Ramsay Santé

PRESS RELEASE

Paris, 28 February 2024

Half-year results at the end of December 2023

As a mission-driven company, Ramsay Santé continues its support for the care of all patients and all pathologies, both in France and in the Nordic countries, in complementarity with public hospitals.

Ramsay Santé has maintained the implementation of its key initiatives as part of its "Yes We Care 2025" strategy to offer integrated care to patients, by increasing its portfolio of imaging equipment, opening new primary care centres and new digital solutions.

Furthermore, in a context where inflation is under-funded by governments, Ramsay Santé continued its cost base restructuring efforts, including its portfolio of facilities.

Group revenue increased by 7.3% to €2.4bn supported by positive activity volume growth in all geographies and recent acquisitions. Revenue growth on a like-for-like basis of 9.4%.

Group EBITDA decreased by 9.0% to €284.6m, mainly impacted by lower subsidies, increased gap between tariff increases and the inflation of our costs base, and staff shortage challenges.

Group share of net loss after tax of € (17.3)m compared to the prior period net profit of €43.9m from lower operating result and increased cost of debt.

- Ramsay Santé has maintained its actions to participate in the support of the French and Nordic countries healthcare systems and to complement public hospital capacity to cope with demand pressures. Continued commitment to better care accessibility through further development of out-of-hospital services (primary care, imaging, specialised care consultations, home care) resulting in a 5.4% increase in patient admissions in our hospital facilities.

- France revenue has grown by 9.2% supported by a 5.1% increase in admissions volumes, higher tariffs applicable since 1st March 2023 and additional medical purchases rechargeable revenue. This is despite one business day less this semester compared to the previous one.

- Nordic countries revenue grew by +10.5% on a like-for-like basis, with a reported revenue increasing by only by +3.4% penalised by unfavourable foreign exchange rate variances versus the prior period. The growth was mainly realised in acute care facilities in Sweden and from the contribution of two new geriatrics care contracts in Stockholm.

- The group consolidated EBITDA decreased by 9.0% or €28.1m to €284.6m (prior period €312.7m) with a margin of 12.0% (prior period 14.2%). EBITDA margin was driven down by the adverse trend on inflation not fully covered by revenue price increases in all jurisdictions and by lower subsidies level, despite the effect from ongoing cost control and efficiency actions. The €51.6m decrease of Covid-related government subsidies and of the French revenue guarantee compared to the prior period put further strain on the viability of some French facilities as they transition to less secure post-Covid government financing regime.

- Total interest expense increased by €34.8m or 52.4% including higher funding costs for 10.5m€ and evolution of our P&L impact from our hedge mark to market valuation. Average interest rate for our financial debt under IFRS rules for the last semester is at 4.22%. It was 3.8% as of June 2023.

- Group share of net result after tax was a loss of €(17.3)m compared to the prior period net profit of €43.9m, impacted by lower operational margins and reflecting increased funding costs. The prior period results included a non-recurring €31.0m (€24.2m net of tax) capital gain for a property sale in the Oslo area.

- Ramsay Santé has continued to invest in initiatives enabling its "Yes We Care 2025" strategy in addition to recurring investment on maintenance, optimisation and facilities portfolio improvement, resulting in total capital expenditure for the period of €84.7m net of proceeds from disposals, slightly below the prior period.

- Net cash flow from operating activities of €149.2m versus €183.6m in the prior period primarily reflected the dip in EBITDA generation, working capital seasonality and French subsidies payment terms.

- Net financial debt as at 30 June 2023 amounted to €3,869.9m, including €2,172.8m of IFRS16 lease liabilities.

- Ramsay Santé, now a mission-driven company, publishes its first social and environmental performance indicators. They include an engagement rate of its teams across Europe of 71% and a -17% reduction in its greenhouse gases emissions, thanks in particular to a change in anaesthetic practices in its 900 operating theatres. The Mission committee report is expected for publication end of 2024.

Pascal Roché, CEO of Ramsay Santé says:

"Ramsay Santé is committed to improving health of everyone through constant innovation. Being a mission driven company, we intend to generate profit with purpose. We want to do well financially by doing good to society. This led the Group to pursue its strategy of developing access to healthcare everywhere and for everyone by accelerating its range of out-of-hospital services and better care accessibility (primary care, imaging, specialized care consultations, home care). Consequently, the Group revenue increased by 7.3%. This increase in sales was unfortunately offset by the significant gap between the continuing high inflation in our base costs and price increases, resulting in a 9% drop in EBITDA during the semester."

The Board of Directors that met on 28 February 2024 approved the consolidated financial statements for the six-month period ended 31 December 2023. The consolidated financial statements have been subject to a limited review by the statutory auditors.

Summary of results

P&L – in € millions	From 1 July 2023 to 31 December 2023	From 1 July 2022 to 31 December 2022	Variation
Revenue	2,370.1	2,209.5	+7.3%
EBITDA	284.6	312.7	-9.0%
As a % of revenue	*+12.0%*	*+14.2%*	*-2.2 pts*
Current Operating Result	78.2	113.1	-30.9%
As a % of revenue	*+3.3%*	*+5.1%*	*-1.8 pts*
Operating Profit	85.9	134.7	*-36.2%*
As a % of revenue	*+3.6%*	*+6.1%*	*-2.5 pts*
Net income, Group Share	(17.3)	43.9	*-139.4%*
Earnings per share (in €)	(0.16)	0.40	*-140.0%*

Net Financial Debt – in € millions	31 December 2023	30 June 2023
Non-current financial liabilities	1,876.6	1,893.8
Non-current lease liability	1,942.9	1,928.0
Current lease liability	229.9	213.5
Current financial liabilities	60.1	58.8
(Cash and cash equivalents)	(188.6)	(352.2)
Other financial (assets) & liabilities	(51.0)	(71.9)
Net financial debt	**3,869.9**	**3,670.0**

Cash Flow Statement – in € millions	From 1 July 2023 to 31 December 2023	From 1 July 2022 to 31 December 2022
EBITDA	284.6	312.7
Change in working capital requirements	(114.5)	(83.5)
Net cash flow from operating activities	149.2	183.6
Net cash flow from/(used in) investing activities	(94.9)	(96.9)
Net cash flow from/(used in) financing activities	(224.5)	10.8
Change in net cash position	(170.2)	97.5
Closing cash and cash equivalents	188.6	220.9

Breakdown of revenue by operating segment

In € million	From 1 July 2023 to 31 December 2023	From 1 July 2022 to 31 December 2022	Variation
Île-de-France	573.7	517.9	+10.8%
Auvergne-Rhône-Alpes	321.5	295.2	+8.9%
Hauts de France	208.9	190.9	+9.4%
Occitanie	142.2	134.8	+5.5%
Other regions	377.9	349.1	+8.2%
Nordic countries	745.9	721.6	+3.4%
Reported Revenue	**2,370.1**	**2,209.5**	**+7.3%**

Note: The table above details the contributions of the various operating segments to the Group's consolidated revenue.

Changes in reported turnover from the half-year ended 31 December 2022 to the half-year ended 31 December 2023.

31 December 2022 6 months	Changes in FX rates	Acquisitions and disposals	Organic growth	31 December 2023 6 months	Variation
In € millions					
2,209.5	(57.6)	9.8	208.4	**2,370.1**	160.6
	-2.6%	*0.4%*	*9.4%*		7.3%

Significant events of the half-year:

France

Ramsay Santé's hospitals in France continued to operate under the French government's revenue guarantee arrangements, which supported the business for the use of its facilities and services during the Covid pandemic and continued to help offsetting its negative effects on activity after that crisis period.

The structure of the arrangements up until 31 December 2022 were similar to previous periods, however from the calendar year 2022 mental health services are excluded as they are now reimbursed under a bundled payment structure. The French Government prolonged its support to the industry through a modified revenue guarantee scheme for the calendar year up to 31 December 2023. This new guarantee amounts to 70% of the 2022 guarantee (tariff adjusted) plus 30% of the period billings.

The amount of the revenue guarantee recognised by the Group for the half year ending 31 December 2023 amounts to €38.9 million (€62.2 million for the previous period) and was reported as “Other operating income”.

Furthermore, significant grants recognised in the prior period as “Other operating income” have been either discontinued, such as compensation grants for additional costs related to COVID (prior period €20m) or transferred into an increase in tariffs since March 2023, such as specific grants funding inflation and mandated salary increases (prior period €45m).

The group continued its expansion in its core strategic development areas:

- The first day mental health facility opened in Orleans in January 2024, to be followed shortly by a second one in the Ile de France region.
- A further 6 new imaging equipment have been installed and started their activity during the semester.

Nordic countries

Patient demand continued to underpin the growth of the nordic countries facilities, with higher activity volumes and cost inflation remediation measures supporting the revenue and operating profit of the acute care facilities in Sweden. Capio has started operating two new geriatrics care contracts in Stockholm on 1st May 2023 representing an annual turnover of approximately €50m, and St Göran has opened its new maternity ward in Stockholm on 1st April 2023, supporting further organic growth in this half-year. Denmark revenue has been negatively impacted by new public contract tariffs effective since June 2023 and disappointing volumes. Norway is focusing on cost control actions and have been able to apply inflation increases in their revenue rates.

Scope of consolidation

Ramsay Santé completed 2 small acquisitions in Denmark in connection with the activity of its existing subsidiary WeCare. Moreover, Ramsay Santé has increased its shareholding to 70% in WeCare by buying back minority partners. WeCare was already fully consolidated.

Comments on the half-year accounts

Activity and revenue:

Activity and revenue in France and the Nordic countries have grown across the board reflecting sustained patient demand and the capacity of the group's facilities to provide more care services despite staffing challenges from competition for nursing staff in Europe. Ramsay Santé Group reported a consolidated revenue of €2,370.1m for the half-year ended 31 December 2023, up 7.3% on a reported basis. Adjusted for changes in the consolidation scope and at constant currency exchange rates, revenue for the half year ended 31 December 2023 was up with a solid 9.4% organic sales growth.

France revenue has grown by 9.2%, reflecting in part the March 2023 tariff increase, supported by an increase in volumes and in revenue medical purchases rechargeable revenue, and despite 1 less business day this semester compared to last year's and the continuing shift towards a greater ambulatory care mix.

France total admissions in our hospitals rose by 5.1%, extending and confirming the contribution of the group's facilities to address the post-Covid backlog of elective hospital care:

- +4.7% in MSO (medicine, surgery and obstetrics)
- +12.3% in FCR (follow-up care and rehabilitation)
- -1.2% in mental health

Our French facilities managed approximately 350,000 emergency presentations this semester, confirming their important role in delivering on public service missions.

Nordic countries reported revenue grew by +3.4% and was penalised by foreign exchange fluctuation by €57.6m by unfavourable foreign exchange rate. Organic revenue growth in the Nordic countries for the half year ending 31 December 2023 was +10.5% on a like-for-like basis from continued positive revenue growth acute care facilities in Sweden, together with the contribution of new contracts. Patients listed in our proximity care centres increased by 1% on the prior period.

Results:

EBITDA reached €284.6m for the half year ending 31 December 2023, down €28.1m or 9.0% on the prior period on a reported basis.

The Group's EBITDA as at 31 December 2023 includes €38.9 million (€62.2 million for the previous period) related to the revenue guarantee described in the paragraph "Significant events of the half-year". With Covid abating to a mainstream endemic status in 2023, no Covid costs compensations grants were received in the period (€28.4m prior period).

EBITDA and margins were also driven down by inflationary pressures sustained from the impact of the effort made on the compensations and benefits made to our medical staff as well as overall operating expenditure price increases, in particular on energy and outsourced services. Ramsay Santé received funding through French tariff increases and Nordics agreements indexation with various public payors which only partially covered procurement and wages inflation.

Cost control measures were sustained to adapt activities to the current inflation environment and resources allocation are also revisited as a consequence.

Underlying current operating profit amounted to €85.9m for the half year ended 31 December 2023 (or 3.6% of revenue), down 36.2% on the previous period.

Other non-current income and expenses represent a net income of €7.7m for the half year ending 31 December 2023 (prior period €21.6m), consisting mainly of a €15.1m profit on the remeasurement of options to buy back minority interests in the Nordic countries, in particular reflecting updated agreements further to the increase in shareholding in WeCare in Denmark.

The cost of net financial debt amounted to €87.3m for the half year ending 31 December 2023, compared with €68.7m in the previous period, driven by higher funding costs. The impact of financial instruments recorded in P&L was a €11.9m expense (€10.8m income in the prior period), contributing a further €22.7m increase in the net interest expense on the prior period. In accordance with IFRS 16, the Group recorded a financial interest expense of €39.9m related to lease debt (€37.0m the previous period).

The group share of net income after tax for the half year ended 31 December 2023 was a loss of €(17.3)m compared to the prior period net profit of €43.9m

Impact from IFRS16 Lease:

Reported EBITDA of €284.6m in accordance with IFRS16 excludes contracted lease expenses for €125.8m which are instead recorded as amortisation of the right-of-use asset and interest on the lease debt as outlined in the table below. The increase in the lease accounting impact on the prior period primarily came from the effect of price indexation mechanism.

EUR millions	31 December 2023			31 December 2022			Δ
	IFRS16	*Impact*	Pre-IFRS16	IFRS16	*Impact*	Pre-IFRS16	Impact
EBITDA	**284.6**	***125.8***	**158.8**	**312.7**	***117.1***	**195.6**	**8.7**
Depreciation & amortisation	(206.4)	*(101.1)*	(105.3)	(199.6)	*(94.6)*	(105.0)	(6.5)
EBIT before non-current items	**78.2**	***24.7***	**53.5**	**113.1**	***22.5***	**90.6**	**2.2**
Net interest expense	(101.4)	*(37.7)*	(63.7)	(66.5	*(35.7*	(30.8)	(2.0)
Net profit after tax	**(13.4)**	***(9.3)***	(4.1)	47.0	***(9.8)***	56.8	**0.5**

Cash-flow and financing:

Reported net financial debt on 31 December 2023 was €3,869.9m compared with €3,670.0m on 30 June 2023. IAS 17 Net debt includes €1,876.6m in non-current borrowings and €60.1m in current borrowings, offset by €188.6m in cash and cash equivalents.

The application of IFRS 16 to leases contributed €2,172.8m to net financial debt as of 31 December 2023, of which €1,942.9m was non-current lease debt and €229.9m was current lease debt.

Net cash decreased by €163.6m over the half-year, which is seasonally generates lower liquidity from operations than the January to June period. This includes net borrowings repayments of €21.0m. The cash flow from operating activities was subdued from an unfavourable working capital variation encompassing the absence of collection of accrued revenue guarantee income, and higher interest paid.

Total capital expenditure for the period of €84.7m was slightly below last year's €91.0m and included maintenance and optimisation, as well as improvement on our portfolio of clinics. Significant effort is sustained to roll out our strategy to increase Ramsay Santé's imaging assets portfolio, to invest on digital tools, and to acquire new equipment.

About Ramsay Santé

Ramsay Santé is the leader in private hospitalisation and primary care in Europe. The Group has 38,000 employees and works with nearly 9,300 practitioners to treat more than 12 million patients per year in its 465 facilities and 5 countries: France, Sweden, Norway, Denmark and Italy. Ramsay Santé offers almost all medical and surgical specialities in three domains: Medicine, Surgery, Obstetrics (MSO), Follow-up Care and Rehabilitation (FCR) and Mental Health.

Legally, Ramsay Santé is a mission-driven company committed to constantly improving the health of all patients through innovation. Wherever it operates, the Group contributes to public health service missions and the healthcare network. Through its actions and the constant dedication of its teams, Ramsay Santé is committed to ensuring the entire patient care journey, from prevention to follow-up care.

Every year, the group invests over 200 million euros to support the evolution and diversity of care pathways, in medical, hospital, digital, and administrative aspects. Through this commitment, our Group enhances access to care for all, commits to provides best-in-class healthcare, systematically engages in dialogue with stakeholders and strives to protect the planet to improve health.

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Glossary

Constant perimeter, or like-for-like comparison

- The restatement of the scope of consolidation of the incoming entities is as follows:
    - For current year entries into the consolidation scope, subtract the contribution from the acquisition of current year aggregates;
    - For acquisitions in the previous year, deduct in the current year the contribution of the acquisition of the aggregates of the months preceding the month of acquisition.
- The restatement of the scope of consolidation of entities leaving the Group is as follows:
    - For current year deconsolidations, the contribution of the deconsolidated entity is deducted from the previous year from the month of deconsolidation.
    - In the case of deconsolidation in the previous year, the contribution of the deconsolidated entity for the entire previous year is deducted.

The change at constant exchange rates reflects a change after translation of the current period's foreign currency figure at the exchange rates of the comparative period.

The change on a constant accounting basis reflects a change in the figure excluding the impact of changes in accounting standards during the period.

Current operating income refers to operating income before other non-recurring income and expenses consisting of restructuring costs (charges and provisions), gains or losses on disposals or significant and unusual impairments of non-current assets, whether tangible or intangible; and other operating income and expenses such as a provision relating to a major dispute.

EBITDA corresponds to current operating income before depreciation (expenses and provisions in the income statement are grouped according to their nature).

Net financial debt is gross financial debt less financial assets.

- The gross financial debts are made up of:
    - loans from credit institutions, including interest incurred;
    - loans under finance leases, including accrued interest;
    - lease liabilities arising from the application of IFRS 16;
    - fair value hedging instruments recorded in the balance sheet, net of tax;
    - current financial liabilities relating to financial current accounts with minority investors;
    - bank overdrafts.
- Financial assets consist of:
    - the fair value of fair value hedging instruments recognized in the balance sheet, net of tax;
    - current financial receivables relating to financial current accounts with minority investors;
    - Cash and cash equivalents, including treasury shares held by the Group (considered as marketable securities);
    - financial assets directly related to the loans contracted and recorded in gross financial debt.

Annual financial results for 31 December 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
(In millions of euros)	**From 1 July 2023 to 31 December 2023**	**From 1 July 2022 to 31 December 2022**
REVENUE	**2,370.1**	**2,209.5**
Personnel expenses and profit sharing	(1,233.6)	(1,214.4)
Purchased consumables	(507.1)	(443.7)
Other operating income and expenses	(232.5)	(131.0)
Taxes and duties	(70.8)	(68.1)
Rent	(41.5)	(39.6)
EBITDA	**284.6**	**312.7**
Depreciation and amortisation	(206.4)	(199.6)
Current operating profit	**78.2**	**113.1**
Restructuring costs	(4.9)	(6.6)
Result of the management of real estate and financial assets	12.6	28.2
Other non-current income and expenses	**7.7**	**21.6**
Operating profit	**85.9**	**134.7**
Cost of gross financial debt	(60.2)	(32.1)
Income from cash and cash equivalents	12.8	0.4
Financial interests related to the lease liabilities (IFRS16)	(39.9)	(37.0)
Cost of net financial debt	**(87.3)**	**(68.7)**
Other financial income	0.9	11.1
Other financial expenses	(15.0)	(8.9)
Other financial income and expenses	**(14.1)**	**2.2**
Corporate income tax	2.0	(21.2)
Share of net result of associates	--	--
CONSOLIDATED NET PROFIT	**(13.5)**	**47.0**
Income and expenses recognised directly in equity		
- Foreign exchange translation differences	38.3	(25.9)
- Actuarial gains and losses relating to post-employment benefits	(9.9)	23.7
- Change in fair value of hedging instruments	(19.3)	6.1
- Other	0.1	1.7
- Income tax effects on other comprehensive income	--	(7.1)
Results recognised directly in equity	**9.2**	**(1.5)**
TOTAL COMPREHENSIVE INCOME	**(4.3)**	**45.5**
RESULT ATTRIBUTABLE TO (in millions of euros)	**From 1 July 2023 to 31 December 2023**	**From 1 July 2022 to 31 December 2022**
- Net income, Group share	(17.3)	43.9
- Non-controlling interests	3.8	3.1
NET INCOME	**(13.5)**	**47.0**
NET EARNINGS PER SHARE (in euros)	(0.16)	0.40
DILUTED NET EARNINGS PER SHARE (in euros)	(0.16)	0.40
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (In millions of euros)	**From 1 July 2023 to 31 December 2023**	**From 1 July 2022 to 31 December 2022**
- Comprehensive income, Group share	(8.1)	42.4
- Non-controlling interests	3.8	3.1
TOTAL COMPREHENSIVE INCOME	**(4.3)**	**45.5**

CONSOLIDATED BALANCE SHEET - ASSETS		
(In millions of euros)	**31-12-2023**	**30-06-2023**
Goodwill	2,083.0	2,062.7
Other intangible assets	221.6	213.8
Property, plant and equipment	994.5	991.2
Right of use (IFRS16)	2,065.5	2,047.1
Investments in associates	0.2	0.2
Other non-current financial assets	143.2	170.2
Deferred tax assets	80.2	106.4
NON-CURRENT ASSETS	**5,588.2**	**5,591.6**
Inventories	121.7	118.2
Trade and other operating receivables	510.9	538.6
Other current assets	418.5	329.0
Current tax assets	9.6	17.5
Current financial assets	23.6	10.7
Cash and cash equivalents	188.6	352.2
CURRENT ASSETS	**1,272.9**	**1,366.2**
TOTAL ASSETS	**6,861.1**	**6,957.8**

CONSOLIDATED BALANCE SHEET – LIABILITIES AND EQUITY		
(In millions of euros)	**31-12-2023**	**30-06-2023**
Share capital	82.7	82.7
Share premium	611.2	611.2
Consolidated reserves	561.2	502.6
Net income. Group share	(17.3)	49.4
Equity. group share	**1,237.8**	**1,245.9**
Non-controlling interests	30.9	31.0
TOTAL EQUITY	**1,268.7**	**1,276.9**
Borrowings and financial debt	1,876.6	1,893.8
Debt on commitment to purchase minority interests	25.7	46.3
Non-current lease liability (IFRS16)	1,942.9	1,928.0
Provisions for post-employment benefits	110.8	105.4
Non-current provisions	147.0	155.3
Other non-current liabilities	18.1	6.7
Deferred tax liabilities	16.8	52.8
NON-CURRENT LIABILITIES	**4,137.9**	**4,188.3**
Current provisions	36.2	39.9
Trade and other accounts payable	477.6	471.9
Other current liabilities	640.0	699.6
Current tax liabilities	3.3	1.6
Current financial debts	60.1	58.8
Debt on commitment to purchase minority interests	7.4	7.3
Current lease liability (IFRS16)	229.9	213.5
CURRENT LIABILITIES	**1,454.5**	**1,492.6**
TOTAL EQUITY AND LIABILITIES	**6,861.1**	**6,957.8**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY								
(In millions of euros)	**SHARE CAPITAL**	**SHARE PREMIUM**	**RESERVES**	**RESULTS DIRECTLY RECORDED IN EQUITY**	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR**	**EQUITY, GROUP SHARE**	**NON-CONTROLLING INTEREST**	**SHAREHOLDERS' EQUITY**
Equity equity at June 30, 2022	**82.7**	**611.2**	**447.8**	**(47.7)**	**118.4**	**1,212.4**	**26.3**	**1,238.7**
Capital increase (including net fees)	--	--	--	--	--	**--**	--	**--**
Treasury shares	--	--	--	--	--	**--**	--	**--**
Stocks options and free share	--	--	--	--	--	**--**	--	**--**
Prior year appropriation of earnings	--	--	118.4	--	(118.4)	**--**	--	**--**
Distribution of dividends	--	--	--	--	--	**--**	(3.5)	**(3.5)**
Change in consolidation scope	--	--	--	--	--	**--**	0.9	**0.9**
Total comprehensive income for the period	--	--	--	(1.5)	43.9	**42.4**	3.1	**45.5**
Equity at December 31, 2022	**82.7**	**611.2**	**566.2**	**(49.2)**	**43.9**	**1,254.8**	**26.8**	**1,281.6**
Equity at 30 June 2023	**82.7**	**611.2**	**566.2**	**(63.6)**	**49.4**	**1,245.9**	**31.0**	**1,276.9**
Capital increase (after deduction of issue costs net of tax)	--	--	--	--	--	**--**	--	**--**
Treasury shares	--	--	--	--	--	**--**	--	**--**
Stock options and free shares	--	--	--	--	--	**--**	--	**--**
Prior year result to be allocated	--	--	49.4	--	(49.4)	**--**	--	**--**
Dividend distribution	--	--	--	--	--	**--**	(4.3)	**(4.3)**
Change in scope of consolidation	--	--	--	--	--	**--**	0.4	**0.4**
Total comprehensive income for the year	--	--	--	9.2	(17.3)	**(8.1)**	3.8	**(4.3)**
Equity at 31 December 2023	**82.7**	**611.2**	**615.6**	**(54.4)**	**(17.3)**	**1,237.8**	**30.9**	**1,268.7**

CONSOLIDATED STATEMENT OF CASH FLOWS		
(In millions of euros)	**From 1 July 2023 to 31 December 2023**	**From 1 July 2022 to 31 December 2022**
Net result of the consolidated group	(13.5)	47.0
Depreciation and amortisation	206.4	199.6
Other non-current income and expenses	(7.7)	(21.6)
Share of net result of associates	--	--
Other financial income and expenses	14.1	(2.2)
Financial interest related to the lease liability (IFRS16)	39.9	37.0
Cost of net financial debt excluding financial interest related to lease liability	47.4	31.7
Income tax	(2.0)	21.2
EBITDA	**284.6**	**312.7**
Non-cash items relating to recognition and reversal of provisions (non-cash transactions)	(10.9)	14.5
Other non-current income and expenses paid	(6.0)	5.0
Change in other non-current assets and liabilities	(6.8)	(47.6)
Cash flow from operations before cost of net financial debt and tax	**260.9**	**284.6**
Income tax paid	2.8	(17.5)
Change in working capital requirements	(114.5)	(83.5)
NET CASH FLOWS FROM OPERATING ACTIVITIES: (A)	**149.2**	**183.6**
Investment in tangible and intangible assets	(85.7)	(91.0)
Disposal of tangible and intangible assets	1.0	--
Acquisition of entities	(11.5)	(6.7)
Disposal of entities	1.2	0.5
Dividends received from non-consolidated companies	0.1	0.3
NET CASH USED IN INVESTING ACTIVITIES: (B)	**(94.9)**	**(96.9)**
Capital increase and share premium increases: (a)	--	--
Capital increase of subsidiaries subscribed by third parties (b)	--	0.5
Dividends paid to minority shareholders of consolidated companies: (c)	(4.3)	(3.5)
Interest paid: (d)	(60.2)	(32.1)
Financial income received and other financial expenses paid: (e)	12.9	(5.9)
Financial interest related to lease liability (IFRS16): (f)	(39.9)	(37.0)
Debt issue costs: (g)	--	--
Cash flow before change in borrowings: (h) = (A+B+a+b+c+d+e+f+g)	**(37.2)**	**8.7**
Increase in borrowings: (i)	3.8	194.5
Repayment of borrowings: (j)	(24.8)	3.8
Decrease in lease liability (IFRS16): (k)	(112.0)	(109.5)
NET CASH USED IN FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + i + j + k	**(224.5)**	**10.8**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS: (A + B + C)	**(170.2)**	**97.5**
Foreign exchange translation differences on cash and cash equivalents held	6.6	(9.1)
Cash and cash equivalents at beginning of year	**352.2**	**132.5**
Cash and cash equivalents at end of year	**188.6**	**220.9**
Net indebtedness at beginning of year	**3,670.0**	**3,709.9**
Cash flow before change in borrowings: (h)	37.2	(8.7)
Capitalisation of loan issue costs	1.0	1.0
Fair value of financial hedging instruments	23.1	(12.5)
Changes in scope of consolidation and other	8.9	(38.7)
Lease liability (IFRS16)	129.7	169.4
Net indebtedness at end of year	**3,869.9**	**3,820.4**