

## 2

**BALANCE SHEET**

At December 31 (millions of euros)

<b>ASSETS</b>	<b>Note</b>	<b>2016 (*)</b>	<b>2015</b>
<b>Non-current assets</b>		<b>3,068.5</b>	<b>2,938.9</b>
Intangible assets	6b	739.1	647.1
<b>Tangible assets</b>	6c	<b>1,236.0</b>	<b>967.1</b>
Long-term Group company investments	6d	724.9	962.9
Long-term financial investments		1.5	1.5
Deferred tax assets	18	367.0	360.3
<b>Current assets</b>		<b>1,808.6</b>	<b>1,060.7</b>
Inventories	9	382.1	362.1
Trade and other receivables	10	697.5	661.8
<b>Short-term Group company investments</b>	11	<b>727.1</b>	<b>34.8</b>
Short-term financial investments	11	0.0	0.0
<b>Short-term prepaid expenses</b>		<b>1.9</b>	<b>1.9</b>
Cash and cash equivalents		0.0	0.1
<b>Total</b>		<b>4,877.1</b>	<b>3,999.6</b>
<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2016 (*)</b>	<b>2015</b>
<b>Equity</b>		<b>1,487.7</b>	<b>536.0</b>
Shareholders' equity	12	1,480.9	526.1
<b>Grants</b>	13	<b>6.8</b>	<b>9.9</b>
<b>Non-current liabilities</b>		<b>500.6</b>	<b>391.2</b>
Long-term provisions	14	311.0	266.1
Long-term liabilities	15	132.5	86.9
Long-term Group company liabilities	15	0.0	0.0
Deferred tax liabilities	18	10.1	10.6
Long-term prepaid income		47.0	27.6
<b>Current liabilities</b>		<b>2,888.8</b>	<b>3,072.4</b>
Short-term provisions	14	897.2	799.1
Short-term liabilities	15	145.1	59.9
Short-term Group company liabilities	15	4.5	521.6
Trade and other payables	16	1,791.9	1,671.8
Short-term prepaid income		50.1	20.0
<b>Total</b>		<b>4,877.1</b>	<b>3,999.6</b>

(\*) See Note 23.

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**PROFIT AND LOSS STATEMENT**

January 1 to December 31 (millions of euros)

<b>CONTINUING OPERATIONS</b>	<b>Note</b>	<b>2016 (*)</b>	<b>2015</b>
Net sales	19a	8,597.3	8,332.1
Change in inventories of finished goods and work in progress	19b	0.8	(3.2)
Material, wages and overheads capitalized as assets		165.9	229.8
Supplies	19c	(6,561.6)	(6,375.1)
Other operating income	19d	425.8	473.2
Personnel costs	19e	(823.5)	(718.7)
Other operating expenses	19f	(1,408.1)	(1,592.0)
Depreciation of fixed assets	6a	(323.3)	(311.6)
Change of grants from non-financial fixed assets and others	13	4.8	4.9
Excess of provisions		66.0	62.2
Impairment and result on disposal of fixed assets	6a	(0.6)	(108.9)
<b>Operating result</b>		<b>143.5</b>	<b>(7.3)</b>
Financial income	19g	67.6	62.5
Financial expenses	19h	(13.2)	(17.7)
Exchange rate differences	17	5.4	(41.8)
Impairment and result on disposal of financial instruments	19i	671.4	0.0
<b>Financial result</b>		<b>731.2</b>	<b>3.0</b>
<b>Result before tax</b>		<b>874.7</b>	<b>(4.3)</b>
Corporation tax	18	28.5	10.3
<b>Result for year</b>		<b>903.2</b>	<b>6.0</b>

(\*) See Note 23

## 4

**STATEMENT OF CHANGES IN EQUITY**

At December 31 (millions of euros)

<b>STATEMENT OF RECOGNIZED INCOME AND EXPENSES</b>	<b>Note</b>	<b>2016</b>	<b>2015</b>
<b>A) Result of profit and loss statement</b>		<b>903.2</b>	<b>6.0</b>
For valuation of financial instruments		0.0	0.0
<i>Financial assets available for sale</i>		0.0	0.0
<i>Other income/expenses</i>		0.0	0.0
For coverage of cash flow		0.0	0.0
Grants	13	0.0	0.0
For actuarial gains and losses and other adjustments		0.0	0.0
For non-current assets and linked liabilities, maintained for sale		0.0	0.0
Conversion differences		0.0	0.0
Taxation effect		0.0	0.0
<b>B) Total income and expenses entered directly to equity</b>		<b>0.0</b>	<b>0.0</b>
For valuation of financial instruments		0.0	0.0
<i>Financial assets available for sale</i>		0.0	0.0
<i>Other income/expenses</i>		0.0	0.0
For coverage of cash flow		0.0	0.0
Grants	13	(4.7)	(4.9)
For non-current assets and linked liabilities, maintained for sale		0.0	0.0
Conversion differences		0.0	0.0
Taxation effect		1.4	1.5
<b>C) Total transfers to profit and loss statement</b>		<b>(3.3)</b>	<b>(3.4)</b>
<b>D) Total recognized income and expenses (A+B+C)</b>		<b>899.9</b>	<b>2.6</b>

STATEMENT OF TOTAL CHANGES IN EQUITY	Subscribed capital	Share premium	Reserve	Profit/loss from prev. years	Profit/loss for year	Subventions	Total
<b>Final Balance 2014</b>	<b>0.1</b>	<b>1,008.1</b>	<b>107.8</b>	<b>(530.2)</b>	<b>(65.7)</b>	<b>13.3</b>	<b>533.4</b>
Adjustments for changes of criterion	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjustments for errors	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted Balance beginning 2015</b>	<b>0.1</b>	<b>1,008.1</b>	<b>107.8</b>	<b>(530.2)</b>	<b>(65.7)</b>	<b>13.3</b>	<b>533.4</b>
Total recognized income and expenses	0.0	0.0	0.0	0.0	6.0	(3.4)	2.6
Operations with partners or owners	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Capital increase</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Capital reduction</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Conversion of financial liabilities into equity</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Distribution of dividends</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Operations with own shares or participations (net)</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Variation in equity due to business combinations</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Other operations with partners or owners</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Other variations in equity	0.0	0.0	0.0	(65.7)	65.7	0.0	0.0
<b>Final Balance 2015</b>	<b>0.1</b>	<b>1,008.1</b>	<b>107.8</b>	<b>(595.9)</b>	<b>6.0</b>	<b>9.9</b>	<b>536.0</b>
Adjustments for changes of criterion	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjustments for errors	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted Balance beginning 2016</b>	<b>0.1</b>	<b>1,008.1</b>	<b>107.8</b>	<b>(595.9)</b>	<b>6.0</b>	<b>9.9</b>	<b>536.0</b>
Total recognized income and expenses	0.0	0.0	0.0	0.0	903.2	(3.3)	899.9
Operations with partners or owners	0.0	0.0	51.6	0.0	0.0	0.2	51.8
<i>Capital increase</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Capital reduction</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Conversion of financial liabilities into equity</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Distribution of dividends</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Operations with own shares or participations (net)</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Variation in equity due to business combinations (*)</i>	<i>0.0</i>	<i>0.0</i>	<i>51.6</i>	<i>0.0</i>	<i>0.0</i>	<i>0.2</i>	<i>51.8</i>
<i>Other operations with partners or owners</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Other variations in equity	0.0	0.0	0.0	6.0	(6.0)	0.0	0.0
<b>Final Balance 2016</b>	<b>0.1</b>	<b>1,008.1</b>	<b>159.4</b>	<b>(589.9)</b>	<b>903.2</b>	<b>6.8</b>	<b>1,487.7</b>

(\*) See Notes 12 and 23.

## 5

**CASH FLOW STATEMENT**

January 1 to December 31 (millions of euros)

	2016	2015
<b>A) Cash flow from operating activities</b>	<b>761.1</b>	<b>781.3</b>
Result before tax	874.7	(4.3)
Adjustment of result	(275.3)	553.2
<i>Depreciation of fixed assets</i>	323.3	311.6
<i>Valuation corrections due to impairment</i>	15.8	126.9
<i>Variation of provisions</i>	125.0	137.5
<i>Accounting entry of grants</i>	(6.5)	(6.1)
<i>Results of disposal of fixed assets</i>	0.6	0.0
<i>Results of disposal of financial instruments</i>	(671.4)	(3.4)
<i>Financial income</i>	(67.6)	(62.5)
<i>Financial expenses</i>	13.2	9.1
<i>Exchange rate differences</i>	(5.4)	41.8
<i>Valuation at reasonable value in financial instruments</i>	0.0	0.0
<i>Other income and expenses</i>	(2.3)	(1.7)
Changes in current capital	102.0	145.0
<i>Inventories</i>	(34.3)	(11.3)
<i>Trade and other receivables</i>	68.7	(165.9)
<i>Other current assets</i>	0.2	(0.3)
<i>Trade and other payables</i>	29.0	306.5
<i>Other current liabilities</i>	38.4	16.0
<i>Other non-current assets and liabilities</i>	0.0	0.0
Other cash flow in operating activities	59.7	87.4
<i>Payment of interests</i>	(4.1)	(5.6)
<i>Collection of dividends</i>	69.7	59.6
<i>Collection of interests</i>	0.4	0.4
<i>Collection (payment) for corporation tax</i>	(6.3)	33.0
<i>Other payments (collections)</i>	0.0	0.0

	2016	2015
<b>B) Cash flow from investment activities</b>	<b>(472.3)</b>	<b>(470.2)</b>
Payments for investment	(1,281.4)	(475.0)
<i>Group and associated companies</i>	(699.5)	(2.5)
<i>Intangible assets</i>	(206.2)	(262.1)
<i>Tangible assets</i>	(375.3)	(209.9)
<i>Other financial assets</i>	(0.4)	(0.5)
Collection for disinvestments	809.1	4.8
<i>Group and associated companies</i>	808.3	0.5
<i>Intangible assets</i>	0.2	0.1
<i>Tangible assets</i>	0.1	3.7
<i>Other financial assets</i>	0.5	0.5
<i>Non-current assets available for sale</i>	0.0	0.0
<b>C) Cash flow from financing activities</b>	<b>(294.3)</b>	<b>(269.2)</b>
Collection and payments for equity instruments	1.8	1.2
<i>Acquisition of own equity instruments</i>	0.0	0.0
<i>Disposal of own equity instruments</i>	0.0	0.0
<i>Grants</i>	1.8	1.2
Collection and payments for financial liability instruments	(296.1)	(270.4)
<i>Issue</i>	0.0	0.1
<i>Borrowing from credit institutions</i>	0.0	0.0
<i>Borrowing from Group and associated companies</i>	0.0	0.0
<i>Other liabilities</i>	0.0	0.1
<i>Repayment and depreciation of</i>	(296.1)	(270.5)
<i>Borrowing from credit institutions</i>	0.0	0.0
<i>Borrowing from Group and associated companies</i>	(266.2)	(260.3)
<i>Other liabilities</i>	(29.9)	(10.2)
Payments for dividends and remuneration of other equity instruments	0.0	0.0
<i>Dividends</i>	0.0	0.0
<i>Remuneration of other equity instruments</i>	0.0	0.0
<b>D) Effect of exchange rate variations</b>	<b>5.4</b>	<b>(41.8)</b>
<b>E) Net increase/decrease in cash or equivalents (A+B+C+D)</b>	<b>(0.1)</b>	<b>0.1</b>
Cash or equivalents at beginning of year	0.1	0.0
Cash or equivalents at end of year	0.0	0.1