

PRESS RELEASE

PIAGGIO GROUP: 2016 DRAFT FINANCIAL STATEMENTS

**Consolidated net sales 1,313.1 million euro, up 1.4% (+2.8% at constant exchange rates)
(1,295.3 €/mln in 2015)**

**Ebitda 170.7 million euro, up 5.6% and the best figure reported since 2013 (+7% at constant
exchange rates) (161.8 €/mln in 2015)
Ebitda margin 13% (12.5% in 2015)**

**Industrial gross margin 389.2 million euro, up 3.9% (+4.9% at constant exchange rates)
(374.4 €/mln in 2015)
Return on net sales 29.6% (28.9% in 2015)**

**Ebit 60.9 million euro, up 7.4% (56.7 €/mln in 2015)
Ebitda margin 4.6% (4.4% in 2015)**

Net profit 14 million euro, up 18.3% (11.9 €/mln in 2015)

**Net financial position -491 million euro
an improvement of 7.2 €/mln from -498.1 €/mln at 31 December 2015**

532,000 vehicles shipped worldwide (+2.4% from 519,700 in 2015)

Proposed per-share dividend of 0.055 euro (equivalent to euro 19,698,450)

**The Piaggio Group a protagonist of future mobility with the creation of Gita and Kilo,
the first innovative products from Piaggio Fast Forward**

**Leadership on the European two-wheeler market strengthened
with a 15.4% overall share and a 25.4% share of the scooter sector**

**Strong revenue growth in high-wheel scooters assisted by the new Medley ABS,
as well as the Beverly**

Commercial three-wheel vehicles: leadership in Cargo segment confirmed in India

**Commercial offer enhanced with the expansion of the Motoplex distribution network, entry
into the motorcycle business in Thailand, the debut of the Aprilia SR 150 sports scooter in
India and the introduction of commercial vehicles in countries with high potential**

Authorisation for the purchase and sale of own shares

Proposal for cancellation of own shares

Mantua, 27 February 2017 - At a meeting today chaired by Roberto Colaninno, the Board of Directors of Piaggio & C. S.p.A. examined and approved the 2016 draft financial statements.

In 2016 the Piaggio Group reported positive performance, with improvements in all the main indicators and a reduction in debt compared with 2015.

Piaggio Group business and financial performance at 31 December 2016¹

Group **consolidated net sales** in 2016 totalled **1,313.1 million euro**, an **improvement of 17.8 million euro and 1.4% (+2.8% at constant exchange rates)** from 1,295.3 million euro in 2015.

The **industrial gross margin** at 31 December 2016 was **389.2 million euro, up by 3.9% (+4.9% at constant exchange rates)** from 374.4 million euro in 2015. **The return on net sales was 29.6%**, up from 28.9% in 2015.

Operating expense in 2016 was **328.3 million euro** (317.7 million euro in 2015). Operating expense includes amortisation and depreciation of 74 million euro not included in the industrial gross margin (68.1 million euro in 2015).

The changes in the income statement described above generated **consolidated EBITDA of 170.7 million euro, an increase of 5.6% and the best figure reported since 2013 (7% at constant exchange rates)** from 161.8 million euro in 2015, and an **EBITDA margin** of 13% (up from 12.5% at 31 December 2015).

EBIT in 2016 amounted to **60.9 million euro**, up 7.4% from 56.7 million euro in 2015. The **EBITDA margin** was 4.6% (4.4% in 2015).

At 31 December 2016, the Piaggio Group posted **profit before tax of 25.5 million euro, up 26.9%** compared with 20.1 million euro in 2015. Income tax for the period was 11.5 million euro, with an impact on pre-tax profit of 44.9%.

2016 closed with **net profit of 14 million euro, an increase of 18.3%** compared with 11.9 million euro in 2015.

Net financial debt at 31 December 2016 stood at **491 million euro**, an improvement of 7.2 million euro from 498.1 million euro at 31 December 2015.

Operating cash flow for the year was up to **123.4 million euro** at 31 December 2016, an **increase of 13.6 million euro** from 109.8 million euro in 2015.

Group **shareholders' equity** at 31 December 2016 was **393.7 million euro** (404.3 million euro at 31 December 2015).

Piaggio Group **capital expenditure** in 2016 amounted to **96.7 million euro** (101.9 million euro in 2015), of which **30.9 million euro for R&D expenditure** (31.4 million euro in 2015) and approximately 65.8 million euro for property, plant and equipment, investment property and intangible assets (70.5 million euro in 2015).

The total workforce of the Piaggio Group at 31 December 2016 numbered **6,706 employees**. The Group's Italian employees numbered 3,518, substantially unchanged from the year-earlier period.

Business performance in the year to 31 December 2016

In 2016, the **Piaggio Group sold 532,000 vehicles worldwide**, an increase of 2.4% from 519,700 in 2015.

¹ The main alternative performance indicators used by the Piaggio Group, representing the data monitored by management, are as follows:

- EBITDA: earnings (EBIT) before amortisation and depreciation and impairment losses on property, plant and equipment and intangible assets, as reflected in the consolidated income statement;
- Industrial gross margin: net sales less costs to sell;
- Net financial position: gross financial debt less cash and cash equivalents, and other current financial receivables. Determination of the net financial position does not include other financial assets and liabilities arising from measurement at fair value, derivatives designated or not as hedges, fair value adjustments of the related hedged items and related accruals.

At **geographical level**, sales generated revenue growth in the EMEA area and the Americas (+5.7%), which more than counterbalanced the decrease reported in India due to a negative exchange-rate effect (-4.1%; -0.1% at constant exchange rates) and in Asia Pacific (-5.3%; -4.8% at constant exchange rates).

In 2016, the Group sold **344,000 two-wheelers** worldwide (up 6.7% from 322,500 in 2015), generating **net sales of 916.5 million euro, an improvement of 3.6%** from 884.9 million euro in 2015. The figure **includes spares and accessories, on which turnover totalled 124.5 million euro** (a slight increase from 2015).

In 2016 the **Piaggio Group continued to strengthen its leadership of the European two-wheeler market**, with an **overall market share of 15.4%** (15.2% in 2015), and **25.4%** (24.1% in 2015) **in the scooter sector alone**, with a lead of more than 12 percentage points from the second competitor. On the Indian two-wheeler market, the Group reported volume growth of almost 40%, thanks in part to the introduction of the new Aprilia SR 150 scooter, which was warmly received. Still in Asia, the Group recently entered the motorcycle market in Thailand with the introduction of the Aprilia and Moto Guzzi brands, flanking the already consolidated offer in the scooter sector with the Vespa and Piaggio brands. The Group maintained a particularly strong presence on the North American scooter market, with a share of 20.1%; it also intends to strengthen its position in motorcycles in North America.

In the **scooter segment**, attention is drawn to the results of the Piaggio Group in the **high-wheel segment**, where **global revenues made strong progress**, largely thanks to the **Beverly** and the new **Piaggio Medley ABS**, which has boosted market share for Group vehicles since entering the segment.

The **Vespa brand** strengthened its presence on the **EMEA market**, with **revenues up by 5.6%**. Good performance was also reported for the **Aprilia brand**, which in August **made its debut on the Indian scooter market** (the world's largest market with annual sales of more 5 million vehicles) with the **Aprilia SR 150 sports scooter**.

The **Group motorcycle sector** also reported healthy performance, thanks to a **13% increase in Moto Guzzi sales**, assisted by the new **V9 Roamer and Bobber** and by the **MGX-21**, the large total black cruiser, which had its world preview in August at the 76thSturgis Motorcycle Rally to a warm reception from users and the international media. Analysis of the **Aprilia brand** reflects in particular the growth of the supersport models in the **Tuono V4** range, which reported a **24.8% increase in sales**, and steady sales performance for the **RSV4 1000** line.

In the **commercial vehicles** sector, the Group sold **188,000 vehicles** (197,200 in 2015) for **net sales of 396.6 million euro** (410.4 million euro in 2015). The figure includes **spares and accessories**, where **sales totalled 44.5 million euro** (+4% from 42.7 million euro in 2015). On the Indian market for **three-wheel commercial vehicles**, the PVPL subsidiary had an **overall share of 28.9%** and confirmed its **leadership in the Cargo segment** with a market share of **50.7%**. The **Group also strengthened its presence on high-potential markets such as Latin America, Africa and Asia**, with the expansion of the distribution network to 23 countries, and further growth planned for 2017.

In 2016 the **PVPL production hub** also exported **18,700 three-wheel commercial vehicles worldwide**. These sales arose in part in the EMEA and Americas area and in part in the India area, in connection with responsibility for management of the individual markets.

Significant events in 2016

In addition to the information published at the time of approval of the 2016 third-quarter results (directors' meeting of 28 October 2016):

On 10 October, as part of its plan to expand and strengthen its presence in Latin America and South America, the Piaggio Group began marketing the new Ape City and Ape Romanza versions of the Ape van (for passenger transportation), in countries with high potential.

On 24 October Piaggio & C. S.p.A. said it had signed a 12.8 million euro leasing agreement with Alba Leasing expiring in 2026 to finance the new automated paint shop at the Pontedera factory. For the Piaggio Group, the leasing contract is part of an on-going series of measures to optimise its debt structure by extending its average debt maturity and diversifying its sources of funding, assisted by the opportunities currently offered by a favourable market scenario.

On 8 November, at the EICMA international tradeshow in Milan, the Piaggio Group held the world preview of the Vespa Elettrica project, confirming its commitment to development of alternative low-emission mobility solutions. Production and marketing of Vespa Elettrica are scheduled for the second half of 2017.

Also at EICMA, the Group presented a number of new products, including the Moto Guzzi V7III, developed to mark the 50th anniversary of the debut of the first V7 model, the Moto Guzzi V9 MY 2017 and, for the Aprilia brand, the Shiver 900 and the Dorsoduro 900, two new motorcycles offering enhanced performance compared with the previous versions, developed in line with the Noale tradition.

On 1 December, John Hoke, Vice President Global Design of Nike Inc., was coopted to the Advisory Board of Piaggio Fast Forward (PFF). As global director of Nike product design, Hoke is considered one of the most innovative minds in applied design for technology.

On 30 December the Piaggio Group announced it had signed two bilateral unsecured medium-term loan agreements for a total of 45 million euro, with Banca Popolare di Milano and Banca del Mezzogiorno-Mediocredito Centrale. The two new credit facilities are part of the constant action taken by the parent to optimise its financial debt structure.

Significant events after 31 December 2016

On 19 January 2017, the Piaggio Group announced the strengthening of its distribution network after reaching the important milestone of 200 Motoplex stores in Europe, the Americas, Oceania, Asia and India. Launched only two years ago, the Group multibrand stores flank the traditional distribution network.

On 24 January, Piaggio & C. S.p.A. announced that as from 1 March 2017 Simone Montanari would be Group CFO, replacing Gabriele Galli.

On 2 February, the GITA and KILO projects were presented in Boston, the first initiatives developed by Piaggio Fast Forward (PFF). GITA is a smart autonomous vehicle designed to assist people. It carries up to 18 kg, observes and communicates. It can follow a person, reaching a speed of 35 km/h, and can move autonomously in a mapped environment. Its spherical shape and clean design are distinguishing characteristics of its personality. KILO is GITA's "big brother", with a 120 lt loading capacity for weights up to 100 kg. It offers outstanding stability, thanks to its three wheels.

The two projects reflect the Group's exploration of future-oriented developments in mobility and the broadening of its vision to technological solutions ranging way beyond its current core business.

On 15 February, the Piaggio Group entered the Thai premium motorcycle market with the Aprilia and Moto Guzzi brands thanks to the opening of Motoplex Bangkok, its largest flagship store in South East Asia and one of the largest Motoplex outlets in the world, with a huge offer available in a single location.

* * *

Piaggio & C. S.p.A.

In 2016, the parent reported net sales of 788.4 million euro and net profit of 14 million euro.

The Board of Directors will ask the shareholders to approve distribution of a gross dividend of 0.055 euro per entitled ordinary share (0.05 euro for financial year 2015), equivalent to euro 19,698,450. The ex dividend date (coupon no.10) is 24 April 2017, the record date is 25 April 2017 and the payment date is 26 April 2017.

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Outlook

In a general economic context likely to see a strengthening of the global economic upturn, where uncertainty will nonetheless remain with regard to the speed of European growth and the risk of a slowdown in some Asian countries in the Far East, Piaggio Group commercial and industrial operations will focus on:

- confirming the leadership position on the European two-wheeler market, taking full advantage of the expected recovery through:
 - further strengthening of its product range;
 - maintenance of current positions on the European commercial vehicle market;
- consolidating its presence in Asia Pacific, in part through the opening of new Motoplex stores, the exploration of new opportunities in mid-size motorcycles and boosting penetration of the premium segment on the Chinese market;
- increasing sales on the Indian scooter market thanks to the Vespa offer and the success of the new Aprilia SR 150;
- growing commercial vehicle sales in India and the emerging countries, aiming for further growth in exports to Africa and South America.

With regard to technology, the Piaggio Group will continue research into new solutions for current and future mobility needs, thanks to the work of Piaggio Fast Forward (Boston) and new frontiers in design at PADc (Piaggio Advanced Design center) in Pasadena.

In Europe, the Group R&D centres with a more traditional approach to new product development and production start-ups, will work on technologies and platforms that enhance the functional and emotional aspects of vehicles, through continuous advances in power trains, in particular electric power trains, where Piaggio boasts a pioneering tradition dating back to the mid-1970s.

At a more general level, the Group maintains its constant commitment - a characteristic of recent years and continuing in 2017 - to generate higher productivity through close attention to cost and investment efficiency, in compliance with the ethical principles adopted by the Group.

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Authorisation for the purchase and sale of own shares

At today's meeting, the Board of Directors agreed to present to the shareholders' meeting a proposal for the renewal of the authorisation for the purchase and sale of own shares granted by the Annual General Meeting of 14 April 2016, which is due to expire on 14 October 2017. The proposal aims to provide the company with a useful strategic investment opportunity for the purposes allowed under law, including the purposes contemplated in art. 5 of EU Regulation 596/2014 (Market Abuse Regulation, hereinafter "MAR") and in the practices allowed under art. 13 MAR, and also for purchases of own shares for subsequent cancellation.

Authorisation to purchase own sales will be requested for a period of 18 months, as from the shareholder resolution date; authorisation to sell own shares will be requested for an unlimited period.

As of today, the number of own shares in portfolio stands at 3,054,736, representing 0.846% of share capital.

All information concerning the terms and procedures of the authorisation will be set out in the Illustrative Report on Own Share Purchases, to be made available to shareholders within the terms envisaged by current laws.

Proposal for cancellation of own shares

The Piaggio & C. S.p.A. Board of Directors carried a resolution to propose to shareholders the cancellation of 3,054,736 own shares in portfolio (representing 0,846% of share capital), without variation to current share capital.

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Conference call with analysts

The presentation of the financial results as at and for the year ended 31 December 2016, which will be illustrated during a conference call with financial analysts, is available on the corporate website at www.piaggiogroup.com/it/investor and on the “eMarket Storage” authorised storage mechanism on the website www.emarketstorage.com.

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The Piaggio Group consolidated income statement, consolidated statement of financial position and consolidated statement of cash flows as at and for the year ended 31 December 2016 are set out below.

The manager in charge of preparing the company accounts and documents, Alessandra Simonotto, certifies, pursuant to paragraph 2 of art. 154 bis of Legislative Decree no. 58/1998 (TUF), that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

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In line with the recommendations of CESR Communication 05-178b, attention is drawn to the fact that this press release contains a number of indicators that, though not yet contemplated by the IFRS (“Non-GAAP Measures”), are based on financial measures envisaged by the IFRS. These indicators – presented in order to assist assessment of the Group’s business performance – should not be considered as alternatives to those envisaged by the IFRS and are consistent with those in the Piaggio Group 2015 Annual Report and quarterly and half-year reports. Furthermore, since determination of such indicators is not specifically regulated by the IFRS, the methods used may not coincide with those adopted by other companies/groups, and consequently the indicators in question may not be comparable. In compliance with Consob Communication no. 9081707 of 16 September 2009, it should be noted that the alternative performance indicators (“Non-GAAP Measures”) have not been audited by the independent auditors.

This press release may contain forward-looking statements relating to future events and Piaggio Group business and financial results. By their nature, these statements are subject to inherent risks and uncertainties, since they relate to events and depend on circumstances that may or may not occur or exist in the future. Actual results may differ materially from those expressed in such statements as a result of a variety of factors.

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SCHEDULES

Consolidated Income Statement

	2016		2015	
	Total	of which related parties	Total	of which related parties
<i>In thousands of euro</i>				
Net Sales	1,313,109	855	1,295,286	794
Cost of materials	784,404	23,289	770,297	25,616
Cost of services and use of third-party assets	233,277	3,774	235,892	3,776
Employee expense	213,775		213,326	
Depreciation and impairment property, plant and equipment	45,797		45,552	
Amortisation and impairment intangible assets	64,041		59,491	
Other operating income	109,163	3,188	106,180	737
Other operating expense	20,073	24	20,198	33
EBIT	60,905		56,710	
Results of associates	588	564	295	141
Finance income	1,023		878	
Finance costs	36,952	134	37,476	157
Net exchange-rate gains/(losses)	(61)		(304)	
Profit before tax	25,503		20,103	
Income tax expense	11,463	388	8,236	(655)
Profit from continuing operations	14,040		11,867	
Discontinued operations:				
Profit or loss from discontinued operations				
Profit (loss) for the period	14,040		11,867	
Attributable to:				
Equity holders of the parent	14,040		11,873	
Minority interests	0		(6)	
Earnings per share (in €)	0.039		0.033	
Diluted earnings per share (in €)	0.039		0.033	

Consolidated Statement of Comprehensive Income

	2016	2015
<i>In thousands of euro</i>		
Profit (loss) for the period (A)	14,040	11,867
Items that cannot be reclassified to profit or loss		
Re-measurement of defined benefit plans	(2,672)	1,841
Total	(2,672)	1,841
Items that may be reclassified to profit or loss		
Gains (losses) on translation of financial statements of foreign entities	1,758	2,736
Share of components of Comprehensive Income relating to equity-accounted investees	(329)	577
Total gains (losses) on cash flow hedges	198	244
Total	1,627	3,557
Other comprehensive income (expense) (B)*	(1,045)	5,398
Total comprehensive income (expense) for the period (A + B)	12,995	17,265
* Other comprehensive income (expense) taking related tax effects into account		
Attributable to:		
Equity holders of the parent	13,058	17,189
Minority interests	(63)	76

Consolidated Statement of Financial Position

	At 31 December 2016		At 31 December 2015	
	Total	<i>of which related parties</i>	Total	<i>of which related parties</i>
<i>In thousands of euro</i>				
ASSETS				
Non-current assets				
Intangible assets	668,665		673,986	
Property, plant and equipment	301,079		307,608	
Investment property	11,710		11,961	
Equity investments	7,445		8,429	
Other financial assets	19,209		24,697	
Non-current tax receivables	15,680		5,477	
Deferred tax assets	60,372		56,000	
Trade receivables				
Other receivables	13,170	133	13,419	153
Total non-current assets	1,097,330		1,101,577	
Assets held for sale				
Current assets				
Trade receivables	75,166	3,350	80,944	1,150
Other receivables	24,151	8,753	29,538	8,879
Current tax receivables	26,783		21,541	
Inventories	208,459		212,812	
Other financial assets	7,069		2,176	
Cash and cash equivalents	191,757		101,428	
Total current assets	533,385		448,439	
Total Assets	1,630,715		1,550,016	

	<u>At 31 December 2016</u>		<u>At 31 December 2015</u>	
	Total	<i>of which related parties</i>	Total	<i>of which related parties</i>
<i>In thousands of euro</i>				
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital and reserves attributable to equity holders of the parent	394,019		404,535	
Share capital and reserves attributable to minority interests	(305)		(242)	
Total shareholders' equity	393,714		404,293	
Non-current liabilities				
Borrowings due after one year	535,105	2,900	520,391	2,900
Trade payables				
Other non-current provisions	10,566		9,584	
Deferred tax liabilities	3,880		4,369	
Pension funds and employee benefits	48,924		49,478	
Non-current tax payables				
Other non-current payables	5,485	162	4,624	
Total non-current liabilities	603,960		588,446	
Current liabilities				
Borrowings due within one year	173,445		105,895	
Trade payables	395,649	9,935	380,363	10,108
Tax payables	8,128		14,724	
Other current liabilities	46,936	7,152	46,516	7,132
Current portion of other non-current provisions	8,883		9,779	
Total current liabilities	633,041		557,277	
Total Shareholders equity and Liabilities	1,630,715		1,550,016	

Consolidated Statement of Cash Flows

This schedule shows the determinants of changes in cash and cash equivalents net of bank overdrafts, as required by IAS 7.

	2016		2015	
	Total	of which related parties	Total	of which related parties
<i>In thousands of euro</i>				
<i>Operating assets</i>				
Consolidated net profit (loss)	14,040		11,873	
Earnings attributable to minority interests			(6)	
Tax for the period	11,463		8,236	
Depreciation property, plant and equipment	44,797		45,523	
Amortisation intangible assets	63,662		59,491	
Allowances for risks, retirement funds and employee benefits	18,038		17,032	
Impairment losses / (Reversals)	2,627		2,470	
Losses / (Gains) on sale of property, plant and equipment	(2,267)		(251)	
Finance income	(1,023)		(877)	
Dividend income	(24)		(130)	
Finance costs	34,536		36,751	
Income from public grants	(3,880)		(3,487)	
Share of results of associates	(564)		(141)	
<i>Change in working capital:</i>				
(Increase)/Decrease in trade receivables	6,658	(2,200)	(4,957)	(294)
(Increase)/Decrease in other receivables	6,004	146	8,113	605
(Increase)/Decrease in inventories	4,353		19,586	
Increase/(Decrease) in trade payables	15,286	(173)	(5,925)	(5,472)
Increase/(Decrease) in other payables	1,281	182	26	414
Increase/(Decrease) in provisions for risks	(9,914)		(9,913)	
Increase/(Decrease) in retirement funds and employee benefits	(8,688)		(14,613)	
<i>Other changes</i>	(11,936)		16,230	
Cash generated by operating activities	184,449		185,031	
Interest expense paid	(32,355)		(32,790)	
Tax paid	(25,114)		(23,400)	
Cash flow from operating activities (A)	126,980		128,841	
<i>Investing activities</i>				
Investment in property, plant and equipment	(38,247)		(38,062)	
Sale price or redemption value of property, plant and equipment	2,552		581	
Investment in intangible assets	(58,426)		(63,828)	
Sale price or redemption value of intangible assets			56	
Sale price of financial assets	3		47	
Interest collected	581		749	
Cash flow from investing activities (B)	(93,537)		(100,457)	
<i>Financing activities</i>				
Own share purchases	(5,612)		(34)	
Outflow for dividends paid	(17,962)		(26,007)	
Loans received	133,674		58,130	
Outflow for loan repayments	(66,194)		(49,270)	
Finance leases received	12,839		0	
Repayment of finance leases	(1,601)		(31)	
Cash flow from financing activities (C)	55,144		(17,212)	
Increase / (Decrease) in cash and cash equivalents (A+B+C)	88,587		11,172	
Opening balance	101,302		90,125	
Exchange differences	1,511		5	
Closing balance	191,400		101,302	

Piaggio & C. S.p.A.

Income Statement

	2016		2015 restated	
	Total	of which related parties	Total	of which related parties
<i>In thousands of euro</i>				
Net Sales	788,397	94,910	743,470	95,344
Cost of materials	478,185	88,039	433,400	56,407
Cost of services and use of third-party assets	180,531	41,965	182,570	43,449
Employee expense	159,871	52	159,033	42
Depreciation and impairment property, plant and equipment	26,752		27,561	
Amortisation and impairment intangible assets	54,469		46,909	
Other operating income	117,694	43,187	113,109	43,915
Other operating expense	15,244	746	15,582	770
EBIT	(8,961)		(8,476)	
Results of associates	43,523	43,499	47,043	
Finance income	530	287	705	352
Finance costs	27,112	137	26,750	167
<i>of which non-recurring</i>				
Net exchange-rate gains/(losses)	(574)		(590)	
Profit before tax	7,406		11,932	
Income tax expense	(6,597)	497	(737)	(534)
<i>of which non-recurring</i>				
Profit from continuing operations	14,003		12,669	
Discontinued operations:				
Profit or loss from discontinued operations				
Net profit (loss)	14,003		12,669	

**Restatement of the 2015 Statement of financial position and Income statement*

Beginning this year, the Company has decided to adopted the new version of "IAS 27 Revised" applicable as from 1 January 2016, which allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in separate financial statements.

Statement of Comprehensive Income

	2016	2015 restated
<i>In thousands of euro</i>		
Profit (loss) for the period (A)	14,003	12,669
Items that cannot be reclassified to profit or loss		
Re-measurement of defined benefit plans	(2,377)	2,080
Share of components of comprehensive income relating to equity-accounted investees	(285)	(243)
Total	(2,662)	1,837
Items that may be reclassified to profit or loss		
Total fair value gains (losses) on available-for-sale financial assets		
Total gains (losses) on cash flow hedges	198	245
Share of components of comprehensive income relating to equity-accounted investees	1,469	3,661
Total	1,667	3,906
Other comprehensive income (expense) (B)*	(995)	5,743
Total comprehensive income (expense) for the period (A + B)	13,008	18,412

* Other comprehensive income (expense) taking related tax effects into account

Statement of Financial Position

	At 31 December 2016		At 31 December 2015 restated		At 1 January 2015 restated	
	Total	<i>of which related parties</i>	Total	<i>of which related parties</i>	Total	<i>of which related parties</i>
<i>In thousands of euro</i>						
ASSETS						
Non-current assets						
Intangible assets	562,760		566,338		560,402	
Property, plant and equipment	183,904		188,433		197,006	
Investment property			0		0	
Equity investments	123,983		81,227		79,025	
Other financial assets	17,469		20,328		13,316	
Non-current tax receivables	6,176		634		893	
Deferred tax assets	39,872		35,577		33,421	
Other receivables	3,000	133	2,839	152	3,430	197
Total non-current assets	937,164		895,376		887,493	
Assets held for sale						
Current assets						
Trade receivables	52,937	26,809	57,244	18,428	74,669	35,867
Other receivables	49,839	37,008	91,417	77,052	82,536	64,364
Current tax receivables	4,817		5,942		3,266	
Inventories	152,541		157,233		170,645	
Other financial assets	13,715	11,565	13,403	13,403	13,669	13,669
Cash and cash equivalents	90,882		12,745		29,196	
Total current assets	364,731		337,984		373,981	
TOTAL ASSETS	1,301,895		1,233,360		1,261,474	

	At 31 December 2016		At 31 December 2015 restated		At 1 January 2015 restated	
	<i>of which related parties</i>		<i>of which related parties</i>		<i>of which related parties</i>	
	Total		Total		Total	
<i>In thousands of euro</i>						
SHAREHOLDERS' EQUITY AND LIABILITIES						
Shareholders' equity						
Share capital	207,614		207,614		207,614	
Share premium	7,171		7,171		7,171	
Legal reserve	18,395		17,643		16,902	
Other reserves	(4,770)		(6,437)		(10,343)	
Retained earnings (accumulated losses)	76,505		90,825		100,137	
Profit (loss) for the year	14,003		12,669		14,810	
Total shareholders' equity	318,918		329,485		336,291	
Non-current liabilities						
Borrowings due after one year	508,766	2,900	495,386	2,900	472,439	2,900
Other non-current provisions	8,384		7,220		8,089	
Pension funds and employee benefits	47,241		47,885		54,051	
Non-current tax payables			0		0	
Other non-current payables	1,408		1,434		1,666	
Total non-current liabilities	565,799		551,925		536,245	
Current liabilities						
Borrowings due within one year	97,137	1,868	49,704	4,205	62,380	3,856
Trade payables	269,770	24,562	246,893	19,754	266,143	29,578
Tax payables	4,185		6,465		7,131	
Other current liabilities	39,142	7,356	41,365	12,304	46,961	16,974
Current portion of other non-current provisions	6,944		7,523		6,323	
Total current liabilities	417,178		351,950		388,938	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,301,895		1,233,360		1,261,474	

Statement of Cash Flows

This schedule shows the determinants of changes in cash and cash equivalents net of bank overdrafts, as required by IAS 7.

	2016	2015 restated
<i>In thousands of euro</i>		
<i>Operating assets</i>		
Profit (loss) for the year	14,003	12,668
Tax for the period	(6,597)	(1,450)
Depreciation property, plant and equipment	25,752	27,561
Amortisation intangible assets	54,090	46,909
Allowances for risks, retirement funds and employee benefits	15,525	15,911
Impairment losses / (Reversals)	(41,088)	(49,456)
Losses / (Gains) on sale of property, plant and equipment	(3,934)	(46)
Finance income	(530)	(704)
Dividend income	(24)	(154)
Finance costs	27,686	27,340
<i>Change in working capital:</i>		
(Increase)/Decrease in trade receivables	11,034	(1,594)
(Increase)/Decrease in other receivables	33,660	9,289
(Increase)/Decrease in inventories	4,692	13,412
Increase/(Decrease) in trade payables	18,069	(9,506)
Increase/(Decrease) in other payables	2,558	(15,571)
Increase/(Decrease) in current provisions for risks	(7,568)	(5,730)
Increase/(Decrease) in non-current provisions for risks	1,164	(869)
Increase/(Decrease) in retirement funds and employee benefits	(9,179)	(15,147)
Other changes	(34,364)	11,366
Cash generated by operating activities	104,949	64,229
Interest expense paid	(23,816)	(24,230)
Tax paid	(3,810)	(7,927)
Cash flow from operating activities (A)	77,323	32,072
<i>Investing activities</i>		
Investment in property, plant and equipment	(22,330)	(19,053)
Sale price or redemption value of property, plant and equipment	4,042	112
Investment in intangible assets	(50,891)	(56,010)
Sale price or redemption value of intangible assets	0	56
Investment in non-current financial assets	(3,494)	(2,785)
Loans given	3,689	266
Sale price of financial assets	(4,002)	0
Interest collected	505	565
Dividends from equity investments	39,867	46,469
Cash flow from investing activities (B)	(32,614)	(30,380)
<i>Financing activities</i>		
Own share purchases	(5,612)	(34)
Outflow for dividends paid	(17,962)	(26,007)
Loans received	84,397	51,119
Outflow for loan repayments	(38,621)	(41,423)
Finance leases	12,839	
Repayment of finance leases	(1,570)	
Cash flow from financing activities (C)	33,471	(16,345)
Increase / (Decrease) in cash and cash equivalents (A+B+C)	78,180	(14,653)
Opening balance	12,692	27,416
Exchange differences		(71)
Closing balance	90,872	12,692