



LEGRAND
UNAUDITED CONSOLIDATED FINANCIAL INFORMATION
SEPTEMBER 30, 2016

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Consolidated key figures

<i>(in € millions)</i>	9 months 2016	9 months 2015
Net sales	3,704.6	3,560.3
Adjusted operating profit ⁽¹⁾	740.6	700.9
<i>As % of net sales</i>	20.0%	19.7%
	20.2% before Acquisitions*	
Operating profit	707.5	668.7
<i>As % of net sales</i>	19.1%	18.8%
Net income excluding minority interests	425.6	416.2
<i>As % of net sales</i>	11.5%	11.7%
Normalized free cash flow ⁽²⁾	482.5	479.8
<i>As % of net sales</i>	13.0%	13.5%
Free cash flow ⁽³⁾	424.2	403.8
<i>As % of net sales</i>	11.5%	11.3%
Net financial debt at September 30 ⁽⁴⁾	1,149.4	1,022.4

*At 2015 scope of consolidation.

⁽¹⁾ Adjusted operating profit is defined as operating profit adjusted for amortization of revaluation of intangible assets at the time of acquisitions and for expense and income relating to acquisitions and, where applicable, for impairment of goodwill.

⁽²⁾ Normalized free cash flow is defined as the sum of net cash from operating activities - based on a working capital requirement representing 10% of the last 12 month's sales and whose change at constant scope of consolidation and exchange rates is adjusted for the period considered - and net proceeds of sales from fixed and financial assets, less capital expenditure and capitalized development costs.

⁽³⁾ Free cash flow is defined as the sum of net cash from operating activities and net proceeds from sales of fixed and financial assets, less capital expenditure and capitalized development costs.

⁽⁴⁾ Net financial debt is defined as the sum of short-term borrowings and long-term borrowings, less cash and cash equivalents and marketable securities.

The reconciliation of consolidated key figures with the financial statements is available in the appendices to the first nine months 2016 results press release.

Consolidated Statement of Income

<i>(in € millions)</i>	9 months ended	
	September 30, 2016	September 30, 2015
Net sales	3,704.6	3,560.3
Operating expenses		
Cost of sales	(1,740.7)	(1,714.9)
Administrative and selling expenses	(1,016.9)	(973.4)
Research and development costs	(175.5)	(159.2)
Other operating income (expenses)	(64.0)	(44.1)
Operating profit	707.5	668.7
Financial expenses	(74.9)	(68.7)
Financial income	6.3	8.5
Exchange gains (losses)	(0.2)	6.7
Financial profit (loss)	(68.8)	(53.5)
Profit before tax	638.7	615.2
Income tax expense	(210.1)	(198.4)
Share of profits (losses) of equity-accounted entities	(0.8)	0.0
Profit for the period	427.8	416.8
Of which:		
- Net income excluding minority interests	425.6	416.2
- Minority interests	2.2	0.6
Basic earnings per share (euros)	1.597	1.563
Diluted earnings per share (euros)	1.583	1.546

Statement of Comprehensive Income

<i>(in € millions)</i>	9 months ended	
	September 30, 2016	September 30, 2015
Profit for the period	427,8	416,8
<i>Items that may be reclassified subsequently to profit or loss</i>		
Translation reserves	(21,8)	(47,6)
Income tax relating to components of other comprehensive income	(10,3)	8,3
<i>Items that will not be reclassified to profit or loss</i>		
Actuarial gains and losses after deferred taxes	(10,6)	(1,9)
Comprehensive income for the period	385,1	375,6
Attributable to:		
- Legrand	382,9	375,4
- Minority interests	2,2	0,2

Consolidated Balance Sheet

<i>(in € millions)</i>	September 30, 2016	December 31, 2015
ASSETS		
Non-current assets		
Intangible assets	1,848.3	1,822.0
Goodwill	3,088.0	2,776.3
Property, plant and equipment	566.6	562.2
Investments in equity-accounted entities	2.7	0.0
Other investments	14.8	18.3
Other non-current assets	5.8	6.4
Deferred tax assets	115.2	114.9
Total non-current assets	5,641.4	5,300.1
Current assets		
Inventories (Note 3)	684.1	680.3
Trade receivables (Note 4)	615.2	545.4
Income tax receivables	34.0	28.6
Other current assets	170.2	170.0
Marketable securities	0.0	2.5
Other current financial assets	0.1	0.7
Cash and cash equivalents	751.9	1,085.9
Total current assets	2,255.5	2,513.4
Total Assets	7,896.9	7,813.5

<i>(in € millions)</i>	September 30, 2016	December 31, 2015
EQUITY AND LIABILITIES		
Equity		
Share capital (Note 5)	1,068.7	1,067.7
Retained earnings	3,045.4	3,006.2
Translation reserves	(297.9)	(276.1)
Equity attributable to equity holders of Legrand	3,816.2	3,797.8
Minority interests	11.1	9.6
Total equity	3,827.3	3,807.4
Non-current liabilities		
Long-term provisions	112.8	108.8
Provisions for post-employment benefits	170.3	170.6
Long-term borrowings (Note 6)	1,509.5	1,823.2
Other non-current liabilities	0.0	0.4
Deferred tax liabilities	687.2	656.4
Total non-current liabilities	2,479.8	2,759.4
Current liabilities		
Trade payables	519.9	531.3
Income tax payables	70.4	41.0
Short-term provisions	86.7	104.8
Other current liabilities	519.9	501.3
Short-term borrowings (Note 6)	391.8	67.9
Other current financial liabilities	1.1	0.4
Total current liabilities	1,589.8	1,246.7
Total Equity and Liabilities	7,896.9	7,813.5

Consolidated Statement of Cash Flows

<i>(in € millions)</i>	9 months ended	
	September 30, 2016	September 30, 2015
Profit for the period	427.8	416.8
Adjustments for non-cash movements in assets and liabilities:		
– Depreciation and impairment of tangible assets	70.4	71.6
– Amortization and impairment of intangible assets	34.0	31.9
– Amortization and impairment of capitalized development costs	19.7	20.9
– Amortization of financial expenses	1.8	1.7
– Impairment of goodwill	0.0	0.0
– Changes in long-term deferred taxes	13.7	5.4
– Changes in other non-current assets and liabilities	17.8	12.7
– Unrealized exchange (gains)/losses	(3.8)	1.4
– Share of (profits) losses of equity-accounted entities	0.8	0.0
– Other adjustments	0.6	0.2
– (Gains)/losses on sales of assets, net	0.5	0.5
Changes in working capital requirement:		
– Inventories (Note 3)	6.7	(75.0)
– Trade receivables (Note 4)	(56.2)	(101.9)
– Trade payables	(10.8)	30.3
– Other operating assets and liabilities	(5.6)	69.2
Net cash from operating activities	517.4	485.7
– Net proceeds from sales of fixed and financial assets	1.2	0.9
– Capital expenditure	(72.4)	(64.2)
– Capitalized development costs	(22.0)	(18.6)
– Changes in non-current financial assets and liabilities	15.5	3.2
– Acquisitions of subsidiaries, net of cash acquired	(409.7)	(212.4)
Net cash from investing activities	(487.4)	(291.1)
– Proceeds from issues of share capital and premium (Note 5)	5.2	18.6
– Net sales (buybacks) of treasury shares and transactions under the liquidity contract (Note 5)	(67.1)	(49.6)
– Dividends paid to equity holders of Legrand	(307.1)	(293.1)
– Dividends paid by Legrand subsidiaries	(0.7)	(0.9)
– Proceeds from new borrowings and drawdowns	3.3	0.0
– Repayment of borrowings	(4.7)	(12.4)
– Debt issuance costs	0.0	0.0
– Net sales (buybacks) of marketable securities	2.5	0.6
– Increase (reduction) in bank overdrafts	16.8	24.0
– Acquisitions of ownership interests with no gain of control	0.0	(1.8)
Net cash from financing activities	(351.8)	(314.6)
Translation net change in cash and cash equivalents	(12.2)	(3.9)
Increase (decrease) in cash and cash equivalents	(334.0)	(123.9)
Cash and cash equivalents at the beginning of the period	1,085.9	726.0
Cash and cash equivalents at the end of the period	751.9	602.1
Items included in cash flows:		
– Free cash flow (Note 7)	424.2	403.8
– Interest paid* during the period	78.0	76.6
– Income taxes paid during the period	156.6	104.8

* Interest paid is included in the net cash from operating activities.

Notes to the consolidated financial statements

Note 1 - Introduction

This unaudited consolidated financial information of Legrand is presented for the nine months ended September 30, 2016. This unaudited consolidated financial information should be read in conjunction with consolidated financial statements for the year ended December 31, 2015 such as established in the Registration Document deposited under visa no D.16-0232 with the French Financial Markets Authority (AMF) on March 30, 2016.

All the amounts are presented in millions of euros unless otherwise indicated. Some totals may include rounding differences.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations adopted by the European Union and applicable or authorized for early adoption from January 1, 2016.

None of the IFRSs issued by the International Accounting Standards Board (IASB) that have not been adopted for use in the European Union are applicable to the Group.

Note 2 - Changes in the scope of consolidation

The contributions to the Group's consolidated financial statements of companies acquired since January 1, 2015 were as follows:

2015	March 31	June 30	September 30	December 31
Full consolidation method				
Valrack	Balance sheet only	Balance sheet only	Balance sheet only	10 months' profit
IME		Balance sheet only	Balance sheet only	7 months' profit
Raritan Inc.			Balance sheet only	3 months' profit
QMotion				Balance sheet only

2016	March 31	June 30	September 30
Full consolidation method			
Valrack	3 months' profit	6 months' profit	9 months' profit
IME	3 months' profit	6 months' profit	9 months' profit
Raritan Inc.	3 months' profit	6 months' profit	9 months' profit
QMotion	3 months' profit	6 months' profit	9 months' profit
Fluxpower	Balance sheet only	Balance sheet only	8 months' profit
Primetech	Balance sheet only	Balance sheet only	8 months' profit
Pinnacle		Balance sheet only	5 months' profit
Luxul Wireless		Balance sheet only	5 months' profit
Jontek		Balance sheet only	5 months' profit
Trias		Balance sheet only	Balance sheet only
CP Electronics		Balance sheet only	Balance sheet only
Solarfactive			Balance sheet only
Equity method			
TBS ⁽¹⁾		6 months' profit	9 months' profit

⁽¹⁾ Created together with a partner, TBS is to produce and sell transformers and busways in the Middle East.

The main acquisitions carried out in the first nine months of 2016 were as follows:

- the Group acquired Fluxpower in Germany and Primetech in Italy, specialized in UPS. These companies have combined annual sales of nearly €9 million;
- the Group acquired Pinnacle Architectural Lighting, one of the US leaders in architectural lighting solutions for non-residential buildings. Pinnacle Architectural Lighting has annual sales of around \$105 million;
- the Group acquired Luxul Wireless, the US leader in audio/video infrastructure products for residential buildings and small- to mid-size commercial buildings. Luxul Wireless has annual sales of over \$20 million;
- the Group acquired Jontek, specialist in solutions for monitoring assisted living platforms in the UK. Jontek has annual sales of around £3 million;
- the Group acquired 80% of Trias, Indonesian specialist in cable management and distribution cabinets. Trias has annual sales of around €6 million;
- the Group acquired CP Electronics, the UK leader in energy-efficient lighting control. CP Electronics has annual sales of around £24 million;
- the Group acquired Solarfactive, a Canadian specialist in natural lighting control for commercial buildings. Solarfactive has annual sales of around €13 million.

In all, acquisitions of subsidiaries (net of cash acquired) came to a total of €409.7 million in the first nine months of 2016, versus €212.4 million in the first nine months of 2015 (plus €1.8 million for acquisitions of ownership interests without gain of control).

Note 3 - Inventories

Inventories are as follows:

<i>(in € millions)</i>	September 30, 2016	December 31, 2015
Purchased raw materials and components	254.2	238.2
Sub-assemblies, work in progress	91.7	88.1
Finished products	448.2	459.6
Gross value at the end of the period	794.1	785.9
Impairment	(110.0)	(105.6)
Net value at the end of the period	684.1	680.3

Note 4 - Trade receivables

Trade receivables are as follows:

<i>(in € millions)</i>	September 30, 2016	December 31, 2015
Trade accounts and notes receivable	689.7	621.1
Impairment	(74.5)	(75.7)
Net value at the end of the period	615.2	545.4

Note 5 - Share capital

Share capital as of September 30, 2016 amounted to €1,068,696,252 represented by 267,174,063 ordinary shares with a par value of €4 each, for 267,174,063 voting rights.

As of September 30, 2016, the Group held 1,090,128 shares in treasury, versus 156,595 shares as of December 31, 2015, i.e. 933,533 additional shares consequently to:

- the net acquisition of 1,457,369 shares outside of the liquidity contract;
- the transfer of 547,186 shares to employees under performance share plans; and
- the net purchase of 23,350 shares under the liquidity contract (Note 5.2.2).

As of September 30, 2016, among the 1,090,128 shares held in treasury by the Group, 1,005,128 shares have been allocated according to the allocation objectives described in Note 5.2.1, and 85,000 shares are held under the liquidity contract.

5.1 Changes in share capital

	Number of shares	Par value	Share capital (euros)	Premiums (euros)
As of December 31, 2015	266,930,602	4	1,067,722,408	1,055,470,630
Exercise of options under the 2007 plan	48,727	4	194,908	1,025,684
Exercise of options under the 2008 plan	55,637	4	222,548	912,800
Exercise of options under the 2009 plan	21,508	4	86,032	193,892
Exercise of options under the 2010 plan	117,589	4	470,356	2,073,633
Repayment of paid-in capital*				(112,476,300)
As of September 30, 2016	267,174,063	4	1,068,696,252	947,200,339

* Portion of dividends distributed in June 2016 deducted from the premium account.

In the first nine months of 2016, 243,461 shares were issued under the 2007 to 2010 stock option plans, resulting in a capital increase representing a total amount of €5.2 million (premiums included).

5.2 Share buyback program and transactions under the liquidity contract

As of September 30, 2016, the Group held 1,090,128 shares in treasury (156,595 as of December 31, 2015, out of which 94,945 under the share buyback program and 61,650 under the liquidity contract) which can be detailed as follows:

5.2.1 Share buyback program

During the first nine months of 2016, the Group acquired 1,462,290 shares, at a cost of €67,149,658 and sold 4,921 shares, initially acquired at a cost of €122,631.

As of September 30, 2016, the Group held 1,005,128 shares, acquired at a total cost of €46,613,988. These shares are being held for the following purposes:

- for allocation upon exercise of performance share plans (5,128 shares purchased at a cost of €238,046); and
- for cancellation of 1,000,000 shares acquired at a cost of €46,375,942.

5.2.2 Liquidity contract

On May 29, 2007, the Group appointed a financial institution to maintain a liquid market for its ordinary shares on the Euronext™ Paris market under a liquidity contract complying with the Code of Conduct issued by the AMAFI (French Financial Markets Association) approved by the AMF on March 22, 2005. €15.0 million in cash was allocated by the Group to the liquidity contract.

As of September 30, 2016, the Group held 85,000 shares under this contract, purchased at a total cost of €4,448,928.

During the first nine months of 2016, transactions under the liquidity contract led to a cash outflow of €174,923 corresponding to net purchases of 23,350 shares.

Note 6 - Long-term and short-term borrowings

6.1 Long-term borrowings

Long-term borrowings can be analyzed as follows:

<i>(in € millions)</i>	September 30, 2016	December 31, 2015
8 ½% debentures	347.6	356.6
Bonds	1,100.0	1,400.0
Other borrowings	69.1	75.6
	1,516.7	1,832.2
Debt issuance costs	(7.2)	(9.0)
Total	1,509.5	1,823.2

6.2 Short-term borrowings

Short-term borrowings can be analyzed as follows:

<i>(in € millions)</i>	September 30, 2016	December 31, 2015
Bonds*	300.0	0.0
Commercial paper	15.0	15.0
Other borrowings	76.8	52.9
Total	391.8	67.9

* Corresponds to bonds which will be redeemable at maturity on February 24, 2017.

Note 7 - Segment information

In accordance with IFRS 8, operating segments are determined based on the reporting made available to the chief operating decision maker of the Group and to the Group's management.

Given that Legrand activities are carried out locally, the Group is organized for management purposes by countries or groups of countries which are allocated for internal reporting purposes into five geographical segments:

- France;
- Italy;
- Rest of Europe, mainly including Russia, Turkey, the UK, Iberia (including Spain and Portugal), Benelux (including especially Belgium and Netherlands), Germany and Poland;
- North and Central America, including the United States, Canada, Mexico and other Central American countries; and
- Rest of the world, mainly including India, China, South America (including especially Brazil, Chile and Colombia), Australia and Saudi Arabia.

The first four segments are under the responsibility of four segment managers who are directly accountable to the chief operating decision maker of the Group.

Rest of the world is the only segment subject to an aggregation of several operating segments which are under the responsibility of segment managers who are themselves directly accountable to the chief operating decision maker of the Group, knowing that the economic models of subsidiaries within these segments are quite similar.

Indeed, their sales are made up of electrical and digital building infrastructure products to electrical installers mainly through third-party distributors.

On January 1, 2016, the United States/Canada segment became the North and Central America segment. This change reflects the new organization of Legrand's operations in North America, with the United States, Canada, Mexico and the other countries in Central America now headed by the same segment manager which is in keeping with the region's market structure.

9 months ended September 30, 2016

<i>(in € millions)</i>	Geographical segments					Items not allocated to segments	Total
	Europe			North and central America	Rest of the world		
	France	Italy	Others				
Net sales to third parties	729.1	406.7	615.9	1,111.2	841.7		3,704.6
Cost of sales	(263.9)	(140.7)	(351.5)	(521.1)	(463.5)		(1,740.7)
Administrative and selling expenses, R&D costs	(298.1)	(120.8)	(160.5)	(380.4)	(232.6)		(1,192.4)
Other operating income (expenses)	(18.1)	(0.9)	(7.3)	(14.0)	(23.7)		(64.0)
Operating profit	149.0	144.3	96.6	195.7	121.9		707.5
- of which acquisition-related amortization, expenses and income							
• accounted for in administrative and selling expenses, R&D costs	(3.5)	(0.2)	(2.1)	(17.5)	(9.8)		(33.1)
• accounted for in other operating income (expenses)							0.0
- of which goodwill impairment							0.0
Adjusted operating profit	152.5	144.5	98.7	213.2	131.7		740.6
- of which depreciation expense	(19.0)	(13.3)	(10.6)	(9.5)	(17.6)		(70.0)
- of which amortization expense	(1.4)	(2.4)	(0.5)	(2.0)	(0.7)		(7.0)
- of which amortization of development costs	(13.9)	(5.2)	(0.2)	0.0	(0.4)		(19.7)
- of which restructuring costs	(7.9)	(1.0)	(4.2)	(0.9)	(4.6)		(18.6)
Net cash provided by operating activities						517.4	517.4
Net proceeds from sales of fixed and financial assets						1.2	1.2
Capital expenditure	(18.1)	(15.3)	(8.2)	(16.9)	(13.9)		(72.4)
Capitalized development costs	(14.7)	(5.3)	(0.5)	0.0	(1.5)		(22.0)
Free cash flow						424.2	424.2
Normalized free cash flow						482.5	482.5
Normalized free cash flow as % of sales							13.0%
Current operating assets excluding taxes	230.1	144.4	276.6	343.0	475.4		1,469.5
Net tangible assets	169.7	108.2	82.1	70.7	135.9		566.6
Current operating liabilities excluding taxes	340.5	178.0	114.5	186.9	306.6		1,126.5

9 months ended September 30, 2015

<i>(in € millions)</i>	Geographical segments					Items not allocated to segments	Total
	Europe			North and central America ⁽¹⁾	Rest of the world ⁽¹⁾		
	France	Italy	Others				
Net sales to third parties	747.5	379.8	600.9	949.4	882.7		3,560.3
Cost of sales	(278.4)	(131.3)	(342.7)	(458.7)	(503.8)		(1,714.9)
Administrative and selling expenses, R&D costs	(293.8)	(118.4)	(157.6)	(312.4)	(250.4)		(1,132.6)
Other operating income (expenses)	(11.7)	(1.1)	(10.9)	(8.0)	(12.4)		(44.1)
Operating profit	163.6	129.0	89.7	170.3	116.1		668.7
- of which acquisition-related amortization, expenses and income							
• accounted for in administrative and selling expenses, R&D costs	(4.5)	0.0	(1.9)	(13.8)	(12.0)		(32.2)
• accounted for in other operating income (expenses)							0.0
- of which goodwill impairment							0.0
Adjusted operating profit	168.1	129.0	91.6	184.1	128.1		700.9
- of which depreciation expense	(20.1)	(14.2)	(11.0)	(8.8)	(17.1)		(71.2)
- of which amortization expense	(1.0)	(2.4)	(0.6)	(1.6)	(1.0)		(6.6)
- of which amortization of development costs	(14.3)	(6.1)	(0.1)	(0.2)	(0.2)		(20.9)
- of which restructuring costs	(7.4)	(0.4)	(3.4)	(0.3)	(6.9)		(18.4)
Net cash provided by operating activities						485.7	485.7
Net proceeds from sales of fixed and financial assets						0.9	0.9
Capital expenditure	(15.4)	(9.6)	(10.7)	(11.2)	(17.3)		(64.2)
Capitalized development costs	(12.8)	(5.0)	(0.3)	0.0	(0.5)		(18.6)
Free cash flow						403.8	403.8
Normalized free cash flow						479.8	479.8
Normalized free cash flow as % of sales							13.5%
Current operating assets excluding taxes	228.4	144.4	265.6	317.4	469.8		1,425.6
Net tangible assets	169.5	106.7	84.8	62.6	113.9		537.5
Current operating liabilities excluding taxes	333.4	185.1	110.2	163.4	286.6		1,078.7

⁽¹⁾ For the 9 month period ended September 30, 2015, the published data have been restated to reflect the change in geographical segments starting January 1, 2016.

Note 8 - Quarterly data – non-audited

8.1 Quarterly revenue by geographical segment (billing region)

<i>(in € millions)</i>	1 st quarter 2016	1 st quarter 2015
France	239.3	250.3
Italy	147.5	137.2
Rest of Europe	205.0	200.4
North and Central America ⁽¹⁾	334.5	290.3
Rest of the world ⁽¹⁾	263.3	286.5
Total	1,189.6	1,164.7

<i>(in € millions)</i>	2 nd quarter 2016	2 nd quarter 2015
France	271.7	274.0
Italy	139.3	131.5
Rest of Europe	207.8	205.0
North and Central America ⁽¹⁾	353.5	330.0
Rest of the world ⁽¹⁾	286.5	306.5
Total	1,258.8	1,247.0

<i>(in € millions)</i>	3 rd quarter 2016	3 rd quarter 2015
France	218.1	223.2
Italy	119.9	111.1
Rest of Europe	203.1	195.5
North and Central America ⁽¹⁾	423.2	329.1
Rest of the world ⁽¹⁾	291.9	289.7
Total	1,256.2	1,148.6

⁽¹⁾ For the 1st quarter 2015, 2nd quarter 2015 and 3rd quarter 2015, the published data have been restated to reflect the change in geographical segments starting January 1, 2016.

8.2 Quarterly income statements

<i>(in € millions)</i>	1 st quarter 2016	1 st quarter 2015
Net sales	1,189.6	1,164.7
Operating expenses		
Cost of sales	(559.4)	(565.4)
Administrative and selling expenses	(335.9)	(325.9)
Research and development costs	(59.0)	(53.7)
Other operating income (expenses)	(19.3)	(11.2)
Operating profit	216.0	208.5
Financial expenses	(24.4)	(22.6)
Financial income	2.4	3.4
Exchange gains (losses)	(3.7)	(0.6)
Financial profit (loss)	(25.7)	(19.8)
Profit before tax	190.3	188.7
Income tax expense	(62.1)	(60.7)
Share of profits (losses) of equity-accounted entities	0.0	0.0
Profit for the period	128.2	128.0
Of which:		
- Net income excluding minority interests	127.4	127.4
- Minority interests	0.8	0.6

<i>(in € millions)</i>	2 nd quarter 2016	2 nd quarter 2015
Net sales	1,258.8	1,247.0
Operating expenses		
Cost of sales	(583.4)	(588.0)
Administrative and selling expenses	(338.6)	(338.2)
Research and development costs	(59.1)	(55.6)
Other operating income (expenses)	(22.9)	(17.1)
Operating profit	254.8	248.1
Financial expenses	(25.6)	(23.0)
Financial income	2.0	2.5
Exchange gains (losses)	3.5	1.6
Financial profit (loss)	(20.1)	(18.9)
Profit before tax	234.7	229.2
Income tax expense	(77.7)	(73.1)
Share of profits (losses) of equity-accounted entities	(0.3)	0.0
Profit for the period	156.7	156.1
Of which:		
- Net income excluding minority interests	156.1	156.0
- Minority interests	0.6	0.1

<i>(in € millions)</i>	3rd quarter 2016	3rd quarter 2015
Net sales	1,256.2	1,148.6
Operating expenses		
Cost of sales	(597.9)	(561.5)
Administrative and selling expenses	(342.4)	(309.3)
Research and development costs	(57.4)	(49.9)
Other operating income (expenses)	(21.8)	(15.8)
Operating profit	236.7	212.1
Financial expenses	(24.9)	(23.1)
Financial income	1.9	2.6
Exchange gains (losses)	0.0	5.7
Financial profit (loss)	(23.0)	(14.8)
Profit before tax	213.7	197.3
Income tax expense	(70.3)	(64.6)
Share of profits (losses) of equity-accounted entities	(0.5)	0.0
Profit for the period	142.9	132.7
Of which:		
- Net income excluding minority interests	142.1	132.8
- Minority interests	0.8	(0.1)

Note 9 - Subsequent events

No significant events occurred between September 30, 2016 and the date when the consolidated financial statements were prepared.