



**INTERPUMP
GROUP**

PRESS RELEASE

PRELIMINARY RESULTS FOR 2011

Net sales: €493.3 million (€424.9 million in 2010): +16.1%

EBITDA: €95.0 million – historical record for Interpump Group - (19.3% of sales);

€74.1 million in 2010: +28.2%

Consolidated net profit: €42.6 million (8.6% of sales); €27.4 million in 2010: +55.5%

Continuing operations

Net sales: €472.3 million (€400.1 million in 2010): +18.0%

EBITDA: €94.7 million (20.0% of sales); €73.9 million in 2010: +28.0%

EBIT: €75.7 million (16.0% of sales); €54.9 million in 2010: +37.9%

RESULTS FOR THE FOURTH QUARTER OF 2011

Continuing operations

Net sales: €119.3 million (€103.4 million in fourth quarter 2010): +15.4%

EBITDA: €22.2 million (18.7% of sales); €19.1 million in fourth quarter 2010: +16.6%

EBIT: €17.0 million (14.2% of sales); €13.5 million in fourth quarter 2010: +25.6%

Consolidated net profit: €10.3 million (8.6% of sales); €5.8 million in 2010: +75.6%

Milan, 14 February 2012 – Interpump Group announces its **preliminary data for 2011 and the results for the fourth quarter of 2011**, approved by the Board of Directors which met today.

The Electric Motors Sector (Unielectric) was sold on 26 September 2011. International Financial Reporting Standards (IFRS) require data to be presented separately for **continuing operations** and for **discontinued operations** to allow a more transparent view of the Group's possible future developments.

American Mobile Power was acquired in April 2011, and was therefore consolidated for nine months in 2011.

PRELIMINARY DATA FOR 2011

2011 confirmed the recovery in sales and profitability begun in March 2010. The Industrial Sector exceeded the maximum levels of the pre-crisis period, while the Hydraulic Sector, which had dropped sharply during the crisis, recovered approximately 80% of pre-crisis sales.

Net sales for 2011 amounted to 493.3 million euros, up 16.1% compared to 2010 (424.9 million euros).



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In 2011, net sales of **continuing operations** amounted to 472.3 million euros, up 18.0% compared to 2010, when sales from continuing operations were 400.1 million euros. With an unchanged consolidation scope, growth was 16.7%, which rises to 18.8% at parity of exchange rate.

Sales of continuing operations by business sector and by geographic area may be analysed as follows:

(€000)

	Italy	Rest of Europe	North America	Pacific Area	Rest of World	Total
2011						
Hydraulic Sector	57,039	60,161	62,979	10,592	39,150	229,921
Industrial Sector	<u>19,688</u>	<u>73,445</u>	<u>92,007</u>	<u>39,668</u>	<u>17,562</u>	<u>242,370</u>
Total continuing operations	<u>76,727</u>	<u>133,606</u>	<u>154,986</u>	<u>50,260</u>	<u>56,712</u>	<u>472,291</u>
2010						
Hydraulic Sector	51,281	50,003	47,598	6,256	35,175	190,313
Industrial Sector	<u>19,368</u>	<u>60,303</u>	<u>81,031</u>	<u>32,579</u>	<u>16,550</u>	<u>209,831</u>
Total continuing operations	<u>70,649</u>	<u>110,306</u>	<u>128,629</u>	<u>38,835</u>	<u>51,725</u>	<u>400,144</u>
Percentage change 2011/2010						
Hydraulic Sector	+11.2%	+20.3%	+32.3%	+69.3%	+11.3%	+20.8%
Industrial Sector	+1.7%	+21.8%	+13.5%	+21.8%	+6.1%	+15.5%
Total	+8.6%	+21.1%	+20.5%	+29.4%	+9.6%	+18.0%

An important contribution to growth came from BRIC countries (Brazil, Russia, India, and China), which recorded growth of 48.2%, although still with limited volumes (43.5 million euros of 2011 sales), increasing their weight on consolidated sales from 7.3% to 9.2%.

Hydraulic Sector sales grew 20.8% (+18.1% on a like-for-like basis). Sales by US companies grew 38.3% in dollars (+27.8% on a like-for-like basis); translated into euros, the increase was 31.6% (+21.7% on a like-for-like basis). Sales by other companies in the Hydraulic Sector increased by 16.7% compared to the previous year.

The Industrial Sector recorded sales of 242.4 million euros, up 15.5%. The following table presents Industrial Sector sales by product type:

	2011 (€/000)	2010 (€/000)	Increase/ Decrease
High pressure pumps	82,090	75,429	+8.8%
Very high pressure systems	148,427	122,366	+21.3%
Other	<u>11,853</u>	<u>12,036</u>	-1.5%
Total	<u>242,370</u>	<u>209,831</u>	+15.5%

EBITDA reached **95.0 million euros** (19.3% of sales), compared to 74.1 million euros in 2010 (17.4% of sales), growing 28.2% and setting a **record** in the history of Interpump Group. **EBITDA for continuing operations** was 94.7 million euros (20.0% of sales), compared to 73.9 million euros in 2010 (18.5% of sales) (+28.0% and +26.6% on a like-for-like basis). The following table presents EBITDA for continuing operations by business sector:



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	<i>2011</i>	<i>% of</i>	<i>2010</i>	<i>% of total</i>	<i>Increase/</i>
	<i>(€/000)</i>	<i>total</i>	<i>(€/000)</i>	<i>sales *</i>	<i>Decrease</i>
		<i>sales *</i>			
Hydraulic Sector	32,871	14.3%	23,607	12.4%	+39.2%
Industrial Sector	60,664	25.0%	50,347	23.9%	+20.5%
Other Activities Sector	<u>1,132</u>	N/A	<u>(16)</u>	N/A	N/A
Total	<u>94,667</u>	20.0%	<u>73,938</u>	18.5%	+28.0%

* = Total sales also include those of other Group companies, while the sales analysed earlier consist solely of those made outside the Group. As a result, for consistency the percentage is calculated on total sales rather than on sales as stated earlier.

On a like-for-like basis, EBITDA for the Hydraulic Sector was 31.8 million euros (14.1% of sales), up 34.7% compared to 2010.

Operating profit (**EBIT**) was 75.8 million euros (15.4% of sales) compared to 54.7 million euros in 2010 (12.9% of sales), an increase of 38.5%.

Operating profit (**EBIT**) for continuing operations was 75.7 million euros (16.0% of sales) compared to 54.9 million euros in 2010 (13.7% of sales), an increase of 37.9%. On a like-for-like basis, EBIT for continuing operations increased 36.3%, reaching 74.8 million euros (16.0% of sales).

2011 closed with a **consolidated net profit of 42.6 million euros**, equal to 8.6% of sales (27.4 million euros in 2010), an **increase of 55.5%**. Basic earnings per share were 0.439 euro (0.284 euro in 2010), an increase of 54.6%.

Capital employed rose from 439.2 million euros at 31 December 2010 to 461.1 million euros at 31 December 2011. ROCE was 16.4% (12.5% in 2010). ROE was 13.5% (9.4% in 2010).

Net cash generated by operating activities amounted to 60.8 million euros (54.6 million in 2010), an increase of 11.2%. **Free cash flow** was 28.0 million euros (57.0 million in 2010). 24.1 million euros in liquidity from commercial working capital were employed in 2011 due to the strong growth recorded in the period. It should be recalled that working capital was highly compressed in both 2009 and 2010.

Net financial debt was substantially unchanged, from 126.1 million euros at 31 December 2010 to 127.0 million euros at 31 December 2011, as free cash flow was completely utilised to pay acquisitions, to purchase treasury stocks, and to distribute dividends. The amount does not include commitments to purchase minorities shareholdings in subsidiaries for 19.0 million euros (21.6 million at 31/12/2010).



CONSOLIDATED RESULTS FOR FOURTH QUARTER 2011

All of the comparisons presented in this section are between the results of continuing operations in the fourth quarter of 2011 and in the fourth quarter of 2010.

Net sales in the fourth quarter of 2011 were **119.3 million euros**, up 15.4% compared to continuing operations in the same period of 2010 (103.4 million euros). On a like-for-like basis, growth was 13.5%

Net sales in the fourth quarter may be analysed as follows:

By business sector

	<i>4th quarter</i>		<i>4th quarter</i>		<i>Increase/ Decrease</i>
	<i>2011</i>		<i>2010</i>		
	<u>(€/000)</u>	<u>%</u>	<u>(€/000)</u>	<u>%</u>	
Hydraulic Sector	58,541	49	48,895	47	+19.7%
Industrial Sector	<u>60,747</u>	<u>51</u>	<u>54,467</u>	<u>53</u>	+11.5%
<i>Total</i>	<u>119,288</u>	<u>100</u>	<u>103,362</u>	<u>100</u>	+15.4%

Hydraulic Sector sales grew 19.7% (+15.8% on a like-for-like basis). Sales by US companies grew 39.9% in dollars (+25.2% on a like-for-like basis); translated into euros, the increase was 40.6% (+25.9% on a like-for-like basis). Sales by other companies in the Hydraulic Sector increased by 12.0% compared to the same period in the previous year.

The **Industrial Sector** recorded sales of 60.7 million euros, up 11.5%. The following table presents Industrial Sector sales by product type:

	<i>4th quarter</i>		<i>4th quarter</i>		<i>Increase/ Decrease</i>
	<i>2011</i>		<i>2010</i>		
	<u>(€/000)</u>		<u>(€/000)</u>		
High pressure pumps	19,542		18,454		+5.9%
Very high pressure systems	38,195		32,767		+16.6%
Other	<u>3,010</u>		<u>3,246</u>		-7.3%
<i>Total</i>	<u>60,747</u>		<u>54,467</u>		+11.5%

EBITDA (gross operating profit) totalled 22.2 million euros, equal to 18.7% of sales, compared to 19.1 million euros in the fourth quarter of 2010 (18.5% of sales) (+16.6% and +14.3% on a like-for-like basis).

Operating profit (**EBIT**) amounted to 17.0 million euros (14.2% of sales), compared to 13.5 million euros in the fourth quarter of 2010 (13.1% of sales), an increase of 25.6%. On a like-for-like basis, EBIT increased by 22.9%, reaching 16.6 million euros (14.1% of sales).

The fourth quarter closed with a **consolidated net profit** of 10.3 million euros, equal to 8.6% of sales (5.8 million euros in the fourth quarter of 2010), an increase of 75.6%.

Basic earnings per share from continuing operations were 0.106 euro (0.060 euro in the fourth quarter of 2010), an increase of 76.7 %.



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On March 13, the Board of Directors will approve the draft of the 2011 Financial Statements and will consider to make a proposal to the Shareholders' Meeting of distributing a dividend of 0.12 euro per share.

Milan, 14 February 2012

On behalf of the Board of Directors
The Chairman
Giovanni Cavallini

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.

Milan, 14 February 2012

Manager responsible for drafting
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Carlo Banci

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Financial statements- Consolidated balance sheet

<i>€/000</i>	<u>31/12/2011</u>	<u>31/12/2010</u>
ASSETS		
Attività correnti		
Cash and cash equivalents	109,068	138,721
Trade receivables	95,912	88,536
Inventories	117,021	108,004
Tax receivables	4,425	5,277
Derivative financial instruments	-	375
Assets available for sale	2,123	4,556
Other current assets	8,754	3,835
Total current assets	<u>337,303</u>	<u>349,304</u>
Non current assets		
Property, plant and equipment	102,777	103,121
Goodwill	213,400	209,655
Other intangible assets	23,562	23,895
Other financial assets	3,424	3,399
Tax receivables	1,017	1,021
Deferred tax assets	15,057	14,161
Other non-current assets	1,490	414
Total non-current assets	<u>360,727</u>	<u>355,666</u>
Total assets	<u>698,030</u>	<u>704,970</u>

<i>€/000</i>	<u>31/12/2011</u>	<u>31/12/2010</u>
LIABILITIES		
Current liabilities		
Trade payables	57,962	61,732
Payables to banks	8,762	7,751
Interest bearing financial payables (current portion)	113,700	125,374
Derivative financial instruments	2,006	2,651
Taxes payable	8,552	8,125
Other current liabilities	22,943	19,805
Provisions for risks and charges	2,851	2,243
Total current liabilities	216,776	227,681
Non-current liabilities		
Interest bearing financial payables	113,569	131,718
Liabilities for employee benefits	9,698	10,225
Deferred tax liabilities	20,668	18,856
Other non-current liabilities	20,439	23,175
Provisions for risks and charges	1,720	1,856
Total non-current liabilities	166,094	185,830
Total liabilities	382,870	413,511
SHAREHOLDERS' EQUITY		
Share Capital	47,936	49,193
Legal reserve	10,157	10,064
Share premium reserve	64,719	74,427
Reserve for valuation of hedging derivatives at fair value	(1,086)	(1,730)
Translation reserve	(2,908)	(8,196)
Other reserves	190,879	160,524
Shareholders' equity for the Group	309,697	284,282
Minority interests	5,463	7,177
Total shareholders' equity	315,160	291,459
Total shareholders' equity and liabilities	698,030	704,970

Consolidated income statements

(€000)	2011			2010		
	<i>Continuing operations</i>	<i>Discontinued operations</i>	<i>Total</i>	<i>Continuing operations</i>	<i>Discontinued operations</i>	<i>Total</i>
Net sales	472,291	21,029	493,320	400,144	24,781	424,925
Cost of sales	(294,661)	(19,187)	(313,848)	(250,207)	(22,429)	(272,636)
Gross industrial margin	177,630	1,842	179,472	149,937	2,352	152,289
Other net revenues	7,570	307	7,877	6,735	213	6,948
Distribution costs	(46,066)	(492)	(46,558)	(40,709)	(631)	(41,340)
General and administrative expenses	(60,372)	(1,549)	(61,921)	(59,687)	(2,091)	(61,778)
Other operating costs	(3,077)	(28)	(3,105)	(1,394)	(36)	(1,430)
Ordinary profit before financial charges	75,685	80	75,765	54,882	(193)	54,689
Financial income	6,365	12	6,377	5,626	30	5,656
Financial charges	(15,032)	(37)	(15,069)	(14,772)	(80)	(14,852)
Adjustment of investments according to the equity method	(367)	-	(367)	147	-	147
Profit for the period before taxes	66,651	55	66,706	45,883	(243)	45,640
Income taxes	(23,019)	(34)	(23,053)	(18,187)	(72)	(18,259)
Profit for the period after taxes but before gains from discontinued operations	43,632	21	43,653	27,696	(315)	27,381
Loss from discontinued operations	-	(1,068)	(1,068)	-	-	-
Consolidated profit for the period	43,632	(1,047)	42,585	27,696	(315)	27,381
Due to:						
Parent company shareholders	42,370	(1,138)	41,232	26,853	(344)	26,509
Minority interests	1,262	91	1,353	843	29	872
Consolidated profit for the period	43,632	(1,047)	42,585	27,696	(315)	27,381
Basic earnings per share (euro)	0.451		0.439	0.288		0.284
Diluted earnings per share (euro)	0.446		0.434	0.288		0.284

Statements of consolidated comprehensive income for the year

(€000)	2011			2010		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Consolidated profit (A)	43,632	(1,047)	42,585	27,696	(315)	27,381
<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	1,283	-	1,283	(926)	-	(926)
<i>Total</i>	<u>1,283</u>	<u>-</u>	<u>1,283</u>	<u>(926)</u>	<u>-</u>	<u>(926)</u>
<i>Cash flow hedge accounting for derivatives hedging currency risk</i>						
- Gains (losses) on derivatives for the period	(367)	-	(367)	61	6	67
- Less: Adjustment for gains (losses) reclassified to the income statement	(61)	(6)	(67)	24	-	24
- Less: Adjustment for the recognition of fair value in equity	-	-	-	-	-	-
<i>Total</i>	<u>(428)</u>	<u>(6)</u>	<u>(434)</u>	<u>85</u>	<u>6</u>	<u>91</u>
<i>Gain (losses) on translating the financial statements of foreign entities</i>	5,344	-	5,344	12,338	-	12,338
<i>Gain (losses) from companies accounted for under the equity method</i>	18	-	18	40	-	40
<i>Related taxation</i>	<u>(208)</u>	<u>2</u>	<u>(206)</u>	<u>230</u>	<u>(2)</u>	<u>228</u>
Gains (losses) recognized directly in equity (B)	<u>6,009</u>	<u>(4)</u>	<u>6,005</u>	<u>11,767</u>	<u>4</u>	<u>11,771</u>
Consolidated comprehensive income for the period (A) + (B)	<u>49,641</u>	<u>(1,051)</u>	<u>48,590</u>	<u>39,463</u>	<u>(311)</u>	<u>39,152</u>
Attributable to:						
Parent company shareholders	48,305	(1,141)	47,164	38,217	(341)	37,876
Minority interests	1,336	90	1,426	1,246	30	1,276
Consolidated income for the period	<u>49,641</u>	<u>(1,051)</u>	<u>48,590</u>	<u>39,463</u>	<u>(311)</u>	<u>39,152</u>

Consolidated income statements for the fourth quarter

(€000)	2011	2010		<i>Total</i>
	<i>Continuing operations</i>	<i>Continuing operations</i>	<i>Discontinued operations</i>	
Net sales	119,288	103,362	6,724	110,086
Cost of sales	(74,908)	(64,991)	(6,308)	(71,299)
Gross industrial margin	44,380	38,371	416	38,787
Other net revenues	1,580	1,388	32	1,420
Distribution costs	(11,941)	(10,251)	(169)	(10,420)
General and administrative expenses	(15,817)	(15,525)	(526)	(16,051)
Impairment of assets	(1,235)	(475)	(15)	(490)
Other operating costs	16,967	13,508	(262)	13,246
Financial income	1,874	1,840	22	1,862
Financial charges	(4,152)	(4,725)	(45)	(4,770)
Adjustment of investments according to the equity method	(40)	28	-	28
Profit for the period before taxes	14,649	10,651	(285)	10,366
Income taxes	(4,393)	(4,811)	(6)	(4,817)
Consolidated profit for the period	10,256	5,840	(291)	5,549
Due to:				
Parent company shareholders	9,825	5,602	(234)	5,368
Minority interests	431	238	(57)	181
Consolidated profit for the period	10,256	5,840	(291)	5,549
Basic earnings per share (euro)	0.106	0.060		0.057
Diluted earnings per share (euro)	0.105	0.059		0.057

Statement of consolidated comprehensive income for the fourth quarter

(€000)	2011	2010		Total
	Continuing operations	Continuing operations	Discontinued operations	
Consolidated profit for the fourth quarter (A)	10,256	5,840	(291)	5,549
<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	336	592	-	592
<i>Total</i>	<u>336</u>	<u>592</u>	-	<u>592</u>
<i>Cash flow hedge accounting for derivatives hedging currency risk:</i>				
- Gains (losses) on derivatives for the period	(236)	(433)	6	(427)
- Less: Adjustment for gains (losses) reclassified to the income statement	7	(2)	-	(2)
- Less: Adjustment for the recognition of fair value in equity	-	-	-	-
<i>Total</i>	<u>(229)</u>	<u>(435)</u>	<u>6</u>	<u>(429)</u>
<i>Gain (losses) on translating the financial statements of foreign entities</i>	6,882	3,299	-	3,299
<i>Gain (losses) from companies accounted for under the equity method</i>	35	21	-	21
<i>Related taxation</i>	<u>(16)</u>	<u>(21)</u>	<u>(2)</u>	<u>(23)</u>
Gains (losses) recognized directly in equity in the fourth quarter (B)	<u>7,008</u>	<u>3,456</u>	<u>4</u>	<u>3,460</u>
Consolidated comprehensive income for the fourth quarter (A) + (B)	<u>17,264</u>	<u>9,296</u>	<u>(287)</u>	<u>9,009</u>
Attributable to:				
Parent company shareholders	16,608	8,914	(231)	8,683
Minority interests	656	382	(56)	326
Consolidated comprehensive income for the period	<u>17,264</u>	<u>9,296</u>	<u>(287)</u>	<u>9,009</u>

Consolidated cash flow statements

(€000)	2011			2010		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Cash flow from operating activities						
Profit before taxes and loss from discontinued operations	66,651	55	66,706	45,883	(243)	45,640
<i>Adjustments for non-cash items:</i>						
Losses (capital gains) from the sale of fixed assets	(1,928)	(1)	(1,929)	(528)	(11)	(539)
Losses (capital gains) from disposals of investments	-	-	-	(33)	-	(33)
Depreciation and devaluation of tangible and intangible assets	18,077	239	18,316	18,539	354	18,893
Costs ascribed to the income statement relative to stock options that do not involve monetary outflows for the Group	962	34	996	2,176	104	2,280
Loss (profit) from investments	367	-	367	(147)	-	(147)
Net change of risk funds and allocations to liabilities for benefits for employees	612	(31)	581	(349)	(4)	(353)
Disbursements for tangible assets to be leased	(3,700)	-	(3,700)	(2,225)	-	(2,225)
Proceeds from leased tangible assets	2,250	-	2,250	1,426	-	1,426
Net financial charges	8,667	25	8,692	9,146	50	9,196
Other	180	-	180	(8)	-	(8)
	92,138	321	92,459	73,880	250	74,130
(Increase) decrease in trade receivables and other current assets	(14,792)	79	(14,713)	(9,155)	(2,951)	(12,106)
(Increase) decrease in inventories	(11,113)	(1,005)	(12,118)	(3,372)	51	(3,321)
Increase (decrease) in trade payables and other current liabilities	6,223	(1,174)	5,049	22,377	3,179	25,556
Interest paid	(8,702)	(18)	(8,720)	(8,910)	(46)	(8,956)
Currency exchange gains	(264)	(3)	(267)	596	(6)	590
Taxes paid	(22,710)	-	(22,710)	(11,121)	(23)	(11,144)
Net liquidity generated by operating activities	40,780	(1,800)	38,980	64,295	454	64,749
Cash flow from investing activities						
Payment for the purchase of investments net of cash received and gross of treasury shares given as consideration	(9,102)	-	(9,102)	(7,117)	-	(7,117)
Proceeds from sale of investments	1,551	-	1,551	43	-	43
Quota of capital increase of subsidiary paid by minority shareholder	-	-	-	300	-	300
Investment in property, plant and equipment	(10,644)	(342)	(10,986)	(6,644)	(164)	(6,808)
Proceeds from the sale of tangible fixed assets	1,591	12	1,603	331	29	360
Increase in intangible assets	(2,763)	(7)	(2,770)	(2,279)	(21)	(2,300)
Financial income collected	2,896	3	2,899	1,067	22	1,089
Other	166	(33)	133	-	(102)	(102)
Net liquidity utilised in investing activities	(16,305)	(367)	(16,672)	(14,299)	(236)	(14,535)

(€000)	2011			2010		
	<i>Continuing operations</i>	<i>Discontinued operations</i>	<i>Total</i>	<i>Continuing operations</i>	<i>Discontinued operations</i>	<i>Total</i>
Cash flow of financing activities						
Payment for purchase of treasury stock	(16,489)	-	(16,489)	-	-	-
Proceeds from the sale of treasury shares to stock option beneficiaries	188	-	188	-	-	-
Sale of treasury shares for the purchase of an investment	4,309	-	4,309	3,344	-	3,344
Payments for capital increase accessory costs	31	-	31	3,526	-	3,526
Dividends paid	(10,768)	-	(10,768)	(147)	-	(147)
Disbursement (repayment) of loans	(28,956)	(7)	(28,963)	(2,157)	(8)	(2,165)
Disbursal (repayment) of shareholder loans	346	-	346	-	-	-
Disbursement of a loan to an unconsolidated subsidiary	7	-	7	-	-	-
Payment of finance lease instalments (capital portion)	(2,379)	-	(2,379)	(2,201)	-	(2,201)
Net liquidity obtained through (utilised in) financing activities	(53,711)	(7)	(53,718)	2,365	(8)	2,357
Net increase (decrease) of cash and cash equivalents	(29,236)	(2,174)	(31,410)	52,361	210	52,571
Exchange differences on conversion of the liquidity of companies in areas outside the EU			746	2,607	-	2,607
Cash and cash equivalents at the start of the period			130,970	73,772	2,020	75,792
Cash and cash equivalents at the end of the period			100,306	128,740	2,230	130,970

Cash and cash equivalents can be broken down as follows:

	31/12/2011 (€000)	31/12/2010 (€000)
Cash and cash equivalents from balance sheet	109,068	138,721
Payables to banks (for overdrafts and advances subject to collection)	<u>(8,762)</u>	<u>(7,751)</u>
Cash and cash equivalents from cash flow statement	<u>100,306</u>	<u>130,970</u>

Changes in shareholders' equity

€000	<i>Share capital</i>	<i>Legal reserve</i>	<i>Share premium reserve</i>	<i>Reserve for the fair value of hedging derivatives</i>	<i>Translation reserve</i>	<i>Other reserves</i>	<i>Shareholders' equity for the Group</i>	<i>Minority interests</i>	<i>Total</i>
<i>Balances as at 1 January 2010</i>	48,414	8,747	65,548	(1,122)	(20,171)	135,332	236,748	6,048	242,796
Allocation of 2009 profit	-	1,317	-	-	-	(1,317)	-	-	-
Recording in the income statement of the fair value of the stock options assigned and exercisable	-	-	2,280	-	-	-	2,280	-	2,280
Dividends distributed	-	-	-	-	-	-	-	(147)	(147)
Capital increase following exercise of warrants	466	-	3,568	-	-	-	4,034	-	4,034
Sale of treasury shares to pay debts for the purchase of investments	313	-	3,031	-	-	-	3,344	-	3,344
Comprehensive profit (loss) for the year 2010	-	-	-	(608)	11,975	26,509	37,876	1,276	39,152
<i>Balances as at 31 December 2010</i>	<i>49,193</i>	<i>10,064</i>	<i>74,427</i>	<i>(1,730)</i>	<i>(8,196)</i>	<i>160,524</i>	<i>284,282</i>	<i>7,177</i>	<i>291,459</i>
Allocation of residual 2010 profit	-	93	-	-	-	(93)	-	-	-
Recording in the income statement of the fair value of the stock options assigned and exercisable	-	-	996	-	-	-	996	-	996
Acquisition of treasury stock	(1,845)	-	(14,644)	-	-	-	(16,489)	-	(16,489)
Sale of treasury shares to stock option beneficiaries	26	-	162	-	-	-	188	-	188
Sale of treasury shares as part of the purchase of the additional 11% of Interpump Hydraulics International	559	-	3,750	-	-	-	4,309	-	4,309
Dividends distributed	-	-	-	-	-	(10,412)	(10,412)	(356)	(10,768)
Effect on equity of the sale of Unielectric	-	-	-	-	-	-	-	(1,885)	(1,885)
Acquisition of the remaining 49% of AVI	-	-	-	-	-	(372)	(372)	(899)	(1,271)
Capital increase following exercise of warrants	3	-	28	-	-	-	31	-	31
Comprehensive profit (loss) for the year 2011	-	-	-	644	5,288	41,232	47,164	1,426	48,590
<i>Balances as at 31 December 2011</i>	<i>47,936</i>	<i>10,157</i>	<i>64,719</i>	<i>(1,086)</i>	<i>(2,908)</i>	<i>190,879</i>	<i>309,697</i>	<i>5,463</i>	<i>315,160</i>