

2.01.04 Cash flow statement

mn€	notes	31 Dec 23	31 Dec 22
Earnings before taxes		656.4	408.8
Adjustments to reconcile net profit to cash flow from operating activities			
Amortisation and impairment of assets	8	526.2	478.6
Allocation to provisions	8	227.5	188.5
Effects from valuation using the net equity method	9	(10.3)	(10.0)
Financial (income) expenses	10,11	187.9	135.0
(Capital gains) losses and other non-monetary elements		(8.4)	41.6
Change in provision for risks and charges	31	(27.7)	(27.8)
Change in provision for employee and post-employment benefits	30	(11.0)	(12.7)
Total cash flow before changes in net working capital		1,540.6	1,202.0
(Increase) decrease in inventories	37	395.1	(627.4)
(Increase) decrease in trade receivables	37	(81.9)	(1,280.7)
Increase (decrease) in trade payables	37	(513.7)	727.8
Increase/decrease in other current assets/liabilities	37	429.7	252.7
Changes in working capital		229.2	(927.6)
Dividends collected	37	15.1	13.4
Interest income and other financial income collected	37	77.8	41.8
Interest expenses, net charges on derivatives and other financial charges paid	37	(193.4)	(128.0)
Taxes paid	37	(96.6)	(165.9)
Cash flow from operating activities (a)		1,572.7	35.7
Investments in tangible assets	21	(242.7)	(225.6)
Investments in intangible assets	23	(573.1)	(483.9)
Investments in subsidiary companies and business units net of cash holdings	28	(76.2)	(50.1)
Other equity investments	28	-	(3.2)
Sale price of tangible and intangible assets		2.6	3.3
(Increase) decrease in other investment activities	28	30.1	1.1
Cash flow from (for) investing activities (b)		(859.3)	(758.4)
New issue of long-term bonds	20	614.9	2,127.0
Repayments of non-current financial liabilities	20	(750.0)	-
Repayments and other net changes in financial liabilities	20	(908.5)	(47.3)
Repayments of leasing liabilities	20	(22.4)	(43.4)
Acquisition of interests in consolidated companies	20	(0.1)	(10.6)
Increase in minority share capital	20	1.9	-
Dividends paid out to Hera shareholders and non-controlling interests	20	(239.1)	(219.5)
Changes in treasury shares	15	(19.7)	(26.7)
Cash flow from (for) financing activities (c)		(1,323.0)	1,779.5
Increase (decrease) in cash holdings (a+b+c)		(609.6)	1,056.8
Cash and cash equivalents at the beginning of the period	18	1,942.4	885.6
Cash and cash equivalents at the end of the period	18	1,332.8	1,942.4

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.