



**INTERPUMP  
GROUP**

**PRESS RELEASE**

**RESULTS FOR THE SECOND QUARTER OF 2013**

**Net sales: €148.3 million (€140.7 million in the second quarter of 2012)**

**Adjusted EBITDA: €28.5 million (19.2% of sales); €21.1 million in the second quarter of 2012**

**Adjusted EBIT: €22.2 million, €23.6 million in the second quarter of 2012**

**Consolidated net profit: €12.5 million (8.5% of sales), €13.5 million in the second quarter of 2012)**

**RESULTS FOR THE FIRST HALF OF 2013**

**Net sales: €280.5 million (€279.2 million in the first half of 2012)**

**Adjusted EBITDA: €54.0 million (19.3% of sales), €9.0 million in the first half of 2012**

**Adjusted EBIT: €42.7 million, €48.6 million in the first half of 2012**

**Consolidated net profit: €25.3 million (9.0% of sales), €27.3 million in the first half of 2012**

**Net financial debt at 30 June 2013: €106.4 million (€139.8 million at 30 June 2012)**

*“We are very satisfied - stated the Chairman Fulvio Montipò - with having achieved results that are essentially in line with a record 2012 in a situation of extreme uncertainty for the world economy.”*

*Sant’Ilario d’Enza (RE), 2 August 2013* – Interpump Group announces its results **for the second quarter and first half of 2013**, approved by the Board of Directors at their meeting today.

**CONSOLIDATED RESULTS FOR THE SECOND QUARTER OF 2013**

The consolidation scope for the second quarter of 2013 includes Hydrocontrol for a period of two months. This company was acquired in May 2013 and was not part of the Group in 2012.

**Net sales** for the second quarter of 2013 amounted to 148.3 million euros, an increase of 5.4% over the corresponding period in 2012 (140.7 million euros). There was a fall of 1.5% on a like for like basis.



# INTERPUMP GROUP

Details of net sales for the second quarter by business sector and geographical area may be analysed as follows:

(€/000)	<u>Italy</u>	<u>Rest of Europe</u>	<u>North America</u>	<u>Pacific Area</u>	<u>Rest of the World</u>	<u>Total</u>
<i>2nd quarter 2013</i>						
Hydraulic Sector	15,488	21,810	20,577	5,388	15,282	78,545
Water Jetting Sector	<u>6,092</u>	<u>20,271</u>	<u>30,210</u>	<u>8,691</u>	<u>4,448</u>	<u>69,712</u>
Total	<u>21,580</u>	<u>42,081</u>	<u>50,787</u>	<u>14,079</u>	<u>19,730</u>	<u>148,257</u>
<i>2nd quarter 2012</i>						
Hydraulic Sector	14,516	17,870	20,050	3,336	12,203	67,975
Water Jetting Sector	<u>5,557</u>	<u>20,122</u>	<u>29,124</u>	<u>11,833</u>	<u>6,097</u>	<u>72,733</u>
Total continuing operations	<u>20,073</u>	<u>37,992</u>	<u>49,174</u>	<u>15,169</u>	<u>18,300</u>	<u>140,708</u>
Percentage changes 2013/2012						
Hydraulic Sector	+6.7%	+22.0%	+2.6%	+61.5%	+25.2%	+15.5%
Water Jetting Sector	+9.6%	+0.7%	+3.7%	-26.6%	-27.0%	-4.2%
Total	+7.5%	+10.8%	+3.3%	-7.2%	+7.8%	+5.4%
Total changes on a like for like basis	-1.2%	+0.3%	+0.7%	-20.4%	+4.0%	-1.5%

On a like for like basis the Hydraulic Sector grew by 1.3%.

## PROFITABILITY

Gross operating income (**EBITDA**) amounted to 27.9 million euros (18.9% of sales) compared to 29.1 million euros in the second quarter of 2012 when it represented 20.7% of sales. Excluding non-recurring costs relating to the reorganisation of the Hydraulic Sector, adjusted EBITDA amounted to 19.2% of sales (19.6% on a like for like basis). The following table sets out EBITDA by business sector:

	<i>2nd quarter 2013</i>	<i>% of total sales*</i>	<i>2nd quarter 2012</i>	<i>% of total sales*</i>	<i>Increase/ decrease</i>
	<i>€/000</i>		<i>€/000</i>		
Hydraulic Sector	11,313	14.4%	9,965	14.7%	+13.5%
Water Jetting Sector	16,645	23.8%	19,158	26.2%	-13.1%
Other Sectors	<u>(11)</u>	N/A	<u>26</u>	N/A	N/A
<b>Total</b>	<b><u>27,947</u></b>	<b>18.9%</b>	<b><u>29,149</u></b>	<b>20.7%</b>	<b>-4.1%</b>

\* = Total sales also include sales to other companies in the consolidation scope while the analysis provided above reflects only sales outside the Group. Thus, for consistency, percentages are calculated as a proportion of total sales instead of as a proportion of those shown above.

On a like for like basis the EBITDA of the Hydraulic Sector was 10.0 million euros (14.5% of sales), an increase of 0.4%.



# INTERPUMP GROUP

Operating income (**EBIT**) amounted to 21.2 million euros (14.3% of sales) compared to 23.6 million euros in the second quarter of 2012 (16.8% of sales). EBIT was affected by non-recurring costs of 1.0 million euros (costs of 0.5 and accruals of 0.5; the latter do not affect EBITDA); excluding these non-recurring costs, adjusted EBITDA amounted to 14.9% of sales.

The second quarter ended with **consolidated net profit** of 12.5 million euros, or 8.5% of sales (13.5 million euros in the second quarter of 2012).

Basic earnings per share were 0.117 euros (0.143 euros in the second quarter of 2012).

## RESULTS FOR THE FIRST HALF OF 2013

**Net sales** for the first half of 2013 amounted to 280.5 million euros, an increase of 0.5% over the corresponding period in 2012 when they totalled 279.2 million euros (-3.0% on a like for like basis).

Details of sales by business sector and geographical area are as follows:

### 1st half 2013

(€/000)	<u>Italy</u>	<u>Rest of Europe</u>	<u>North America</u>	<u>Pacific Area</u>	<u>Rest of the World</u>	<u>Total</u>
Hydraulic Sector	28,527	38,928	39,538	7,783	28,742	143,518
Water Jetting Sector	<u>11,059</u>	<u>40,466</u>	<u>59,638</u>	<u>17,980</u>	<u>7,860</u>	<u>137,003</u>
Total	<u>39,586</u>	<u>79,394</u>	<u>99,176</u>	<u>25,763</u>	<u>36,602</u>	<u>280,521</u>

### 1st half 2012

Hydraulic Sector	29,243	35,215	40,537	6,800	25,908	137,703
Water Jetting Sector	<u>10,688</u>	<u>40,338</u>	<u>56,890</u>	<u>24,109</u>	<u>9,431</u>	<u>141,456</u>
Total	<u>39,931</u>	<u>75,553</u>	<u>97,427</u>	<u>30,909</u>	<u>35,339</u>	<u>279,159</u>

### Percentage changes 2013/2012

Hydraulic Sector	-2.4%	+10.5%	-2.5%	+14.5%	+10.9%	+4.2%
Water Jetting Sector	+3.5%	+0.3%	+4.8%	-25.4%	-16.7%	-3.1%
Total	-0.9%	+5.1%	+1.8%	-16.6%	+3.6%	+0.5%
Total changes on a like for like basis	-5.3%	-0.2%	+0.5%	-23.1%	+1.6%	-3.0%

On a like for like basis the Hydraulic Sector fell by 2.8%.

## PROFITABILITY

Gross operating income (**EBITDA**) amounted to 53.4 million euros (19.0% of sales) compared to 59.0 million euros in the first half of 2012 when it represented 21.1% of sales. Excluding non-recurring costs relating to the reorganisation of the Hydraulic Sector, EBITDA amounted to 19.3% of sales (19.5% on a like for like basis). The following table sets out EBITDA by business sector:



## INTERPUMP GROUP

	<i>1st half 2013</i>	<i>% of</i>	<i>1st half 2012</i>	<i>% of</i>	<i>Increase/</i>
	<i>€/000</i>	<i>total</i>	<i>€/000</i>	<i>total</i>	<i>decrease</i>
		<i>sales*</i>		<i>sales*</i>	
Hydraulic Sector	20,797	14.5%	21,732	15.8%	-4.3%
Water Jetting Sector	32,546	23.7%	37,159	26.2%	-12.4%
Other Sectors	<u>15</u>	N/A	<u>86</u>	N/A	N/A
<b>Total</b>	<b><u>53,358</u></b>	<b>19.0%</b>	<b><u>58,977</u></b>	<b>21.1%</b>	<b>-9.5%</b>

\* = Total sales also include sales to other companies in the consolidation scope while the analysis provided above reflects only sales outside the Group. Thus, for consistency, percentages are calculated as a proportion of total sales instead of as a proportion of those shown above.

On a like for like basis the EBITDA of the Hydraulic Sector was 19.5 million euros (14.6% of sales), a decrease of 10.3%.

Operating income (**EBIT**) amounted to 41.5 million euros (14.8% of sales) compared to 48.6 million euros in the first half of 2012 (17.4% of sales). This result was affected by non-recurring costs of 1.2 million euros (costs of 0.7 and accruals of 0.5; the latter do not affect EBITDA); excluding these non-recurring costs adjusted EBITDA amounted to 15.2% of sales.

Net profit amounted to 25.3 million euros (27.3 million euros in the first half of 2012). Basic earnings per share were 0.240 euros (0.288 euros in the first half of 2012).

**Capital employed** rose from 499.4 million euros at 31 December 2012 to 573.7 million euros at 30 June 2013. The increase is mainly due to the acquisition of Hydrocontrol, which led to a rise of 56.3 million euros in capital employed. Non-annualised ROCE was 7.2% (9.7% in the first half of 2012); the decrease is due to the fact that only two months' results of Hydrocontrol were consolidated compared to the whole of the capital employed for the acquisition of the company. Excluding the above, ROCE would have been 8.0%. Non-annualised ROE was 5.8% (8.2% in the first half of 2012), affected by the capital increase of 56.9 million euros that took place in the second half of 2012 and by the acquisition of Hydrocontrol since, as the result of the transfer of 4,500,000 treasury shares for the purchase, a further capital increase of 30.1 million euros was carried out, while the results of Hydrocontrol were only consolidated for two months. Excluding the above ROE would have been 7.3%.

**Net financial debt** at 30 June 2013 amounted to 106.4 million euros compared to 74.5 million euros at 31 December 2012. The increase is due to the acquisition of Hydrocontrol (22.9 million euros) and the distribution of a dividend (18.0 million euros). The amount does not include commitments to acquire additional interests (put-options) in subsidiaries for 32.9 million euros (28.0 million euros 31 December 2012).

**Net cash** of 37.3 million euros was generated by operations in the first half of 2013 (42.2 million euros in the first half of 2012). Free cash flow was 7.2 million euros (20.5 million euros in the first half of 2012). It should be noted that a higher level of capital expenditure was incurred in 2013, of which 4.7 million euros regarding the building of the new Hammelmann factory. It should also be emphasised that the Group took the decision in December 2012 not to carry out any more factoring of receivables without recourse. At 30 June 2012 on the other hand receivables of 6.1 million euros had been factored; accordingly adjusting the change in working capital for the first half of 2012 by this amount, free cash flow for the first half of 2012 would have been 14.4 million euros.

*"We are very satisfied - stated the Chairman Fulvio Montipò - with having achieved results that are essentially in line with a record 2012 in a situation of extreme uncertainty for the world economy."*



# INTERPUMP GROUP

Sant'Ilario d'Enza (RE), 2 August 2013

On behalf of the Board of Directors  
Chairman  
Fulvio Montipò

The manager responsible for drafting company accounting documents, Carlo Banci, declares pursuant to the terms of section 2, article 154(2) of the Financial Services Act that the accounting disclosures in the present release correspond to the contents of the underlying documents, the accounting books and the accounting entries.

Sant'Ilario d'Enza (RE), 2 August 2013

Manager responsible for drafting  
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## Financial statements

### Consolidated balance sheet

(€/000)	<u>30/06/2013</u>	<u>31/12/2012</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	100,181	115,069
Trade receivables	129,028	96,371
Inventories	156,310	131,692
Tax receivables	6,174	6,705
Derivative financial instruments	124	306
Other current assets	<u>7,466</u>	<u>6,675</u>
<b>Total current assets</b>	<b><u>399,283</u></b>	<b><u>356,818</u></b>
<b>Non-current assets</b>		
Property, plant and equipment	148,007	112,527
Goodwill	238,576	225,921
Other intangible assets	25,434	22,146
Other financial assets	1,811	1,840
Tax receivables	3,066	2,802
Deferred tax assets	19,712	16,707
Other non-current assets	<u>760</u>	<u>971</u>
<b>Total non-current assets</b>	<b><u>437,366</u></b>	<b><u>382,914</u></b>
Assets available for sale	<u>2,480</u>	<u>2,121</u>
<b>Total assets</b>	<b><u>839,129</u></b>	<b><u>741,853</u></b>

(€/000)	<u>30/06/2013</u>	<u>31/12/2012</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade payables	73,551	53,612
Payables to banks	21,633	10,614
Interest bearing financial payables (current portion)	79,151	87,303
Derivative financial instruments	618	781
Taxes payable	7,507	6,655
Other current liabilities	53,621	27,342
Provisions for risks and charges	4,791	4,653
<b>Total current liabilities</b>	<b><u>240,872</u></b>	<b><u>190,960</u></b>
<b>Non-current liabilities</b>		
Interest bearing financial payables	105,846	91,701
Liabilities for employee benefits	11,955	11,008
Deferred tax liabilities	27,197	22,456
Non-current tax payables	4	17
Other non-current liabilities	17,400	27,496
Provisions for risks and charges	1,499	1,339
<b>Total non-current liabilities</b>	<b><u>163,901</u></b>	<b><u>154,017</u></b>
<b>Total liabilities</b>	<b><u>404,773</u></b>	<b><u>344,977</u></b>
 <b>SHAREHOLDERS' EQUITY</b>		
Share capital	55,151	52,796
Legal reserve	11,323	10,157
Share premium reserve	133,654	105,514
Reserve for valuation of hedging derivatives at fair value	(125)	(333)
Translation reserve	(8,662)	(8,243)
Other reserves	236,480	231,152
<b>Group shareholders' equity</b>	<b><u>427,821</u></b>	<b><u>391,043</u></b>
Non-controlling interests	6,535	5,833
<b>Total shareholders' equity</b>	<b><u>434,356</u></b>	<b><u>396,876</u></b>
<b>Total shareholders' equity and liabilities</b>	<b><u>839,129</u></b>	<b><u>741,853</u></b>

## Consolidated income statement for the first half-year

(€/000)	<u>2013</u>	<u>2012</u>
<b>Net sales</b>	<b>280,521</b>	<b>279,159</b>
Cost of sales	(176,752)	(172,786)
<b>Gross industrial margin</b>	<b>103,769</b>	<b>106,373</b>
<i>% of net sales</i>	<i>37.0%</i>	<i>38.1%</i>
Other operating income	4,202	4,470
Distribution expenses	(29,350)	(27,222)
General and administrative expenses	(35,368)	(34,199)
Other operating costs	(1,720)	(803)
<b>EBIT</b>	<b>41,533</b>	<b>48,619</b>
<i>% of net sales</i>	<i>14.8%</i>	<i>17.4%</i>
Financial income	4,195	2,462
Financial charges	(6,019)	(6,560)
Adjustment of investments accounted for using the equity method	(102)	(88)
<b>Profit for the period before taxes</b>	<b>39,607</b>	<b>44,433</b>
Income taxes	(14,291)	(17,163)
<b>Consolidated profit for the period from continuing operations</b>	<b>25,316</b>	<b>27,270</b>
<i>% of net sales</i>	<i>9.0%</i>	<i>9.8%</i>
Profit from activities to be sold from discontinued operations	-	19
<b>Consolidated profit for the period</b>	<b>25,316</b>	<b>27,289</b>
<b>Attributable to:</b>		
Owners of the parent	24,716	26,650
Non-controlling interests of subsidiaries	600	639
<b>Consolidated profit for the period</b>	<b>25,316</b>	<b>27,289</b>
<b>EBITDA</b>	<b>53,358</b>	<b>58,977</b>
<i>% of net sales</i>	<i>19.0%</i>	<i>21.1%</i>
Shareholders' equity	434,356	331,192
Net debt	106,449	139,816
Debt for the purchase of investments	32,920	28,990
Capital employed	573,725	499,998
<b>Non-annualized ROCE</b>	<b>7.2%</b>	<b>9.7%</b>
<b>Non-annualized ROE</b>	<b>5.8%</b>	<b>8.2%</b>
<b>Basic earnings per share</b>	<b>0.240</b>	<b>0.288</b>

EBITDA\* = EBIT + Depreciation + Amortization + Accruals

ROCE = EBIT/ Capital employed

ROE = Consolidated profit for the period / Consolidated shareholders' equity

\* = Since EBITDA is not an accounting measure either as part of Italian accounting principles or as part of international accounting standards (IAS/IFRS), the calculation of this item may vary. EBITDA is a measure used by the company's management to monitor and assess its operating performance. Management believes that EBITDA is an important parameter for measuring the company's operating performance as it is not affected by the various criteria that may be used to determine taxable income, the amount and characteristics of capital employed and the relative depreciation and amortisation policies. The criteria used by the company to determine EBITDA may not be consistent with that used by other companies/groups and the amount obtained may not be comparable with that calculated by them.

## Statement of consolidated comprehensive income for the first half year

(€/000)	<u>2013</u>	<u>2012</u>
<b>Consolidated profit for the half year (A)</b>	<b>25,316</b>	<b>27,289</b>
<b>Other consolidated income which will subsequently be reclassified to consolidated profit for the period</b>		
<i>Cash flow hedge accounting for derivatives hedging interest rate risk:</i>		
- Gains (losses) on derivatives for the period	-	-
- Less: Adjustment for gains (losses) reclassified to the income statement	-	-
- Less: Adjustment for the recognition of fair value in equity in the previous period	<u>330</u>	<u>309</u>
<i>Total</i>	<u>330</u>	<u>309</u>
<i>Cash flow hedge accounting for derivatives hedging currency risk:</i>		
- Gains (losses) on derivatives for the period	43	(40)
- Less: Adjustment for gains (losses) reclassified to the income statement	(91)	334
- Less: Adjustment for the recognition of fair value in equity in the previous period	<u>-</u>	<u>(15)</u>
<i>Total</i>	<u>(48)</u>	<u>279</u>
<i>Gains (losses) on translating the financial statements of foreign companies</i>	<u>(392)</u>	<u>2,803</u>
<i>Gains (losses) from companies accounted for using the equity method</i>	<u>(59)</u>	<u>47</u>
<i>Related taxation</i>	<u>(74)</u>	<u>(187)</u>
<b>Total other consolidated income which will subsequently be reclassified to consolidated profit for the period, net of the tax effect (B)</b>	<b><u>(243)</u></b>	<b><u>3,251</u></b>
<b>Consolidated comprehensive income for the first half year (A) + (B)</b>	<b><u>25,073</u></b>	<b><u>30,540</u></b>
<b>Attributable to:</b>		
Owners of the parent	24,505	29,743
Non-controlling interests of subsidiaries	<u>568</u>	<u>797</u>
<b>Consolidated comprehensive income for the period</b>	<b><u>25,073</u></b>	<b><u>30,540</u></b>

## Consolidated income statement for the second quarter

(€/000)	<u>2013</u>	<u>2012</u>
<b>Net sales</b>	<b>148.257</b>	<b>140.708</b>
Cost of sales	(94.372)	(87.558)
<b>Gross industrial margin</b>	<b>53.885</b>	<b>53.150</b>
<i>% of net sales</i>	<i>36.3%</i>	<i>37.8%</i>
Other operating income	2,340	2,425
Distribution expenses	(15,278)	(13,965)
General and administrative expenses	(18,425)	(17,240)
Other operating costs	(1,371)	(725)
<b>EBIT</b>	<b>21,151</b>	<b>23,645</b>
<i>% of net sales</i>	<i>14.3%</i>	<i>16.8%</i>
Financial income	2,126	1,319
Financial charges	(3,555)	(2,969)
Adjustment of investments accounted for using the equity method	(73)	(165)
<b>Profit for the period before taxes</b>	<b>19,649</b>	<b>21,830</b>
Income taxes	(7,117)	(8,307)
<b>Consolidated profit for the period from continuing operations</b>	<b>12,532</b>	<b>13,523</b>
<i>% of net sales</i>	<i>8.5%</i>	<i>9.6%</i>
Profit from activities to be sold from discontinued operations	-	22
<b>Consolidated profit for the period</b>	<b>12,532</b>	<b>13,545</b>
<b>Attributable to:</b>		
Owners of the parent	12,283	13,221
Non-controlling interests of subsidiaries	249	324
<b>Consolidated profit for the period</b>	<b>12,532</b>	<b>13,545</b>
<b>EBITDA from continuing operations</b>	<b>27,947</b>	<b>29,149</b>
<i>% of net sales</i>	<i>18.9%</i>	<i>20.7%</i>
Shareholders' equity	434,356	331,192
Net debt	106,449	139,816
Debt for the purchase of investments	32,920	28,990
Capital employed	573,725	499,998
<b>Non-annualized ROCE</b>	<b>3.7%</b>	<b>4.7%</b>
<b>Non-annualized ROE</b>	<b>2.9%</b>	<b>4.1%</b>
<b>Basic earnings per share</b>	<b>0.117</b>	<b>0.143</b>

EBITDA\* = EBIT + Depreciation + Amortization + Accruals

ROCE = EBIT/ Capital employed

ROE = Consolidated profit for the period / Consolidated shareholders' equity

\* = Since EBITDA is not an accounting measure either as part of Italian accounting principles or as part of international accounting standards (IAS/IFRS), the calculation of this item may vary. EBITDA is a measure used by the company's management to monitor and assess its operating performance. Management believes that EBITDA is an important parameter for measuring the company's operating performance as it is not affected by the various criteria that may be used to determine taxable income, the amount and characteristics of capital employed and the relative depreciation and amortisation policies. The criteria used by the company to determine EBITDA may not be consistent with that used by other companies/groups and the amount obtained may not be comparable with that calculated by them.

## Statement of consolidated comprehensive income for the second quarter

(€/000)	<u>2013</u>	<u>2012</u>
<b>Consolidated profit for the second quarter (A)</b>	<b>12,532</b>	<b>13,545</b>
<b>Other consolidated income which will subsequently be reclassified to consolidated profit for the period</b>		
<i>Cash flow hedge accounting for derivatives hedging interest rate risk:</i>		
- Gains (losses) on derivatives for the period	-	-
- Less: Adjustment for gains (losses) reclassified to the income statement	-	-
- Less: Adjustment for the recognition of fair value in equity in the previous period	<u>130</u>	<u>158</u>
<i>Total</i>	<i>130</i>	<i>158</i>
<i>Cash flow hedge accounting for derivatives hedging currency risk:</i>		
- Gains (losses) on derivatives for the period	158	(86)
- Less: Adjustment for gains (losses) reclassified to the income statement	(2)	28
- Less: Adjustment for the recognition of fair value in equity in the previous period	<u>4</u>	<u>(73)</u>
<i>Total</i>	<i>160</i>	<i>(131)</i>
<i>Gains (losses) on translating the financial statements of foreign companies</i>	<i>(6,125)</i>	<i>8,210</i>
<i>Gains (losses) from companies accounted for using the equity method</i>	<i>(29)</i>	<i>37</i>
<i>Related taxation</i>	<i>(84)</i>	<i>(5)</i>
<b>Total other consolidated income which will subsequently be reclassified to consolidated profit for the period, net of the tax effect (B)</b>	<b><u>(5,948)</u></b>	<b><u>8,269</u></b>
<b>Consolidated comprehensive income for the second quarter (A) + (B)</b>	<b><u>6,584</u></b>	<b><u>21,814</u></b>
<b>Attributable to:</b>		
Owners of the parent	6,563	21,316
Non-controlling interests of subsidiaries	<u>21</u>	<u>498</u>
<b>Consolidated comprehensive income for the period</b>	<b><u>6,584</u></b>	<b><u>21,814</u></b>

## Consolidated cash flow statement for the first half year

(€/000)	<u>2013</u>	<u>2012</u>
<b>Cash flows from operating activities</b>		
Profit before taxes and capital losses from discontinued operations	39,607	44,433
Adjustments for non-cash items:		
Losses (gains) on the sale of fixed assets	(630)	(644)
Losses (gains) on the sale of investments	-	(155)
Amortisation and depreciation	10,733	9,731
Costs recognized in the income statement relative to stock options that do not involve monetary outflows for the Group	552	436
Losses (profits) from investments	102	88
Net change in risk provisions and allocations to employee benefit provisions	(67)	(53)
Expenditures for tangible assets to be leased	(2,946)	(2,568)
Proceeds from the disposal of leased tangible assets	1,206	1,883
Net financial charges	1,824	4,098
Other	7	(19)
	<u>50,388</u>	<u>57,230</u>
(Increase) decrease in trade receivables and other current assets	(20,002)	(7,909)
(Increase) decrease in inventories	(6,549)	(9,797)
Increase (decrease) in trade payables and other current liabilities	12,590	3,926
Interest paid	(2,790)	(3,811)
Realised exchange differences	385	29
Taxes paid	(10,661)	(11,262)
<b>Net cash from operating activities</b>	<u><b>23,361</b></u>	<u><b>28,406</b></u>
<b>Cash flows from investing activities</b>		
Payments for the purchase of investments net of cash received and gross of treasury shares transferred	(40,545)	(18,163)
Net proceeds from the Hydrocontrol concentration operation	1,400	-
Sale of non-controlling interests	-	294
Capital expenditure on property, plant and equipment	(15,427)	(8,927)
Proceeds from the sale of tangible assets	258	1,742
Increase in intangible assets	(1,371)	(1,258)
Proceeds from the disposal of financial fixed assets	970	1,713
Financial income received	1,047	915
Other	161	(163)
<b>Net cash used in investing activities</b>	<u><b>(53,507)</b></u>	<u><b>(23,847)</b></u>
<b>Cash flows from financing activities</b>		
Disbursement (repayment) of loans	(6,179)	(148)
Dividends paid	(18,464)	(11,647)
Payment for the purchase of treasury shares	(1,672)	(6,905)
Disposal of treasury shares to acquire investments	30,132	1,704
Proceeds from the sale of treasury shares to stock option beneficiaries	1,483	1,995
Disbursement (repayment) of loans to unconsolidated subsidiaries	(88)	33
Payment of finance lease instalments (principal)	(1,296)	(1,320)
<b>Net cash from (used in) financing activities</b>	<u><b>3,916</b></u>	<u><b>(16,288)</b></u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u><b>(26,230)</b></u>	<u><b>(11,729)</b></u>

(€/000)	<u>2013</u>	<u>2012</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(26,230)</b>	<b>(11,729)</b>
Increase (decrease) in cash from discontinued operations	-	20
Translation differences for cash held by non-EU companies	92	462
Opening cash and cash equivalents of GITOP (company consolidated on a line-by-line basis for the first time)	231	-
Cash and cash equivalents at the beginning of the period	<u>104,455</u>	<u>100,306</u>
<b>Cash and cash equivalents at the end of the period</b>	<b><u>78,548</u></b>	<b><u>89,059</u></b>

Cash and cash equivalents may be analysed as follows:

	30/06/2013	31/12/2012
	€/000	€/000
Cash and cash equivalents as per the balance sheet	100,181	115,069
Payables to banks (for overdrafts and advances subject to collection)	<u>(21,633)</u>	<u>(10,614)</u>
Cash and cash equivalents as per the cash flow statement	<u>78,548</u>	<u>104,455</u>

## Statement of changes in shareholders' equity

	Share capital	Legal reserve	Share premium reserve	Reserve for valuation of hedging derivatives at fair value	Translation reserve	Other reserves	Group shareholders' equity	Non-controlling interests	Total
<i>At 1 January 2012</i>	47,936	10,157	64,719	(1,086)	(2,908)	190,879	309,697	5,463	315,160
Recognition in the income statement of the fair value of the stock options granted and exercisable	-	-	436	-	-	-	436	-	436
Purchase of treasury shares	(589)	-	(6,316)	-	-	-	(6,905)	-	(6,905)
Transfer of treasury shares to stock option beneficiaries	275	-	1,720	-	-	-	1,995	-	1,995
Transfer of treasury shares as payment for investments	156	-	1,548	-	-	-	1,704	-	1,704
Dividends distributed	-	-	-	-	-	(11,145)	(11,145)	(342)	(11,487)
Dividends approved	-	-	-	-	-	-	-	(55)	(55)
Classification of the investment in Hydrocar Roma as assets held for sale	-	-	-	-	-	-	-	(196)	(196)
Comprehensive income for the first half of 2012	-	-	-	401	2,692	26,650	29,743	797	30,540
<i>At 30 June 2012</i>	47,778	10,157	62,107	(685)	(216)	206,384	325,525	5,667	331,192
Recognition in the income statement of the fair value of the stock options granted and exercisable	-	-	436	-	-	-	436	-	436
Purchase of treasury shares	(817)	-	(8,105)	-	-	-	(8,922)	-	(8,922)
Transfer of treasury shares to stock option beneficiaries	6	-	24	-	-	-	30	-	30
Capital increase following the exercising of warrants	5,829	-	51,052	-	-	-	56,881	-	56,881
Dividends distributed	-	-	-	-	-	-	-	(29)	(29)
Comprehensive income for the second half of 2012	-	-	-	352	(8,027)	24,768	17,093	195	17,288
<i>At 31 December 2012</i>	52,796	10,157	105,514	(333)	(8,243)	231,152	391,043	5,833	396,876
Recognition in the income statement of the fair value of the stock options granted and exercisable	-	-	552	-	-	-	552	-	552
Purchase of treasury shares	(137)	-	(1,535)	-	-	-	(1,672)	-	(1,672)
Transfer of treasury shares to stock option beneficiaries	152	-	1,331	-	-	-	1,483	-	1,483
Transfer of treasury shares as payment for investments	2,340	-	27,792	-	-	-	30,132	-	30,132
Dividends distributed	-	-	-	-	-	(18,029)	(18,029)	(435)	(18,464)
Allocation of residual 2012 profits	-	1,166	-	-	-	(1,166)	-	-	-
Purchase of an additional interest in Penta Africa	-	-	-	-	-	(193)	(193)	-	(193)
Purchase of Hydrocontrol	-	-	-	-	-	-	-	569	569
Comprehensive income for the first half of 2013	-	-	-	208	(419)	24,716	24,505	568	25,073
<i>At 30 June 2013</i>	55,151	11,323	133,654	(125)	(8,662)	236,480	427,821	6,535	434,356