



PRESS RELEASE

B&C Speakers S.p.A.

The Board of Directors approves the Interim Report as of September, 30th 2013

- Consolidated revenues equal to 25,13 Euro millions (+12,1% vs. 22,41 Euro millions in 2012)
- Consolidated EBITDA amounted to 6,56 Euro millions (+25,9% vs. 5,21 Euro millions in 2012)
- Group net profit amounted to 3,88 Euro millions (+35,7% vs. 2,85 Euro millions in 2012)
- Group net financial position positive and equal to 0,60 Euro million (positive and equal to 0,81 Euro million as of December 31st 2012).

Bagno a Ripoli (Fi), November 14th 2013 – The B&C Speakers S.p.A Board of Directors, one of the major worldwide players in the industry of design, production, distribution and marketing of electro-acoustic transducers (speakers) for professional use, approved the **Interim report** of the Group as of **September 30th 2013 (first 9 months of 2013)**, drawn up according to international accounting standards IFRS.

Consolidated revenues

Consolidated revenues in the first 9 months of 2013 amounted to **25,13 millions** Euro resulting in significant growth compared to the same period in 2012 (+12.10% on 2012 value of **22,41** millions Euro) which had already performed on record levels.

This result confirms a very positive trend started since the second quarter of 2012. During the period, the Group has consolidated its presence in the most important markets, the European one (+1,6% with sales of 12,54 Euro millions which represents the 50% of global sales) as well as into the North and South America one (+18,2% with sales of 6,45 Euro millions equal to 26% of global sales); during the same period the Asian market has continued to grow considerably (+45,6% with sales totaling 5,99 Euro millions which represents the 24% of global sales).

Even the data relating to received **Sale orders** (by the parent company B&C Speakers S.p.A.), confirm this positive trend; during the first 9 months of 2013 they reached 24,3 Euro millions, an increase of 7,3% compared to the same period of 2012 when they were equal to 22,8 Euro millions.



As of September 30th 2013 the Parent Company backlog results substantially unchanged, and equal to 7,9 Euro millions while at the end of third quarter of 2012 it was approximately 7,6 Euro millions.

Purchases of raw materials, consumables and goods

The costs for supplies showed a significant reduction in their incidence on revenues compared to the first 9 months of 2012, down from 39,7% to **37,4%**; this result is due to the cost reduction of some raw materials and to a significant improvement on procurement processes.

Labour cost

The **Labour cost** increases, compared to the same period of 2012, its incidence on revenues, from 14,9% of 2012 to 16,1% of 2013; this increase is due to the provision of an extraordinary bonus (linked to the excellent results achieved in the course of 2012) to all employees, as well as the significant use of temporary workers in production lines. The incidence of the labour cost on revenues in any case is in reduction compared to the first quarter (17,0%) and the first Half of 2013 (16.5%).

EBITDA and EBITDA margin

As a result of the dynamics explained above, **the reported EBITDA** for the first 9 months of 2013 was 6,6 Euro millions, increasing by 25,9% compared to the same period of 2012 (in which **EBITDA** amounted to 5,2 Euro millions).

The **EBITDA margin** therefore was 26,1% of revenues, in significative growth compared to the same period of 2012 (23,3% of revenues of the period).

A more favourable sales mix (due to a higher incidence of high value added products/customers) contributed to this improvement.

EBIT

The **EBIT** as of September 30th 2013 was 5,9 Euro millions, increasing by 27,8% vs 2012 (4,6 Euro millions).

Group net profit and net financial Position

Group net profit at the end of the first three quarters of 2013 is 3,9 Euro millions and represents 15,4% of consolidated revenues (+35,7% compared to the same period of the previous year, when it amounted to 2,9 Euro millions, equal to 12,74% of revenues of the period).



The Group's financial stability is maintained on adequate levels and the **net financial position** is positive for 0,6 Euro millions while as of December 31st 2012 it was positive and equal to 0,8 Euro millions. This result is to be considered very satisfactory, considering the 2013 dividend payment (equal to 3,1 Euro millions) and the increase in working capital as a result of increased volumes

Group's reclassified income statement for the first nine months of 2013

Reclassified Income Statement of the Group

(euro thousands)

	9 months 2013	incidence	9 months 2012	incidence
Revenues	25.127	100,00%	22.414	100,00%
Other revenues	182	0,72%	118	0,53%
Total revenues	25.309	100,72%	22.532	100,53%
Change in inventory	194	0,77%	1.460	6,51%
Purchases of raw materials and other	(9.593)	-38,18%	(10.354)	-46,19%
Labor cost	(4.043)	-16,09%	(3.342)	-14,91%
Services costs	(5.112)	-20,34%	(4.747)	-21,18%
Other costs	(193)	-0,77%	(336)	-1,50%
Ebitda	6.562	26,12%	5.213	23,26%
Depreciations of tangible assets	(499)	-1,99%	(453)	-2,02%
Amortizations of intangible assets	(84)	-0,33%	(92)	-0,41%
Writedowns	(45)	-0,18%	(23)	-0,10%
Ebit	5.934	23,62%	4.645	20,72%
Interest income	157	0,62%	137	0,61%
Finance costs	(254)	-1,01%	(233)	-1,04%
Ebt	5.837	23,23%	4.549	20,30%
Income taxes	(1.983)	-7,89%	(1.596)	-7,12%
Net Result	3.854	15,34%	2.953	13,17%
Minority interesr	0	0,00%	0	0,00%
Group Net Result	3.854	15,34%	2.953	13,17%
Other comprehensive result	21	0,08%	(98)	-0,44%
Total Comprehensive result	3.875	15,42%	2.855	12,74%

Important events occurring after September 30, 2013

After the end of the third quarter 2013 and up to the date of preparation of this press release, as a result of switching to the Star segment of the Italian Stock Exchange, which occurred in late September, the company has been able to participate in the Star Conference, held at the London Stock Exchange, achieving an excellent welcome from the international investors.

Prospects for the full year 2013

In respect to the year end financial Trends, the Company's management predicts, given the dynamic of the portfolio orders and the strong market positioning, full FY 2013 revenues and EBITDA increasing significantly vs 2012.



The manager responsible for the preparation of accounting documents of B&C Speakers S.p.A., Mr. Francesco Spapperi, certifies - pursuant to art. 154-bis, paragraph 2 of Leg. Decree No. 58/1998, that the accounting information contained in this press release corresponds to the documentary results, books and accounting entries

The interim financial report as of September 30th 2013 of the B&C Speakers Group will be available to anyone who requests it at the company's registered office and at the Italian Stock Exchange, and also on the company's website -www.bcspeakers.com - in the "Investor Relations" section, in terms of law.

B&C Speakers S.p.A.

B&C Speakers S.p.A is one of the major players internationally in the field of design, production, distribution and marketing of electro-acoustic transducers for professional use (major components of speakers for playing music, commonly known as speakers) intended primarily for producers of finished professional audio systems (OEM). With about 100 employees, of whom about 10% employed in Research and Development, B&C Speakers carries out at its headquarters in Florence all design, production, marketing and control. Most of the products are developed on the specific demands of major clients. B&C Speakers is also present in the USA and in Brazil through two subsidiaries that perform commercial activities.

B&C S.p.A Speakers.

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Consolidated balance sheet as of September 30, 2013

Reclassified Balance sheet	30 September	31 December	
(€ thousands)	2013	2012	change
Property, plant & Equipment	3.784	3.672	112
Inventories	7.181	6.575	606
Receivables	7.443	7.092	351
Other receivables	1.247	1.026	221
Payables	(2.634)	(3.149)	515
Other payables	(2.644)	(1.867)	(778)
Working capital	10.591	9.677	914
Provisions	(1.245)	(1.187)	(58)
Invested net working capital	13.130	12.161	969
Cash and cash equivalents	2.524	2.222	301
Investments in associates	-	-	-
Goodwill	1.394	1.394	-
Other financial receivables	1.022	974	49
Financial assets	4.940	4.590	350
Invested net non operating capital	4.940	4.590	350
NET INVESTED CAPITAL	18.070	16.751	1.319
Equity	16.138	15.341	797
Short-term financial borrowings	1.319	761	558
Long-term financial borrowing	613	649	(36)
RAISED CAPITAL	18.070	16.751	1.319



Total Consolidated income statement for the first 9 months of 2013

CONSOLIDATED INCOME STATEMENT	9 months 2013	9 months 2012 restated (Note 1)
Revenues	25.126.931	22.414.245
Other revenues	182.192	118.373
Change in inventory of finished goods and work in progress	193.842	1.459.584
Cost of raw material and others	9.592.902	10.353.919
Cost of labour	4.043.345	3.342.149
Cost of services	5.111.996	4.746.651
related parties	686.847	606.567
Depreciation of tangible assets	499.193	453.331
Depreciation of intangible assets	83.765	91.511
Writedowns	45.313	23.438
Other costs	193.185	335.752
Earning before taxes and interests	5.933.266	4.645.451
Financial income	157.248	136.692
Financial costs	253.532	233.195
Earning before taxes	5.836.982	4.548.948
Income Taxes	1.982.713	1.596.334
Profit for the year (A)	3.854.269	2.952.614
Other comprehensive income for the year:		
Exchange differences on translating foreign operations	14.463	(102.118)
DBO actuarial gain/(losses) (net of tax effect)	6.147	5.283
Total other comprehensive income for the year (B)	20.611	(96.835)
Total comprehensive income (A) + (B)	3.874.879	2.855.779
Profit attributable to:		
Parent Company	3.854.269	2.952.614
Minority interests	-	-
Total comprehensive income attributable to:		
Parent Company	3.874.879	2.855.779
Minority interests	-	-