14.03.2013

Tesmec S.p.A.: the Board of Directors approves the Draft Financial Statements and the Consolidated Financial Statements as at 31 December 2012[1] , which records a significant improvement in all the main economic and financial results.

Main consolidated results for the 2012 financial period (*vs.* the 2011 financial period):

- **Revenues: Euro 119.8 million (increasing by 7% compared to Euro 111.8 million as at 31 December 2011)**
- **EBITDA[2]: Euro 24.3 million (increasing by 28% compared to Euro 19 million as at 31 December 2011)**
- **Operating income (EBIT): Euro 17.6 million (increasing by 33% compared to Euro 13.2 million as at 31 December 2011)**
- **Net profit: Euro 8.1 million (increasing by 23% compared to Euro 6.6 million as at 31 December 2011)**
- **Net financial indebtedness**: Euro 56.5 million (up compared to Euro 59.6 million as at 31 December 2011). The Net financial indebtedness as at 31 December 2012 would **total Euro 35.8 million** (**down compared to Euro 37.9 million as at 31 December 2011**) without considering the effects of IAS 17 for the lease contract of the premises of Grassobbio

- **Total Backlog: Euro 60.9 million** (increasing by 38% compared to Euro 44.1 million as at 31 December 2011)

Other resolutions:

- **The Ordinary Shareholders' Meeting was convened on 30 April 2013 at 10.00 a.m. at Borsa Italiana**
- **A dividend of Euro 0.035 per share was proposed increasing by 17% compared to Euro 0.030 of the 2011 financial period; the dividend will be paid on 23 May 2013 (with ex-dividend date 20 May 2013, in compliance with the Borsa Italiana calendar, with record date 22 May 2013)**
- **The annual Report on Corporate Governance and Ownership Structure, the remuneration policy and the annual Report on Remuneration were approved and the independence requirements were verified**

[1] The consolidated financial statements and the draft financial statements are the subject matter of an audit still to be completed to date.

[2] EBITDA is represented by the operating income gross of amortisation/depreciation. The EBITDA thus defined represents a measurement used by Company management to monitor and assess the company's operating performance. EBITDA is not recognised as a measure of performance by the IFRS and therefore is not to be considered an alternative measurement for assessing the performance of the Group operating income. As the composition of EBITDA is not governed by the reference accounting standards, the criterion for determination applied by the Group may not be in line with the criterion adopted by others and therefore not comparable.

***Grassobbio (Bergamo), 14 March 2013* – The Board** of Directors of **Tesmec S.p.A.** (MTA, STAR: TES), among the main global players offering **integrated solutions for infrastructures** related to transmission of electrical power and data and material transport, convened today and chaired by **Ambrogio Caccia Dominioni**, examined and approved the **Draft Financial Statements and the Consolidated Financial Statements as at 31 December 2012** that ends with a growth of all the main consolidated results compared to the 2011 financial period and, in particular, with a **Net Profit increasing by 23%,** and an **EBITDA by 28%**.

Ambrogio Caccia Dominioni, Chairman and Chief Executive Officer of Tesmec S.p.A. stated*: "Albeit in a still very complex macroeconomic context, the Tesmec Group was able to record in the 2012 financial period an increase in all major indicators in terms of profitability and margins and an improvement of net financial indebtedness. These results were achieved thanks to the strong contribution of the Trencher segment and in the last quarter of the rail sector, as a further confirmation of the validity of growth strategy in new market segments as well, started from the listing on the stock exchange. Therefore, for 2013, our Group intends to continue along this path, through further development of new businesses as well as foreign markets, with a special reference to USA, China and the Middle East."*

During 2012, the Group continued to develop its strategy focus on innovation- thanks to which it won important international tenders in the rail sector - internationalisation implemented both through the development of wholly-owned subsidiaries (USA, Russia and South Africa) and through the establishment of Joint-Ventures with local shareholders (USA and Qatar), and integration of companies and businesses that created important synergies.

Thanks to this strategy, the Tesmec Group recorded a improvement in all major economic and financial indicators by increasing the overall profitability of the company and continuing to create value for all shareholders.

Main consolidated results of the 2012 financial period

As at **31 December 2012,** the Tesmec Group achieved consolidated **Revenues** of **Euro 119.8 million, increasing by 7%** compared to Euro 111.8 million recorded in the 2011 financial period.

Consolidated revenues by segment as at 31.12.2012

With a special reference to the **"Stringing equipment" segment**, the Tesmec Group as at 31 December 2012 recorded **Revenues** of Euro **68.9** million, **increasing by 6%** compared to the 2011 financial period when they totalled **Euro 65.3 million** thanks both to the contribution of the rail sector and to the increase in sales in the North American and North European markets.

Revenues of the **"Trencher" segment** for the financial period ended as at 31 December 2012 totalled Euro **50.9** million, **increasing by 9%** compared to Euro 46.5 million recorded as 31 December 2011, thanks to the important contribution of the North American market that recorded a increase in direct sales to end customers by the Tesmec USA subsidiary, and thanks to the good performance of the Tesmec SA (South Africa) subsidiary due to the "rent to own" formula in sale that was fully operational in 2012.

Results as at 31 December 2012	Revenues from sales and services		
(Euro in thousands)	**2012**	**2011**	**Change**
Stringing equipment	68,906	65,282	+ 5.6 %
Effect on Consolidated Revenues	*57.5 %*	*58.4 %*	
Trencher	50,928	46,497	+ 9.5 %
Effect on Consolidated Revenues	*42.5%*	*41.6%*	
Consolidated	119,834	111,779	+7.2 %

Consolidated revenues by geographic area as at 31.12.2012

Geographically, the Tesmec Group confirms the balance of its global abroad presence by recording revenues of about 33% in the macro-area of Europe and Africa, 34% in the American continent and 33% in the macro-area of Asia.

Specifically, with regard to the stringing equipment segment, BRICS markets maintained a very high share of revenues while the North and Central America - and in particular, the USA - market increases considerably thanks to the excellent results recorded by the Condux Tesmec subsidiary as well. With regard to the Trencher segment, the Group achieved significant results in the markets of North America and the Middle East.

EBITDA as at 31.12.2012[3]

	Results as at 31 December 2012	
(Euro in thousands)	**2012**	**2011**
Revenues from sales and services	119,834	111,779
Operating costs net of depreciation and amortisation and of non-recurring expenses	(95,539)	(92,804)

[3]Specifically, as from the 2012 Financial Statements, with the aim to better represent the actual economic trend of the Group; the portion of gains/losses from equity investments in joint ventures was included in the operating income (loss 0.1 Euro mln in 2011 and positive for 0.2 Euro mln in 2012). Such a change is considered necessary in the light of the fact that the two Joint ventures, Condux-Tesmec and Tesmec Peninsula, in 2012, approached gradually structural operations, leaving behind the start-up phase that characterised their operations in previous financial periods.

EBITDA	**24,295**	**18,975**
Effect on revenues	20%	17%

As at 31 December 2012, the consolidated **EBITDA** totalled **Euro 24.3 million**, **increasing by 28%** compared to Euro 19 million recorded as at 31 December 2011. This result was positively affected by the margins achieved in the market of North America, thanks both to the increase in revenues and to the increase in margins due to the transition from the indirect (distributors) to the direct sales channel, for end users. The improvement in margins was also due to the good performance as well as the good performance of sales in the Middle East market.

EBIT as at 31.12.2012

The **operating income (EBIT)** as at 31 December 2012 of the Tesmec Group totalled **Euro 17.6 million**, **increasing by 33%** compared to Euro 13.2 million recorded as at 31 December 2011.

Net financial expenses and income as at 31 December 2012

Net financial expenses of the Tesmec Group increased from Euro 2.4 million as at 31 December 2011 to Euro 5.4 million as at 31 December 2012. This change is mainly attributable the different dynamics of the exchange rate Euro / USD in the two periods, the item called "realised and unrealised exchange gains and losses" as at 31 December 2012 it reported a negative balance of Euro 1 million while at 31 December 2011 the above item reported a positive balance of Euro 1.4 million.

Net Profit as at 31 December 2012

The consolidated **Net Profit** as at 31 December 2012 of the Tesmec Group totalled **Euro 8.1 million**, **increasing by 23%** compared to Euro 6.6 million recorded as at 31 December 2011, mainly due to the improvement of the operating margins.

Net working capital as at 31 December 2012

The **net working capital** as at 31 December 2012 totalled **Euro 48.8 million**, improvement compared to 31 December 2011, considering the increase in revenues, the weight in percentage on revenues decreasing from 43% as at 31 December 2011 to 41% for the 2012 financial period.

Net financial indebtedness as at 31 December 2012

The **Net financial indebtedness** as at 31 December 2012 of the Tesmec Group totalled Euro 56.5 million and, without considering the effects of IAS 17 for the lease contract of the premises of Grassobbio, **Euro 35.8 million.** As at 31 December 2011, the net financial indebtedness totalled Euro 59.6 million and, without considering the effects of IAS 17 for the lease contract of the premises of Grassobbio, Euro 37.9 million. The improvement is mainly related to positive cash flows in the period.

Order Backlog as at 31 December 2012

As at 31 December 2012, the **Total Order Backlog** of the Tesmec Group amounted to Euro **60.9** million, of which Euro 37.8 million referring to the stringing equipment segment and Euro 23.1 million to the Trencher segment, increasing by 38% compared to Euro 44.1 million recorded as at 31 December 2011.

Separate financial statements of the parent Company Tesmec S.P.A.

The Tesmec S.p.A. Parent Company closed the 2012 financial period with Net revenues of Euro 102.9 million, up compared to Euro 101.2 million of the 2011 financial period.

The EBITDA of Tesmec S.p.A. totalled Euro 19.3 million - with margins accounting for 19 % - mainly in line compared to Euro 19.2 million as at 31 December 2011.

The net profit of the Parent Company as at 31 December 2012 amounted to Euro 6.2 million (Euro 7.5 million as at 31 December 2011).

The net financial indebtedness of the Parent Company as at 31 December 2012 totalled Euro 44.7 million, down compared to Euro 51.9 million as at 31 December 2011, and, without considering the effects of IAS 17 for the lease contract of the premises of Grassobbio, would equal Euro 24 million compared to Euro 30.2 million as at 31 December 2011.

Significant events occurred during the 2012 financial period

On 10 January, the ordinary Shareholders' Meeting of Tesmec S.p.A. authorised the Board of Directors to carry out purchase and sale operations of treasury shares for a maximum period of 18 months, up to a maximum number of ordinary shares representing as a whole not more than 5% of the currently existing share capital, comprising ordinary shares only. Purchases must be made on the market at a price that does not exceed the highest value between the price of the last independent transaction and the price of the current higher independent offer in trading venues where the purchase is made, without prejudice to the fact that the purchase transactions must be carried out at a price that does not deviate down and up for more than 10% compared to the reference price recorded by the security at the close of the trading session before each transaction. The Shareholders' Meeting of Tesmec S.p.A. also decided to increase the number of directors of the Company from ten to eleven and appointed Leonardo Marseglia as a new member.

On 10 January, following the Shareholders' Meeting of the Company, the Board of Directors of Tesmec S.p.A. approved the launch of a treasury share purchase program whose purposes, duration and value were laid down by the aforesaid resolution of the shareholders' meeting authorising the purchase, whereas the maximum quantity was initially fixed at 2% of the Share Capital. The Board of Directors also decided that the maximum number of shares that can be purchased every day is defined in compliance with Article 5 of the EC 2273/2003 Regulation. Today, in accordance with the mentioned resolution, Tesmec S.p.A. holds 1,577,000 treasury shares.

On 13 January, Tesmec S.p.A. signed an investment agreement in Bertel S.p.A., a start-up operating in a market with a high technical profile such as that of streamlining systems of High-Voltage Power Networks and that offers innovative technological solutions. Performing the investment contract, Tesmec S.p.A. entered in the share capital of Bertel through a reserved capital increase of a nominal amount of Euro 200 thousand by means of which it has come to hold 40% of the share capital of Bertel.

On 12 March 2012, Tesmec Service S.r.l., 100% owned by Tesmec S.p.A., signed a contract for the lease of a business unit related to the marketing and design of the AMC2 Progetti e Prototipi S.r.l. company, operating in mechanical design, electrical engineering, electronics and railway rolling stock production for the maintenance of the railway infrastructure.

On 26 April 2012, the Shareholders' Meeting of Tesmec S.p.A., convened in first call, approved the 2011 Financial Statements and resolved to distribute a dividend of Euro 0.030 per share (increasing by 7% compared to Euro 0.028 per share of the 2010 financial period), paid on 24 May 2012. Moreover, the meeting resolved favourably on the First Section of Report on Remuneration pursuant to Article 123-ter of Legislative Decree no. 58/98 and read the Consolidated Financial Statements of the Tesmec Group with regard to the 2011 financial period.

On 4 July 2012, Tesmec Service S.r.l. integrated the contract, signed on 12 March 2012, for the lease of a business unit related to the marketing and design of the AMC2 Progetti e Prototipi S.r.l. company, finalising the lease of the production division as well (consisting of 6 workers) with the aim of meeting both the orders already acquired with RFI and the future development plans of the rail sector.

In July, the photovoltaic plant installed on the roofs of the warehouses of the premises of Grassobbio was started; it will cover about one third of the demand for electricity of the factory.

On 13 September 2012, Tesmec USA, in line with the strategy of the Group focused on developing its presence in the railway line electrification segment - thanks to the development of an innovative system for the electrification and maintenance of the "Production Wire Train" - won a contract related to the supply of two railway cars with the US National Railroad Passenger Corporation ("AMTRAK"), group active in the United States in the segment of railway suburban transport. The value of the work contract amounts to 7.2 million dollars for 2013 with the possibility of annual renewal for another five years.

On 9 November 2012, the Board of Directors approved a plan for the sale of Tesmec shares held by the Company to the majority of workers, employees, executives and managers of Tesmec and of the Group. 163,000 Shares were subscribed as part of this plan.

On 11 December 2013, a “Network Contract” was signed pursuant to and for the purposes of Article 42 of Italian Legislative Decree 78/2010 converted, by amendments, in Italian Law no. 122 of 30 July 2010 for the development of technologies in the “green” area together with related parties, Reggiani Macchine and MTS S.p.A.. The investments will benefit from the developments of each area albeit financed independently.

Significant events subsequent to 31 December 2012

On 30 January 2013, pursuant to Article 3 of Consob Resolution no. 18079 of 20 January 2012, the Board of Directors of Tesmec S.p.A. decided to comply with the opt-out system set forth in Articles 70, paragraph 8 and 71, paragraph 1-bis, of Consob Resolution no. 11971/99 (with further supplements and amendments), by making use of the right to depart from the obligation to publish information documents required by Annexe 3B of the Consob Regulation above on the occasion of significant mergers, demergers, capital increase by non-cash contributions, acquisitions and sales.

Business outlook

The markets, in which the Tesmec Group is, will be affected by several initiatives of investment in infrastructures and therefore, it is likely for the Group to take advantage of its position in these markets in order to continue the growth trend of volumes and margins already starting from this year.

In particular, on the basis of good growth performances recorded in 2012, it is reasonable to assume that this positive trend will continue into 2013, driven by the development of new sectors, as well as by the USA, China and Middle East markets.

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Other resolutions

Today, the Board of Directors of Tesmec S.p.A. conformed the Articles of Association to some regulatory provisions contained in Italian Legislative Decree no. 91 of 18 June 2012, in the manner prescribed by Article 2365, paragraph 2, of the Italian Civil Code and by Article 19, paragraph 2, of the Articles of Association.

More precisely, the amendments to the articles of association established that the single session represents the method predetermined for the organisation of the Shareholders' Meetings. The Articles of Association as amended will be available by law on the company's web site at:

http://investor.tesmec.com/Governance/StatuteEthicCode.aspx

Moreover, the Board of Directors of Tesmec approved the Report on Corporate Governance and Ownership Structure and checked whether the members of the BoD were in possession of the independence requirements, deeming that there were no changes in the situation already announced to the market.

The Board of Directors of Tesmec S.p.A. approved the remuneration policy of the directors and executives with strategic responsibilities and the annual Report on Remuneration that will be submitted to the Shareholders.

Finally, the Board of Directors of Tesmec S.p.A. decided to convene the Ordinary Shareholders' Meeting of the Company in a single session on 30 April 2013, at 10.00 a.m., at Borsa Italiana to approve:

- the Financial Statements at 31 December 2012 and the allocation of profit;
- the first section of the remuneration policy;
- appointment of the Board of Directors;
- appointment of Statutory Auditors;
- proposal to authorize the acquisition and disposal of treasury shares, subject to revocation of the resolution passed by the shareholders on 10 January 2012.

The Board of Directors of Tesmec S.p.A. propose to the Ordinary Shareholders the payment of a dividend, the shares outstanding on the ex-dividend date, amounting to € 0.035 per share, an increase of 17% compared to € 0.030 for 2011. The ex-dividend date will be May 20, 2013, payable as from 23 May 2013 and the record date May 22, 2013.

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At 3.30 PM(CET) – 2.30 PM BST today, Thursday 14th March 2013 Ambrogio Caccia Dominioni, Chairman and Managing Director of Tesmec S.p.A., and the Top Management of the Company will present the consolidated results for the year 2012 to the financial community during a conference call. The telephone numbers to be connected are the following:

Italy partecipants:	**+39 02 805 88 11**
UK partecipants:	**+44 121 281 8003**
Germany partecipants:	**+49 69 255 11 4451**
France partecipants:	**+33 170918703**
Switzerland partecipants:	**+41 225954727**

The presentation to analysts and investors is available in the Investors section of the website.

http://investor.tesmec.com/Investors/Presentations.aspx

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The manager responsible for preparing corporate accounting documents, Andrea Bramani, declares, pursuant to article 154-bis, paragraph 2, of Legislative Decree No. 58/1998 ("Consolidated Financial Act") that the information contained in this press release corresponds to the documentation, books and accounting records.

It is to be noted that in this press release, in addition to the conventional financial indicators required by IFRS, there are also some alternative performance indicators (e.g. EBITDA) to allow for a better understanding of the economic and financial management. These indicators are consistent with common market practice.

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The draft balance sheet at 31st December 2012 along with the Management Report, the Directors' Reports for the items on the agenda of the Annual General Meeting, the Auditors' report and the reports of the auditing company as well as the Consolidated Financial Statements at 31st December 2012 and the Report on corporate governance and ownership structure will be made available to anyone who requests them at the registered office and will also be available in the "Investors" section of the Company website www.tesmec.com as according to law.

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For further information:

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This press release is also available on www.tesmec.com in the "Investors" section:

http://investor.tesmec.com/Investors/Notices.aspx.

The Tesmec Group:

The Group is mainly active in designing, manufacturing and selling **special products** and **integrated solutions for the construction, maintenance and efficiency of infrastructures** related to the transportation/delivery of energy, data and material.

The Group, established in 1951 and led by Charmain & CEO Ambrogio Caccia Dominioni, relies on more than 400 employees and has five production plants: four in Italy, in Grassobbio (Bergamo), Endine Gaiano (Bergamo), Sirone (Lecco), Monopoli (Bari), and one in the USA, in Alvarado (Texas).

From the IPO, July 1, 2010, the Parent Company has pursued a strategy of diversification of Business announced to offer a complete range of integrated solutions that has led it to have six different lines of business.

The Group by six different business lines offers:

- machines and integrated systems for aerial and underground stringing, power lines and fiber optic cables;
- machines and integrated systems for the installation, maintenance and troubleshooting of overhead railroad wiring/catenaries as well as customized machines for special operations on the line;
- integrated solutions for efficiency, management and monitoring of the electricity networks of low, medium and high voltage (solutions for smart grids).
- high powered tracked trenchers for linear excavation of underground networks and pipelines, and delivery of data, raw materials, and liquid and gaseous materials.
- high powered tracked trenchers for mining and leveling works (RockHawg)
- consulting services and specialized excavation at the request of the customer;
- multi-purpose construction equipment (Gallmac).

Both business divisions are developed in accordance with the ISEQ (Innovation, Safety, Efficiency and Quality) philosophy, with environmental sustainability and energy conservation in mind.

The know-how achieved in the development of specific technologies and solutions, and the presence of engineering teams and highly skilled technicians, allow Tesmec to directly manage the entire production chain: from the design, production and sale of machinery, to all pre-sales and post-sales. The combination of a cutting-edge product and a deep knowledge on the use of innovative technologies to meet the new demands of the market, allow the Group to offer a winning combination focused on ensuring high performance on the jobsite .

Today, the Group does not only sell technologically advanced machines, but fully integrated systems for electrification and excavation that ensure extremely high performance on the job . These results come from the constant pursuit of innovation, safety, efficiency and quality also achieved though the installation of new software aboard our machines that allow safe, reliable and high performance.

The Group also has a commercial presence globally in most foreign countries and can count on a direct presence in several continents, consisting of foreign companies and sales offices in USA, South Africa, Russia, Qatar, Bulgaria and China

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Attached below[4]:

[4] Data for which audit activity is nearing completion.

Tesmec Group reclassified consolidated income statements

	31 December	
	2012	2011
	(€ in thousands)	
Revenues	**119,834**	**111,779**
Total operating costs	(102,245)	(98,591)
Operating Income	**17,589**	**13,188**
Financial (income) / expenses	(5,382)	(2,496)
Share of profit / (loss) of associates and joint ventures	(11)	63
Income before taxation	**12,196**	**10,755**
Net income for the period	**8,133**	**6,590**
EBITDA	**24,295**	**18,975**
EBITDA (% on revenues)	**20%**	**17%**

Tesmec Group reclassified consolidated statements of financial position

	As of 31 December 2012	As of 31 December 2011
	(€ in thousands)	
Non-current assets	55,055	53,978
Current assets	112,855	104,509
Total assets	**167,910**	**158,487**
Non-current liabilities	53,599	54,257
Current liabilities	71,366	65,343
Total liabilities	**124,965**	**119,600**
Equity	42,945	38,887
Total equity and liabilities	**167,910**	**158,487**

Tesmec Group reclassified consolidated cash flow statements

	31 December	
	2012	**2011**
	(€ in thousands)	
Net cash provided/(used) by operating activities (A)	16,097	5,100
Net cash provided/(used) by investing activities (B)	(11,947)	(8,191)
Net cash provided/(used) by financing activities (C)	(728)	9,142
Increase / (decrease) in cash and cash equivalents (D=A+B+C)	**3,422**	**6,051**
Cash and cash equivalents at the beginning of the period (F)	**13,817**	**7,767**
Net effect of conversion of foreign currency on cash and cash equivalents (E)	(95)	(1)
Total cash and cash equivalents at end of the period (G=D+E+F)	**17,144**	**13,817**

Tesmec Group other consolidated financial information

	As of 31 December 2012	As of 31 December 2011
	(€ in thousands)	
Net working capital[5]	48,817	48,381
Non current assets	49,644	48,225
Other Non current assets and liabilities	1,029	1,879
Net invested capital[6]	**99,490**	**98,485**
Net financial indebtedness[7]	56,545	59,598
Equity	42,945	38,887
Total equity and net financial indebtedness	**99,490**	**98,485**

[5] We have calculated net working capital as trade receivables, inventories and other current assets (excluding cash and cash equivalents) less trade payables and other current payables. Net working capital is not a recognized measure of financial performance or liquidity under IFRS. No undue reliance should be placed on the net working capital data contained in this Press Release.

[6] We have calculated net invested capital as net working capital plus non-current assets less non-current liabilities excluding non-current financial liabilities. Net invested capital is not a recognized measure of financial performance or liquidity under IFRS. No undue reliance should be placed on the net working capital data contained in this Press Release.

[7] We have calculated net financial indebtedness as short-term borrowings, current portion of long-term debt and long-term debt less cash and cash equivalents. Net financial indebtedness is not a recognized measure of financial performance or liquidity under IFRS. No undue reliance should be placed on the net working capital data contained in this Press Release.

Tesmec S.p.A. reclassified consolidated income statements

	31 December	
	2012	**2011**
	(€ in thousands)	
Revenues	**102,852**	**101,152**
Total operating costs	(88,945)	(86,874)
Operating Income	**13,907**	**14,278**
Financial (income) / expenses	(4,893)	(2,160)
Share of profit / (loss) of associates and joint ventures	***9,014***	***12,118***
Income before taxation	***6,168***	***7,514***
Net income for the period		
EBITDA	**19,295**	**19,214**
EBITDA (% on revenues)	**19%**	**19%**

Tesmec S.p.A. reclassified consolidated statements of financial position

	As of 31 December 2012	As of 31 December 2011
	(€ in thousands)	
Non-current assets	54,724	55,581
Current assets	100,557	94,080
Total assets	**155,282**	**149,661**
Non-current liabilities	52,004	53,028
Current liabilities	63,840	59,685
Total liabilities	**115,844**	**112,713**
Equity	39,438	36,948
Total equity and liabilities	**155,282**	**149,661**

Tesmec S.p.A. reclassified consolidated cash flow statements

	31 December	
	2012	**2011**
	(€ in thousands)	
Net cash provided/(used) by operating activities (A)	16,298	4,066
Net cash provided/(used) by investing activities (B)	(14,891)	(13,473)
Net cash provided/(used) by financing activities (C)	1,724	15,338
Increase / (decrease) in cash and cash equivalents (D=A+B+C)	**(317)**	**5,931**
Cash and cash equivalents at the beginning of the period (F)	**13,360**	**7,429**
Net effect of conversion of foreign currency on cash and cash equivalents (E)	-	-
Total cash and cash equivalents at end of the period (G=D+E+F)	**13,043**	**13,360**

Tesmec S.p.A. other consolidated financial information

	As of 31 December 2012	As of 31 December 2011
	(€ in thousands)	
Net working capital[8]	32,345	36,465
Non current assets	52,187	52,777
Other Non current assets and liabilities	(353)	(385)
Net invested capital[9]	**84,179**	**88,857**
Net financial indebtedness[10]	44,742	51,909
Equity	39,437	36,948
Total equity and net financial indebtedness	**84,179**	**88,857**

8 We have calculated net working capital as trade receivables, inventories and other current assets (excluding cash and cash equivalents) less trade payables and other current payables. Net working capital is not a recognized measure of financial performance or liquidity under IFRS. No undue reliance should be placed on the net working capital data contained in this Press Release.

9 We have calculated net invested capital as net working capital plus non-current assets less non-current liabilities excluding non-current financial liabilities. Net invested capital is not a recognized measure of financial performance or liquidity under IFRS. No undue reliance should be placed on the net working capital data contained in this Press Release.

10 We have calculated net financial indebtedness as short-term borrowings, current portion of long-term debt and long-term debt less cash and cash equivalents. Net financial indebtedness is not a recognized measure of financial performance or liquidity under IFRS. No undue reliance should be placed on the net working capital data contained in this Press Release.