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PRESS RELEASE

The Board of Directors of **Salvatore Ferragamo S.p.A.** approves the Half Year Financial Report as of 30 June 2024

In a challenging consumer environment, encouraging operating trends

Q2 2024

- **Revenues: 296 million Euros (-6.0% vs. Q2 2023 at constant exchange rates¹, -8.1% at current exchange rates), with DTC³ channel at 212 million Euros (-3.8% vs. Q2 2023 at constant exchange rates¹, -5.5% at current exchange rates) and Wholesale at 78 million Euros (-12.1% vs. Q2 2023 at constant exchange rates¹, -8.7% at current exchange rates)**

H1 2024

- **Revenues: 523 million Euros (-12.8% vs. 600 million Euros at 30 June 2023, -10.9% at constant exchange rates¹), with DTC³ channel at 382 million Euros (-8.1% vs. 415 million Euros at 30 June 2023, -5.5% at constant exchange rates¹), and Wholesale at 128 million Euros (-23.1% vs. 167 million Euros at 30 June 2023, -24.8% at constant exchange rates¹)**
- **Gross Margin: stable at 72.1% of Revenues**
- **Operating Profit (EBIT): 28 million Euros (-41.0% vs. 47 million Euros at 30 June 2023)**
- **Gross Operating Profit (EBITDA⁴): 117 million Euros (-12.3% vs. 134 million Euros at 30 June 2023)**
- **Net Profit: 6 million Euros (-73.2% vs. 21 million Euros at 30 June 2023)**
- **Net Financial Position⁵: 167 million Euros in Net Cash (vs. 278 million Euros at 30 June 2023)**

Marco Gobbetti, Chief Executive Officer and General Manager commented:

“The second quarter showed again some of the encouraging underlying operating trends that we started to see earlier in the year. Retail primary full-price sales showed a positive trend in the US, Europe, Japan and Latin America; our refreshed shoes and handbags offerings have been attracting new, younger customers, contributing to shift a higher proportion of purchases to younger demographics. In the media, the increased brand desirability was confirmed once again by the excellent resonance of our Fall-Winter 2024 Collection.”

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Despite these positive operating trends, our aggregate financial results in the second quarter were significantly impacted by the challenging consumer environment, especially in Asia Pacific, which offset the positive trends in the rest of the world. We have also continued to experience weakness in the wholesale channel, exacerbated by a more selective distribution strategy.

In a general context of ongoing demand slowdown, we will continue to focus on top-line performance and profitability, expanding our audience and boosting engagement through a refreshed product offer, a full funnel marketing approach, an enriched customer experience with tailored CRM initiatives and a new store concept.”

Florence, 1 August 2024 – The Board of Directors of Salvatore Ferragamo S.p.A. (EXM: SFER), parent company of the Salvatore Ferragamo Group, in a meeting chaired by Leonardo Ferragamo, examined and approved the Half Year Financial Report as of 30 June 2024, drafted according to IAS/IFRS international accounting principles (Limited Audit).

Notes to the Income Statement for 1H 2024

Consolidated Revenue figures

In Q2 2024 Total Revenues amounted to 296 million Euros down 6.0% at constant exchange rates¹ and down 8.1% at current exchange rates vs. Q2 2023, penalized by a weak Asian market and wholesale environment. In H1 2024, Group Total Revenues amounted to 523 million Euros down 10.9% at constant exchange rates¹ and down 12.8% at current exchange rates vs. H1 2023.

Net Sales by distribution channel²

In Q2 2024 the DTC³ channel posted a decrease in consolidated Net Sales of 3.8% at constant exchange rates¹ and -5.5% at current exchange rates vs. Q2 2023, with the positive performances in Europe and Japan and in line in North America, offset by the weak Asia Pacific area. Our primary channel full-price business overperformed and was in line with last year, led by the top 50 stores of the network, while off-price primary was below last year reflecting the lower mark-down inventory.

In H1 2024 the DTC³ was down 5.5% at constant exchange rates¹ and down 8.1% at current exchange rates vs. H1 2023.

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In Q2 2024 the Wholesale channel registered a decrease in Net Sales of 12.1% at constant exchange rates¹ and -8.7% at current exchange rates vs. Q2 2023, reflecting the weak overall environment.

In H1 2024 the Wholesale channel was down 24.8% at constant exchange rates¹ and down 23.1% at current exchange rates vs. H1 2023.

Net Sales by geographical area and by distribution channel²

EMEA in Q2 2024 posted a decrease in Net Sales of 2.9% at constant exchange rates¹ and -2.7% at current exchange rates, due to the Wholesale business. In fact, DTC³ performance was 5.4% above last year (at constant exchange rates¹), while Wholesale channel was negative (-11.3% at constant exchange rates¹ vs. Q2 2023) impacted by an overall weak environment.

In H1 2024 Net Sales in EMEA decreased 16.3% at constant exchange rates¹ and -16.1% at current exchange rates, with DTC³ up 4.6% at constant exchange rates¹ vs. H1 2023 and Wholesale down 32.8% (at constant exchange rates¹) also due to a hard comparison base versus last year in Q1.

North America in Q2 2024 recorded a Net Sales decrease of 3.2% at constant exchange rates¹ and -1.4% at current exchange rates, impacted by a negative Wholesale performance, while DTC³ was in line with last year at constant exchange rates¹.

In H1 2024 Net Sales in North America decreased 5.7% at constant exchange rates¹ and -5.5% at current exchange rates vs. H1 2023.

Net Sales in Central and South America in Q2 2024 were down 6.1% at constant exchange rates¹ and -5.4% at current exchange rates vs. Q2 2023, with DTC³ up 2.4% (at constant exchange rates¹) and Wholesale negative.

In H1 2024 Net Sales in Central and South America decreased 8.4% at constant exchange rates¹ and -6.9% at current exchange rates vs. H1 2023.

Asia Pacific registered a decrease in Net Sales of 14.9% both at current and constant exchange rates¹ in Q2 2024, with the improvement in China (-3.9% in Q2 2024 from -21.1% in Q1 2024 at constant exchange rates¹) offset by the weakening trends in other Asian countries.

In H1 2024 Net Sales in Asia Pacific decreased 15.1% at constant exchange rates¹ and -17.0% at current exchange rates vs. H1 2023.

The Japanese market in Q2 2024 registered an increase of 9.8% at constant exchange rates¹ (-1.7% at current exchange rates), partly thanks to an increase of tourists flows.

In H1 2024 Net Sales in Japan increased by 2.6% at constant exchange rates¹ and were down 9.0% at current exchange rates vs. H1 2023.

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Gross Profit

In H1 2024 Gross Profit incidence on Revenues was in line with last year at 72.1%, thanks to a positive channel mix offsetting a negative exchange rate impact.

Operating Costs

In H1 2024 Net Operating Costs amounted to 350 million Euros, down 9.5% at current exchange rate vs. H1 2023 (-8.2% at constant exchange rates¹), thanks to a strong focus on cost control and normalized Marketing & Communication expenses vs. H1 2023 when we registered a higher media spend to support the launch of the new image and collection.

Gross Operating Profit (EBITDA⁴)

Gross Operating Profit (EBITDA⁴) amounted to 117 million Euros, from 134 million Euros of H1 2023, with an incidence on Revenues of 22.4% from 22.3% in H1 2023.

Operating Profit (EBIT)

Operating Profit (EBIT) amounted to 28 million Euros, down 41.0% vs. the 47 million Euros reported in H1 2023, with an incidence on Revenues of 5.3% from 7.8% in H1 2023.

Profit before taxes

Profit before taxes in H1 2024 amounted to 15 million Euros vs. 34 million Euros in H1 2023.

Net Profit for the Period

Net Profit for the period, including the Minority Interest, amounted to 6 million Euros vs. 21 million Euros in H1 2023. H1 2024 Group Net Profit was positive for 6 million Euros vs. 22 million Euros in H1 2023.

Notes to the Consolidated Balance Sheet as at June 30th, 2024

Net Working Capital⁶

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Net Working Capital as of 30 June 2024 increased by 18.7% to 268 million Euros, from 226 million Euros as of 30 June 2023. In particular, Inventories were up 7.9%, partly reflecting the ramp up of new, higher value collections available to DTC³.

Investments (CAPEX)

As of 30 June 2024, Investments (CAPEX) were 21 million Euros vs. 17 million Euros in H1 2023, reflecting the focus on renovating the retail network.

Net Financial Position

Net Financial Position adjusted⁵ at 30 June 2024 was positive for 167 million Euros (vs. 278 million Euros positive as of 30 June 2023), including € 39M cash out for the purchase of the minority interests in the three joint ventures in Greater China. Including IFRS16 effect, Net Financial Position at 30 June 2024 is negative for 512 million Euros.

Notes to the press release

¹ Revenues/Net Sales at “constant exchange rates” are calculated by applying to the Revenue/Net Sales of the period 2023, not including the “hedging effect”, the average exchange rates of the same period 2024.

² The variations in Net Sales are calculated at current exchange rates excluding the hedging effect, unless differently indicated.

³ DTC (Direct to Consumer) channel consists of directly operated stores (DOS) as well as e-commerce platforms of direct to customer online sales.

⁴ We define EBITDA as operating profit before amortization and depreciation and write-downs of tangible/intangible assets and Right of use assets. EBITDA is an important managerial indicator for measuring the Group’s performance. As EBITDA is not an indicator defined by the accounting principles used by our Group, our method of calculating EBITDA may not be strictly comparable to that used by other companies.

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⁵ Net Financial Position is referring to Adjusted Net Financial Position: not including the IFRS16 effect. The net Financial Position calculated as the sum of Cash and cash equivalents and Other current financial assets, including the positive fair value of derivatives (non-hedge component) net of Current and non-current interest-bearing loans and borrowings plus Current and non-current Lease Liabilities and Other current and non-current financial liabilities including the negative fair value of derivatives (non-hedge component). Net Financial Position Adjusted is the Net Financial Position excluding Current and non-current Lease Liabilities.

⁶ Net working capital is calculated (in accordance with CESR Recommendation 05-054/b of February 10, 2005) as inventories, right of return assets and trade receivables net of trade payables and refund liabilities, excluding other current assets and liabilities and other financial assets and liabilities. As net working capital is not an indicator defined by the accounting principles used by our Group, our method of calculating net working capital may not be strictly comparable to that used by other companies.

The manager charged to prepare the corporate accounting documents, Pierre Giorgio Sallier de La Tour, pursuant to article 154-bis, paragraph 2, of Legislative Decree no. 58/1998 (Consolidated Financial Law), hereby declares that the information contained in this Press Release faithfully represents the content of documents, financial books and accounting records.

Furthermore, in addition to the conventional financial indicators required by IFRS, this Press Release includes some alternative performance indicators (such as EBITDA, for example) in order to allow for a better assessment of the performance of the economic and financial management. These indicators have been calculated according to the usual market practices.

This document may contain forecasts, relating to future events and operating results, which by their very nature are uncertain, in that they depend on future events and developments that cannot be predicted with certainty. Actual results may therefore differ with those forecasted, due to a variety of factors.

The Half Year Financial Report as of 30 June 2024, approved by the Board of Directors on August 1, 2024, will be available to anyone requesting it at the headquarters of the Company in Florence, Via Tornabuoni n. 2, on the authorized web-storage system eMarket STORAGE www.emarketstorage.com, and will also be accessible on the Salvatore Ferragamo Group's website <http://group.ferragamo.com> in the section "Investor Relations/Financial Documents", in compliance with the law.

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The Consolidated Results as of June 30, 2024 will be illustrated today, 1 August 2024, at 6:00 PM (CET) in a conference call with the financial community. The presentation will be available on the Company's website <http://group.ferragamo.com> in the “Investor Relations/Presentations” section.

Salvatore Ferragamo S.p.A.

Salvatore Ferragamo S.p.A. is the parent Company of the Salvatore Ferragamo Group, one of the leaders in the luxury industry, and whose origins date back to 1927.

Salvatore Ferragamo is renowned for the creation, production, and worldwide distribution of luxury collections of shoes, leather goods, apparel, silk products and other accessories for men and women, including also eyewear, watches and fragrances under license.

Embedding the spirit of its Founder, Ferragamo reinterprets its heritage with creativity, innovation and sustainable thinking. Uniqueness and exclusivity, along with the blend of style and exquisite 'Made in Italy' savoir-faire, are the hallmarks of all Ferragamo's products.

For further information:

Salvatore Ferragamo S.p.A.

Paola Pecciarini
Group Investor Relations

Tel. (+39) 055 3562230
investor.relations@ferragamo.com

Image Building

Giuliana Paoletti, Mara Baldessari
Media Relations

Tel. (+39) 02 89011300
ferragamo@imagebuilding.it

This Press Release is also available on the website <http://group.ferragamo.com>, in the section “Investor Relations/Financial Press Releases”.

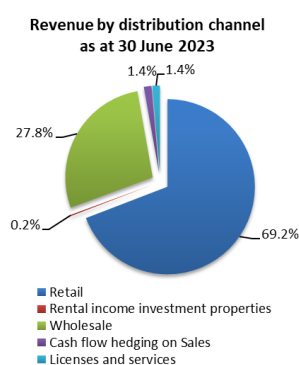
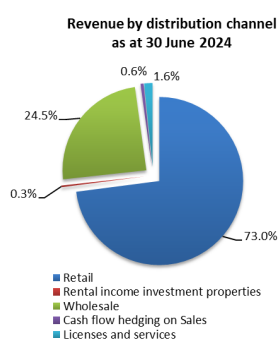
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In the following pages, a more detailed analysis of Revenues, the consolidated income statement, the summary of statement of consolidated financial position, the net consolidated financial position, and the consolidated cash flow statement of the Salvatore Ferragamo Group as of 30 June 2024.

Revenues by distribution channel as of 30 June 2024

(In thousands of Euro)	Half-year period ended 30 June					at constant exchange rate % Change
	2024	% on Revenue	2023	% on Revenue	% Change	
DTC *	381,630	73.0%	415,117	69.2%	(8.1%)	(5.5%)
Wholesale	128,324	24.5%	166,788	27.8%	(23.1%)	(24.8%)
<i>Net sales</i>	<i>509,954</i>	<i>97.5%</i>	<i>581,905</i>	<i>97.0%</i>	<i>(12.4%)</i>	<i>(11.1%)</i>
Cash flow hedging effect	3,033	0.6%	8,458	1.4%	(64.1%)	na
Licenses and services	8,445	1.6%	8,435	1.4%	0.1%	0.1%
Rental income investment properties	1,706	0.3%	1,322	0.2%	29.0%	29.1%
Revenues	523,138	100.0%	600,120	100.0%	(12.8%)	(10.9%)

* DTC (Direct to Consumer) channel consists of directly operated stores (DOS) as well as e-commerce platforms of direct to customer online sales.

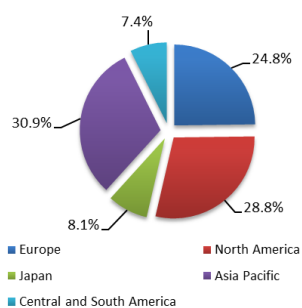


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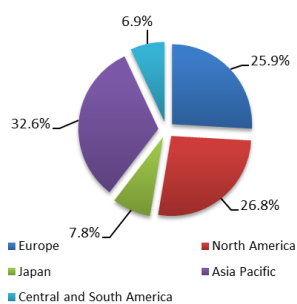
Net Sales by geographic area as of 30 June 2024

(In thousands of Euro)	Half-year period ended 30 June					at constant exchange rate % Change
	2024	% on Net sales	2023	% on Net sales	% Change	
Europe	126,427	24.8%	150,679	25.9%	(16.1%)	(16.3%)
North America	147,074	28.8%	155,619	26.8%	(5.5%)	(5.7%)
Japan	41,298	8.1%	45,405	7.8%	(9.0%)	2.6%
Asia Pacific	157,575	30.9%	189,857	32.6%	(17.0%)	(15.1%)
Central and South America	37,580	7.4%	40,345	6.9%	(6.9%)	(8.4%)
Net sales	509,954	100.0%	581,905	100.0%	(12.4%)	(11.1%)

Net Sales by geographic area as at 30 June 2024



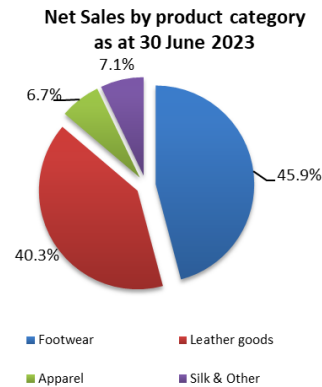
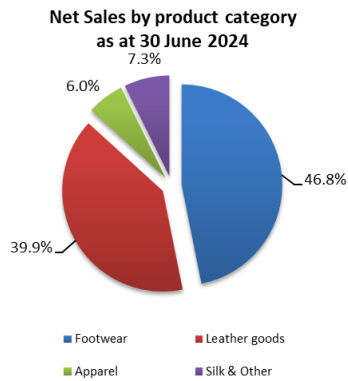
Net Sales by geographic area as at 30 June 2023



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Net Sales by product category as of 30 June 2024

(In thousands of Euro)	Half-year period ended 30 June					at constant exchange rate % Change
	2024	% on Net sales	2023	% on Net sales	% Change	
Footwear	238,882	46.8%	266,856	45.9%	(10.5%)	(9.4%)
Leather goods	203,532	39.9%	234,778	40.3%	(13.3%)	(12.0%)
Apparel	30,353	6.0%	38,851	6.7%	(21.9%)	(20.6%)
Silk & Other	37,187	7.3%	41,420	7.1%	(10.2%)	(8.7%)
Net sales	509,954	100.0%	581,905	100.0%	(12.4%)	(11.1%)



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Consolidated results for Salvatore Ferragamo Group

Consolidated income statement as of 30 June 2024

(In thousands of Euro)	Half-year period ended 30 June				
	2024	% on Revenue	2023	% on Revenue	% Change
Revenue from contracts with customers	521,432	99.7%	598,798	99.8%	(12.9%)
Rental income investment properties	1,706	0.3%	1,322	0.2%	29.0%
Revenues	523,138	100.0%	600,120	100.0%	(12.8%)
Cost of goods sold	(145,752)	(27.9%)	(166,571)	(27.8%)	(12.5%)
Gross profit	377,386	72.1%	433,549	72.2%	(13.0%)
Style, product development and logistics costs	(23,997)	(4.6%)	(29,182)	(4.9%)	(17.8%)
Sales & distribution costs	(212,430)	(40.6%)	(224,454)	(37.4%)	(5.4%)
Marketing & communication costs	(42,353)	(8.1%)	(61,723)	(10.3%)	(31.4%)
General and administrative costs	(71,827)	(13.7%)	(70,093)	(11.7%)	2.5%
Other operating costs	(12,202)	(2.3%)	(11,664)	(1.9%)	4.6%
Other income	13,146	2.5%	10,540	1.8%	24.7%
Total operating costs (net of other income)	(349,663)	(66.8%)	(386,576)	(64.4%)	(9.5%)
Operating profit	27,723	5.3%	46,973	7.8%	(41.0%)
Net financial charges	(12,994)	(2.5%)	(12,856)	(2.1%)	1.1%
Profit before taxes	14,729	2.8%	34,117	5.7%	(56.8%)
Income taxes	(8,981)	(1.7%)	(12,686)	(2.1%)	(29.2%)
Net profit/(loss) for the Period	5,748	1.1%	21,431	3.6%	(73.2%)
Net profit/(loss) - Group	5,735	1.1%	22,485	3.7%	(74.5%)
Net profit/(loss) - minority interests	13	0.0%	(1,054)	(0.2%)	na
EBITDA*	117,153	22.4%	133,574	22.3%	(12.3%)

* EBITDA is operating profit before amortization and depreciation and write-downs of tangible/intangible assets and Right of use assets. EBITDA so defined is a parameter used by the management to monitor and assess the operating performance and is not identified as an accounting measurement under IFRS and, therefore, must not be considered as an alternative measurement to assess Group performance. Since the composition of EBITDA is not regulated by reference accounting standards, the determination criterion applied by the Group may differ from that adopted by others and therefore may not be comparable.

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Summary of consolidated statement of financial position as of 30 June 2024

(In thousands of Euro)	30 June	31 December	30 June	Var% 06.24 vs 12.23	Var% 06.24 vs 06.23
	2024	2023	2023		
Property, plant and equipment	197,666	200,688	180,252	(1.5%)	9.7%
Investment property	21,290	22,666	25,138	(6.1%)	(15.3%)
Right of use assets	584,844	616,612	630,989	(5.2%)	(7.3%)
Goodwill	6,679	6,679	6,679	-	-
Intangible assets with definite useful life	32,073	36,872	34,269	(13.0%)	(6.4%)
Inventories and Right of return assets	318,425	304,389	294,979	4.6%	7.9%
Trade receivables	91,548	106,821	101,152	(14.3%)	(9.5%)
Trade payables and Refund liabilities	(142,032)	(182,886)	(170,435)	(22.3%)	(16.7%)
Other non current assets/(liabilities), net	89,598	86,668	83,075	3.4%	7.9%
Other current assets/(liabilities), net	19,709	10,244	17,704	92.4%	11.3%
Current assets/(liabilities) held for sale, net	65	63	-	3.2%	na
Net invested capital	1,219,865	1,208,816	1,203,802	0.9%	1.3%
Group shareholders' equity	706,832	721,166	734,968	(2.0%)	(3.8%)
Minority interests	920	997	20,696	(7.7%)	(95.6%)
Shareholders' equity (A)	707,752	722,163	755,664	(2.0%)	(6.3%)
Net financial debt/(surplus) (B) (1)	512,113	486,653	448,138	5.2%	14.3%
Total sources of financing (A+B)	1,219,865	1,208,816	1,203,802	0.9%	1.3%
Net financial debt/(surplus) (B)	512,113	486,653	448,138	5.2%	14.3%
<i>Lease Liabilities (C)</i>	<i>679,263</i>	<i>711,042</i>	<i>725,672</i>	<i>(4.5%)</i>	<i>(6.4%)</i>
Net financial debt / (surplus) adjusted (B-C) (2)	(167,150)	(224,389)	(277,534)	(25.5%)	(39.8%)
Net financial debt / (surplus) adjusted / Shareholders' equity	(23.6%)	(31.1%)	(36.7%)		

(1) The Net financial debt/(surplus) is calculated as the sum of Current and non current interest-bearing loans and borrowings plus Current and non current Lease Liabilities and Other current and non current financial liabilities including the negative fair value of derivatives (non-hedge component), net of Cash and cash equivalents and Other current financial assets, including the positive fair value of derivatives (non-hedge component).

(2) The Net financial debt/(surplus) adjusted is calculated as the Net financial debt/(surplus) excluding Current and non current Lease Liabilities.

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Consolidated Net financial position as of 30 June 2024

(In thousands of Euro)	30 June	31 December	30 June	Change	Change
	2024	2023	2023	06.24 vs 12.23	06.24 vs 06.23
A. Cash	164,271	139,122	182,342	25,149	(18,071)
B. Cash equivalents	72,112	129,866	97,739	(57,754)	(25,627)
C. Other current financial assets	35,360	36,812	30,897	(1,452)	4,463
D. Current financial assets (A+B+C)	271,743	305,800	310,978	(34,057)	(39,235)
E. Current financial debt (including debt instruments)	104,593	81,411	33,444	23,182	71,149
F. Current portion of non current financial debt	119,174	114,439	115,982	4,735	3,192
G. Current financial debt (E+F)	223,767	195,850	149,426	27,917	74,341
H. Current financial debt, net (G-D)	(47,976)	(109,950)	(161,552)	61,974	113,576
I. Non current financial debt (excluding debt instruments)	560,089	596,603	609,690	(36,514)	(49,601)
J. Debt instruments	-	-	-	-	-
K. Trade payables and other current debts	-	-	-	-	-
L. Non-current financial debt (I+J+K)	560,089	596,603	609,690	(36,514)	(49,601)
M. Net financial debt (H+L)	512,113	486,653	448,138	25,460	63,975

(In thousands of Euro)	30 June	31 December	30 June	Change	Change
	2024	2023	2023	06.24 vs 12.23	06.24 vs 06.23
Net financial debt/(surplus) (a)	512,113	486,653	448,138	25,460	63,975
Non current lease liabilities	560,089	596,603	609,690	(36,514)	(49,601)
Current lease liabilities	119,174	114,439	115,982	4,735	3,192
Lease liabilities (b)	679,263	711,042	725,672	(31,779)	(46,409)
Net financial debt/(surplus) adjusted (a-b)	(167,150)	(224,389)	(277,534)	57,239	110,384

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Consolidated statement of cash flows as of 30 June 2024

(In thousands of Euro)	Half-year period ended 30 June	
	2024	2023
Net profit / (loss) for the period	5,748	21,431
Depreciation, amortization and write down of property, plant and equipment, intangible assets, investment properties	27,345	26,405
Depreciation of Right of use assets	62,085	60,196
Income Taxes	8,981	12,686
Net change in provision for employee benefit plans	(337)	(425)
Loss/(gain) on disposal of tangible and intangible assets	444	164
Net Interest expenses/income and Interest on lease liabilities	9,276	7,539
Other non cash items	2,045	1,555
Net change in net working capital	(38,263)	(43,091)
Net change in other assets and liabilities	(7,922)	(16,974)
Income Taxes paid	(18,359)	(40,329)
Net Interest expenses/income and Interest on lease liabilities paid	(9,525)	(7,031)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	41,518	22,126
Purchase of tangible assets	(17,312)	(12,308)
Purchase of intangible assets	(4,035)	(5,018)
Proceeds from the sale of tangible and intangible assets	-	6
Net change in other current financial assets	195	(20,394)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(21,152)	(37,714)
Net change in financial payables	24,785	4,490
Repayment of lease liabilities	(60,076)	(57,666)
Payment of dividends	(16,482)	(46,318)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(51,773)	(99,494)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(31,407)	(115,082)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	267,459	391,354
Net increase / (decrease) in cash and cash equivalents	(31,407)	(115,082)
Net effect of translation of foreign currencies	331	3,809
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	236,383	280,081
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	41,518	22,126
Repayment of lease liabilities	(60,076)	(57,666)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES ADJUSTED (*)	(18,558)	(35,540)

(*) Net cash provided by (used in) operating activities adjusted is calculated as Net cash provided by (used in) operating activities net of the Repayment of lease liabilities (showed in the Net Cash provided by (used in) financing activities).

