



## **Centrale del Latte d'Italia S.p.A. Interim report at 30 September 2018**

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**BOARD OF DIRECTORS**

E. D.	N. E. D.	I.D.
●		
●		
●		
●		
	●	
	●	●
	●	
	●	●
	●	●
	●	●
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	●	●
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Luigi LUZZATI - Chairman

Riccardo POZZOLI - Vice Chairman and Managing Director

Lorenzo MARCHIONNI - Vice Chairman

Maurizio MACCHIAVELLO - Managing Director at Rapallo operating unit

Adele ARTOM - Director

Piera BRAJA - Director

Antonella FORCHINO - Director

Elsa FORNERO - Director

Renato GIALLOMBARDO - Director

Laura MATERASSI - Director

Lorenzo PETRETTO - Director

Luciano ROASIO - Director

Alberto TAZZETTI - Director

A. R. C.	R. C.	C. R. C.	I.D. .C.
	●	●	
	●	●	●
●			
			●
●			
●			●
	●	●	●

E.D. = Executive Director  
 N.E.D. = Non-executive Director  
 I.D. = Independent Director

A.R.C. = Audit and Risk Committee  
 R.C. = Directors' Remuneration Committee  
 C.R.P. = Committee for transactions with related parties  
 I.D.C. = Independent Directors' Committee

**BOARD OF STATUTORY AUDITORS**

Deborah SASSOROSSI      Chairman

Francesco FINO              Standing Auditor

Giovanni RAYNERI          Standing Auditor

**AUDITING AND CERTIFYING FIRM**

DELOITTE &amp; TOUCHE S.p.A. - Turin

## 1. INTRODUCTION

The interim report at 30 September 2018 was drawn up in line with those of the past, pursuant to Borsa Italiana's notice no. 7587 of 21 April 2016, according to which the interim reports of the first and third quarter of each FY must be published in order to keep the STAR qualification.

The Company – which is listed on the STAR segment of Borsa Italiana – in Q3 met financial analysts by taking part in the ISMO Italian Stock Market Opportunities organised in Milan by Banca IMI on 26 September 2018. <http://centralelatteitalia.com/investor-relations/presentazioni-agli-analisti/>

## 2. CONSOLIDATED INTERIM ACCOUNTS

### 2.1 Scope of consolidation and accounting standards adopted

The scope of consolidation has not been modified compared to the same period of the previous year and includes, in addition to Centrale del Latte d'Italia S.p.A., Centrale del Latte della Toscana S.p.A. and Centrale del Latte di Vicenza S.p.A. – both with a sole shareholder and subject to the management and coordination of the Parent Company.

International accounting standards (IASs/IFRSs) were applied in drawing up the interim report at 30 September 2018 prepared by the Parent Company and its subsidiaries and thus in drawing up these consolidated interim accounts.

The amendment to IFRS 15, *Clarifications to IFRS 15 – Revenue from Contracts with Customers* has been applied since 1 January 2018. **The Group** has reclassified the promotional expenses entered under costs for services to a reduction in revenue for the period, since the analysis of the case and the supporting contracts have shown a direct correlation of the cost sustained with sales transactions and sales contracts with large-scale retail customers. In order to facilitate comparison with the results of Q3 2017, they were restated by applying the same accounting standard.

## 2.2 Reclassified consolidated statement of financial and equity position

	30/09/2018		30/09/2017		31/12/2017	
Technical fixed assets	104,530		103,804		106,790	
Current technical fixed assets	13,974		4,053		4,027	
Intangible fixed assets	19,627		19,525		19,521	
Intangible fixed assets under development	1		-		-	
Equity investments and securities	1,834		1,766		1,760	
<b>Financial receivables from affiliates</b>	<b>2</b>		<b>-</b>		<b>2</b>	
<b>Total fixed assets</b>	<b>139,968</b>	<b>92.5%</b>	<b>129,148</b>	<b>92.9%</b>	<b>132,100</b>	<b>95.2%</b>
Trade receivables	31,968		29,596		31,449	
Inventories	9,342		8,259		9,114	
Other short-term assets	14,612		13,628		13,205	
Trade payables	(39,134)		(36,348)		(41,230)	
Other payables	(4,835)		(4,665)		(4,993)	
Tax liabilities	(528)		(412)		(914)	
<b>Net working capital</b>	<b>11,425</b>	<b>7.5%</b>	<b>10,058</b>	<b>7.2%</b>	<b>6,631</b>	<b>4.8%</b>
<b>LIABILITIES AND EQUITY</b>	<b>151,394</b>	<b>100.0%</b>	<b>139,206</b>	<b>100.0%</b>	<b>138,731</b>	<b>100.0%</b>
Employee severance indemnity	5,800		6,607		6,458	
Provision for Directors' indemnity at the end of their terms in office	367		286		306	
Other provisions	76		377		379	
Provision for deferred taxes	6,113		6,146		6,108	
<b>Total long-term liabilities and provisions</b>	<b>12,445</b>	<b>8.2%</b>	<b>13,416</b>	<b>9.6%</b>	<b>13,251</b>	<b>9.6%</b>
Cash, banks and securities	(8,523)		(11,356)		(25,475)	
Payables to banks	5,670		4,100		4,963	
Current share of medium/long-term loans	16,297		21,041		24,520	
Current share of payables to other lenders	451		831		751	
Medium/long-term loans	47,452		47,423		42,308	
Medium/long-term payables to other lenders	403		811		656	
Placement of bonds 2017 - 2024	14,688		-		14,660	
<b>Net financial position</b>	<b>76,440</b>	<b>50.5%</b>	<b>62,850</b>	<b>45.2%</b>	<b>62,383</b>	<b>45%</b>
Share capital	28,840		28,840		<b>62,383</b>	<b>45.0%</b>
Reserves	34,315		34,517		28,840	
Profit (loss) for the period	(*) (646)		(*) (417)		34,518	
<b>Total Shareholders' Equity</b>	<b>62,509</b>	<b>41.3%</b>	<b>62,940</b>	<b>45.2%</b>	<b>(*) (261)</b>	
<b>LIABILITIES AND EQUITY</b>	<b>151,394</b>	<b>100.0%</b>	<b>139,206</b>	<b>100.0%</b>	<b>63,097</b>	<b>45.5%</b>

(\*) Result after income taxes

### 2.3 Reclassified statement of consolidated income statement

	30/09/2018		30/09/2017		Q3 2018		Q3 2017	
Revenue from sales and services	133,812	98.6%	132,177	97.9%	43,289	98.5%	44,218	98.9%
Change in inventories	2	0.0%	303	0.2%	(136)	-0.3%	(348)	-0.8%
Other revenue and income	1,956	1.4%	2,479	1.8%	798	1.8%	855	1.9%
<b>Value of production</b>	<b>135,770</b>	<b>100.0%</b>	<b>134,959</b>	<b>100.0%</b>	<b>43,950</b>	<b>100.0%</b>	<b>44,727</b>	<b>100.0%</b>
Services	(36,807)	-27.1%	(36,129)	-26.8%	(11,772)	-26.8%	(11,683)	-28.2%
Raw materials	(72,639)	-53.5%	(72,962)	-54.1%	(23,877)	-54.3%	(23,984)	-52.2%
Other operating costs	(1,290)	-1.0%	(1,485)	-1.1%	(353)	-0.8%	(552)	-1.2%
<b>Added value</b>	<b>25,034</b>	<b>18.4%</b>	<b>24,384</b>	<b>18.1%</b>	<b>7,948</b>	<b>18.1%</b>	<b>8,465</b>	<b>18.4%</b>
Personnel costs	(19,585)	-14.4%	(19,405)	-14.4%	(5,878)	-13.4%	(5,992)	-13.0%
<b>EBITDA</b>	<b>5,449</b>	<b>4.0%</b>	<b>4,979</b>	<b>3.7%</b>	<b>2,070</b>	<b>4.7%</b>	<b>2,473</b>	<b>5.4%</b>
Allowance to provision for bad debts	(92)	-0.1%	(86)	-0.1%	(15)	0.0%	(10)	0.0%
Depreciation of tangible fixed assets	(4,929)	-3.6%	(4,737)	-3.5%	(1,586)	-3.6%	(1,591)	-3.5%
Amortisation of intangible fixed assets	(11)	0.0%	(10)	0.0%	(3)	0.0%	(3)	0.0%
<b>EBIT</b>	<b>418</b>	<b>0.3%</b>	<b>146</b>	<b>0.1%</b>	<b>466</b>	<b>1.1%</b>	<b>869</b>	<b>1.9%</b>
Financial income	140	0.1%	137	0.1%	38	0.1%	50	0.1%
Financial charges	(1,211)	-0.9%	(897)	-0.7%	(396)	-0.9%	(308)	-0.7%
<b>Adjustments of equity investments</b>	<b>74</b>	<b>0.1%</b>	<b>107</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Pre-tax result</b>	<b>(579)</b>	<b>-0.4%</b>	<b>(507)</b>	<b>-0.4%</b>	<b>109</b>	<b>0.2%</b>	<b>611</b>	<b>1.3%</b>
Income taxes for the year	37	0.0%	(113)	-0.1%	66	0.1%	(178)	-0.4%
(Deferred) prepaid taxes	(104)	-0.1%	203	0.1%	(61)	-0.1%	246	0.5%
<b>Total net profit (loss)</b>	<b>(*) (646)</b>	<b>-0.5%</b>	<b>(*) (417)</b>	<b>-0.3%</b>	<b>(*) 114</b>	<b>0.3%</b>	<b>(*) 679</b>	<b>1.5%</b>

(\*) Result after income taxes

### Statement of comprehensive income

(€/000)	30/09/2018	30/09/2017	Q3 2018	Q3 2017
<b>Total net profit (loss)</b>	<b>(646)</b>	<b>(417)</b>	<b>114</b>	<b>679</b>
Actuarial gains (losses) due to defined-benefit retirement plans	56	(220)	25	(382)
Tax effect due to other profits (losses)	-	-	-	-
<b>Total other comprehensive profits (losses)</b>	<b>56</b>	<b>(220)</b>	<b>25</b>	<b>(382)</b>
<b>Comprehensive net profit (loss)</b>	<b>(590)</b>	<b>(637)</b>	<b>139</b>	<b>297</b>

## 2.4 Comments on income statement

Effective as of 1 September is the industrial and commercial partnership agreement in the sector of fresh salads and other vegetable products between Centrale del Latte d'Italia S.p.A. and Zerbinati Srl - an Italian market leader in the production of conventional and organic ready-to-eat vegetables and salads, and of fresh ready meals.

The agreement concerned the transfer to Zerbinati of the *"Salads & Fruits"* business unit, located in Casteggio (Pavia) and used for the production of fresh salads, and has guaranteed continuity of production and the employment of the 26-strong staff in Casteggio. At the same time, CLI, through its sales channels, started to sell the salads and the other products in the large Zerbinati range (soups, cream soups, side servings, gluten-free burgers and vegetable flans, etc.) in the areas where the Group is present.

As already stated in the half-yearly report, the social and economic context the Group is called upon to operate in continues to show signs of weakness and a slowdown in economic growth, and, consequently, in consumption and investments.

The situation of the market in Q3 - and especially during the month of September, in which the expectations of an upturn were not fulfilled – has significantly worsened matters, with a notable decrease in milk consumption.

In such a fragile structural framework, volumes and turnover improved slightly, with exports recording a significant rise compared to 30 September 2017.

Turnover at 30 September 2018 reached € 133.812 million, up 1.2% compared to 30 September 2017. During Q3 2018 turnover equalled € 43.289 million, compared to € 44.218 million for the same period of 2017.

**EBITDA** in the first 9 months reached € 5,449 million (4.0% of the value of production), versus € 4,979 million at 30 September 2017 (3.6% of the value of production). After taking account of amortisation and depreciation amounting to € 4929 million, EBIT stood at € 418 thousand, compared to € 146 thousand at 30 September 2017.

The consolidated net result after taxes was negative for € 646 thousand, compared to the loss after taxes of € 417 thousand recorded at 30 September 2017.

(€/000)	30/09/2018	30/09/2017	Change for the period
Value of production	135,770	134,959	0.6%
EBITDA	5,449	4,979	9.4%
EBIT	418	146	184.4%
Result after taxes	(646)	(417)	-54.9%

(€/000)	Q3 2018	Q3 2017	Change for the quarter
Value of production	43,289	44,727	-1.7%
EBITDA	2,070	2,473	-1.7%
EBIT	466	869	-16.3%
Result after taxes	114	679	-83.4%

The **Group's consolidated turnover** came to € 133.812 million in Q3 2018, compared to the € 132.177 million in the same period of 2017, marking an increase of 1.2%.

(€/000)	30/09/2018		30/09/2017		Change for the period	
Fresh milk	51,398	38.4%	51,744	39.1%	(347)	-0.7%
UHT milk	29,677	22.2%	31,299	23.7%	(1,622)	-5.2%
Yogurt	6,195	4.6%	6,975	5.3%	(780)	-11.2%
Fresh vegetables	4,596	3.4%	4,910	3.7%	(314)	-6.4%
Bulk milk and cream	2,857	2.1%	2,989	2.3%	(132)	-4.4%
Other packaged products	34,292	25.6%	31,420	23.8%	2,872	9.1%
Drinks of plant origin	2,148	1.6%	1,896	1.4%	252	13.3%
Export	2,649	2.0%	944	0.7%	1,705	180.6%
<b>Total</b>	<b>133,812</b>	<b>100.0%</b>	<b>132,177</b>	<b>100.0%</b>	<b>1,635</b>	<b>1.2%</b>

During Q3 2018, turnover reached € 43.289 million, down 2.1% compared to the same period of FY 2017.

(€/000)	Q3 2018		Q3 2017		Change for the quarter	
Fresh milk/ESL	14,760	34.1%	16,146	36.5%	(1,386)	-8.6%
UHT milk	10,597	24.5%	11,234	25.4%	(637)	-5.7%
Yogurt	1,784	4.1%	2,682	6.1%	(898)	-33.5%
Fresh vegetables	1,294	3.0%	1,669	3.8%	(375)	-22.5%
Drinks of plant origin	728	1.7%	860	1.9%	(132)	-15.3%
Bulk milk and cream	11,405	26.3%	10,877	24.6%	528	4.9%
Other packaged products	800	1.8%	543	1.2%	257	47.4%
<b>Export</b>	<b>1,919</b>	<b>4.4%</b>	<b>207</b>	<b>0.5%</b>	<b>1,712</b>	<b>827.1%</b>
<b>Total</b>	<b>43,289</b>	<b>100.0%</b>	<b>44,218</b>	<b>100.0%</b>	<b>(929)</b>	<b>-2.1%</b>

## Geographical Breakdown

Turnover at 30 September 2018 was broken down as follows: 98% in Italy and 2% abroad.

## 2.5 Consolidated financial position

Net financial position takes account of the important investments made during the period in the Group's factories and for the Supply Chain Contract and the Development Contract.

(€/000)	30/09/2018	31/12/2017	Change
Cash and cash equivalents	8,523	25,475	(7,224)
<b>Total current financial assets</b>	<b>8,523</b>	<b>25,475</b>	<b>(7,224)</b>
Payables to banks	(5,670)	(4,963)	2,937
Current share of medium/long-term loans	(16,297)	(24,520)	(226)
Current share of payables to other lenders	(451)	(751)	(156)
<b>Total current financial liabilities</b>	<b>(22,418)</b>	<b>(30,234)</b>	<b>2,555</b>
Payables for medium/long-term loans	(47,452)	(42,307)	2,094
Medium/long term payables to other lenders	(403)	(656)	(6)
<b>Payables for bonds: 2017 – 2024 (*)</b>	<b>(14,688)</b>	<b>(14,660)</b>	<b>(0)</b>
<b>Total non-current financial liabilities</b>	<b>(62,544)</b>	<b>(57,624)</b>	<b>2,100</b>
<b>Total financial liabilities</b>	<b>(84,962)</b>	<b>(87,857)</b>	<b>(479)</b>
<b>Net financial debt</b>	<b>(76,440)</b>	<b>(62,384)</b>	<b>6,745</b>

(\*) the value is carried at amortized cost.



### **3. REMARKS CONCERNING THE PERFORMANCE OF THE COMPANIES WITHIN THE SCOPE OF CONSOLIDATION**

#### **3.1 Centrale del Latte della Toscana S.p.A.**

Centrale del Latte della Toscana S.p.A. closed the first nine months of the year with a net profit after taxes of € 211 thousand, against a loss of € 42 thousand at 30 September 2017. The value of production, gross of intra-group sales, amounted to € 50.379 million, compared to € 60.229 million at 30 September 2017 (-16%). Q3 2018 closed with a loss after taxes of € 99 thousand, against a profit after taxes of € 18 thousand at 30 September 2017. The value of production during the period, gross of intra-group sales, amounted to € 18.601 million, compared to € 19.808 million in Q3 2017 (-6%).

#### **3.2 Centrale del Latte di Vicenza S.p.A.**

Centrale del Latte di Vicenza S.p.A. closed the first nine months of 2018 with a loss after taxes of € 375 thousand, against a loss of € 418 thousand at 30 September 2017. The value of production, gross of intra-group sales, amounted to € 23.833 million, compared to € 22.348 million at 30 September 2017 (+6%). Q3 2018 closed with a loss after taxes of € 169 thousand, against a loss of € 41 thousand at 30 September 2017. The value of production during the period, gross of intra-group sales, amounted to € 7.677 million, compared to € 7.313 million in Q3 2017 (+5%).

### **4. EVENTS AFTER THE CLOSE OF THE PERIOD**

On 15 October 2018, Centrale del Latte d'Italia S.p.A. signed a preventive agreement with Agenzia delle Entrate to obtain access to the benefits of the Patent Box tax regime for the calculation of the income entitled to reduced taxation deriving from the use of its own brands for the 2015 tax year and for the following 4 years.

### **5. BUSINESS OUTLOOK**

During the coming quarter, no particular changes are expected in the economic situation and the market compared to the results of Q3, and with the implementation of the new organisational structures and the constant rationalisation of costs, a result in line with the past can be expected.

### **6. ACCOUNTING SCHEDULES OF THE PARENT COMPANY**

The Parent Company ended Q3 2018 with a 2.4% rise in the value of production compared to the same period of the previous year. EBITDA reached € 1.586 million, i.e. 2.6% of the value of production, whereas EBIT reached € 68 thousand compared to € 154 thousand at 30 September 2017, with a loss after taxes of € 483 thousand.

### 6.1 Reclassified statement of financial and equity position

(€/000)	30/09/2018		31/12/2017	
Technical fixed assets	15,047		15,498	
Current technical fixed assets	9,976		3,426	
Intangible fixed assets	6,241		6,240	
Equity investments and securities	52,031		52,031	
Financial receivables from subsidiary	3,000		-	
<b>Financial receivables from affiliates</b>	<b>1</b>		<b>1</b>	
<b>Total fixed assets</b>	<b>86,296</b>	<b>95.5%</b>	<b>77,196</b>	<b>97.2%</b>
Trade receivables	13,677		12,208	
Inventories	2,680		2,811	
Other short-term assets	8,615		7,933	
Trade payables	(17,959)		(17,830)	
Other payables	(2,675)		(2,602)	
Tax liabilities	(243)		(298)	
<b>Net working capital</b>	<b>4,095</b>	<b>4.5%</b>	<b>2,222</b>	<b>2.8%</b>
<b>LIABILITIES AND EQUITY</b>	<b>90,392</b>	<b>100.0%</b>	<b>79,418</b>	<b>100.0%</b>
Employee severance indemnity	2,152		2,252	
Provision for Directors' indemnity at the end of their terms in office	367		305	
Other provisions	76		154	
Provision for deferred taxes	2,081		2,048	
<b>Total long-term liabilities and provisions</b>	<b>4,676</b>	<b>5.2%</b>	<b>4,759</b>	<b>6.0%</b>
Cash, banks and securities	(5,610)		(23,115)	
Current share of medium/long-term loans	170		7,576	
Current share of payables to other lenders	64		68	
Medium/long-term loans	5,208		7,678	
Medium/long-term payables to other lenders	60		-	
Payables for Bond 2017 - 2024	14,668		14,660	
<b>Net financial position</b>	<b>18,382</b>	<b>20.3%</b>	<b>6,867</b>	<b>8.6%</b>
Share capital	28,840		28,840	
Reserves	38,976		38,748	
Profit (loss) for the period after taxes	(**) (483)		(**) 204	
<b>Total Shareholders' Equity</b>	<b>67,334</b>	<b>74.5%</b>	<b>67,792</b>	<b>85.4%</b>
<b>LIABILITIES AND EQUITY</b>	<b>90,392</b>	<b>100.0%</b>	<b>79,418</b>	<b>100.0%</b>

(\*) Pre-tax result

(\*\*) Result after income taxes

### Net financial position

(€/000)	30/09/2018	31/12/2017	Change
Cash and cash equivalents	5,610	23,115	(17,505)
<b>Total current financial assets</b>	<b>5,610</b>	<b>23,115</b>	<b>(17,505)</b>
<b>Payables to banks</b>	<b>(170)</b>	<b>-</b>	<b>170</b>
Current share of medium/long-term loans	(3,802)	(7,576)	(3,775)
Current share of payables to other lenders	(64)	(68)	(3)
<b>Total current financial liabilities</b>	<b>(4,036)</b>	<b>(7,644)</b>	<b>(3,608)</b>
Payables for medium/long-term loans	(5,208)	(7,678)	(2,470)
Medium/long term payables to other lenders	(60)	-	60
<b>Payables for bonds: 2017 – 2024 (*)</b>	<b>(14,688)</b>	<b>(14,660)</b>	<b>28</b>
<b>Total non-current financial liabilities</b>	<b>(19,956)</b>	<b>(22,338)</b>	<b>(2,382)</b>
<b>Total financial liabilities</b>	<b>(23,992)</b>	<b>(29,982)</b>	<b>(5,990)</b>
<b>Net financial position</b>	<b>(18,382)</b>	<b>(6,867)</b>	<b>11,515</b>

(\*) the value is carried at amortized cost.

**6.2 Reclassified statement of income statement**

(€/000)	30/09/2017		30/09/2017		Q3 2018		Q3 2017	
Revenue from sales and services	59,195	98.7%	57,640	98.4%	19,121	97.8%	18,665	98.4%
Change in inventories	(110)	-0.2%	45	0.1%	(124)	-0.6%	(153)	-0.8%
Other revenue and income	899	1.5%	876	1.5%	550	2.8%	450	2.4%
<b>Value of production</b>	<b>59,983</b>	<b>100.0%</b>	<b>58,561</b>	<b>100.0%</b>	<b>19,547</b>	<b>100.0%</b>	<b>18,962</b>	<b>100.0%</b>
Services	(16,702)	-27.8%	(16,571)	-28.3%	(5,125)	-26.2%	(5,152)	-27.2%
Raw materials	(32,510)	-54.2%	(31,010)	-53.0%	(10,857)	-55.5%	(10,012)	-52.8%
Other operating costs	(482)	-0.8%	(678)	-1.2%	(123)	-0.6%	(312)	-1.6%
<b>Added value</b>	<b>10,290</b>	<b>17.2%</b>	<b>10,302</b>	<b>17.6%</b>	<b>3,441</b>	<b>17.6%</b>	<b>3,486</b>	<b>18.4%</b>
Personnel costs	(8,704)	-14.5%	(8,399)	-14.3%	(2,611)	-13.4%	(2,501)	-13.2%
<b>EBITDA</b>	<b>1,586</b>	<b>2.6%</b>	<b>1,904</b>	<b>3.3%</b>	<b>830</b>	<b>4.2%</b>	<b>985</b>	<b>5.2%</b>
Allowance to provision for bad debts	(68)	-0.1%	(60)	-0.1%	(8)	0.0%	-	0.0%
Depreciation of tangible fixed assets	(1,450)	-2.4%	(1,491)	-2.5%	(408)	-2.1%	(486)	-2.6%
<b>EBIT</b>	<b>68</b>	<b>0.1%</b>	<b>353</b>	<b>0.6%</b>	<b>414</b>	<b>2.1%</b>	<b>499</b>	<b>2.6%</b>
Financial income	90	0.2%	27	0.0%	27	0.1%	17	0.1%
Financial charges	(599)	-1.0%	(225)	-0.4%	(189)	-1.0%	(87)	-0.5%
<b>Adjustment of equity investments</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>-</b>
<b>Pre-tax result</b>	<b>(441)</b>	<b>-0.7%</b>	<b>154</b>	<b>0.3%</b>	<b>252</b>	<b>1.3%</b>	<b>428</b>	<b>2.2%</b>
Income taxes for the year	4	0.0%	(78)	-0.1%	(1)	0.0%	(42)	-0.2%
(Deferred) prepaid taxes	(45)	-0.1%	(33)	-0.1%	(13)	-0.1%	-	-
<b>Total net profit (loss)</b>	<b>(*) (483)</b>	<b>-0.8%</b>	<b>(*) 43</b>	<b>0.1%</b>	<b>(*) 238</b>	<b>1.2%</b>	<b>(*) 386</b>	<b>2.0%</b>

(\*) Result after income taxes

**Statement of comprehensive income**

(€/000)	30/09/2018	30/09/2017	Q3 2018	Q3 2017
<b>Total net profit (loss)</b>	<b>(483)</b>	<b>43</b>	<b>238</b>	<b>386</b>
Actuarial gains (losses) due to defined-benefit retirement plans	24	(76)	15	(87)
Tax effect due to other profits (losses)	-	-	-	-
<b>Total other comprehensive profits (losses)</b>	<b>24</b>	<b>(76)</b>	<b>15</b>	<b>(87)</b>
<b>Comprehensive net profit (loss)</b>	<b>(459)</b>	<b>(33)</b>	<b>253</b>	<b>299</b>

Turin, 30 October 2018

The Chairman of the Board of Directors

Luigi LUZZATI

Pursuant to paragraph 2 of article 154 bis of the Consolidated Finance Law, the Executive in charge of drafting corporate accounts, Mr. Vittorio Vaudagnotti, stated that the accounting information herein contained tallies with the company's documentary evidence, ledgers and accounts.

Turin, 30 October 2018

The Executive in charge of drafting corporate accounts.

Vittorio VAUDAGNOTTI