

Press release

## The Board of Directors approves the draft of 2017 financial statement

### Proposed dividend of € 0.035 per share

**Net sales at € 422.2 million** - € 391.9 million in 2016

**EBITDA at € 43.9 million (€ 45.6 million *adjusted*)** - € 39.5 million in 2016 (€ 40.5 million *adjusted*)

**EBIT at € 30 million** - € 21.9 million in 2016

**Consolidated net result at € 16.4 million** - € 17.7 million in 2016

**Net negative financial position at € 125.3 million, of which € 23.9 million of discounted financial debts for the purchase of the remaining shares held by minority**

*Bagnolo in Piano (RE), 16 March 2018* - The Board of Directors of **Emak S.p.A.** (MTA, STAR), parent company of one of world major groups working in the sectors of *outdoor power equipment, pumps and water jetting*, and of the related *components and accessories*, has approved the results for 2017.

In 2017, the economic data for the second half and the balance sheet figures as at 31 December of the Lavorwash Group (*Pumps and High Pressure Water Jetting* segment acquired on 3 July) were consolidated for the first time.

#### 2017 CONSOLIDATED RESULTS

Emak Group achieved **consolidated revenues of € 422.2 million**, compared to € 391.9 million of last year, an increase of 7.7%. The improvement is due to the contribution of the change in the consolidation for 7.5% (€ 29.6 million), to the negative effect of the exchange rate by 0.1% and to an organic growth of 0.3%.

**L'EBITDA (\*)** for the period reached € 43.9 million (€ 45.6 million *adjusted*), which represented 10.4% of sales (10.8% *adjusted*) compared to € 39.5 million (€ 40.5 million *adjusted*) corresponding to 10.1% of sales (10.3% *adjusted*) in 2016, an increase of 11.3%.

**EBIT** amounted to € 30 million, compared to € 21.9 million of last year. The 2017 figure includes impairment losses for an amount of € 0.6 million (€ 4.8 million in 2016).

**Net result** for 2017 is € 16.4 million, compared to € 17.7 million in 2016. The result was influenced by negative exchange rate management, mainly due to end-of-period valuation, for € 4.2 million, compared to a positive value of € 3.4 million in 2016. Last year figure also included the income arising from the accounting of the estimate of the liability for the commitment to purchase the remaining stake in Lemasa for a total amount of € 5.1 million. The *tax rate* for the period is 29%, compared to 33.3% in 2016.

**Free cash flow from operations (\*)** is € 30.4 million, compared to € 35.3 million in 2016.

**Net negative financial position** stood at € 125.3 million compared to € 80.1 million at December 31, 2016. The change in scope of consolidation accounted for € 51.8 million.

**Investments in tangible and intangible assets** made during 2017 amount to € 17.4 million, mostly concentrated in product and process innovation, in the works for the construction of the new R&D center of the parent company Emak S.p.A. and in the ERP transformation project.

**Consolidated net equity** at December 31, 2017 amounted to € 187.5 million against € 181.7 million at 31 December 2016.

### **Subsequent events**

#### **Acquisition of remaining 39% of Epicenter**

On January 29, 2018, the parent company Emak S.p.A. it acquired the remaining 39%, still held by the founder, of the Ukrainian subsidiary Epicenter LLC, bringing its 100% stake. The price for the acquisition of this stake amounts to € 340 thousand.

#### **Reorganization of commercial activities in U.S.A.**

Starting from the beginning of 2018, the Group has implemented a reorganization of its commercial activities in the United States in the *Pumpe and High Pressure Water Jetting* segment. Specifically, the company Comet USA conferred in Valley the business of industrial pumps in order to maximize logistical, operational and management efficiencies. The new organization will also allow to focus the energies on the future developments of the activities on the US territory.

#### **Sale of 100% of Raico S.r.l.**

On March 6, 2018 the parent company Emak S.p.A. has signed a binding agreement for the sale of 100% of the share capital of Raico S.r.l. for a consideration of € 5,500 thousand. The closing of the transaction, with payment and transfer of shares, is expected by the end of March.

#### **Personal reorganization plan Emak S.p.A.**

In the last part of the year, the Parent Company, following an assessment aimed at improving the organization at the Bagnolo in Piano (RE) headquarters, due to the logic of efficiency and renewal, initiated a procedure relating to a plan to early retirement on voluntary basis. In February 2018, the first individual conciliation agreements were signed for 12 people and 20 more people are expected to be released by the end of 2018.

### **Outlook**

Emak Group has initiated a process of technological innovation and unification of the information systems to the Microsoft Dynamics AX platform, with the aim of streamlining group's processes in support of an increasingly international business development. At the same time, it will continue to pursue its value creation objectives by focusing on operating costs and working capital efficiency. Investments in support of innovation and new technologies applied to both products and production processes, but above all for the benefit of end customers, are expected to increase. Finally, on the short term, the Group will commit itself to achieving all the synergies deriving from the recent acquisition of Lavorwash, implementing the activities already launched during 2017

### **General Shareholders' Meeting**

#### **Dividend proposal**

The Board of Directors resolved to propose to the General Meeting of Shareholders, convened to meet on 27 April 2018, the proposal for the distribution of a **dividend (coupon no.21) of € 0.035 per share**. The dividend, if approved, will be paid on 6 June 2018, with ex-dividend date 4 June 2018 and record date 5 June 2018.

#### **Remuneration policy**

The Shareholders Meeting will also be called to resolve on the policy of remuneration of directors.

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## **Authorization for the purchase and disposal of treasury shares**

The ordinary Shareholder Meeting will be called to resolve on the proposal for renewal of authorization for the purchase and disposal of treasury shares.

The documentation regarding the items on the agenda of the Shareholders' Meeting in ordinary session will be published within the time and in the manner prescribed by law.

## **Participation at Star Conference, Milan 2018**

Top management will present the results in the course of meetings with the financial community at the Star Conference organized by the Italian Stock Exchange on 27 and 28 March 2018. The presentation that will be used will be available on the website of the company and the storage mechanism eMarket Storage before the event begins.

Attached are the highlights from the consolidated accounts of the Group and separate from that of Emak S.p.A. (the Parent Company).

## **(\*) Alternative performance indicators**

The following are the criteria used for the construction of key performance indicators that management considers necessary to the monitoring Group.

- EBITDA: calculated by adding the items "Operating result" plus "Amortization, depreciation and impairment losses".
- EBITDA adjusted (EBITDA before non-ordinary expenses): is obtained by deducting at EBITDA the impact of charges and income for litigation, expenses related to M&A transaction, headcount reorganization and restructuring charges.
- Free cash flow from operations: calculated by adding the items "Net profit" plus "Amortization, depreciation and impairment losses".

Aimone Burani, the executive responsible for the preparation of the corporate accounting documents, declares and certifies in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the financial statements contained in the present press release correspond to the underlying accounting documents, records and accounting entries.

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*Emak Group develops, produces and distributes a wide range of products in three business areas: (i) outdoor power equipment, which includes products for gardening, forestry and agriculture such as trimmers, lawn mowers, garden tractors, chain saws, tillers, rotary tiller; (ii) pumps and high pressure water jetting including products (a) for agriculture as centrifugal and diaphragm pumps for spraying and weeding; (b) for industry, including industrial pumps, high and high pressure systems and urban cleaning equipment; (c) for cleaning, as professional and semiprofessional high pressure washers, floor scrubbers and vacuum cleaners; (iii) components and accessories for the abovementioned sectors, the most representative of which are line and heads for trimmers, accessories for chain saws (i.e. sharpeners), guns, nozzles and valves for high pressure washers and agricultural applications, precision farming (sensors and computers), seats and technical spare parts for tractors.*

## Highlights of the consolidated income statement by business sector

€/000	OUTDOOR POWER EQUIPMENT		PUMPS AND HIGH PRESSURE WATER JETTING		COMPONENTS AND ACCESSORIES		Other not allocated / Netting		Consolidated	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Sales to third parties	168,402	177,006	138,770	102,916	114,983	111,957	-	-	422,155	391,879
Intersegment sales	1,851	1,522	1,456	1,411	7,767	6,674	-	11,074	9,607	
Revenues from sales	170,253	178,528	140,226	104,327	122,750	118,631	-	11,074	422,155	391,879
Ebitda	9,400	10,996	19,546	14,008	17,372	17,009	-	2,386	43,932	39,469
Ebitda/Total Revenues %	5.5%	6.2%	13.9%	13.4%	14.2%	14.3%			10.4%	10.1%

## Emak Group– Consolidated income statement and comprehensive income statement

CONSOLIDATED INCOME STATEMENT	Notes	Year 2017	of which to related parties	Year 2016	of which to related parties
<b>Revenues from sales</b>	10	<b>422,155</b>	<b>1,308</b>	<b>391,879</b>	<b>1,788</b>
Other operating incomes	10	3,684		2,589	
Change in inventories		14,168		(12,116)	
Raw materials, consumable and goods	11	(234,565)	(6,640)	(198,172)	(3,157)
Personnel expenses	12	(80,055)		(73,039)	
Other operating costs and provisions	13	(81,455)	(2,531)	(71,672)	(2,995)
Amortization, depreciation and impairment losses	14	(13,955)		(17,600)	
<b>Operating result</b>		<b>29,977</b>		<b>21,869</b>	
Financial income	15	1,807	8	7,105	12
Financial expenses	15	(4,820)		(6,056)	
Exchange gains and losses	15	(4,218)		3,407	
Income from/(expenses on) equity investment	21	389		205	
<b>Profit before taxes</b>		<b>23,135</b>		<b>26,530</b>	
Income taxes	16	(6,700)		(8,847)	
<b>Net profit (A)</b>		<b>16,435</b>		<b>17,683</b>	
(Profit)/loss attributable to non controlling interests		(270)		(88)	
<b>Net profit attributable to the Group</b>		<b>16,165</b>		<b>17,595</b>	
<b>Basic earnings per share</b>	17	<b>0.099</b>		<b>0.108</b>	
<b>Diluted earnings per share</b>	17	<b>0.099</b>		<b>0.108</b>	

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	Notes	Year 2017	Year 2016
<b>Net profit (A)</b>		<b>16,435</b>	<b>17,683</b>
Profits/(losses) deriving from the conversion of foreign company accounts		(5,330)	(190)
Actuarial profits/(losses) deriving from defined benefit plans (*)		(470)	(137)
Income taxes on OCI (*)		133	1
<b>Total other components to be included in the comprehensive income statement (B)</b>		<b>(5,667)</b>	<b>(326)</b>
<b>Total comprehensive income for the period (A)+(B)</b>		<b>10,768</b>	<b>17,357</b>
Comprehensive net profit attributable to non controlling interests		(166)	(88)
Comprehensive net profit attributable to the Group		10,602	17,269

(\*) Items will not be classified in the income statement

## Emak Group – Consolidated statement of financial position

Thousand of Euro

ASSETS	Notes	31.12.2017	of which to related parties	31.12.2016	of which to related parties
<b>Non-current assets</b>					
Property, plant and equipment	18	73,275		61,651	
Intangible assets	19	20,327		8,380	
Goodwill	20	67,112	14,670	52,241	14,847
Equity investments in other companies	21	230		230	
Equity investments in associates	21	4,284		3,955	
Deferred tax assets	30	9,068		7,370	
Other financial assets	26	752	297	10,098	334
Other assets	23	65		63	
<b>Total non-current assets</b>		<b>175,113</b>	<b>14,967</b>	<b>143,988</b>	<b>15,181</b>
<b>Current assets</b>					
Inventories	24	155,727		127,362	
Trade and other receivables	23	109,394	1,227	96,940	1,681
Current tax receivables	30	5,428		4,791	
Other financial assets	26	7,348	449	468	449
Derivative financial instruments	22	201		77	
Cash and cash equivalents	25	40,812		32,545	
<b>Total current assets</b>		<b>318,910</b>	<b>1,676</b>	<b>262,183</b>	<b>2,130</b>
<b>TOTAL ASSETS</b>		<b>494,023</b>	<b>16,643</b>	<b>406,171</b>	<b>17,311</b>

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	31.12.2017	of which to related parties	31.12.2016	of which to related parties
<b>Shareholders' Equity</b>					
Shareholders' Equity of the Group	27	184,783		180,173	
Non-controlling interest		2,722		1,495	
<b>Total Shareholders' Equity</b>		<b>187,505</b>		<b>181,668</b>	
<b>Non-current liabilities</b>					
Loans and borrowings due to banks and other lenders	29	95,730		76,107	
Deferred tax liabilities	30	9,622		6,391	
Employee benefits	31	10,932		9,137	
Provisions for risks and charges	32	2,265		1,566	
Other non-current liabilities	33	579		668	
<b>Total non-current liabilities</b>		<b>119,128</b>		<b>93,869</b>	
<b>Current liabilities</b>					
Trade and other payables	28	101,515	3,444	77,849	3,425
Current tax liabilities	30	4,676		4,184	
Loans and borrowings due to banks and other lenders	29	78,469		46,770	
Derivative financial instruments	22	208		394	
Provisions for risks and charges	32	2,522		1,437	
<b>Total current liabilities</b>		<b>187,390</b>	<b>3,444</b>	<b>130,634</b>	<b>3,425</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>494,023</b>	<b>3,444</b>	<b>406,171</b>	<b>3,425</b>

## Emak Group – Consolidated cash flow statement

(€/000)	Notes	1 Y 2017	1 Y 2016 (1)
<b>Cash flow from operations</b>			
<b>Net profit for the period</b>		<b>16,435</b>	<b>17,683</b>
Amortization, depreciation and impairment losses	14	13,955	17,600
Financial expenses from discounting of debts	15	1,691	2,023
Income from equity investment	21	(389)	(205)
Financial income from adjustment of estimated liabilities for outstanding commitment associates' shares	15	(281)	(5,115)
Capital (gains)/losses on disposal of property, plant and equipment		(184)	(115)
Decreases/(increases) in trade and other receivables		4,336	2,903
Decreases/(increases) in inventories		(13,713)	12,127
(Decreases)/increases in trade and other payables		5,269	(2,871)
Change in employee benefits		(44)	168
(Decreases)/increases in provisions for risks and charges		(12)	(320)
Change in derivative financial instruments		(297)	(102)
<b>Cash flow from operations</b>		<b>26,766</b>	<b>43,776</b>
<b>Cash flow from investing activities</b>			
Change in property, plant and equipment and intangible assets (Increases) and decreases in financial assets		(16,164)	(13,816)
Proceeds from disposal of property, plant and equipment		1,257	(4,145)
Change in scope of consolidation		184	115
Change in scope of consolidation		(40,905)	(443)
<b>Cash flow from investing activities</b>		<b>(55,628)</b>	<b>(18,289)</b>
<b>Cash flow from financing activities</b>			
Change in equity		(612)	(136)
Change in short and long-term loans and borrowings		35,201	(26,970)
Change in finance leases		-	(26)
Dividends paid		(5,815)	(4,177)
<b>Cash flow from financing activities</b>		<b>28,774</b>	<b>(31,309)</b>
<b>Total cash flow from operations, investing and financing activities</b>		<b>(88)</b>	<b>(5,822)</b>
<b>Net exchange differences</b>		<b>836</b>	<b>(2,172)</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>748</b>	<b>(7,994)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>27,020</b>	<b>35,014</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<b>27,768</b>	<b>27,020</b>

### ADDITIONAL INFORMATION ON THE CASH FLOW STATEMENT

(€/000)		1 Y 2017	1 Y 2016 (1)
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>			
<b>Opening cash and cash equivalents, detailed as follows:</b>	25	<b>27,020</b>	<b>35,014</b>
Cash and cash equivalents		32,545	42,518
Overdrafts		(5,525)	(7,504)
<b>Closing cash and cash equivalents, detailed as follows:</b>	25	<b>27,768</b>	<b>27,020</b>
Cash and cash equivalents		40,812	32,545
Overdrafts		(13,044)	(5,525)
<b>Other information:</b>			
Income taxes paid		(11,419)	(5,890)
Financial interest income		304	1,010
Financial expenses paid		(1,802)	(2,808)
Change in related party receivables and service transactions		454	254
Change in related party payables and service transactions		19	158
Change in trade and other receivables related to tax assets		(451)	2,216
Change in trade payables and other liabilities related to tax liabilities		(920)	832
Change in related party financial assets		37	38
Change in related party financial loans and borrowings		-	-

(1) Some items have been reclassified to make them comparable to December 31, 2017

**Emak Group – Consolidated net financial position**

Net financial position	31/12/2017	31/12/2016
A. Cash	40,812	32,545
B. Other cash at bank and on hand (held-to-maturity investments)	-	-
C. Financial instruments held for trading	-	-
<b>D. Liquidity funds (A+B+C)</b>	<b>40,812</b>	<b>32,545</b>
<b>E. Current financial receivables</b>	<b>7,549</b>	<b>545</b>
F. Current payables to banks	(36,570)	(11,833)
G. Current portion of non current indebtedness	(31,956)	(32,862)
H. Other current financial debts	(10,151)	(2,469)
<b>I. Current financial indebtedness (F+G+H)</b>	<b>(78,677)</b>	<b>(47,164)</b>
<b>J. Current financial indebtedness, net (I+E+D)</b>	<b>(30,316)</b>	<b>(14,074)</b>
K. Non-current payables to banks	(80,084)	(63,249)
L. Bonds issued	-	-
M. Other non-current financial debts	(15,646)	(12,858)
<b>N. Non-current financial indebtedness (K+L+M)</b>	<b>(95,730)</b>	<b>(76,107)</b>
<b>O. Net indebtedness (J+N)</b>	<b>(126,046)</b>	<b>(90,181)</b>
P. Non current financial receivables	752	10,098
<b>Q. Net financial position (O+P)</b>	<b>(125,294)</b>	<b>(80,083)</b>

**Emak S.p.A. –Income statement and comprehensive income statement**

€	Notes	Year 2017	of which to related parties	Year 2016	of which to related parties
<b>Revenues from sales</b>	<b>8</b>	<b>125,425,877</b>	<b>32,177,519</b>	<b>128,001,224</b>	<b>29,161,036</b>
Other operating incomes	8	456,805	1,400	428,182	
Change in inventories		3,434,425		(9,104,367)	
Raw materials, consumable and goods	9	(80,936,263)	(28,386,543)	(71,708,995)	(26,566,710)
Personnel expenses	10	(24,697,104)		(23,742,074)	
Other operating costs and provisions	11	(19,872,125)	(896,187)	(19,284,347)	(990,059)
Amortization, depreciation and impairment losses	12	(4,944,401)		(6,097,790)	
<b>Operating result</b>		<b>(1,132,786)</b>		<b>(1,508,167)</b>	
Financial income	13	5,544,914	5,254,631	7,957,235	7,762,974
Financial expenses	13	(692,222)	(8,943)	(696,216)	(15,928)
Exchange gains and losses	13	(2,288,067)		1,420,012	
<b>Profit before taxes</b>		<b>1,431,839</b>		<b>7,172,864</b>	
Income taxes	14	1,327,595		(162,379)	
<b>Net profit</b>		<b>2,759,434</b>		<b>7,010,485</b>	

**Statement of other comprehensive income**

€	Notes	Year 2017	Year 2016
<b>Net profit (A)</b>		<b>2,759,434</b>	<b>7,010,485</b>
Actuarial profits/(losses) deriving from defined benefit plans (*)	29	(207,000)	(61,000)
Income taxes on OCI (*)		58,000	(2,000)
<b>Total other components to be included in the comprehensive income statement (B)</b>		<b>(149,000)</b>	<b>(63,000)</b>
<b>Total comprehensive income for the period (A)+(B)</b>		<b>2,610,434</b>	<b>6,947,485</b>

(\*) Items will not be classified in the income statement



**Emak S.p.A. –Statement of financial position**
**ASSETS**

€	Notes	31.12.2017	of which to related parties	31.12.2016	of which to related parties
<b>Non-current assets</b>					
Property, plant and equipment	16	29,415,087		27,250,824	
Intangible assets	17	2,338,252		1,581,974	
Goodwill	18	2,074,305	2,074,305	2,074,305	2,074,305
Equity investments	19	97,397,145		98,176,874	
Deferred tax assets	28	2,215,690		1,656,373	
Other financial assets	21	18,071,986	18,071,986	5,725,026	5,725,026
Other assets	22	3,350		2,400	
<b>Total non-current assets</b>		<b>151,515,815</b>	<b>20,146,291</b>	<b>136,467,776</b>	<b>7,799,331</b>
<b>Current assets</b>					
Inventories	23	36,808,185		33,373,760	
Trade and other receivables	22	40,708,259	12,036,246	45,940,835	12,089,075
Current tax assets	28	1,154,694		2,260,201	
Other financial assets	21	1,883,168	1,883,168	1,405,916	1,398,025
Derivative financial instruments	20	79,003		-	
Cash and cash equivalents	24	8,337,136		21,425,447	
<b>Total current assets</b>		<b>88,970,445</b>	<b>13,919,414</b>	<b>104,406,159</b>	<b>13,487,100</b>
<b>TOTAL ASSETS</b>		<b>240,486,260</b>	<b>34,065,705</b>	<b>240,873,935</b>	<b>21,286,431</b>

**EQUITY AND LIABILITIES**

€	Notes	31.12.2017	of which to related parties	31.12.2016	of which to related parties
<b>Capital and reserves</b>					
Issued capital		42,519,776		42,519,776	
Share premium		40,529,032		40,529,032	
Other reserves		34,516,139		34,314,615	
Retained earnings		32,922,131		36,237,037	
<b>Total equity</b>	<b>25</b>	<b>150,487,078</b>		<b>153,600,460</b>	
<b>Non-current liabilities</b>					
Loans and borrowings due to banks and other lenders	27	29,854,300	296,848	28,157,517	333,954
Deferred tax liabilities	28	1,267,372		1,675,545	
Employee benefits	29	3,768,874		3,777,006	
Provisions for risks and charges	30	346,952		311,292	
Other non-current liabilities	31	578,737		667,530	
<b>Total non-current liabilities</b>		<b>35,816,235</b>	<b>296,848</b>	<b>34,588,890</b>	<b>333,954</b>
<b>Current liabilities</b>					
Trade and other payables	26	35,553,118	6,439,675	33,150,925	8,827,699
Current tax liabilities	28	975,589		876,632	
Loans and borrowings due to banks and other lenders	27	17,130,820	478,030	17,472,098	1,956,523
Derivative financial instruments	20	74,898		132,917	
Provisions for risks and charges	30	448,522		1,052,013	
<b>Total current liabilities</b>		<b>54,182,947</b>	<b>6,917,705</b>	<b>52,684,585</b>	<b>10,784,222</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>240,486,260</b>	<b>7,214,553</b>	<b>240,873,935</b>	<b>11,118,176</b>

**Emak S.p.A. – Cash flow statement**

€/000	Notes	2017	2016
<b>Cash flow from operations</b>			
<b>Net profit for period</b>		<b>2,759</b>	<b>7,010</b>
Amortization, depreciation and impairment losses	12	4,944	6,098
Capital (gains)/losses on disposal of property, plant and equipment		(4)	(7)
Dividends income		(4,834)	(7,550)
Decreases/(increases) in trade and other receivables		5,778	2,546
Decreases/(increases) in inventories		(3,434)	9,104
(Decreases)/increases in trade and other payables		2,004	(3,539)
Change in provisions for employee benefits	29	(8)	(75)
(Decreases)/increases in provision for liabilities	30	(568)	(437)
Change in derivate financial instruments		(137)	(80)
<b>Cash flow from operations</b>		<b>6,500</b>	<b>13,070</b>
<b>Cash flow from investing activities</b>			
Dividend income		4,834	7,550
Increases in property, plant and equipment and intangible assets		(7,084)	(6,723)
(Increases) and decreases in financial assets		(12,825)	(1,240)
Gains from disposal of property, plant and equipment		4	7
<b>Cash flow from investing activities</b>		<b>(15,071)</b>	<b>(406)</b>
<b>Cash flow from financing activities</b>			
Dividends paid		(5,723)	(4,088)
Change in short and long-term loans and borrowings		(1,515)	(13,360)
Change in equity		(149)	(63)
<b>Cash flow from financing activities</b>		<b>(7,387)</b>	<b>(17,511)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(15,958)</b>	<b>(4,847)</b>
<b>Opening cash and cash equivalents</b>		<b>21,425</b>	<b>26,273</b>
<b>Closing cash and cash equivalents</b>		<b>5,467</b>	<b>21,425</b>
<b>ADDITIONAL INFORMATION ON THE CASH FLOW STATEMENT</b>			
€/000		2017	2016
<b>Reconciliation of cash and cash equivalents</b>			
<b>Opening cash and cash equivalents, detailed as follows:</b>	24	<b>21,425</b>	<b>26,273</b>
Cash and cash equivalents		21,425	26,375
Overdrafts		-	(102)
<b>Closing cash and cash equivalents, detailed as follows:</b>	24	<b>5,467</b>	<b>21,425</b>
Cash and cash equivalents		8,337	21,425
Overdrafts		(2,870)	-
<b>Other information:</b>			
Tax paid		(50)	(40)
Interest paid		(595)	(592)
Interest on financings to subsidiary companies		352	201
Interest on financings to parent company		8	12
Interest on financings from subsidiary companies		(9)	(16)
Interest receivable on bank account		114	82
Interest receivable on trade receivables		69	66
Effects of exchange rate changes		1,354	292
Change in related party financial assets transactions		(12,832)	792
Change in related party financial liabilities transactions		(1,515)	(1,238)
Change in trade receivables and others toward related parties		53	1,685
Change in trade payables and others toward related parties		(2,388)	1,456
Change in trade receivables and others for fiscal assets		547	728
Change trade in payables and others for fiscal liabilities		(309)	(236)