



## PRESS RELEASE

### MONTIPO': "ANOTHER TOP PERFORMANCE YEAR"

#### PRELIMINARY RESULTS FOR 2015

**Net sales: €894.9 million (€672.0 million in 2014): +33.2%**

**EBITDA: €180.3 million or 20.1% of sales (€136.1 million in 2014 or 20.3% of sales): +32.4%**

**EBIT: €136.9 million or 15.3% of sales (€104.4 million in 2014 or 15.5% of sales): +31.2%**

**Consolidated net profit: €117.0 million (+103%) including one-off financial income of €32.0 million (as per IFRS 3) - €57.7 million in 2014**

**Free cash flow: €85.2 million (€38.3 million in 2014): +123%**

**Net debt: €255.0 million (€152.0 million at 31 December 2014) after acquisitions and the purchase of treasury shares totaling €178.0 million**

#### RESULTS FOR THE FOURTH QUARTER OF 2015

**Net sales: €213.0 million (€161.9 million in the fourth quarter of 2014): +31.6%**

**EBITDA: €38.9 million or 18.3% of sales, (€30.4 million in the fourth quarter of 2014 or 18.8% of sales): +28.0%**

**EBIT: €26.1 million or 12.2% of sales, (€21.3 million in the fourth quarter of 2014 or 13.2% of sales): +22.2%**

**Consolidated net profit: €15.6 million (€7.7 million in the fourth quarter of 2014): +104%**

*Sant'Ilario d'Enza (RE), 12 February 2016* – The Chairman Fulvio Montipò: "After the outstanding results achieved in 2013 and 2014, the year 2015 has, as anticipated, additional outstanding results, higher than expected. Despite the difficult situation of global markets, our company continues to grow both through organic growth and through acquisition".

Interpump Group announces its **consolidated results for the fourth quarter of 2015 and preliminary figures for the year** which were approved by the Board of Directors meeting today.

The Walvoil Group and Osper for the Hydraulic Sector and Inoxihp and Bertoli for the Water Jetting Sector were consolidated for the first time in 2015.

#### PRELIMINARY RESULTS FOR 2015

##### Net sales

**Net sales** for 2015 amounted to €894.9 million, an increase of 33.2% over sales for 2014 which totaled €672.0 million (+8.9% on a like for like basis).

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



(€/000)	<u>Italy</u>	<u>Rest of Europe</u>	<u>North America</u>	<u>Far East and Oceania</u>	<u>Rest of the World</u>	<u>Total</u>
<i>2015</i>						
Hydraulic Sector	105,509	194,815	151,083	40,004	68,860	560,271
Water Jetting Sector	<u>30,400</u>	<u>91,688</u>	<u>142,303</u>	<u>44,954</u>	<u>25,312</u>	<u>334,657</u>
Total	<u>135,909</u>	<u>286,503</u>	<u>293,386</u>	<u>84,958</u>	<u>94,172</u>	<u>894,928</u>
<i>2014</i>						
Hydraulic Sector	72,619	145,709	98,602	21,869	57,405	396,204
Water Jetting Sector	<u>19,159</u>	<u>78,554</u>	<u>118,436</u>	<u>39,993</u>	<u>19,653</u>	<u>275,795</u>
Total	<u>91,778</u>	<u>224,263</u>	<u>217,038</u>	<u>61,862</u>	<u>77,058</u>	<u>671,999</u>
<i>Percentage changes 2015/2014</i>						
Hydraulic Sector	+45.3%	+33.7%	+53.2%	+82.9%	+20.0%	+41.4%
Water Jetting Sector	+58.7%	+16.7%	+20.2%	+12.4%	+28.8%	+21.3%
Total	+48.1%	+27.8%	+35.2%	+37.3%	+22.2%	+33.2%
<i>Percentage changes 2015/2014 on a like for like basis</i>						
Hydraulic Sector	+9.1%	-3.2%	+16.8%	-1.4%	+2.6%	+5.0%
Water Jetting Sector	+13.2%	+10.4%	+19.0%	+8.3%	+19.1%	+14.6%
Total	+10.0%	+1.6%	+18.0%	+4.8%	+6.8%	+8.9%

## **Profitability**

**Gross operating income (EBITDA)** amounted to €180.3 million (20.1% of sales) compared to €136.1 million in 2014 (20.3% of sales), an increase of 32.4%. On a like for like basis EBITDA rose by 10.6% to reach €150.5 million or 20.6% of sales, increasing the margin by 0.3 percentage points. The following table sets out EBITDA by business sector:

	<u>2015</u> <u>€/000</u>	<u>% of</u> <u>total</u> <u>sales</u>	<u>2014</u> <u>€/000</u>	<u>% of</u> <u>total</u> <u>sales</u>	<u>Increase/</u> <u>decrease</u>
Hydraulic Sector	96,605	17.2%	69,366	17.5%	+39.3%
Water Jetting Sector	83,671	24.9%	66,701	24.1%	+25.4%
Other Sectors	<u>(18)</u>	N/A	<u>39</u>	N/A	N/A
<b>Total</b>	<b><u>180,258</u></b>	<b>20.1%</b>	<b><u>136,106</u></b>	<b>20.3%</b>	<b>+32.4%</b>

On a like for like basis the EBITDA of the Hydraulic Sector rose by 4.1% (17.4% of sales).  
Again on a like for like basis the EBITDA of the Water Jetting Sector rose by 17.4% (24.7% of sales).

**Operating income (EBIT)** amounted to €136.9 million (15.3% of sales) compared to €104.4 million in 2014 (15.5% of sales), an increase of 31.2%. On a like for like basis EBIT rose by 11.3% to reach €116.2 million or 15.9% of sales, with the margin accordingly increasing by 0.4 percentage points.

**Net profit** totaled €117.0 million, benefiting from **one-off** financial income of €32.0 million recognized in accordance with international accounting standards (IFRS 3) and arising from the decision by put option holders to exercise their options earlier than contractually provided, with figures being estimated and based on a forecast of profitability and cash generation through 2018 and through 2020. As a result of this a liability was originally recognized that exceeded the amount actually paid. Net profit amounted to €57.7 million in 2014 and



accordingly has more than doubled. Basic earnings per share performed equally well passing from €0.541 in 2014 to €1.089 in 2015.

**Capital employed** rose from €692.6 million at 31 December 2014 to €899.5 million at 31 December 2015. This increase is mainly due to the consolidation of Walvoil, Inoxihp, Bertoli and Osper, which led to an increase of €185.8 million, and to the revaluation of foreign currencies against the euro, causing a rise of €18.8 million. ROCE amounted to 15.2% (15.1% in 2014). ROE reached 18.8% (12.4% in 2014).

### **Financial situation**

**Net cash of €121.7 million was generated by operations** (€95.8 million in 2014), a rise of 27.1%. A considerable improvement was achieved in **free cash flow** which reached €85.2 million, **more than doubling** the figure of €38.3 million for 2014.

**Net debt** at 31 December 2015 stood at €255.0 million (€150 million at 31 December 2014), following outlays of €145.2 million for acquisitions and €32.7 million for the purchase of treasury shares. In addition, the Group has binding commitments of €23.2 million to acquire minority interests in subsidiaries (€74.1 million at 31 December 2014).

At 31 December 2015 Interpump Group S.p.A. held 1,125,912 treasury shares, representing 1.03% of share capital, purchased at an average price of €11.6443.

### **RESULTS FOR THE FOURTH QUARTER OF 2015**

#### **Net sales**

**Net sales** for the fourth quarter of 2015 totaled €213.0 million, exceeding 2014 sales by 31.6% (€161.9 million). On a like for like basis the increase was 7.6%.

Sales for the fourth quarter by business area and geographical area were as follows:

(€/000)	<u>Italy</u>	<u>Rest of Europe</u>	<u>North America</u>	<u>Far East and Oceania</u>	<u>Rest of the World</u>	<u>Total</u>
<i>4th quarter 2015</i>						
Hydraulic Sector	25,865	45,486	34,313	9,419	15,168	130,251
Water Jetting Sector	<u>6,736</u>	<u>22,789</u>	<u>34,366</u>	<u>12,655</u>	<u>6,253</u>	<u>82,799</u>
Total	<u>32,601</u>	<u>68,275</u>	<u>68,679</u>	<u>22,074</u>	<u>21,421</u>	<u>213,050</u>
<i>4th quarter 2014</i>						
Hydraulic Sector	17,791	32,753	25,617	5,427	13,160	94,748
Water Jetting Sector	<u>5,216</u>	<u>20,021</u>	<u>26,410</u>	<u>10,591</u>	<u>4,948</u>	<u>67,186</u>
Total	<u>23,007</u>	<u>52,774</u>	<u>52,027</u>	<u>16,018</u>	<u>18,108</u>	<u>161,934</u>
<i>Percentage changes 2015/2014</i>						
Hydraulic Sector	+45.4%	+38.9%	+33.9%	+73.6%	+15.3%	+37.5%
Water Jetting Sector	+29.1%	+13.8%	+30.1%	+19.5%	+26.4%	+23.2%
Total	+41.7%	+29.4%	+32.0%	+37.8%	+18.3%	+31.6%



Percentage changes 2015/2014 on a like for like basis

(€/000)	<u>Italy</u>	<u>Rest of Europe</u>	<u>North America</u>	<u>Far East and Oceania</u>	<u>Rest of the World</u>	<u>Total</u>
Hydraulic Sector	+10.4%	+0.6%	+0.7%	+1.0%	+0.3%	+2.5%
Water Jetting Sector	-20.4%	+4.8%	+29.7%	+15.9%	+12.2%	+14.9%
Total	+3.4%	+2.2%	+15.4%	+10.8%	+3.6%	+7.6%

### Profitability

**Gross operating income (EBITDA)** amounted to €38.9 million (18.3% of sales) compared to €30.4 million in the fourth quarter of 2014, representing 18.8% of sales, a rise of 28.0%. On a like for like basis **EBITDA increased by 7.5% to reach €32.7 million or 18.8% of turnover**. The following table sets out EBITDA by business sector:

	<i>4th quarter 2015 €/000</i>	<i>% of total sales</i>	<i>4th quarter 2014 €/000</i>	<i>% of total sales</i>	<i>Increase/ decrease</i>
Hydraulic Sector	19,190	14.7%	14,201	15.0%	+35.1%
Water Jetting Sector	19,765	23.7%	16,173	24.0%	+22.2%
Other Sectors	(10)	N/A	47	N/A	N/A
<b>Total</b>	<b><u>38,945</u></b>	<b><u>18.3%</u></b>	<b><u>30,421</u></b>	<b><u>18.8%</u></b>	<b><u>+28.0%</u></b>

On a like for like basis the EBITDA of the Hydraulic Sector amounted to €14.3 million (14.8% of net sales), while again on a like for like basis the EBITDA of the Water Jetting Sector amounted to €18.4 million (23.7% of net sales), an increase of 13.7%.

**Operating income (EBIT)** amounted to €26.1 million (12.2% of sales) compared to €21.3 million in the fourth quarter of 2014 (13.2% of sales), a rise of 22.2%. On a like for like basis EBIT increased by 11.1% to reach €23.7 million, or 13.6% of turnover, increasing the margin by 0.4 percentage points.

**Consolidated net profit** totaled €15.6 million (€7.7 million in the fourth quarter of 2014), a rise of 104%.

Basic earnings per share amounted to €0.144 (€0.073 in the fourth quarter of 2014).

Sant'Ilario d'Enza (RE), 12 February 2016

On behalf of the Board of Directors  
The Chairman  
Fulvio Montipò

The manager responsible for drafting company accounting documents, Carlo Banci, declares pursuant to the terms of section 2, article 154-bis of the Consolidated Finance 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), 12 February 2016

Manager responsible for drafting  
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## Consolidated statement of financial position

(€/000)	<u>31/12/2015</u>	<u>31/12/2014</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	135,130	87,159
Trade receivables	178,799	135,634
Inventories	238,637	182,463
Tax receivables	15,554	10,477
Derivative financial instruments	2	-
Other current assets	7,807	6,855
Total current assets	<u>575,929</u>	<u>422,588</u>
<b>Non-current assets</b>		
Property, plant and equipment	286,066	209,073
Goodwill	347,388	279,373
Other intangible assets	33,193	24,649
Other financial assets	1,025	994
Tax receivables	1,934	2,456
Deferred tax assets	26,276	22,035
Other non-current assets	1,209	1,380
Total non-current assets	<u>697,091</u>	<u>539,960</u>
<b>Assets held for sale</b>	-	615
<b>Total assets</b>	<u>1,273,020</u>	<u>963,163</u>

(€/000)	<u>31/12/2015</u>	<u>31/12/2014</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade payables	94,098	80,273
Payables to banks	5,735	27,770
Interest-bearing financial payables (current portion)	83,833	64,298
Derivative financial instruments	77	169
Taxes payable	21,308	11,665
Other current liabilities	48,840	38,123
Provisions for risks and charges	4,423	4,162
<b>Total current liabilities</b>	<b><u>258,314</u></b>	<b><u>226,460</u></b>
<b>Non-current liabilities</b>		
Interest-bearing financial payables	300,549	147,060
Liabilities for employee benefits	17,264	14,940
Deferred tax liabilities	50,875	33,436
Other non-current liabilities	22,017	72,605
Provisions for risks and charges	2,683	1,949
<b>Total non-current liabilities</b>	<b><u>393,388</u></b>	<b><u>269,990</u></b>
Liabilities held for sale	-	163
<b>Total non-current liabilities</b>	<b><u>651,702</u></b>	<b><u>496,613</u></b>
 <b>SHAREHOLDERS' EQUITY</b>		
Share capital	56,032	53,871
Legal reserve	11,323	11,323
Share premium reserve	136,794	101,237
Reserve for measurement of hedging derivatives at fair value	(13)	(19)
Reserve for remeasurement of defined benefit plans	(3,501)	(5,273)
Translation reserve	22,655	3,809
Other reserves	392,557	295,747
<b>Group shareholders' equity</b>	<b><u>615,847</u></b>	<b><u>460,695</u></b>
Minority interests	5,471	5,855
<b>Total shareholders' equity</b>	<b><u>621,318</u></b>	<b><u>466,550</u></b>
<i>Total shareholders' equity and liabilities</i>	<b><u>1,273,020</u></b>	<b><u>963,163</u></b>

## Consolidated income statement for the year

(€/000)	<i>2015</i>	<i>2014</i>
<b>Net sales</b>	<b>894,928</b>	<b>671,999</b>
Cost of sales	(577,310)	(426,585)
<b>Gross industrial margin</b>	<b>317,618</b>	<b>245,414</b>
<i>% of net sales</i>	<i>35.5%</i>	<i>36.5%</i>
Other operating income	13,133	12,563
Distribution costs	(84,321)	(68,074)
General and administrative expenses	(105,670)	(80,517)
Other operating costs	(3,864)	(5,019)
<b>EBIT</b>	<b>136,896</b>	<b>104,367</b>
<i>% of net sales</i>	<i>15.3%</i>	<i>15.5%</i>
Financial income	43,321	8,144
Financial expenses	(16,011)	(19,504)
Adjustment of the value of investments carried at equity	(262)	102
<b>Profit for the year before taxes</b>	<b>163,944</b>	<b>93,109</b>
Income taxes	(46,955)	(35,367)
<b>Consolidated profit for the year</b>	<b>116,989</b>	<b>57,742</b>
<i>% of net sales</i>	<i>13.1%</i>	<i>8.6%</i>
<b>Attributable to:</b>		
Shareholders of the parent company	116,322	56,936
Minority shareholders of subsidiaries	667	806
<b>Consolidated profit for the year</b>	<b>116,989</b>	<b>57,742</b>
 <b>EBITDA</b>	 <b>180,258</b>	 <b>136,106</b>
<i>% of net sales</i>	<i>20.1%</i>	<i>20.3%</i>
Shareholders' equity	621,318	466,550
Net debt	254,987	151,969
Debt for the purchase of equity investments	23,209	74,075
Capital employed	899,514	692,594
<b>ROCE</b>	<b>15.2%</b>	<b>15.1%</b>
<b>ROE</b>	<b>18.8%</b>	<b>12.4%</b>
<b>Basic earnings per share</b>	<b>1.089</b>	<b>0.541</b>

EBITDA = EBIT + depreciation + amortization + allocations

ROCE = EBIT / capital employed

ROE = Consolidated profit for the year / Consolidated 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 amortization 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 year

(€/000)	<u>2015</u>	<u>2014</u>
<b>Consolidated profit for the year (A)</b>	<b>116,989</b>	<b>57,742</b>
<b>Other comprehensive income which will subsequently be reclassified to consolidated profit or loss</b>		
<i>Cash flow hedge accounting for derivatives hedging interest rate risk:</i>		
- Gains (losses) on derivatives for the year	-	-
- Less: Adjustment for gains (losses) reclassified to profit or loss	-	-
- Less: Adjustment for the recognition of fair value in equity in the previous year	=	<u>50</u>
<i>Total</i>	-	<u>50</u>
<i>Cash flow hedge accounting for derivatives hedging currency risk:</i>		
- Gains (losses) on derivatives for the year	(19)	(27)
- Less: Adjustment for gains (losses) reclassified to profit or loss	-	(14)
- Less: Adjustment for the recognition of fair value in equity in the previous year	<u>27</u>	-
<i>Total</i>	8	<u>(41)</u>
<i>Gains (losses) on translating the financial statements of foreign companies</i>	18,992	23,275
<i>Gains (losses) from companies accounted for using the equity method</i>	(16)	68
<i>Relative taxation</i>	<u>(2)</u>	<u>(1)</u>
<b>Total other comprehensive income which will subsequently be reclassified to consolidated profit or loss, net of the tax effect (B)</b>	<b><u>18,982</u></b>	<b><u>23,351</u></b>
<b>Total other comprehensive income which will not subsequently be reclassified to consolidated profit or loss, net of the tax effect (C)</b>		
<i>Gains (losses) from the remeasurement of defined benefit plans</i>	2,479	(2,640)
<i>Relative taxation</i>	(683)	726
<b>Total other comprehensive income which will not subsequently be reclassified to consolidated profit or loss, net of the tax effect (C)</b>	<b>1,796</b>	<b>(1,914)</b>
<b>Consolidated comprehensive income for the year (A) + (B) + (C)</b>	<b><u>137,767</u></b>	<b><u>79,179</u></b>
<b>Attributable to:</b>		
Owners of the parent	136,946	77,960
Minority interests of subsidiaries	821	1,219
<b>Consolidated comprehensive income for the year (A) + (B) + (C)</b>	<b><u>137,767</u></b>	<b><u>79,179</u></b>



## Consolidated income statement for the fourth quarter

(€/000)	<i>2015</i>	<i>2014</i>
<b>Net sales</b>	<b>213,050</b>	<b>161,934</b>
Cost of sales	(141,045)	(103,635)
<b>Gross industrial margin</b>	<b>72,005</b>	<b>58,299</b>
<i>% of net sales</i>	<i>33,8%</i>	<i>36,0%</i>
Other operating income	3,619	4,172
Distribution costs	(21,576)	(17,617)
General and administrative expenses	(26,356)	(21,608)
Other operating costs	(1,629)	(1,916)
<b>EBIT</b>	<b>26,063</b>	<b>21,330</b>
<i>% of net sales</i>	<i>12,2%</i>	<i>13,2%</i>
Financial income	2,542	2,090
Financial expenses	(3,580)	(9,509)
Adjustment of the value of investments carried at equity	(69)	315
<b>Profit for the period before taxes</b>	<b>24,956</b>	<b>14,226</b>
Income taxes	(9,310)	(6,574)
<b>Consolidated profit for the period</b>	<b>15,646</b>	<b>7,652</b>
<i>% of net sales</i>	<i>7,3%</i>	<i>4,7%</i>
<b>Attributable to:</b>		
Shareholders of the parent company	15,358	7,560
Minority shareholders of subsidiaries	288	92
<b>Consolidated profit for the period</b>	<b>15,646</b>	<b>7,652</b>
<b>EBITDA</b>	<b>38,945</b>	<b>30,421</b>
<i>% of net sales</i>	<i>18,3%</i>	<i>18,8%</i>
Shareholders' equity	621,318	466,550
Net debt	254,987	151,969
Debt for the purchase of equity investments	23,209	74,075
Capital employed	899,514	692,594
<b>Non-annualized ROCE</b>	<b>2.9%</b>	<b>3.1%</b>
<b>Non-annualized ROE</b>	<b>2.5%</b>	<b>1.6%</b>
<b>Basic earnings per share</b>	<b>0.144</b>	<b>0.073</b>
EBITDA = EBIT + depreciation + amortization + allocations		
ROCE = EBIT / capital employed		
ROE = Consolidated profit for the period / Consolidated 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 amortization 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 fourth quarter

(€/000)	2015	2014
<b>Consolidated profit for the period (A)</b>	<b>15,646</b>	<b>7,652</b>
<b>Other comprehensive income which will subsequently be reclassified to consolidated profit or loss</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 profit or loss	-	-
- Less: Adjustment for the recognition of fair value in equity in the previous period	=	=
<i>Total</i>	-	-
<i>Cash flow hedge accounting for derivatives hedging currency risk:</i>		
- Gains (losses) on derivatives for the period	(25)	(18)
- Less: Adjustment for gains (losses) reclassified to profit or loss	-	-
- Less: Adjustment for the recognition of fair value in equity in the previous period	=	=
<i>Total</i>	(25)	(18)
<i>Gains (losses) on translating the financial statements of foreign companies</i>	7,514	6,127
<i>Gains (losses) from companies accounted for using the equity method</i>	4	24
<i>Relative taxation</i>	<u>8</u>	<u>5</u>
<b>Total other comprehensive income which will subsequently be reclassified to consolidated profit or loss, net of the tax effect (B)</b>	<b><u>7,501</u></b>	<b><u>6,138</u></b>
<b>Total other comprehensive income which will not subsequently be reclassified to consolidated profit or loss, net of the tax effect (C)</b>		
<i>Gains (losses) from the remeasurement of defined benefit plans</i>	2,479	(2,640)
<i>Relative taxation</i>	<u>(683)</u>	<u>726</u>
<b>Total other comprehensive income which will not subsequently be reclassified to consolidated profit or loss, net of the tax effect (C)</b>	<b><u>1,796</u></b>	<b><u>(1,914)</u></b>
<b>Consolidated comprehensive income for the period (A) + (B) + (C)</b>	<b><u>24,943</u></b>	<b><u>11,876</u></b>
<b>Attributable to:</b>		
Owners of the parent	24,598	11,691
Minority interests of subsidiaries	<u>345</u>	<u>185</u>
<b>Consolidated comprehensive income for the period (A) + (B) + (C)</b>	<b><u>24,943</u></b>	<b><u>11,876</u></b>

## Consolidated cash flow statement for the year

(€/000)	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>		
Profit before taxes	163,944	93,109
Adjustments for non-cash items:		
Losses (gains) on the sale of fixed assets	(3,076)	(1,519)
Losses (gains) on the sale of business units and equity investments	-	(406)
Amortization, depreciation, impairment losses and reversals of impairment losses	41,886	30,085
Costs recognized in the income statement relative to stock options that do not involve monetary outflows for the Group	1,370	1,370
Losses (profits) from equity investments	262	(102)
Net change in risk provisions and allocations to employee benefit provisions	(973)	(147)
Expenditures for tangible assets to be leased	(11,201)	(7,180)
Proceeds from the disposal of leased tangible assets	7,643	3,792
Net financial (income) expenses	(27,310)	11,360
	<u>172,545</u>	<u>130,362</u>
(Increase) decrease in trade receivables and other current assets	2,105	(5,503)
(Increase) decrease in inventories	3,412	(14,145)
Increase (decrease) in trade payables and other current liabilities	(13,405)	(4,107)
Interest paid	(5,838)	(5,823)
Realized exchange differences	2,701	1,185
Taxes paid	(47,666)	(29,911)
<b>Net cash from operating activities</b>	<u><b>113,854</b></u>	<u><b>72,058</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	(176,227)	(47,784)
Sale of equity investments and business units including cash transferred	746	796
Capital expenditure on property, plant and equipment	(27,502)	(32,575)
Proceeds from the sale of tangible fixed assets	1,594	1,512
Increase in intangible assets	(3,054)	(3,000)
Financial income received	714	637
Other	290	883
<b>Net cash used in investing activities</b>	<u><b>(203,439)</b></u>	<u><b>(79,531)</b></u>
<b>Cash flows from financing activities</b>		
Disbursement (repayment) of loans	145,847	28,325
Dividends paid	(20,390)	(18,166)
Payment for the purchase of treasury shares	(32,709)	(38,299)
Disposal of treasury shares to acquire equity investments	60,891	7,026
Proceeds from the sale of treasury shares to stock option beneficiaries	8,166	4,626
(Disbursement) repayment of loans to unconsolidated subsidiaries	-	21
Disbursement (repayment) of shareholder loans	(409)	(248)
Change in other financial fixed assets	(1)	1,017
Payment of finance lease installments (principal)	(3,368)	(4,306)
<b>Net cash from (used in) financing activities</b>	<u><b>158,027</b></u>	<u><b>(20,004)</b></u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u><b>68,442</b></u>	<u><b>(27,477)</b></u>

(€/000)	<u>2015</u>	<u>2014</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>68,442</b>	<b>(27,477)</b>
Exchange differences from translating the cash of non-EU companies	1,129	2,445
Opening cash and cash equivalents for companies consolidated on a line-by-line basis for the first time	435	41
Cash and cash equivalents at the beginning of the year	59,389	84,380
<b>Cash and cash equivalents at the end of the year</b>	<b><u>129,395</u></b>	<b><u>59,389</u></b>

Cash and cash equivalents may be analyzed as follows:

	31/12/2015	31/12/2014
	€/000	€/000
Cash and cash equivalents as per the consolidated statement of financial position	135,130	87,159
Bank payables (overdrafts and subject to collection advances)	<u>(5,735)</u>	<u>(27,770)</u>
Cash and cash equivalents as per the consolidated cash flow statement	<u>129,395</u>	<u>59,389</u>

## Statement of changes in consolidated shareholders' equity

	Share capital	Legal reserve	Share premium reserve	Reserve for measurement of hedging derivatives at fair value	Reserve for remeasurement of defined benefit plans	Translation reserve	Other reserves	Group shareholders' equity	Minority interests	Total
<i>At 1 January 2014</i>	55,003	11,323	125,039	(27)	(3,396)	(19,084)	257,828	426,686	6,263	432,949
Recognition in the income statement of the fair value of stock options granted and exercisable	-	-	1,370	-	-	-	-	1,370	-	1,370
Purchase of treasury shares	(1,986)	-	(35,970)	-	-	-	(343)	(38,299)	-	(38,299)
Sale of treasury shares to stock option beneficiaries	482	-	4,144	-	-	-	-	4,626	-	4,626
Transfer of treasury shares as payment for equity investments	372	-	6,654	-	-	-	-	7,026	-	7,026
Dividends distributed	-	-	-	-	-	-	(18,108)	(18,108)	(58)	(18,166)
Purchase of an additional interest in Hydrocar Chile	-	-	-	-	-	-	(542)	(542)	(1,870)	(2,412)
Effect of Hydrocar Chile-Syscam combination	-	-	-	-	-	-	(82)	(82)	289	207
Purchase of residual interest in HC Hydraulics Technologies (P) Ltd.	-	-	-	-	-	-	-	-	(1)	(1)
Effect of Copa-Golf merger	-	-	-	-	-	-	58	58	(58)	-
Purchase of IMM	-	-	-	-	-	-	-	-	71	71
Comprehensive income for 2014	-	-	-	8	(1,877)	22,893	56,936	77,960	1,219	79,179
<i>At 31 December 2014</i>	53,871	11,323	101,237	(19)	(5,273)	3,809	295,747	460,695	5,855	466,550
Recognition in the income statement of the fair value of stock options granted and exercisable	-	-	1,370	-	-	-	-	1,370	-	1,370
Purchase of treasury shares	(1,322)	-	(31,387)	-	-	-	-	(32,709)	-	(32,709)
Sale of treasury shares to stock option beneficiaries	921	-	7,245	-	-	-	-	8,166	-	8,166
Transfer of treasury shares as payment for equity investments	2,562	-	58,329	-	-	-	-	60,891	-	60,891
Dividends distributed	-	-	-	-	-	-	(191)	(191)	(280)	(471)
Recognition in the income statement of the fair value of stock options granted and exercisable	-	-	-	-	-	-	(19,321)	(19,321)	(925)	(20,246)
Comprehensive income for 2015	-	-	-	6	1,772	18,846	116,322	136,946	821	137,767
<i>At 31 December 2015</i>	56,032	11,323	136,794	(13)	(3,501)	22,655	392,557	615,847	5,471	621,318