, the Group has entrusted the distribution of its products in the Scandinavian market to a company different from its Norwegian subsidiary Cembre AS. The new distributor has wider operations in the area than Cembre AS and is more suited to improve penetration of the Scandinavian market. The procedure for the liquidation of the Norwegian subsidiary was started in March 2016 and no significant effect on the financial or operating performance of the Group is expected to derive from it.

Revenues by Group company (net of intragroup sales):

<i>(euro '000)</i>	First nine months 2016	First nine months 2015	Change	First nine months 2014	First nine months 2013	First nine months 2012	First nine months 2011	First nine months 2010	First nine months 2009	First nine months 2008
Parent	50,142	49,924	0.4%	43,371	38,726	40,612	44,886	38,490	29,744	39,624
Cembre Ltd. (UK)	13,633	14,479	-5.8%	15,376	14,295	13,402	10,410	8,823	8,406	9,815
Cembre S.a.r.l. (France)	6,899	6,481	6.4%	6,188	5,853	5,759	5,597	4,638	4,628	4,888
Cembre España S.L. (Spain)	5,990	6,217	-3.7%	5,101	4,622	4,548	5,442	6,101	5,504	9,326
Cembre GmbH (Germany)	5,953	5,869	1.4%	5,706	5,478	6,285	5,903	4,738	3,837	3,975
Cembre Inc. (US)	7,878	7,553	4.3%	7,257	7,141	6,026	4,788	3,872	3,426	4,243
Cembre AS (Norway) (in liquidation)	23	755	n/a	665	582	774	624	806	501	607
Total	90,518	91,278	-0.8%	83,664	76,697	77,406	77,650	67,468	56,046	72,478

In the first nine months of 2016, Group companies reported the following pre-consolidated results:

<i>(euro '000)</i>	Sales									
	First nine months 2016	First nine months 2015	Change	First nine months 2014	First nine months 2013	First nine months 2012	First nine months 2011	First nine months 2010	First nine months 2009	First nine months 2008
Parent	70,140	70,016	0.2%	63,408	56,944	59,309	61,192	52,281	41,865	57,568
Cembre Ltd. (UK)	14,719	15,590	-5.6%	16,716	15,530	14,687	12,122	9,904	9,277	10,819
Cembre S.a.r.l. (France)	6,925	6,484	6.8%	6,197	5,903	5,767	5,615	4,643	4,645	4,910
Cembre España S.L. (Spain)	5,991	6,233	-3.9%	5,103	4,623	4,910	5,444	6,102	5,506	9,327
Cembre GmbH (Germany)	6,012	5,978	0.6%	5,748	5,616	6,300	5,978	4,756	3,878	3,984
Cembre Inc. (US)	8,037	7,867	2.2%	7,376	7,167	6,076	4,795	3,897	3,486	4,250
Cembre AS (Norway) (in liquidation)	199	755	n/a	665	582	774	629	806	502	613

(euro '000)	Pre-tax profit									
	First nine months 2016	First nine months 2015	Change	First nine months 2014	First nine months 2013	First nine months 2012	First nine months 2011	First nine months 2010	First nine months 2009	First nine months 2008
Parent	16,765	16,595	1.0%	13,602	8,400	10,775	12,684	10,994	4,976	9,973
Cembre Ltd. (UK)	1,790	2,022	-11.5%	2,416	2,100	1,936	1,513	955	1,104	993
Cembre S.a.r.l. (France)	286	438	-34.7%	278	318	170	350	83	419	491
Cembre España S.L. (Spain)	8	479	-98.3%	246	169	(234)	(162)	171	335	957
Cembre GmbH (Germany)	432	595	-27.4%	422	433	736	660	420	316	291
Cembre Inc. (US)	271	239	13.4%	677	1,012	423	371	154	181	523
Cembre AS (Norway) (in liquidation)	(90)	66	n/a	76	12	119	30	240	108	164

For a more direct evaluation of the effect of foreign exchange translations, we include below sales figures of companies operating outside the euro area in the respective currency.

(euro '000)	Currency	Sales									
		First nine months 2016	First nine months 2015	Change	First nine months 2014	First nine months 2013	First nine months 2012	First nine months 2011	First nine months 2010	First nine months 2009	First nine months 2008
Cembre Ltd. (UK)	£	11,820	11,337	4.3%	13,570	13,234	11,926	10,563	8,491	8,221	8,471
Cembre Inc. (USA)	US\$	8,971	8,767	2.3%	9,994	9,440	7,782	6,745	5,122	4,764	6,468
Cembre AS (NOR) (in liquidation)	Nok	1,844	6,654	n/a	5,504	4,458	5,816	4,913	6,441	4,437	4,893

(euro '000)	Currency	Pre-tax profit									
		First nine months 2016	First nine months 2015	Change	First nine months 2014	First nine months 2013	First nine months 2012	First nine months 2011	First nine months 2010	First nine months 2009	First nine months 2008
Cembre Ltd. (UK)	£	1,438	1,470	-2.2%	1,961	1,789	1,572	1,319	819	979	778
Cembre Inc. (USA)	US\$	303	266	13.9%	917	1,333	542	521	203	247	795
Cembre AS (NOR) (in liquidation)	Nok	(861)	580	n/a	627	93	892	236	1,918	957	1,311

To provide a better understanding of the Company's financial performance for the first nine months of 2016, a Reclassified Consolidated Income Statement for the same period and the corresponding period in 2015 showing percentage changes is enclosed as Attachment 1.

Gross operating profit for the first nine months of 2016 amounted to €22,237 thousand, corresponding to a 24.6% margin on sales, up 0.1% on €22,216 thousand reported in the first nine months of 2015 (24.3% of sales). The cost of goods sold as a percentage of sales declined while personnel costs as a percentage of sales increased as the number of persons employed grew by 44 from 628 in the first nine months of 2015 to 672 in the corresponding period in 2016 (of which 17 relate to the parent company). Additional personnel was hired to strengthen the whole structure and in particular the sales department to implement the Group's growth strategy.

Net operating profit for the first nine months of 2016 amounted to €17,824 thousand, corresponding to a 19.7% margin on sales, down 0.8 % on €17,975 thousand reported in the first nine months of 2015 (19.7% of sales).

Profit before taxes for the first nine months of 2016 amounts to €17,770 thousand, representing a 19.6% margin on sales, down 1.8% on the profit before taxes reported in the first nine months of 2015, amounting to €18,092 thousand and corresponding to a 19.8% margin on sales.

Foreign exchange losses for the period amounted to €70 thousand, as compared to a gain of €95 thousand in the corresponding period in 2015.

Net profit for the first nine months of 2016 declined by 1.6% on the corresponding period in 2015 from €12,928 thousand, representing a 14.2% margin on sales, to €12,716 thousand representing a 14% margin on sales.

The consolidated net financial position at September 30, 2016 amounted to a surplus of €23.1 million, improving on December 31, 2015, when it amounted to a surplus of €17.8 million. The consolidated net financial position at September 30, 2015 amounted to a surplus of €16.1 million.

	(euro '000)	September 30, 2016	December 31, 2015	September 30, 2015
A	Cash	35	18	14
B	Bank deposits	23,087	17,784	16,118
C	Cash and cash equivalents (A+B)	23,122	17,802	16,132
D	Current financial debt	-	-	-
E	Net current financial position (C+E)	23,122	17,802	16,132
F	Non-current financial debt	-	-	-
G	Net financial position (E+F)	23,122	17,802	16,132

Capital expenditure made by the Group in the first nine months of 2016 amounted to €4.3 million, of which €1.6 million on plant and machinery, and €0.5 million on equipment. In the first nine months of 2015, capital investment had amounted to €4.9 million.

Events subsequent to September 30, 2016

No event having significant effects on the Group's financial position or operating performance occurred after September 30, 2016.

Outlook

The devaluation of the British pound against the euro is strongly affecting the euro value of sales of the UK subsidiary, which account for 16% of Cembre's total consolidated sales. In view of the above, Cembre expects to close the 2016 financial year reporting a turnover in line with 2015.

The Group's activity is not subject to cyclical or seasonal factors except for the slowdown in activity in August for the summer holidays, and in December for the Christmas holidays.

Attachment 1

Consolidated Income Statement

	First nine months 2016	%	First nine months 2015	%	Change	3 rd Qtr. 2016	%	3 rd Qtr. 2015	%	Change
(€ '000)										
Revenues from sales and services provided	90,518	100.0%	91,278	100.0%	-0.8%	27,833	100.0%	28,241	100.0%	-1.4%
Other revenues	408		478		-14.6%	(15)		118		-112.7%
Total Revenues	90,926		91,756		-0.9%	27,818		28,359		-1.9%
Cost of goods and merchandise	(30,758)	-34.0%	(32,249)	-35.3%	-4.6%	(8,142)	-29.3%	(9,658)	-34.2%	-15.7%
Change in inventories	1,121	1.2%	1,350	1.5%	-17.0%	(375)	-1.3%	325	1.2%	-215.4%
Cost of services received	(11,210)	-12.4%	(11,192)	-12.3%	0.2%	(3,508)	-12.6%	(3,411)	-12.1%	2.8%
Lease and rental costs	(1,139)	-1.3%	(1,027)	-1.1%	10.9%	(391)	-1.4%	(348)	-1.2%	12.4%
Personnel costs	(26,593)	-29.4%	(25,663)	-28.1%	3.6%	(8,300)	-29.8%	(8,059)	-28.5%	3.0%
Other operating costs	(828)	-0.9%	(976)	-1.1%	-15.2%	(281)	-1.0%	(284)	-1.0%	-1.1%
Capitalized internal construction costs	763	0.8%	548	0.6%	39.2%	226	0.8%	126	0.4%	79.4%
Write-down of receivables	(34)	0.0%	(280)	-0.3%	-87.9%	(16)	-0.1%	(80)	-0.3%	-80.0%
Accruals to provisions for risks and charges	(11)	0.0%	(51)	-0.1%	-78.4%	(4)	0.0%	(11)	0.0%	-63.6%
Gross Operating Profit	22,237	24.6%	22,216	24.3%	0.1%	7,027	25.2%	6,959	24.6%	1.0%
Property, plant and equipment depreciation	(4,017)	-4.4%	(3,889)	-4.3%	3.3%	(1,361)	-4.9%	(1,327)	-4.7%	2.6%
Intangible asset amortization	(396)	-0.4%	(352)	-0.4%	12.5%	(136)	-0.5%	(123)	-0.4%	10.6%
Operating Profit	17,824	19.7%	17,975	19.7%	-0.8%	5,530	19.9%	5,509	19.5%	0.4%
Financial Income	17	0.0%	23	0.0%	-26.1%	4	0.0%	6	0.0%	-33.3%
Financial expenses	(1)	0.0%	(1)	0.0%	0.0%	-	0.0%	-	0.0%	
Foreign exchange gains (losses)	(70)	-0.1%	95	0.1%	-173.7%	42	0.2%	(112)	-0.4%	-137.5%
Profit Before Taxes	17,770	19.6%	18,092	19.8%	-1.8%	5,576	20.0%	5,403	19.1%	3.2%
Income taxes	(5,054)	-5.6%	(5,164)	-5.7%	-2.1%	(1,370)	-4.9%	(1,427)	-5.1%	-4.0%
Net Profit	12,716	14.0%	12,928	14.2%	-1.6%	4,206	15.1%	3,976	14.1%	5.8%

Consolidated Financial Statements at September 30, 2016

Consolidated Comprehensive Income Statement

	First nine months 2016	First nine months 2015
<i>(euro '000)</i>		
Revenues from sales and services provided	90,518	91,278
Other revenues	408	478
Total Revenues	90,926	91,756
Cost of goods and merchandise	(30,758)	(32,249)
Change in inventories	1,121	1,350
Cost of services received	(11,210)	(11,192)
Lease and rental costs	(1,139)	(1,027)
Personnel costs	(26,593)	(25,663)
Other operating costs	(828)	(976)
Capitalized internal construction costs	763	548
Write-down of receivables	(34)	(280)
Accruals to provisions for risks and charges	(11)	(51)
Gross Operating Profit	22,237	22,216
Property, plant and equipment depreciation	(4,017)	(3,889)
Intangible asset amortization	(396)	(352)
Operating Profit	17,824	17,975
Financial income	17	23
Financial expenses	(1)	(1)
Foreign exchange gains (losses)	(70)	95
Profit Before Taxes	17,770	18,092
Income taxes	(5,054)	(5,164)
Net Profit	12,716	12,928
Elements that could be charged to the income statement		
Conversion difference reserves	(2,213)	1,038
Comprehensive Income	10,503	13,966

Consolidated Statement of Financial Position - Assets

ASSETS	Sept. 30, 2016	Sept. 30, 2015
<i>(euro '000)</i>		
NON-CURRENT ASSETS		
Plant and equipment	64,535	65,435
Property	1,664	1,715
Intangible assets	1,309	1,336
Other investments	10	10
Other non-current assets	52	10
Deferred tax assets	2,219	2,550
TOTAL NON-CURRENT ASSETS	69,789	71,056
CURRENT ASSETS		
Inventories	39,371	39,191
Trade receivables	23,230	26,372
Tax receivables	730	770
Other receivables	936	567
Cash and cash equivalents	23,122	17,802
TOTAL CURRENT ASSETS	87,389	84,702
NON-CURRENT ASSETS HELD FOR DISPOSAL	-	-
TOTAL ASSETS	157,178	155,758

Consolidated Statement of Financial Position – Liabilities and Shareholders' Equity

LIABILITIES AND SHAREHOLDERS' EQUITY	Sept. 30, 2016	Dec. 31, 2015
<i>(euro '000)</i>		
SHAREHOLDERS' EQUITY		
Capital stock	8,840	8,840
Reserves	111,726	106,400
Net profit	12,716	15,933
TOTAL SHAREHOLDERS' EQUITY	133,282	131,173
NON-CURRENT LIABILITIES		
Employee Severance Indemnity and other personnel	2,459	2,617
Provisions for risks and charges	383	444
Deferred tax liabilities	2,101	2,235
TOTAL NON-CURRENT LIABILITIES	4,943	5,296
CURRENT LIABILITIES		
Trade payables	8,350	11,653
Tax payables	2,222	679
Other payables	8,381	6,957
TOTAL CURRENT LIABILITIES	18,953	19,289
LIABILITIES ON ASSETS HELD FOR DISPOSAL	-	-
TOTAL LIABILITIES	23,896	24,585
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	157,178	155,758

Consolidated Statement of Cash Flows

	First nine months 2016	2015
<i>(euro '000)</i>		
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	17,802	11,659
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit (loss) for the period	12,716	15,933
Depreciation, amortization and write-downs	4,413	5,701
(Gains)/Losses on disposal of assets	(17)	9
Net change in Employee Termination Indemnity	(158)	63
Net change in provisions for risks and charges	(61)	175
Operating profit (loss) before change in working capital	16,893	21,881
(Increase) Decrease in trade receivables	3,142	(747)
(Increase) Decrease in inventories	(180)	(900)
(Increase) Decrease in other receivables and deferred tax assets	2	(29)
Increase (Decrease) of trade payables	(3,104)	(1,401)
Increase (Decrease) of other payables, deferred tax liabilities and tax payables	2,833	(709)
Change in working capital	2,693	(3,786)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	19,586	18,095
C) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(372)	(601)
- tangible	(3,899)	(6,534)
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- intangible	-	9
- tangible	142	327
Increase (Decrease) of trade payables for assets	(199)	(165)
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(4,328)	(6,964)
D) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease in other non current assets	(42)	(1)
Change in reserves on purchase of shares	(574)	-
Dividends distributed	(7,820)	(6,120)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(8,436)	(6,121)
E) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)	6,822	5,010
F) Foreign exchange conversion differences	(1,502)	961
G) Discounting of employee termination indemnities	-	(35)
H) Adjustment to deferred tax liabilities to new tax rate	-	207
I) CASH AND CASH EQUIVALENTS AT END OF PERIOD (A+E+F+G+H)	23,122	17,802
Of which: assets held for disposal	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	23,122	17,802
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	23,122	17,802
Current financial liabilities	-	-
NET CONSOLIDATED FINANCIAL POSITION	23,122	17,802
INTEREST EXPENSE FOR THE PERIOD	-	(1)
BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash	35	18
Current accounts	23,087	17,784
	23,122	17,802

Statement of Changes in the Consolidated Shareholders' Equity

(€'000)	Balance at December 31, 2015	Allocation of previous year's net profit	Other changes	Comprehensive Income for the period	Balance at September 30, 2016
Capital stock	8,840				8,840
Share premium reserve	12,245				12,245
Legal Reserve	1,768				1,768
Reserve for own shares held	-		(574)		(574)
Suspended-tax reserves	585				585
Other suspended-tax reserves	68				68
Other reserves	20,895	1,495		57	22,447
Conversion differences	1,075			(2,270)	(1,195)
Extraordinary reserve	61,576	6,618			68,194
First time application of IFRS reserve	3,715				3,715
Discounting of employee termination indemnities	76				76
Merger differences	4,397				4,397
Retained earnings	-				-
Net profit	15,933	(15,933)		12,716	12,716
Total Shareholders' Equity	131,173	(7,820)	(574)	10,503	133,282

(€'000)	Balance at December 31, 2014	Allocation of previous year's net profit	Other changes	Comprehensive Income for the period	Balance at September 30, 2015
Capital stock	8,840				8,840
Share premium reserve	12,245				12,245
Legal Reserve	1,768				1,768
Suspended-tax reserves	585				585
Other suspended-tax reserves	68				68
Other reserves	19,586	1,339		(30)	20,895
Conversion differences	(248)			1,323	1,075
Extraordinary reserve	55,286	6,083		207	61,576
First time application of IFRS reserve	3,715				3,715
Discounting of employee termination indemnities	111			(35)	76
Merger differences	4,397				4,397
Retained earnings	-				-
Net profit	13,542	(13,542)		15,933	15,933
Total Shareholders' Equity	119,895	(6,120)	-	17,398	131,173

Notes to the accounts

Accounting principles, form and content of the Financial Statements, estimates

The present Interim Report at September 30, 2016 was prepared in compliance with article 2.2.3, comma 3 of the Listed Companies Code and aims at providing a general description of the financial position of and the economic performance of the Company and its subsidiaries in the period, in addition to reporting important events occurred and operations carried out and their effect on the financial position of the Company and its subsidiaries. Therefore, keeping into account recommendations provided by the *European Securities and Markets Authority (ESMA)*, disclosure required under IAS 34 is not provided in the present document.

Principles of consolidation and valuation criteria adopted are consistent with international accounting principles (IAS/IFRS).

The Consolidated Financial Statements are based on the Statutory Accounts of Cembre S.p.A. (parent company) at September 30, 2016, and those of the following companies at the same date:

	Share owned by the Group September 30, 2016	Share owned by the Group September 30, 2015
Cembre Ltd. (UK)	100%	100%
Cembre S.a.r.l.* (France)	100%	100%
Cembre España S.L.* (Spain)	100%	100%
Cembre GmbH* (Germany)	100%	100%
Cembre Inc.**(US)	100%	100%
Cembre AS (Norway) (in liquidation)	100%	100%

* 5% share held through Cembre Ltd.

** 29% share held through Cembre Ltd.

The parent company has control of the above companies pursuant to Article 2359 of the Italian Civil Code.

Criteria used in the preparation of the financial statements were applied consistently within the Group. Where necessary, financial data was adjusted and reclassified. In compliance with IAS 1, in the financial statements costs were classified by nature. The scope of the consolidation is unchanged from September 30, 2015 and December 31, 2015. Amounts are expressed in thousands of euro.

The present Quarterly Report was prepared in accordance with the “period separation criteria”, based on which the period considered is treated as an independent financial period. The income statement for the quarter thus reflects the income components relating to the period based on the accrual method.

Bonuses recognized to customers at the end of the period were estimated based on past sales and their expected future performance.

Conversion of financial statements of subsidiaries expressed in currencies other than the euro

The functional currency of the Group is the euro, in which its accounts are presented.

Exchange rates applied for the conversion of financial statements of subsidiaries expressed in currencies other than the euro are shown in the table below.

Currency	Exchange rate at September 30, 2016	Average exchange rate for 2016
British pound (€/£)	0.8610	0.8030
US dollar (€/US\$)	1.1161	1.1162
Norwegian kroner (€/NOK)	8.9865	9.3749

Brescia, November 14, 2016

**The Chairman and Managing Director of
Cembre S.p.A.**

Giovanni Rosani

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C e m b r e

DECLARATION

pursuant to art 154-bis, Paragraph 2 of Legislative Decree 58 dated Feb. 24, 1998 “Consolidated Law on financial intermediation regulations” and subsequent integrations and updatings

Re: 2016 third Quarter Interim Report

The undersigned,

Claudio Bornati, Manager responsible for preparing the Cembre S.p.A. financial reports

DECLARES

pursuant to Paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the financial disclosure contained in the 2016 third Quarter Interim Report corresponds to the document results, books and accounting records.

Brescia, november 14, 2016

Signed by: Claudio Bornati
Manager in charge of drafting
the accounts of Cembre S.p.A.