



## First Quarter 2017 Results

Alexandria, 14<sup>th</sup> May 2017 – Lecico Egypt (Stock symbols: LCSW.CA; LECI EY) announces its consolidated results for first quarter 2017.

### Highlights

#### 1Q 2017

- Lecico revenue up 71% to LE 545.8 million (61.7% from sanitary ware)
- Sanitary ware revenue up 103% to LE 336.9 million, sales volumes up 11% to 1.3 million pieces (58.4% exports)
- Tile revenue up 34% to LE 185.8 million, sales volumes fell 16% to 5.4 million square meters (12.4% exports)
- Brassware revenue up 65% to LE 23.0 million, sales volume fell 17% to 33,843 pieces
- First quarter reported EBIT of LE 52.6 million compared to negative EBIT of LE 26.5 million.
- First quarter reported net profit LE 18.6 million compared to net loss of LE 41.3 million.

Lecico Egypt Chairman, Gilbert Gargour, commented “I am pleased to report a return to profitability in the first quarter of 2017 as the full effects of the currency floats and our subsequent significant local prices increases have materially improved our revenue and gross profits in all segments.

“The first quarter results are far from our true potential but the continued improvement on the results of this quarter will be slower without a strong external driver like the floatation, but I am sure we can realize them step-by-step.

“I thank all the shareholders who continued to believe in the company during the extremely challenging results of the last couple of years and I assure you everyone at Lecico is working to continue to deliver a strong recovery and return to earnings in the times ahead.”

Taher Gargour, Lecico Egypt CEO, added, “The first quarter results continued to build on the recovery we saw in the fourth quarter and are the strongest recurring operational and bottom line results the company has reported since 2Q 2014. That is a major step in our recovery but it was to some extent expected and the quarter is a bit weaker than I had hoped due to the continued soft demand picture in Egypt and the Middle East.

“After a very strong period of local demand in the fourth quarter - as consumers and trade channels rushed to buy before the floatation impacted prices - we have seen demand come off sharply from February in Egypt. Although month-by-month the numbers seem to be improving in March and April and preliminary data for May, the volumes are below the fourth quarter and even full year averages for 2016.

## Press Release

“I believe that part of the reason for the softness in demand is the market catching its breath after front-loading purchasing in the fourth quarter. I believe this will improve – at least marginally - over the coming quarters. More importantly, we are adding new distributors, market incentives and products over the year to offset this by gaining market share. This is a significant part of the reason for our month-on-month improvements in March and April.

“Still as a result, revenues on are lower than I would like which has a knock-on effect down the P&L statement. Approximately 40% of our gross profit for the quarter was realized in January when the sales volumes were stronger. Our proportional overheads are also higher than I would like as a result. Furthermore, we have built some stocks in the first quarter and which is against our goal of improving working capital and unlocking cash.

“We still have a lot to do to reach the levels of profitability I think we can, and we will focus on cost reduction and working capital improvement as necessary parts of this.

“These concerns aside, the results of the quarter represent an important achievement and it is better to be worried about these same concerns from this position than the far more challenging ones we faced at this time last year. The floatation and related price increases in the local market have made a big difference to our financial health and we must build on this in the coming quarters.”

## Lecico Revenue and Profitability

Profit and loss statement highlights			
(LE m)	1Q		%
	2017	2016	
Sanitary ware	336.9	166.3	203%
Tiles	185.8	138.8	134%
Brass ware	23.0	13.9	165%
<b>Net sales</b>	<b>545.8</b>	<b>319.0</b>	<b>171%</b>
Sanitary ware/net sales (%)	61.7%	52.1%	9.6%
Cost of sales	(411.9)	(291.5)	141%
Cost of sales/net sales (%)	(75.5%)	(91.4%)	(15.9%)
<b>Gross profit</b>	<b>133.9</b>	<b>27.5</b>	<b>487%</b>
Gross profit margin (%)	24.5%	8.6%	15.9%
Distribution and administration (D&A)	(75.1)	(46.0)	163%
D&A/net sales (%)	(13.8%)	(14.4%)	(0.7%)
Net other operating income/ (expense)	(6.2)	(8.0)	77%
Net other operating income/ (expense) net sales (%)	(1.1%)	(2.5%)	(1.4%)
<b>EBIT</b>	<b>52.6</b>	<b>(26.5)</b>	-
EBIT margin (%)	9.6%	-	-
<b>Net profit</b>	<b>18.6</b>	<b>(41.3)</b>	-
Net profit margin (%)	3.4%	-	-

### 1Q 2017: Higher revenues and margins post-float drive return to profitability

Lecico has seen weak demand in Egypt and Lebanon in all segments but this was offset by an improvement in prices in all markets following the floatation of the Egyptian Pound and the continued strong growth in sanitary ware export volumes.

Sanitary ware exports to Europe, the Middle East and to OEM customers all were up year-on-year, offsetting the reduction in sales in Egypt and Lebanon. Average prices in sanitary ware improved year-on-year reflecting the cumulative effect of price increases over last year and the impact of floatation on the Egyptian Pound on average export prices.

Tile volumes show a slowdown over the same period last year due to increased competition and oversupply in the markets which caused reduction in sales in all markets. Average prices in tiles improved year-on-year reflecting the cumulative effect of price increases done at the end of last year following the floatation of the Egyptian Pound.

Lecico revenues for the first quarter increased by 71% year-on-year to LE 545.8 million (1Q 2016: LE 319.0 million). Quarter-on-Quarter revenues increased by 10% (4Q 2016: LE 494.1 million) despite lower volumes in all segments due to the price increases done locally and the inflation in the price of all exports.

Lecico's cost of goods sold rose 41% year-on-year to LE 411.9 million (1Q 2016: LE 291.5 million) as a result of the impact of floatation on hard currency linked costs and due to general high inflation in Egyptian Pound based costs.

Lecico gross profit for the first quarter increased 387% year-on-year to LE 133.9 million (1Q 2016: LE 27.5 million). Lecico's gross profit margin was 24.5% compared to 8.6% in the same period last year. Quarter-on-quarter gross profit increased by 85.1% (4Q 2016: LE 72.5 million) and Lecico's gross margin improved 9.9 percentage points (4Q 2016: 14.7%).

In absolute terms, distribution and administration (D&A) expenses increased significantly by 63% to LE 75.1 million, but as a percentage points of net sales proportional D&A expenses were down by 0.6 percentage points to 13.8% compared to 14.4% in the first quarter of 2016.

The company reported LE 6.2 million in net other operating expenses compared to net other operating expenses of LE 8.0 million in the first quarter of 2016. The increase in 1Q 2016 was primarily due to an LE 7.5 million expense of marking down to present value the new long-term receivables.

The company reported an operating profit (EBIT) of LE 52.6 million for the quarter compared to an operating loss of LE 26.5 million in the same period last year. Lecico's EBIT margin for the quarter was 9.6%. Quarter-on-quarter EBIT increased by 328% (4Q 2016: LE 12.3 million) and Lecico's EBIT improved 7.1 percentage points (4Q 2016: 2.5%).

Financing expenses rose 37% year-on-year during the first quarter of 2017 to reach LE 29.7 million compared to the same period in 2016 due to increase both of interest rates from Central Bank of Egypt and an increase in gross debt primarily as a result of the impact of the floatation on Lecico's foreign currency borrowings.

Financing income for the first quarter decreased by 57% year-on-year to LE 5.0 million (1Q 2016: LE 11.7 million).

Lecico recorded net tax charges of LE 8.4 million compared to LE 4.9 million for the same period last year.

The company reported net profit LE 18.6 million for the first quarter compared to net loss LE 41.3 million for the same period last year. Lecico's net margin for the quarter was 3.4%. Quarter-on-quarter net profit was down 77% (4Q 2016: LE 79.5 million) due to the LE 109.9 million exchange variance gains made in the fourth quarter. Excluding these exceptional gains Lecico was still loss making in 4Q 2016.

## Segmental analysis

### Sanitary ware

**1Q:** Sanitary ware sales volume increased by 11% to 1.3 million pieces (up 127,492 pieces) largely as a result of 32% sales growth in export (up 178,236 pieces). Sales in Egypt decreased by 8% (down 43,362 pieces) and sales in Lebanon decreased by 20% (down 7,382 pieces). Growth in export came from UK, new business in Germany and mainland Europe.

Quarter-on-quarter sales volumes decreased by 9% (down 126,530 pieces) largely as a result of a 24% drop in sales in Egypt (down 154,184 pieces). Sales in Lebanon decreased by 27% (down 11,114 pieces). Export volumes grew 6% (up 38,767 pieces) mainly as a result of growth in the UK, Germany and mainland Europe.

Average sanitary ware prices were up 82% year-on-year to LE 269.1 per piece reflecting the cumulative effect of price increases over last year and the impact of floatation on the Egyptian Pound on average export prices. Quarter-on-quarter average prices were up 34% (4Q 2016: LE 200.6) as a result of the full impact of floatation on the quarter and local prices increases done over 4Q 2016 and in January 2017.

Revenues rose 103% year-on-year at LE 336.9 million (1Q 2016: LE 166.3 million). Quarter-on-quarter revenues rose 22% (4Q 2016: LE 276.5 million) despite lower volumes as a result of better pricing.

Average cost of sales rose 39% year-on-year at LE 173.2 per piece as a result of the impact of floatation on hard currency linked costs and due to general high inflation in Egyptian Pound based costs.

Gross profit increased 351% to LE 120.1 million (1Q 2016: LE 26.7 million) and the margin improved 19.6 percentage points to 35.7% (1Q 2016: 16%) in the same period last year. Quarter-on-quarter gross profit increased 68% (4Q 2016: LE 71.3 million) and the margin improved 9.9 percentage points (4Q 2016: 25.8%).

Sanitary ware segmental analysis	1Q		%
	2017	2016	
Sanitary ware volumes (000 pcs)			
Egypt (000 pcs)	491	534	92%
Lebanon (000 pcs)	30	37	80%
Export (000 pcs)	731	553	132%
<b>Total sanitary ware volumes (000 pcs)</b>	<b>1,252</b>	<b>1,124</b>	<b>111%</b>
Exports/total sales volume (%)	58.4%	49.2%	9.2%
<b>Sanitary ware revenue (LE m)</b>	<b>336.9</b>	<b>166.3</b>	<b>203%</b>
Average selling price (LE/pc)	269.1	147.9	182%
Average cost per piece (LE/pc)	173.2	124.2	139%
Sanitary ware cost of sales	(216.8)	(139.6)	155%
Sanitary ware gross profit	120.1	26.7	451%
Sanitary ware gross profit margin (%)	35.7%	16.0%	19.6%

## Tiles

**1Q:** Tile sales volumes decreased by 16% year-on-year (1.1 million square meters) to reach 5.4 million square meters in the first quarter of 2017. Sales to Egypt were down 10% (0.5 million square meters) with continued pressure on demand and oversupply. Exports were down 33% (0.3 million square meters) as a result of the political situation in Libya and the economic constraints in other parts of the Middle East.

Quarter-on-quarter sales volumes decreased 22% (1.5 million square meters) from 6.97 million with all markets down following an unusually strong trading period in 4Q 2016.

Average net prices rose 60% at LE 34.1 per square meter reflecting the cumulative effect of price increases over last year and the impact of floatation on the Egyptian Pound on average export prices. Quarter-on-quarter average prices were up 23% (4Q 2016: LE 27.8) as a result of the full impact of floatation on the quarter and local prices increases done over 4Q 2016 and in January 2017.

Tiles revenues were up 34% year-on-year at LE 185.8 million in the first quarter of 2017 (1Q 2016: LE 138.8 million). Quarter-on-quarter revenues fell 4% (4Q 2016: LE 193.4 million) as a result of the drop in volumes and despite better pricing.

Average costs rose 54% year-on-year to reach LE 33.6 per square meter as a result of the impact of floatation on hard currency linked costs and due to general high inflation in Egyptian Pound based costs.

Lecico reported a gross profit in the tile segment of LE 3.1 million for the first quarter compared to a gross loss of LE 3.1 million in the same period last year. The gross margin for tiles was 1.7%. The segment was also loss making in the fourth quarter of last year due to the lag between increased costs post-floatation and the roll out of higher prices over the quarter and in January.

Tile segmental analysis	1Q		%
	2017	2016	
Tile volumes (000 sqm)			
Egypt (000 sqm)	4,653	5,181	90%
Lebanon (000 sqm)	116	310	37%
Export (000 sqm)	677	1,012	67%
<b>Total tile volumes (000 sqm)</b>	<b>5,447</b>	<b>6,503</b>	<b>84%</b>
Exports/total sales volume (%)	12.4%	15.6%	(3.1%)
<b>Tile revenue (LE m)</b>	<b>185.8</b>	<b>138.8</b>	<b>134%</b>
Average selling price (LE/sqm)	34.1	21.3	160%
Average cost per sqm (LE/sqm)	33.6	21.8	154%
Tile cost of sales	(182.7)	(141.8)	129%
Tile gross profit	3.1	(3.1)	-
Tile gross profit margin (%)	1.7%	-	-

## Brassware

**1Q:** Sales volumes for first quarter decreased by 17% to reach 33,843 pieces compared to 40,787 pieces in the same period last year. Quarter-on-quarter sales volumes were down 20% (4Q 2016: 42,549 pieces).

Average net prices rose 99% to reach LE 679.4 per piece (1Q 2016: LE 341.8) due to significant price increases done to adjust to the increase in input and production costs as a result of the floatation. Quarter-on-quarter prices rose 20% (4Q 2016: LE 567.8) due the roll out of prices increases following the floatation during the previous quarter.

Revenue for the quarter was up 65% year-on-year to reach LE 23.0 million (1Q 2016: LE 13.9 million). Quarter-on-quarter revenue was down 5% (4Q 2016: LE 24.2 million) with higher prices offset by lower volumes. Brassware's percentage of consolidated revenues remained flat on the same period last year at 4.2% of Lecico sales.

Average cost per piece rose 48% to LE 364.7 per piece reflecting changing mix and the result of the impact of floatation on imported inputs.

Gross profit increased 173% to LE 10.7 million (1Q 2016: LE 3.9 million) and the margin improved 18.4 percentage points to 46.3% (1Q 2016: 28%). Quarter-on-quarter gross profit decreased 7% (4Q 2016: LE 11.4 million) and the gross margin fell 0.9 percentage points (4Q 2016: 47.2%). Brassware's percentage of consolidated gross profits fell to 8% of Lecico gross profits (1Q 2016: 14%) due to the improvement in profitability for Lecico's other segments.

Brassware segmental analysis	1Q		%
	2017	2016	17/16
Brassware volumes ( pcs)			
Egypt ( pcs)	33,843	40,787	83%
Export ( pcs)	0	0	-
<b>Total brassware volumes ( pcs)</b>	<b>33,843</b>	<b>40,787</b>	<b>83%</b>
Exports/total sales volume (%)	0.0%	0.0%	0.0%
<b>Brassware revenue (LE m)</b>	<b>23.0</b>	<b>13.9</b>	<b>165%</b>
Average selling price (LE/pc)	679.4	341.8	199%
Average cost per piece (LE/pc)	364.7	246.3	148%
Brassware cost of sales	(12.3)	(10.0)	123%
Brassware ware gross profit	10.7	3.9	273%
Brassware gross profit margin (%)	46.3%	28.0%	18.4%

## **Financial position**

The value of Lecico's assets increased by 3% at the end of March 31, 2017 at LE 2,879.6 million.

Total liabilities were up 3% at LE 1,855.6 million.

Working capital increased 6% or LE 21.4 million to reach LE 355.8 million compared to LE 334.4 million at the end of 2016.

Gross debt increased 1% or LE 11.6 million to reach LE 1,330.7 million.

Net debt rose 4% or LE 34.7 million to reach LE 976.4 million compared to LE 941.7 million at the end of 2016.

Net debt to equity increased 1% to reach 0.96x compared to 0.95x at the end of 2016.

## Recent developments and outlook

**Outlook for 2017:** Lecico is expected to continue to deliver profits for the rest of the year. The Company expects to see continued sanitary ware export growth and to benefit from the effect of the floatation on export business and the prices increases done in the local market following the floatation. Offsetting these positives is continued softness in Egyptian and regional markets.

In light of the floatation, the Company saw a sharp increase in the value of its exports and in its costs and assets in the fourth quarter. Between November and January, the Company has pushed through several price increases in the local market to also cover the increase in costs expected from the floatation.

These local price increases – if they hold through the year – will add to Lecico’s gross profits since the cost increases – both local and export – are already covered by the Company’s export activity. We can already see a significant improvement in Lecico’s operating results over the past two quarters as the full effect of the floatation and price increases came through the company’s financials.

The Company expects to see this continue for the rest of 2017 but faces some challenges in local and regional demand that may temper this improvement.

After a very strong demand period in Egypt from October through January as consumers and trade channels rushed to buy before the floatation impacted prices, we have seen demand come off sharply from February in Egypt. Although month-by-month the numbers seem to be improving volumes are below the fourth quarter and even full year averages for 2016. In the first quarter, most of the Company’s profits were realized in January when sales volumes were strong in Egypt and export markets.

Depending on how the floatation continues, what rate it stabilizes at and what effect this has on domestic costs and consumption over the year, we could see an improvement on the results of the first quarter or some pressure on our financial performance if sales volumes and average prices come under further pressure. If the market slows sufficiently, we may see competition force a reduction in net average prices during slower months to come.

In spite of the overall positive effect of the floatation and increases in local prices, the challenges facing the Company and the tactics to deal with it remain unchanged. The Company will continue to invest in defending and gaining market share in Egypt and the Company will continue to pursue new export markets while simultaneously working to reduce expenses, overheads and working capital.

Lecico management expects to deliver bottom line profits for the remainder of 2017 and to see continued growth in export volumes and revenues as the year progresses. The company will continue to try and recover or replace weaker sales in Egypt in order to maximize this profitability.

## **About Lecico**

Lecico (Stock symbols: LCSW.CA; LECI EY) is a leading producer of export-quality sanitary ware in the Middle East and one of the largest tile producers in Egypt and Lebanon, with over 50 years of experience in the industry and decades of experience as an exporter to developed markets.

Lecico benefits from significant cost advantages in labour, energy and investment costs resulting from its economies of scale and location in Egypt and Lebanon. Lecico's marketing strategy is to use its cost advantages to target the mass market with high quality pieces at competitive prices.

Lecico exports over half its sanitary ware production and has a significant presence in the United Kingdom and other European markets. Most of the Company's exports are done under the Lecico brand, although it also produces for a number of leading European brands.

## **For additional information, please contact:**

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## **Forward-looking statements**

This release may contain certain "forward-looking statements", relating to the Company's business, which can be identified by the use of forward-looking terminology such as "will", "planned", "expectations", "forecast" or similar expressions, or by discussions of strategy, plans or intentions. Such statements may include descriptions of investments planned or currently under development by the company and the anticipated impact of these investments. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results that may be expressed or implied by such forward-looking statements.

## Lecico Egypt consolidated income statement

<b>Income statement</b>			
(LE m)	1Q		%
	2017	2016	17/16
<b>Net sales</b>	<b>545.8</b>	<b>319.0</b>	<b>171%</b>
Cost of sales	(411.9)	(291.5)	141%
<b>Gross profit</b>	<b>133.9</b>	<b>27.5</b>	<b>487%</b>
Gross margin (%)	24.5%	8.6%	15.9%
Distribution expenses	(34.7)	(15.8)	220%
Administrative expenses	(40.4)	(30.2)	134%
Other Operating income	4.0	2.7	152%
Other Operating expenses	(10.2)	(10.7)	96%
<b>Operating profit (loss) (EBIT)</b>	<b>52.6</b>	<b>(26.5)</b>	<b>-</b>
Operating (EBIT) margin (%)	9.6%	-	-
Investment revenues	0.0	0.0	-
Finance income	5.0	11.7	43%
Finance expense	(29.7)	(21.8)	137%
<b>Profits (loss) before tax and minority (PBTM)</b>	<b>27.9</b>	<b>(36.5)</b>	<b>-</b>
PBTM margin (%)	5.1%	-	-
Income tax	(8.2)	(6.1)	134%
Deferred tax	(0.1)	1.2	-
<b>Net Profit (loss) after tax (NPAT)</b>	<b>19.5</b>	<b>(41.5)</b>	<b>-</b>
NPAT margin (%)	3.6%	-	-
Minority interest	(0.9)	0.2	-
<b>Net Profit (loss)</b>	<b>18.6</b>	<b>(41.3)</b>	<b>-</b>
Net profit margin (%)	3.4%	-	-

## Lecico Egypt consolidated balance sheet

Balance Sheet (LE m)	31-Mar-17	31-Dec-16	FY17/FY16 (%)
Cash and short-term investments	354.3	377.4	94%
Inventory	1013.2	889.8	114%
Receivables	710.3	690.7	103%
Related parties -debit balances	43.4	66.3	65%
<b>Total current assets</b>	<b>2,121.2</b>	<b>2,024.2</b>	<b>105 %</b>
Net fixed assets	668.8	689.2	97%
Intangible assets	28.7	28.6	100%
Prepaid long-term rent	0.1	0.2	63%
Projects in progress	26.0	13.7	190%
Available for sale investments	13.5	13.6	100%
Long-term notes receivable	21.3	24.6	86%
<b>Total non-current assets</b>	<b>758.4</b>	<b>769.8</b>	<b>99%</b>
<b>Total assets</b>	<b>2,879.6</b>	<b>2,794.0</b>	<b>103 %</b>
Banks overdraft	1228.0	1204.4	102%
Current portion of long-term liabilities	47.2	47.3	100%
Trade and notes payable	213.0	179.8	118%
Other current payable	253.5	236.6	107%
Related parties -credit balances	4.6	2.1	222%
Provisions	19.1	19.6	98%
<b>Total current liabilities</b>	<b>1,765.5</b>	<b>1,689.8</b>	<b>104 %</b>
Long-term loans	55.4	67.3	82%
Other long-term liabilities	0.0	0.0	-
Provisions	9.2	10.7	86%
Deferred tax	25.5	25.8	99%
<b>Total non-current liabilities</b>	<b>90.1</b>	<b>103.8</b>	<b>87%</b>
<b>Total liabilities</b>	<b>1,855.6</b>	<b>1,793.6</b>	<b>103 %</b>
<b>Minority interest</b>	<b>4.2</b>	<b>5.2</b>	<b>81%</b>
Issued capital	400.0	400.0	100%
Reserves	576.3	579.7	99%
Retained earnings	24.8	65.6	38%
Net Profit (Loss) for the period / year	18.6	(50.1)	-
<b>Total equity</b>	<b>1019.8</b>	<b>995.2</b>	<b>102 %</b>
<b>Total equity, minorities and liabilities</b>	<b>2,879.6</b>	<b>2,794.0</b>	<b>103 %</b>

## Lecico Egypt consolidated cash flow

Cash flow statement (LE m)	Q1		%
	2017	2016	17/16
<b>Cash Flow from operating activities</b>			
Net profit for the period	18.6	(41.3)	-
Depreciation and translation adjustment	26.2	18.9	139%
Intangible assets amortisation and translation adjustment	(0.1)	(0.8)	11%
Income tax expense	8.2	6.1	134%
Income tax paid	(1.7)	(2.7)	65%
Deferred income tax	(0.3)	(1.2)	25%
Prepaid rent expense	0.1	0.1	100%
Capital gains	0.0	(0.6)	0%
Provided provisions and translation adjustment	6.7	8.9	75%
Reversal of expired provision	(0.5)	(0.7)	75%
Employee share in net profit	9.1	7.6	119%
Increase (Decrease) in minority interest	(1.0)	1.1	-
Increase (Decrease) in translation reserve	6.0	33.0	18%
(Increase) Decrease in Inventory	(122.8)	(4.5)	2751%
(Increase) Decrease in Receivables	3.8	(63.5)	-
Increase (Decrease) in Payables	37.0	(16.4)	-
Utilised Provisions	(9.2)	(0.7)	1405%
Increase (Decrease) in Other Long Term Liabilities	0.0	(0.2)	0%
(Payments) / Received for acquiring current investment	0.0	0.0	-
Difference result from discounting of long term notes receivable	(1.0)	0.0	-
<b>Net cash from operating activities</b>	<b>(21.0)</b>	<b>(56.6)</b>	<b>37%</b>
<b>Cash flow from investing activities</b>			
Additions to fixed assets and projects	(18.1)	(17.0)	106%
Intangible assets	(0.0)	(0.1)	0.01%
Net change in available for sale investments	0.1	(0.8)	-
Proceeds from sales of fixed assets	0.0	0.9	0.02%
Increase (Decrease) in long-term notes receivable	4.3	(26.1)	-
<b>Net cash from investing activities</b>	<b>(13.7)</b>	<b>(43.2)</b>	<b>32%</b>
<b>Cash flow from financing activities</b>			
Increase (Decrease) in long-term loans	(11.9)	18.3	-
Increase (Decrease) in current portion of long term liabilities	(0.1)	7.4	-
<b>Net cash from financing activities</b>	<b>(12.0)</b>	<b>25.7</b>	<b>-</b>
<b>Net change in cash &amp; cash equivalent during the period</b>	<b>(46.8)</b>	<b>(74.1)</b>	<b>63%</b>
Net cash and cash equivalent at beginning of the period	(827.0)	(658.7)	126%
<b>Net cash and cash equivalent at the end of the period</b>	<b>(873.7)</b>	<b>(732.8)</b>	<b>119%</b>