

Edgar Filing: NATUZZI S P A - Form 6-K

NATUZZI S P A
Form 6-K
April 11, 2006

Securities and Exchange Commission
Washington, D.C. 20549

FORM 6-K

Report of Foreign Issuer
Pursuant To Rule 13a-16 Or 15d-16
Of The
Securities Exchange Act of 1934

For the month of April 2006

Commission File Number 1-11854

NATUZZI S.p.A.
(Translation of Registrant's name into English)

Via Iazzitiello 47
70029 Santeramo, Italy
(Address of principal office)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

(Check One) Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

(Check One) Yes No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82- .)

Natuzzi's 2005 Annual Net Losses Decreased to EUR 14.6 Million

SANTERAMO IN COLLE, BARI, Italy--(BUSINESS WIRE)--April 10, 2006--Natuzzi S.p.A. (the "Company" or the "Group") (NYSE:NTZ) announces that its Board of Directors today agreed upon a change in the unaudited consolidated financial statements approved by the Board on March 29th, 2006, reducing Natuzzi's net loss for full year 2005 and fourth quarter 2005 to EUR 14.6 million and EUR 0.7 million, respectively, from EUR 16.7 million and 2.8 million previously announced.

This reduction reflects the write-off of a EUR 2.1 million prudential provision that had been included in the Group's unaudited

Edgar Filing: NATUZZI S P A - Form 6-K

financial statements in connection with the results of Italsofa Bahia, its Brazilian subsidiary. In particular, after the Board meeting of March 29, 2006, the subsidiary received a communication from local authorities fully recognizing its right to benefit from a corporate tax reduction.

Accordingly, in compliance with the Italian accounting principles and Italian legislation, the Board decided to write-off the aforesaid provision prior to the Shareholders' meeting that has been called for April 28th (first call) or April 29th (second call), 2006, in which the 2005 financial results will be presented to the Shareholders for their approval.

ABOUT NATUZZI S.P.A.

Founded in 1959 by Pasquale Natuzzi, Natuzzi S.p.A. designs and manufactures a broad collection of leather-upholstered residential furniture.

Italy's largest furniture manufacturer, Natuzzi is the global leader in the leather segment, exporting its innovative, high-quality sofas and armchairs to 123 markets on 5 continents. Cutting-edge design, superior Italian craftsmanship, and advanced, vertically-integrated manufacturing operations underpin the Company's market leadership.

Since 1990, Natuzzi has sold its furnishings in Italy through the popular Divani & Divani by Natuzzi chain of 132 stores, which it licenses to qualified furniture dealers. Outside Italy, the Company sells to various furniture retailers, as well as through 148 licensed Divani & Divani by Natuzzi and Natuzzi stores.

Natuzzi S.p.A. was listed on the New York Stock Exchange on May 13, 1993. The Company is ISO 9001 and 14001 certified.

- Tables follow -

NATUZZI S.P.A. AND SUBSIDIARIES

Unaudited Consolidated Statement of Earnings for the fourth quarter ended December 31, 2005 on the basis of Italian GAAP

	31-Dec-05	31-Dec-05
(Expressed in millions of EUR except per share data)	Approved on April 10, 2006	Approved on March 29, 2006
Upholstery net sales	173.0	173.0
Other sales	17.6	17.6
Net Sales	190.6	190.6
Purchases	(77.5)	(77.5)
Labor	(30.1)	(30.1)
Third-party Manufacturers	(7.2)	(7.2)
Manufacturing Costs	(8.9)	(8.9)
Inventories, net	(11.9)	(11.9)
Cost of Sales	(135.6)	(135.6)
Gross Profit	55.0	55.0
Selling Expenses	(48.4)	(48.4)

Edgar Filing: NATUZZI S P A - Form 6-K

General and Administrative Expenses	(12.0)	(12.0)
Operating Income (Loss)	(5.4)	(5.4)
Interest Income, net	0.0	0.0
Foreign Exchange, net	2.4	2.4
Other Income, net	6.2*	4.2
Earnings (Losses) before taxes and minority interest	3.2*	1.2
Income taxes	(4.0)*	(4.1)
Earnings (Losses) before minority interest	(0.8)*	(2.9)
Minority Interest	(0.1)*	(0.1)
Net Earnings (Losses)	(0.7)*	(2.8)
Earnings (Losses) per Share	(0.01)*	(0.05)
Average Number of Shares Outstanding (1)	54,681,628	54,681,628

(1) Net of shares repurchased

Three months ended on:	31-Dec-05	31-Dec-05
Key figures in U.S. dollars (millions, except per share data)	Approved on April 10, 2006	Approved on March 29, 2006
Net Sales	226.6	226.6
Gross Profit	65.4	65.4
Operating Income (Loss)	(6.4)	(6.4)
Net Earnings (Losses)	(0.8)*	(3.3)
Earnings (Losses) per Share	(0.01)*	(0.06)
Average exchange rate (U.S. dollar per Euro)	1.1890	

* Item affected by the changes approved by the Board

NATUZZI S.P.A. AND SUBSIDIARIES

Unaudited Consolidated Statement of Earnings for the full year ended December 31, 2005 on the basis of Italian GAAP

Twelve months ended on:	31-Dec-05	31-Dec-05
(Expressed in millions of EUR except per share data)	Approved on April 10, 2006	Approved on March 29, 2006
Upholstery net sales	594.8	594.8
Other sales	75.1	75.1
Net Sales	669.9	669.9

Edgar Filing: NATUZZI S P A - Form 6-K

	Purchases	(295.3)	(295.3)
	Labor	(108.3)	(108.3)
	Third-party Manufacturers	(25.3)	(25.3)
	Manufacturing Costs	(33.6)	(33.6)
	Inventories, net	3.1	3.1

Cost of Sales		(459.4)	(459.4)

Gross Profit		210.5	210.5

	Selling Expenses	(182.2)	(182.2)
	General and Administrative Expenses	(43.0)	(43.0)

Operating Income (Loss)		(14.7)	(14.7)

	Interest Income, net	0.0	0.0
	Foreign Exchange, net	(1.6)	(1.6)
	Other Income, net	4.5*	2.5

Earnings (Losses) before taxes and minority interest		(11.8) *	(13.8)

	Income taxes	(3.1) *	(3.2)

Earnings (Losses) before minority interest		(14.9) *	(17.0)

	Minority Interest	(0.3) *	(0.3)
Net Earnings (Losses)		(14.6) *	(16.7)

Earnings (Losses) per Share		(0.27) *	(0.31)

Average Number of Shares Outstanding*		54,681,628	54,681,628

(*) Net of shares repurchased

	Twelve months ended on:	31-Dec-05	31-Dec-05
Key Figures in U.S. dollars (millions, except per share data)		Approved on April 10, 2006	Approved on March 29, 2006
=====			
Net Sales		834.0	834.0
Gross Profit		262.1	262.1
Operating Income (Loss)		(18.3)	(18.3)
Net Earnings (Losses)		(18.2) *	(20.8)
Earnings (Losses) per Share		(0.34) *	(0.39)
Average exchange rate (U.S. dollar per Euro)		1.2449	

* Item affected by the changes approved by the Board

NATUZZI S.P.A. AND SUBSIDIARIES
Unaudited Consolidated Balance Sheet as of December 31, 2005

Approved Approved

Edgar Filing: NATUZZI S P A - Form 6-K

	on April 10, 2006	on March 29, 2006
	31-Dec-05	31-Dec-05
ASSETS		
Current Assets:		
Cash and cash equivalents	89.7	89.7
Marketable debt securities	0.0	0.0
Trade receivables, net	123.6	123.6
Other receivables	46.3	46.3
Inventories	115.7	115.7
Unrealized foreign exchange gains	0.0	0.0
Prepaid expenses and accrued income	2.6	2.6
Deferred income taxes	6.6	6.6
Total current assets	384.5	384.5
Non-Current Assets:		
Net property, plant and equipment	262.8	262.8
Other assets	16.6	16.6
Deferred income taxes	1.1	1.1
TOTAL ASSETS	665.0	665.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-term borrowings	7.7	7.7
Current portion of long-term debt	0.4	0.4
Accounts payable-trade	73.5	73.5
Accounts payable-other	24.8	24.8
Unrealized foreign exchange losses	4.8	4.8
Income taxes	2.9*	3.0
Salaries, wages and related liabilities	22.1	22.1
Total current liabilities	136.2*	136.3
Long-Term Liabilities:		
Employees' leaving entitlement	32.3	32.3
Long-term debt	3.6	3.6
Deferred income taxes	0.0	0.0
Deferred income for capital grants	14.8	14.8
Other liabilities	4.4*	6.3
Minority Interest	0.7*	0.7
Shareholders' Equity:		
Share capital	54.7	54.7
Reserves	42.3	42.3
Additional paid-in capital	8.3	8.3
Retained earnings	367.7*	365.7

Edgar Filing: NATUZZI S P A - Form 6-K

Total shareholders' equity	473.0*	471.0

Commitments and contingent liabilities	0.0	0.0

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	665.0	665.0

* Item affected by the changes approved by the Board

NATUZZI S.P.A. AND SUBSIDIARIES
 Unaudited Consolidated Statements of Cash Flows as of
 December 31, 2005

Approved on April 10, 2006
 Approved on March 29, 2006

 31-Dec-05 31-Dec-05

Cash flows from operating activities:		
Net earnings (losses)	(14.6)*	(16.7)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	33.0	33.0
Employees' leaving entitlement	2.4	2.4
Deferred income taxes	(6.3)	(6.3)
Minority interest	(0.2)*	(0.2)
(Gain) loss on disposal of assets	(0.2)	(0.2)
Unrealized foreign exchange (losses) / gain	11.9	11.9
Deferred income for capital grants	(5.6)	(5.6)
Change in assets and liabilities:		
Receivables, net	10.6	10.6
Inventories	(1.6)	(1.6)
Prepaid expenses and accrued income	(0.1)	(0.1)
Other assets	(1.4)	(1.4)
Accounts payable	(7.4)	(7.4)
Income taxes	0.4*	0.5
Salaries, wages and related liabilities	3.3	3.3
Other liabilities	(1.0)*	1.0

Total adjustments	37.8*	39.9

NET CASH PROVIDED BY OPERATING ACTIVITIES	23.2	23.2

Cash flows from investing

Edgar Filing: NATUZZI S P A - Form 6-K

activities:		
Property, plant and equipment:		
Additions	(20.9)	(20.9)
Disposals	0.9	0.9
Government grants received	1.0	1.0
Marketable debt securities:		
Proceeds from sales	0.0	0.0
Purchase of business, net of cash acquired	(2.0)	(2.0)
Disposal of business	0.0	0.0
-----	-----	-----
NET CASH USED IN INVESTING ACTIVITIES	(21.0)	(21.0)
-----	-----	-----
Cash flows from financing activities:		
Long term debt:		
Proceeds	0.5	0.5
Repayments	(2.1)	(2.1)
Short-term borrowings	1.6	1.6
Dividends paid to shareholders	(3.8)	(3.8)
Dividends paid to minority shareholders	0.0	0.0
-----	-----	-----
NET CASH USED IN FINANCING ACTIVITIES	(3.8)	(3.8)
-----	-----	-----
Effect of translation adjustments on cash	4.0	4.0
-----	-----	-----
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2.4	2.4
-----	-----	-----
Cash and cash equivalents, beginning of the year	87.3	87.3
-----	-----	-----
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	89.7	89.7
-----	-----	-----
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	0.0	0.0
-----	-----	-----
Cash paid during the year for income taxes	0.0	0.0
-----	-----	-----

* Item affected by the changes approved by the Board

CONTACT: Natuzzi S.p.A.
Investor Relations Dept.
Tel.: +39-080-8820-812
investor_relations@natuzzi.com
OR
Corporate Press Office

Edgar Filing: NATUZZI S P A - Form 6-K

Tel.: +39-080-8820-124
relazioni.esterne@natuzzi.com
www.natuzzi.com

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NATUZZI S.p.A.
(Registrant)

Date: April 10th, 2006

By: /s/ GIUSEPPE DESANTIS

Giuseppe Desantis