

## 2.01.04 Cash flow statement

mn €	notes	31 Dec 22	31 Dec 21
<b>Earnings before taxes</b>		<b>408.8</b>	<b>406.9</b>
<b>Adjustments to reconcile net profit to the cashflow from operating activities</b>			
Amortisation and impairment of assets	8	478.6	469.9
Allocation to provisions	8	188.5	142.2
Effects from valuation using the net equity method	9	(10.0)	(13.2)
Financial (income) expenses	10	135.0	218.0
(Capital gains) losses and other non-monetary elements		41.6	25.5
Change in provision for risks and charges	31	(27.8)	(31.2)
Change in provision for employee and post-employment benefits	30	(12.7)	(12.6)
<b>Total cash flow before changes in net working capital</b>		<b>1,202.0</b>	<b>1,205.5</b>
(Increase) decrease in inventories	37	(627.4)	(196.7)
(Increase) decrease in trade receivables	37	(1,280.7)	(893.8)
Increase (decrease) in trade payables	37	727.8	858.5
Increase/decrease in other current assets/liabilities	37	252.7	279.8
<b>Changes in working capital</b>		<b>(927.6)</b>	<b>47.8</b>
Dividends collected	37	13.4	12.0
Interest income and other financial income collected	37	41.8	32.6
Interest expenses, net charges on derivatives and other paid financial charges	37	(128.0)	(96.2)
Taxes paid	37	(165.9)	(156.3)
<b>Cash flow from operating activities (a)</b>		<b>35.7</b>	<b>1,045.4</b>
Investments in tangible assets	21	(225.6)	(171.9)
Investments in intangible assets	23	(483.9)	(416.8)
Investments in subsidiary companies and business units net of cash holdings	28	(50.1)	(64.1)
Other equity investments	28	(3.2)	(11.0)
Sale price of tangible and intangible assets	28	3.3	2.5
Divestments of shareholdings and contingent consideration	28	-	0.2
(Increase) decrease in other investment activities	28	1.1	(1.5)
<b>Cash flow from (for) investing activities (b)</b>		<b>(758.4)</b>	<b>(662.6)</b>
New issue of long-term bonds	20	2,127.0	525.1
Repayments of non-current financial liabilities	20	-	(519.8)
Repayments and other net changes in financial liabilities	20	(47.3)	(252.9)
Repayments of leasing liabilities	20	(43.4)	(22.5)
Acquisition of Interests in consolidated companies	20	(10.6)	(21.0)
Dividends paid out to Hera shareholders and non-controlling interests	20	(219.5)	(193.0)
Changes in treasury shares	15	(26.7)	(0.2)
<b>Cash flow from (for) financing activities (c)</b>		<b>1,779.5</b>	<b>(484.3)</b>
<b>Increase (decrease) in cash holdings (a+b+c)</b>		<b>1,056.8</b>	<b>(101.5)</b>
Cash and cash equivalents at the beginning of the period	18	885.6	987.1
Cash and cash equivalents at the end of the period	18	1,942.4	885.6

Pursuant to Consob Resolution no. 15519 of 27 July 2006, the effects of relationships with related parties are accounted for in the appropriate cash flow statement outlined in paragraph 2.03.03 of this consolidated financial statement.