

# STATUTORY ACCOUNTS 2011



**Haulotte**   
GROUP

More than lifting

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## > BALANCE SHEET - ASSETS

In thousands of euros	Note	Gross	Amort. Deprec.	31/12/2011	31/12/2010
<b>INTANGIBLE ASSETS</b>	4.1				
Software, patents		7 395	4 600	2 795	3 008
Goodwill		168		168	168
Other intangible assets		321		321	60
<b>PROPERTY, PLANT AND EQUIPMENT</b>	4.1				
Land		1 466		1 466	1 466
Buildings		14 848	7 779	7 069	7 581
Machinery and equipment		21 758	18 351	3 407	4 830
Other PPE		2 039	1 551	488	557
Fixed assets in progress		138		138	76
<b>FINANCIAL ASSETS</b>	4.2 et 4.3				
Long-term investments		20 441	8 893	11 547	10 266
Receivables from investments		245 024	74 380	170 644	208 634
Other investments		14 690	5 084	9 606	14 690
Other financial assets		204		204	214
<b>NON-CURRENT ASSETS</b>		<b>328 492</b>	<b>120 638</b>	<b>207 853</b>	<b>251 550</b>
<b>INVENTORIES AND WORK IN PROGRESS</b>	5				
Raw materials		13 943	682	13 261	7 556
Work in progress		6 956		6 956	5 701
Finished goods		25 043	1 035	24 008	32 530
Trade goods		5 855	1 618	4 236	3 947
Advances paid to suppliers		245		245	533
<b>ACCOUNTS RECEIVABLE</b>					
Accounts receivable	6	72 799	9 564	63 235	41 350
Other receivables	7	37 938	220	37 718	28 358
<b>CASH AND CASH EQUIVALENT</b>					
Marketable securities		10		10	10
Cash at hand		4 870		4 870	23 250
<b>ACCRUALS</b>					
Prepaid expenses	8	567		567	673
<b>CURRENT ASSETS</b>		<b>168 225</b>	<b>13 119</b>	<b>155 106</b>	<b>143 908</b>
Unrealised foreign exchange losses	8	7 052		7 052	8 193
<b>TOTAL</b>		<b>503 769</b>	<b>133 757</b>	<b>370 011</b>	<b>403 651</b>

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## > BALANCE SHEET - LIABILITIES AND EQUITY

In thousands of euros	Note	31/12/2011	31/12/2010
Share capital	10	4 058	4 058
Additional paid-in-capital		92 044	92 044
Legal reserves		448	448
Other reserves		1 274	1 274
Retained earnings		72 126	98 872
<b>PROFIT (LOSS) FOR THE YEAR</b>		<b>(32 031)</b>	<b>(26 746)</b>
Regulated reserves		3 539	4 389
<b>SHAREHOLDERS' EQUITY</b>	<b>10</b>	<b>141 458</b>	<b>174 339</b>
Provisions for contingencies		12 959	11 810
Provisions for charges		1 273	1 152
<b>COMMITMENTS AND CONTENGENCIES</b>	<b>12</b>	<b>14 232</b>	<b>12 962</b>
<b>LONG-TERM DEBT</b>			
Bank borrowings	13	136 155	153 279
Miscellaneous loans and borrowings	13	274	278
Down payments received		218	6 783
<b>TRADE PAYABLES AND OTHER CURRENT LIABILITIES</b>	<b>14</b>		
Trade payables		37 287	18 380
Tax and employee-related liabilities		5 236	3 461
Fixed asset creditors			800
Other payables		25 594	25 117
<b>ACCRUALS</b>			
Deferred revenue		1	70
<b>TOTAL LIABILITIES</b>		<b>204 764</b>	<b>208 168</b>
Unrealised foreign exchange gains	8	9 557	8 182
<b>TOTAL</b>		<b>370 011</b>	<b>403 651</b>



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## > INCOME STATEMENT

In thousands of euros	Note	31/12/2011	31/12/2010
<b>NET SALES</b>	<b>16</b>	<b>151 315</b>	<b>98 347</b>
Change in inventories of finished goods and work in progress		(7 445)	(20 267)
Capitalised production		108	105
Operating grants		38	104
Reversal of depreciation and provisions, expenses reclassifications		5 215	3 122
Other income		17	39
<b>OPERATING INCOME</b>		<b>149 247</b>	<b>81 450</b>
Purchase of trade goods		15 409	13 121
Change in inventories (trade goods)		(439)	1 375
Purchase of raw materials and other supplies		84 935	36 210
Change in inventories (raw materials and other supplies)		(4 919)	(415)
Other purchases and external charges		28 981	22 670
Taxes other than on corporate income		2 444	1 343
Wages and salaries		19 959	16 209
Social charges		9 023	7 218
Depreciation and amortisation of fixed assets		2 756	3 069
Increase in provisions for current assets		1 214	1 856
Provisions for contingencies and commitments		4 245	3 446
Other expenses		0	18
<b>OPERATING EXPENSES</b>		<b>163 609</b>	<b>106 120</b>
<b>OPERATING PROFIT (LOSS)</b>		<b>(14 362)</b>	<b>(24 670)</b>
Dividends received from subsidiaries		331	
Interest income		7 443	6 389
Reversals of provisions		9 271	15 335
Currency gains		4 028	6 335
Net proceeds from the disposal of marketable securities		12	76
<b>FINANCIAL INCOME</b>		<b>21 085</b>	<b>28 135</b>
Allowances for depreciation and reserves		30 318	31 368
Interest expenses		9 702	8 144
Currency losses		2 958	3 142
<b>FINANCIAL EXPENSE</b>		<b>42 978</b>	<b>42 654</b>
<b>NET FINANCIAL PROFIT (LOSS)</b>	<b>18.1</b>	<b>(21 892)</b>	<b>(14 519)</b>
<b>PRE-TAX PROFIT BEFORE EXTRAORDINARY ITEMS</b>		<b>(36 254)</b>	<b>(39 189)</b>
Extraordinary income sundry business operations		10	18
Extraordinary income on transactions		1 645	366
Reversal of provisions, expenses reclassifications		6 620	491
<b>EXTRAORDINARY INCOME</b>		<b>8 275</b>	<b>875</b>
Extraordinary expenses sundry business operations		458	216
Extraordinary expenses on transactions		2 096	393
Depreciation and provisions		2 129	178
<b>EXTRAORDINARY EXPENSES</b>		<b>4 682</b>	<b>787</b>
<b>EXTRAORDINARY PROFIT (LOSS)</b>	<b>18.2</b>	<b>3 593</b>	<b>88</b>
Corporate income tax	19	630	12 355
<b>NET PROFIT (LOSS)</b>		<b>(32 031)</b>	<b>(26 746)</b>

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTES TO THE STATUTORY ACCOUNTS

<b>Note 1</b>	<b>Significant events</b> .....	<b>6</b>
<b>Note 2</b>	<b>Accounting policies</b> .....	<b>6</b>
2.1	Intangible fixed assets.....	6
2.2	Property, plant and equipment.....	6
2.3	Financial assets .....	7
2.4	Inventories and work in progress.....	8
2.5	Receivables and payables.....	8
2.6	Translation of transactions in foreign currency.....	9
2.7	Marketable securities.....	9
2.8	Provisions .....	9
2.9	Operating profit .....	10
2.10	Financial income .....	10
2.11	Extraordinary income.....	10
<b>Note 3</b>	<b>Post-closing events</b> .....	<b>10</b>
<b>Note 4</b>	<b>Fixed assets</b> .....	<b>11</b>
4.1	Property, plant and equipment & intangible assets .....	11
4.2	Financial assets .....	12
4.3	Changes in treasury shares.....	13
4.4	List of subsidiaries and affiliates .....	14
<b>Note 5</b>	<b>Inventories</b> .....	<b>15</b>
<b>Note 6</b>	<b>Trade receivables</b> .....	<b>16</b>
<b>Note 7</b>	<b>Maturity of receivables and payables</b> .....	<b>16</b>
<b>Note 8</b>	<b>Accruals</b> .....	<b>16</b>
<b>Note 9</b>	<b>Other accrued assets and liabilities</b> .....	<b>17</b>
9.1	Accrued liabilities.....	17
9.2	Accrued assets.....	17
<b>Note 10</b>	<b>Shareholders' equity</b> .....	<b>17</b>
<b>Note 11</b>	<b>Identity of the parent company consolidating the financial statements</b> .....	<b>18</b>
<b>Note 12</b>	<b>Commitments and contingencies</b> .....	<b>18</b>
<b>Note 13</b>	<b>Borrowings</b> .....	<b>19</b>
<b>Note 14</b>	<b>Maturity of creditors</b> .....	<b>21</b>
<b>Note 15</b>	<b>Related parties balance sheet transaction</b> .....	<b>21</b>
<b>Note 16</b>	<b>Sales</b> .....	<b>21</b>
<b>Note 17</b>	<b>Related parties income statement transactions</b> .....	<b>22</b>
<b>Note 18</b>	<b>Financial and extraordinary income and expense</b> .....	<b>22</b>
18.1	Net financial expense .....	22
18.2	Extraordinary profit (loss).....	22
<b>Note 19</b>	<b>Breakdown of tax income between current income and extraordinary profit (loss)</b> ...	<b>23</b>
<b>Note 20</b>	<b>Deferred taxes</b> .....	<b>23</b>
<b>Note 21</b>	<b>Tax consolidation</b> .....	<b>23</b>
<b>Note 22</b>	<b>Fees allocated to directors and officers</b> .....	<b>24</b>
<b>Note 23</b>	<b>Off-balance sheet commitments</b> .....	<b>24</b>
23.1	Finance lease commitments.....	24
23.2	Other commitments given .....	25
23.3	Contingent liabilities.....	26
<b>Note 24</b>	<b>Commitments received</b> .....	<b>26</b>
<b>Note 25</b>	<b>Information on employee stock option plans</b> .....	<b>27</b>
<b>Note 26</b>	<b>Average headcounts</b> .....	<b>27</b>
<b>Note 27</b>	<b>Individual training benefits</b> .....	<b>27</b>
<b>Note 28</b>	<b>Foreign exchange risks exposure</b> .....	<b>27</b>
<b>Note 29</b>	<b>Interest-rate risks</b> .....	<b>28</b>
<b>Note 30</b>	<b>Cash flow statement</b> .....	<b>29</b>



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 1 - SIGNIFICANT EVENTS

The amendment to the Syndicated Loan Agreement signed by the Company in June 2010 acted a grace period suspending the testing of financial ratios provided for in the initial loan agreement until 31 December 2011. This period is therefore now ended.

Following the breach of debt ratios at the end of December 2011, repayment of the loan was rendered enforceable by the banking syndicate. For this reason, the full amount of the debt was reclassified under current borrowings.

Haulotte Group already reached an agreement with the bank syndicate to extend the testing of financial ratios grace period until 30 June 2012. Discussions are underway with the banking partners to renegotiate deadlines and conditions of syndicated loan with final schedule in July 2013.

These negotiations, initiated in the first quarter of 2012, allow to consider with serenity the coming reimbursement schedule for the year and to have sufficient cash flow to ensure continuity of operations over the next twelves months.

## NOTE 2 - ACCOUNTING POLICIES

The company's annual financial statements have been prepared in accordance with the laws and regulations applicable in France.

The accounting principles applied include:

- the conservatism principle;
- the going concern concept;
- the time period concept;
- the consistency principle.

### 2.1 Intangible fixed assets

Intangible assets are recognised at their purchase price, excluding financial charges.

Software is depreciated on a straight-line basis over 3 to 7 years according to its useful life.

Models and designs are depreciated over 5 years.

Goodwill is not subject to depreciation. An impairment is recorded when its value in use is less than the amount initially recognised.

Research and development expenditure is expensed in the period incurred.

### 2.2 Property, plant and equipment

Property, plant and equipment are recognised in the balance sheet at purchase cost (less discounts and all costs necessary to bring the asset to working condition for its intended use) or production cost. Finance costs are not included in the cost of fixed assets.

Basis for depreciation of fixed assets is their gross value (cost less residual value). Depreciation starts from the date the asset is ready to be commissioned. Depreciation is recorded over the useful life that reflects the consumption of future economic benefits associated with the asset that will flow to Haulotte Group SA.

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

When the asset's carrying value is greater than its estimated recoverable amount, an impairment is recorded for the difference.

Subsequent costs are recognised as separate assets and subject to different depreciation rates if the related assets have different useful lives. The carrying amount of the renewed or replaced part is derecognised, the new costs incurred being separately capitalised.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method over their estimated useful lives as follows:

	<b>Depreciation period</b>
Plant buildings :	
- main component	40 years
- other components	10 to 30 years
Building fixtures and improvements	
- main component	10 to 40 years
- other components	5 to 20 years
Plant equipment	5 to 20 years
Other installations and equipment	3 to 20 years
Transportation equipment	5 years
Computer and office equipment	3 to 10 years
Office furniture	3 to 10 years

The assets' residual value and useful lives are reviewed and adjusted, if appropriate, at each balance-sheet date.

The gains or losses on disposals of fixed assets are recognised within 'Extraordinary income/expenses on transactions'.

## • **Regulated tax reserves**

Regulated reserves include in particular additional tax depreciation allowances calculated by utilising the most favourable tax option. This mainly concerns depreciation on residual values of equipment recorded as fixed assets.

## 2.3 Financial assets

### • **Equity Investments**

Investments are recognised in the balance sheet at historical cost, including transaction costs such as transfer rights, commissions and fees directly attributable to the acquisition of the securities. These expenses are included in the cost of securities and are subject to special accelerated depreciation over five years.

At year-end their balance sheet value is compared with their going concern value, determined with reference to the share in net equity owned and the earnings prospects. When applicable, a provision for impairment is recorded. When necessary (notably for subsidiaries with negative net equity), additional provisions are recognised first against intra-group assets (receivables, current accounts) and further as a provision for charges if necessary.





# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## • *Receivables from investments*

Receivables from investments relate to current account advances and loans granted to subsidiaries.

These items are recognised at face value. Current account balances in foreign currencies are translated into Euros at the year-end exchange rate. Gains arising on translation are recognised as 'unrealised foreign exchange gains' and recorded in the balance sheet. Losses arising on translation result in the recognition of a provision for foreign exchange losses and go therefore through the income statement.

Current accounts are subject to impairment in the cases described in the preceding paragraph. There is no translation adjustment recorded for the impaired portion of foreign currency current accounts.

## • *Treasury shares*

Treasury shares acquired in connection with the Group's share buy-back program are recorded as financial assets. They are recognised at purchase price. At the end of the year, their carrying value is determined on the basis of the average quoted price of the shares for the last month of the year. If the carrying value is lower than the purchase price, an impairment loss is recorded for the difference.

## **2.4 Inventories and work in progress**

Inventories are stated at the lower of cost or net realisable value:

- Materials and supplies cost is determined using the average cost method based on the weighted average cost per unit;
- The cost of finished products and work in progress includes direct production costs and factory overhead (based on normal operating capacity);
- Traded goods inventories are recorded at purchase price (spare parts) or at their trade-in value (second-hand machines)
- The net realisable value is the estimated selling price in the ordinary course of business less applicable expenses to recondition or sell the goods.

Impairment is recognised when the net realisable value corresponding to the estimated selling price in the ordinary course of business less applicable expenses to recondition or sell the goods, is less than the carrying value of inventories defined above.

## **2.5 Receivables and payables**

Receivables and payables are recognised at their face value.

A provision for impairment is recorded when their collection value, determined on a case-by-case basis, is estimated to be lower than the carrying value.

As soon as there are indications of a real and serious collection risk, a provision for impairment is recorded.



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## 2.6 Translation of transactions in foreign currency

Transactions in foreign currencies are translated at the exchange rate on the transaction date. At the end of the period, receivables and payables balances that have not been hedged are translated at the closing rate. The resulting translation differences for payables and receivables in foreign currency at the end of the period are recognised in the balance sheet under the cumulative translation adjustment. For unrealised foreign exchange losses a provision for contingencies is recorded.

Hedged receivables are translated at the hedge rate.

For receivables for which impairment has been recorded, only the remaining balance is translated at the year-end exchange rate.

## 2.7 Marketable securities

Marketable securities are initially recognised at their purchase price excluding incidentals. Carrying value of the securities is measured based on quoted values at the closing date. An impairment is recorded when this quoted value is lower than purchase price.

## 2.8 Provisions

When a contingent liability is identified, for which no reliable estimation can be determined, there is no provision recognized. If applicable, a description of the identified risk is included in a dedicated paragraph within the notes relating to provisions for contingencies and charges.

In general a provision is recorded when:

- the Group has a present legal or constructive obligation as a result of a past event
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and;
- the obligation has been reliably estimated.

### • *Warranty provision*

Accordingly, Haulotte Group grants clients a manufacturer's warranty. The estimated cost of warranties on products already sold is covered by a provision statistically calculated on the basis of historical data. The warranty period is generally one to two years. When necessary, a provision is recognised on a case-by-case basis to cover specific warranty risks identified.

### • *Litigations*

Other provisions are also recorded in accordance with the above principles to cover risks related to litigations, site closures (when applicable) or any other event meeting the definition of a liability. The amount recognised as a provision represents the best estimate of the expenditure required to settle the obligation.

All material lawsuits involving the company were reviewed at year-end, and based on the advice of legal counsel, the appropriate provisions were recorded, when necessary, to cover the estimated risks.



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## • *Pension*

Haulotte Group SA records provisions for pensions indemnities and other post-employment obligations as well as long-service awards. Haulotte Group SA only had defined benefit plans. The corresponding obligation is measured using the projected unit credit method with end-of-career wages. The calculation of this obligation takes into account the provisions of the laws and collective bargaining agreements and actuarial assumptions concerning notably staff turnover, mortality tables, salary increases and inflation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the income statement in the period incurred.

## 2.9 Operating profit

### • *Revenue recognition*

"Net sales" includes the goods and services sales comprising notably :

- Equipment sales to the distribution and renting subsidiaries of the group
- Direct sales to certain customers
- spare parts sales
- provision of services.

Sales of goods are recorded net of value added tax at the date of transfer of risks and benefits of ownership.

Revenues related to services are recognised over the period during which the services are rendered.

### • *Operating expenses*

Operating expenses include notably material costs, production costs and overheads.

## 2.10 Financial income

Financial income consists primarily of changes in provisions on investments and on intercompany current accounts, exchange gains and losses, interest income and expenses on current accounts and financial costs associated with borrowing.

## 2.11 Extraordinary income

Items that are exceptional in nature or that do not occur in the normal course of business are recognised under extraordinary profit or loss. In accordance with the French National Accounting Code (Plan Comptable Général), extraordinary profit or loss also includes allowances and reversals of special tax depreciation provisions.

## NOTE 3 - POST-CLOSING EVENTS

No post-closing event occurred which may have a significant impact on the financial statements.

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 4 - FIXED ASSETS

### 4.1 Property, plant and equipment & intangible assets

#### Gross amounts

In K€	31/12/2010	Increase	Decrease	31/12/2011
Intangible assets <sup>(1)</sup>	6 898	664		7 562
Intangible assets in progress	60	321	60	321
Land	1 466			1 466
Building	4 566			4 566
General installations	10 053	229		10 282
Machinery and equipment <sup>(2)</sup>	25 918	253	4 414	21 758
Other PPE	1 810	290	61	2 039
Fixed assets in progress	76	138	76	138
<b>TOTAL</b>	<b>50 847</b>	<b>1 895</b>	<b>4 611</b>	<b>48 133</b>

#### Accumulated depreciation and impairment

In K€	31/12/2010	Increase	Decrease	31/12/2011
Intangible assets	3 722	878		4 600
Land				
Building	1 448	111		1 559
General installations	5 590	630		6 220
Machinery and equipment <sup>(2)</sup>	21 088	915	3 652	18 351
Other PPE	1 253	304	6	1 551
<b>TOTAL</b>	<b>33 101</b>	<b>2 838</b>	<b>3 658</b>	<b>32 281</b>

<sup>(1)</sup> The intangible assets concerns primarily software. It also includes goodwill of K€168. The goodwill originated from the creation of Haulotte S.A. in 1995. No depreciation or impairment has been recorded.

<sup>(2)</sup> Disposals of tangible mainly relates to fixed asset equipment held under a finance lease. At the end of the lease period, the equipment is sold to the lessee under the terms of the lease agreement

Research and development expenditure, recorded in operating expenses, totalled K€ 5 852 for the fiscal year.



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## 4.2 Financial assets

Financial assets break down as follows on a cost basis:

In K€	31/12/2010	Increase	Decrease	31/12/2011
Equity investments <sup>(1)</sup>	16 495	5 165	1 220	20 441
Current accounts & loans to subsidiaries <sup>(2)</sup>	269 066	14 211	38 254	245 024
Treasury shares <sup>(3)</sup>	14 690			14 690
Other financial assets	214		9	205
<b>TOTAL GROSS VALUE</b>	<b>300 465</b>	<b>19 376</b>	<b>39 483</b>	<b>280 360</b>

En K€	31/12/2010	Allowances	Reversals	31/12/2011
Provisions on Equity investments <sup>(4)</sup>	6 229	3 671	1 006	8 894
Provisions on Current accounts & loans <sup>(5)</sup>	60 432	14 512	564	74 380
Provisions on Treasury shares <sup>(6)</sup>		5 084		5 084
Provisions on other financial assets				
<b>TOTAL PROVISIONS</b>	<b>66 661</b>	<b>23 267</b>	<b>1 570</b>	<b>88 358</b>

<b>TOTAL NET VALUE</b>	<b>233 804</b>			<b>192 016</b>
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<sup>(1)</sup> During the fiscal year, Haulotte Group subscribed to a capital increase of its subsidiaries Haulotte France, Haulotte Cantabria and Haulotte do Brasil. Haulotte Group sold shares held in ABM to its subsidiary Haulotte France.

<sup>(2)</sup> Receivables from equity interests include €96 million with a maturity exceeding five years.

<sup>(3)</sup> The number of treasury shares owned at the year end 2011 is 1 837 823.

<sup>(4)</sup> Additional provisions have been recorded by Haulotte Group S.A. on the investments in the subsidiaries Haulotte do Brasil and Haulotte Cantabria.

<sup>(5)</sup> The additional provisions on current accounts concerns notably Haulotte do Brasil, Haulotte UK, Haulotte US and Haulotte Australia.

<sup>(6)</sup> The provision on treasury shares has been recorded following the decrease of the quoted value of the share at year-end.

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## 4.3 Changes in treasury shares

The company did not repurchase any of its own shares in 2011.

Type		2011	2010
<b>Liquidity agreement</b>	Number of shares purchased		
	Purchase price of shares		
	Average price per share		
	Number of shares sold		
	Original value of shares sold		
	Sale price of shares sold		
	Net gain / (loss)		
	Number of shares cancelled		
	Number of shares at December 31	139 418	139 418
	Original value of shares at December 31	1 506 773	1 506 773
<b>Buyback authorisation</b>	Number of shares purchased		
	Purchase price of shares		
	Average price per share		
	Number of shares sold		
	Number of shares cancelled	0	0
	Number of shares at December 31	1 698 405	1 698 405
Original value of shares at December 31	13 183 551	13 183 551	
<b>Global</b>	Number of shares at December 31	1 837 823	1 837 823
	Initial value of shares at December 31	14 690 324	14 690 324
	Provision for treasury shares at December 31*	5 083 761	0
	Closing price of shares at December 31	4,69	11,59

\* On the basis of the average price of shares for the last month



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## 4.4 List of subsidiaries and affiliates

Company Registered office in K€	Share capital Shareholders' equity <sup>(2)</sup>	Ownership interest (%)	Reserves and retained earnings	Gross value Net value of shares	Advances	Dividends received	Revenue <sup>(2)</sup> Net income
Haulotte France Sarl 93 Epinay sur Seine - France	3 774 1 794	99,99%	(2 463)	3 804 1 794	6 238		59 585 483
Telescopelle SAS L'Horme - France	37 480	100,00%	376	37 37	(459)		124 67
Haulotte Access Equipment Manufacturing (Changzhou) Co., Ltd. Chine	2 042 1 987	100,00%	(232)	2 000 2 000			2 814 177
Haulotte Argentina SA Argentine	19 653	95,00%	143	119 119	907		4 858 491
Haulotte Arges SRL Roumanie	916 3 714	100,00%	402	1 100 1 100	21 489		19 650 2 396
Haulotte Australia Pty Ltd Australie	0 (6 167)	100,00%	(5 586)	0 0	15 581		20 271 (581)
Haulotte Cantabria SL Espagne	6 240 (5 037)	99,99%	(9 900)	6 240 0	21 653		21 605 (1 377)
Haulotte Do Brazil Ltda Brésil	194 (8 358)	99,98%	(4 869)	201 0	8 651		10 931 (3 683)
Haulotte Hubarbeitsbuhnen GmbH Allemagne	26 12 000	100,00%	11 653	26 26	(7 806)		27 765 321
Haulotte Iberica SL Espagne	310 4 583	98,71%	7 995	3 3	10 669		15 334 (3 722)
Haulotte Italia Srl Italie	100 9 388	99,00%	8 974	10 10	637		13 519 314
Haulotte Mexico SA de CV Mexique	3 (1 480)	95,00%	(1 219)	3 0	4 137		3 987 (264)
Haulotte Middle East FZE Emirats Arabes	204 2 698	100,00%	2 856	199 199	2 900		7 258 (361)
Haulotte Netherlands BV Pays-bas	20 (1 986)	100,00%	(1 775)	20 0	2 617		4 939 (231)
Haulotte Polska SP Z.O.O. Pologne	101 1 952	100,00%	1 798	105 105			4 337 54
Haulotte Scandinavia AB Suède	11 15 355	100,00%	15 310	11 11	(11 609)		8 712 34
Haulotte Singapore Ltd. Singapour	0 (495)	100,00%	(424)	0 0	1 893		10 148 (72)
Haulotte Trading (Shanghai) co. Ltd. Chine	644 215	100,00%	(894)	550 215			6 249 466

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

Haulotte UK Ltd Angleterre	1 (4 505)	100,00%	(3 496)	2 0	20 352	9 128 (1 009)
Haulotte US Inc Etats Unis	2 (22 543)	100,00%	(18 872)	3 0	51 777	18 297 (3 673)
Haulotte Vostok Russie	70 (1 460)	100,00%	(840)	80 0		5 696 (690)
Horizon High Reach Limited Argentine	411 3 756	100,00%	2 327	5 065 5 065		5 615 1 018
Levanor Maquinaria de Elevacion S.A. Espagne	100 889	91,00%	1 037	300 300	3 116	2 611 (248)
NO.VE. S.R.L. Italie	103 926	100,00%	1 584	564 564	16 687	9 433 (761)

<sup>(1)</sup> including Capital and Net income

<sup>(2)</sup> The turnover shown for each subsidiary includes interest revenue on finance leases.

For foreign subsidiaries, figures presented are translated at the year-end closing exchange rate (except for advances at historical cost) except for revenue and net income which are translated at the average exchange rate of the period.

## NOTE 5 - INVENTORIES

In K€	Inventories at 31/12/2011			Inventories at 31/12/2010		
	Gross	Provisions	Net	Gross	Provisions	Net
Raw materials	13 943	(682)	13 261	8 962	(1 406)	7 556
Work in progress	6 956		6 956	5 701		5 701
Finished goods	25 043	(1 035)	24 008	33 805	(1 275)	32 530
Trade goods	5 855	(1 618)	4 237	5 415	(1 468)	3 947
<b>TOTAL</b>	<b>51 797</b>	<b>(3 335)</b>	<b>48 462</b>	<b>53 883</b>	<b>(4 149)</b>	<b>49 733</b>

Inventory levels are globally flat over 2011. Raw material inventory increased by 76% in line with the growth in business.

The decline in finished goods inventory by almost 26 % is due to lower volumes of machines in inventory.





# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 6 - TRADE RECEIVABLES

In K€	31/12/2011	31/12/2010
Trade receivables	72 799	50 542
Provisions	(9 564)	(9 192)
<b>NET TRADE RECEIVABLES</b>	<b>63 235</b>	<b>41 350</b>

The increase in trade receivables is in line with the business growth and due to new contracts concluded and delivered at the end of the year.

## NOTE 7 - MATURITY OF RECEIVABLES AND PAYABLES

Les créances se répartissent comme suit :

En K€	Total	< 1 year	> 1 to < 5 years	> 5 years
Current accounts & loans to subsidiaries	245 024	149 038		95 986
Trade receivables	72 799	66 142		6 657
Other receivable	37 938	11 879	26 059	
<i>Of which income tax carry-back</i>			<i>26 059</i>	

### Income tax carry-back:

The company opted for the carry back of tax losses in 2009 and 2010 : this resulted in the recording of an income tax receivable amounting to 12 148 K€ for 2010 and 13 911 K€ for 2009.

## NOTE 8 - ACCRUALS

In K€	31/12/2011	31/12/2010
Prepaid expenses	<b>567</b>	<b>672</b>
Operating expenses	567	672
Financial expenses		
Deferred revenue	<b>1</b>	<b>70</b>
Unrealised foreign exchange losses	<b>7 052</b>	<b>8 193</b>
On receivables	6 872	8 169
On payables	180	24
Unrealised foreign exchange gains	<b>9 557</b>	<b>8 182</b>
On receivables	9 552	8 177
On payables	5	5

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 9 - OTHER ACCRUED ASSETS AND LIABILITIES

### 9.1 Accrued liabilities

In K€	31/12/2011	31/12/2010
Bank borrowings	361	442
Trade payables	14 193	8 998
Tax and employee-related payables	2 161	1 287
Other payables	254	30
<b>TOTAL</b>	<b>16 969</b>	<b>10 757</b>

### 9.2 Accrued assets

In K€	31/12/2011	31/12/2010
Accounts receivable	2 445	2 344
Other receivables	6 877	1 125
Accrued interest	2	13
<b>TOTAL</b>	<b>9 324</b>	<b>3 482</b>

## NOTE 10 - SHAREHOLDERS' EQUITY

### Detail of share capital (in €)

In €	31/12/2010	Increase	Decrease	31/12/2011
Number of shares	31 214 129			31 214 129
Nominal value in euros	0,13			0,13
Share capital in euros	4 057 837			4 057 837

### Statement of changes in shareholders' equity (in K€)

<b>Shareholders' equity at 31/12/2010</b>	<b>174 339</b>
Capital increase	0
Cancellation of treasury shares	0
Increase in additional paid-in capital	0
Decrease of reserves following the elimination of treasury shares	0
Dividends distributed	0
Change in regulated reserves	(850)
Profit/(loss) for the period	(32 031)
<b>Shareholders' equity at 31/12/2011</b>	<b>141 458</b>



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 11 - IDENTITY OF THE PARENT COMPANY CONSOLIDATING THE FINANCIAL STATEMENTS

Dénomination sociale - siège social	Legal form	Capital	Capital of Haulotte Group SA owned
SOLEM 93 Epinay sur Seine - France	S.A.S	490	55,93

## NOTE 12 - COMMITMENTS AND CONTINGENCIES

	31/12/2010	Allowances	Provisions used in the period	Reversal of unused provisions	31/12/2011
Warranty provisions	3 185	4 124	3 185		4 124
Provisions for foreign exchange losses	8 193	7 052	8 193		7 052
Provision for pensions	1 152	121			1 273
Other contingencies and commitments	432	1 708		357	1 783
<b>TOTAL</b>	<b>12 962</b>	<b>13 005</b>	<b>11 378</b>	<b>357</b>	<b>14 232</b>
Recognised under operating profit		4 245	3 185		
Recognised under financial profit		7 052	8 193		
Recognised under extraordinary profit		1 708	357		
<b>TOTAL</b>		<b>13 005</b>	<b>11 735</b>		

### Provisions for post-employment benefits

Retirement commitments are estimated according to the projected unit credit method using end-of-career wages according to the procedures described in paragraph 2.8, on the basis of the following assumptions :

- a staff turnover rate based on available Group historical data ;
- a salary increase rate based on the expected length of service, career development, the terms of collective bargaining agreements and the rate of long-term inflation representing a total rate of 2%;
- a 5% discount rate;
- a retirement age for employees born before 1 January 1950 of 62 for managers, 60 for clerical staff ;
- a retirement age for employees, born after 1 January 1950 of 65 for managers, 63 for clerical staff.

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

Concerning end-of-career severance benefits, the assumption retained is that of voluntary retirement that takes into account social security contributions (45 %). This method of calculation complies with the French Pension Reform Act of 21 August 2003 (Loi Fillon), amended by the law n°2010-1330 dated 9 November 2010 as published in the "Journal Officiel" dated 10 November 2010.

At 31 December 2011, the provision was split between :

- 1 075 K€ for pensions provisions
- 198 K€ for long-service award provisions.

## NOTE 13 - BORROWINGS

### Bank borrowings

In 2005 Haulotte Group secured a 7-year syndicated loan of €330 million. The loan was contracted at a variable rate of interest indexed on the 3-months Euribor.

Subsequent amendments changed in 2006, then 2009 and finally June 2010 – following the breach of debt ratios during the year 2009 – the total amount and division of this credit in different tranches.

The following information relating to the syndicated loan detail :

- the amount of each tranche by nature (a)
- the balance due by the Company at 31 December 2011 after drawings on the different credit lines (b)
- the balance available on each tranche for further drawing (c)

		<b>Total loan</b>		
		<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Tranche A	Refinancing of existing debt	70 000	17 498	
Tranche B	Financing of capital expenditures	70 000	42 000	
Tranche C	Financing of acquisitions	31 000	15 500	
Tranche D	Financing of working capital requirements – Revolving <sup>(1)</sup>	67 500	56 500	
	<b>SOUS TOTAL</b>	<b>251 000</b>	<b>131 498</b>	
Tranche D	Financing of working capital requirements – Bank Overdraft <sup>(1)</sup>	12 500	3 108	9 392
	<b>TOTAL</b>	<b>251 000</b>	<b>134 606</b>	<b>9 392</b>

<sup>(1)</sup> Maximum credit line reduced to 69 000 K€ in July 2011, and to 63 000 K€ in July 2012.



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

The change in the different bank borrowings over the year 2011 can be summarized as follows :

	<b>Loan balance at 31/12/2010</b>	<b>Net change of the revolving porting</b>	<b>Change</b>	<b>Contractual repayment in 07/2011</b>	<b>Loan balance at 31/12/2011</b>
Tranche A	34 995			(17 497)	17 498
Tranche B	56 000			(14 000)	42 000
Tranche C	23 250			(7 750)	15 500
Tranche D	38 500	18 000			56 500
<b>Sub- total</b>	<b>152 745</b>	<b>18 000</b>		<b>(39 247)</b>	<b>131 498</b>
Other <sup>(1)</sup>	534		4 123		4 657
<b>Total</b>	<b>153 279</b>	<b>18 000</b>	<b>4 123</b>	<b>(39 247)</b>	<b>136 155</b>

<sup>(1)</sup> including overdraft.

The syndicated loan is secured by collateral, detailed in the note 23 "Off Balance Sheet commitments".

A swap agreement has been implemented to cover the risks of interest rate fluctuations (note 29).

## Other loans and borrowings

	<b>31/12/2010</b>	<b>Increase</b>	<b>Decrease</b>	<b>31/12/2011</b>
Other loans	220		100	120
Deposits	58	96		154
<b>Total</b>	<b>278</b>	<b>96</b>	<b>100</b>	<b>274</b>

## Maturity of borrowings

The maturity of borrowings and other financial debts at 31 december 2011 is as follows:

<b>In K€</b>	<b>Total</b>	<b>&lt;1 year</b>	<b>&gt; 1 to &lt; 5 year</b>	<b>&gt; 5 year</b>
Bank borrowings	136 155	136 155		
Other loans and borrowings	274	274		

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 14 - MATURITY OF CREDITORS

The maturity of creditors at 31 December 2011 is as follows :

In K€	Total	<1 year	> 1 to < 5 year	> 5 year
Trade payables	37 287	37 287		
Tax and employee related liabilities	5 236	5 236		
Payables to fixed assets suppliers	0		0	
Other liabilities	25 594	25 594		
<i>Of which current accounts</i>		25 333		

Notes payables at 31 December 2011 totalled K€ 2 248 (31 December 2010 : K€ 975).

## NOTE 15 - RELATED PARTIES BALANCE SHEET TRANSACTIONS

Main balance sheet aggregates representing transactions with related parties are:

In K€	31/12/2011	31/12/2010
Equity investments	20 441	16 495
Receivables from investments	245 038	269 065
Accounts receivable	60 716	29 223
Other receivables	75	0
Payables to fixed assets suppliers *	0	(800)
Trade payables	(5 584)	(5 593)
Other payables	(25 589)	(25 298)
<b>NET RECEIVABLES (PAYABLES)</b>	<b>295 097</b>	<b>283 139</b>

\* Debt on acquisition of shares of our Chinese subsidiary.

According to Regulation No. 2010-02 issued by the ANC (French accounting standards authority) on 2 September 2010, we confirm the existence of significant transactions with related parties. However, these have been entered into on standard market conditions.

## NOTE 16 - SALES

In K€	France	Export	Total
Sales of equipment	45 492	100 189	145 681
Sales of services	1 210	4 424	5 634
<b>TOTAL</b>	<b>46 702</b>	<b>104 612</b>	<b>151 315</b>



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 17 - RELATED PARTIES INCOME STATEMENT TRANSACTIONS

In K€	31/12/2011	31/12/2010
Operating income	131 631	77 427
Financial income	7 652	6 125
Financial expense	2 461	550

## NOTE 18 - FINANCIAL AND EXTRAORDINARY INCOME AND EXPENSE

### 18.1 Net financial expense

In K€	Profit / (loss) 31/12/11	Profit / (loss) 31/12/10
Change in provisions for impairment of shares and advances to subsidiaries	(17 104)	(21 709)
Dividends received from subsidiaries	331	
Interest on bank overdrafts and current account loans	6 360	5 575
Interest on borrowings and bank fees	(7 240)	(6 950)
Foreign exchange : gains, losses, changes in provisions	2 212	6 009
Details by currency :		
USD	263	
GBP	782	
AUD	1 167	
	2 212	
Treasury shares	(5 084)	2 859
Income from marketable securities	12	76
Debt waivers	(1 500)	(400)
Late payment interest and discounts	121	20
<b>TOTAL</b>	<b>(21 892)</b>	<b>(14 520)</b>

### 18.2 Extraordinary profit (loss)

In K€	Expense 31/12/11	Income 31/12/11	Expense 31/12/10	Income 31/12/10
Fines and penalties	44		3	
Provisions for lawsuit contingencies	1 928	357		39
Other extraordinary income (expense)	473	10	213	18
Proceeds from the disposal of PPE	817	895	393	367
Proceeds from the disposal of financial assets	1 220	1 242	0	
Exceptional depreciation expenses	82			
Excess tax depreciation	118	967	178	452
Transfer of charges*		4 804		
<b>TOTAL</b>	<b>4 682</b>	<b>8 275</b>	<b>787</b>	<b>876</b>

\*Transfer of charges concerns mainly insurance indemnities received.



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 19 - BREAKDOWN OF TAX INCOME BETWEEN CURRENT INCOME AND EXTRAORDINARY PROFIT (LOSS)

In K€	Pre-tax income	Corporate income tax	After tax income
Current income	(36 254)	630	(35 624)
Extraordinary profit (loss)	3 593		3 593
<b>TOTAL</b>	<b>(32 661)</b>	<b>630</b>	<b>(32 031)</b>

The breakdown of tax between current income and extraordinary income has been determined by applying the legal tax rate respectively to a current tax income and an extraordinary tax income.

## NOTE 20 - DEFERRED TAXES

In K€	Basis	Deferred tax
<b>Expenses recorded not deductible for tax purposes</b>		
Employee profit-sharing		
"Organic" tax	243	81
Provision for inventory losses	2 465	822
Provision for trade receivable losses	2 878	830
Provision for pensions	1 075	358
<b>Taxable income not recorded in the accounting income</b>	<b>9 557</b>	<b>3 184</b>
<b>NET DEFERRED TAXES</b>	<b>16 218</b>	<b>5 275</b>

The tax losses carried forward amount to K€ 28 851 at 31 December 2011 and fully relate to the tax loss for the year.

## NOTE 21 - TAX CONSOLIDATION

Haulotte Group SA is the head of a French tax consolidation that included on 31 December 2011 the entities Haulotte France, ABM Industries, Télescopelle and Haulotte Services. Following its dissolution in 2011, the company ABM Industries is no longer included in the tax consolidation.

Under this tax sharing agreement, the income tax of entities is incurred by subsidiaries as if they are not included in a tax group.



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 22 - FEES ALLOCATED TO DIRECTORS AND OFFICERS

Amount allocated to Board members expensed by the Company totalled 604 K€ in 2011 versus 589 K€ in 2010.

This amount originates from funds invoiced by Solem S.A.S. for the services rendered on behalf of the Group by two executives. It includes expenses incurred by those executives on behalf of the Group.

In compliance with the agreement to provide general administrative and commercial assistance signed by Solem S.A.S. the cost of the services is subject to a 10% mark-up.

No loans or advances have been granted to directors and officers. There are no other pension obligations or related commitments in favour of former executives.

## NOTE 23 - OFF-BALANCE SHEET COMMITMENTS

### 23.1 Finance lease commitments

#### Lease payments paid and received

In K€	Paid		Received	
	Fiscal year	Accumulated	Fiscal year	Accumulated
Equipment held by Haulotte Group SA	-	-	12	40 887
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>40 887</b>

#### Lease payments to be received

In K€	Total	Less than 1 year	1 - 5 years	More than 5 years	Residual value at end of the lease	Total commitment
						Total
Equipment held by Haulotte Group SA	15	10	0		5	15
<i>of which financial expense</i>	<i>1</i>					<i>1</i>
<b>TOTAL</b>	<b>16</b>	<b>10</b>	<b>0</b>		<b>5</b>	<b>16</b>
					<b>commitment:</b>	<b>16</b>

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## 23.2 Other commitments given

### Commitments to continue lease payments

These represent commitments by the Company to financial institutions guaranteeing lease payments in the event of customer default.

In K€	31/12/2011	31/12/2010
< 1 year	4 396	5 377
1 - 5 years	4 512	6 050
> 5 years		
<b>TOTAL</b>	<b>8 908</b>	<b>11 427</b>

### Risk pool

Risk pool commitments relate to the sale of aerial work platforms to financial institutions who lease Haulotte Group SA lifts to their end customers and for which Haulotte Group SA has given a guarantee limited to a certain percentage of the sales volume generated by such institutions. The amounts as off-balance sheet commitments include the share of lease payments outstanding by end customers for which Haulotte Group SA has stood guarantee:

- of which 169 K€ given to Haulotte Polska
- of which 282 K€ given to Haulotte Iberica
- of which 378 K€ given to Haulotte UK
- of which 63 K€ given to Haulotte US
- of which 139 K€ given to Haulotte Australia
- of which 542 K€ given to Haulotte Italia

In K€	31/12/2011	31/12/2010
< 1 year	857	1 552
1 - 5 years	716	1 178
> 5 years		
<b>TOTAL</b>	<b>1 573</b>	<b>2 730</b>

### Repurchase commitments given to institutions providing financing to customers

This concerns commitments given by the company to financial institutions to substitute for customers who do not exercise their purchase option

- of which 502 K€ given to Haulotte France
- of which 5 004 K€ given to Haulotte Iberica
- of which 33 K€ given to Haulotte Polska

In K€	31/12/2011	31/12/2010
< 1 year	2 000	3 820
1 - 5 years	3 539	5 539
> 5 years	0	4
<b>TOTAL</b>	<b>5 539</b>	<b>9 363</b>



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## Commitments granted to the banking syndicate as collateral to the syndicated loan

In exchange for the syndicated loan, the following commitments were granted to the banking syndicate:

- Pledge of Haulotte Group S.A. goodwill
- Pledge of Haulotte UK shares
- Pledge of Equipro Inc. shares

The bank borrowings amount to 131 497 K€ at 31/12/2011 (152 745 K€ at 31/12/2010).

## 23.3 Contingent liabilities

No contingent liabilities.

## NOTE 24 - COMMITMENTS RECEIVED

In K€	31/12/2011	31/12/2010
Commitment received from Télescopelle as a beneficiary of a debt waiver with a repayment clause	1 450	1 450
Commitment received by UK Platforms as a beneficiary of a debt waiver with a repayment clause for £4,085,000 or € 5,911,000	5 911	5 911
Commitment received by UK Platforms as a beneficiary of a debt waiver with a repayment clause for £3,900,000 or €4 330 000.	4 330	4 330
Commitment received by Nove as a beneficiary of a debt waiver with a repayment clause for 400 K€.	400	400
Commitment received by Nove as a beneficiary of a debt waiver with a repayment clause for 1 500 K€.	1 500	

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 25 - INFORMATION ON EMPLOYEE STOCK OPTION PLANS

At year-end, there is no stock option plan in progress.

## NOTE 26 - AVERAGE HEADCOUNTS

	31/12/2011	31/12/2010
Managers	189	187
Office employees, technicians	134	127
Workers	292	323
<b>TOTAL</b>	<b>615</b>	<b>637</b>

## NOTE 27 - INDIVIDUAL TRAINING BENEFITS

At 31 December 2011 rights vested but not exercised by Haulotte Group SA in connection with the French individual training entitlement benefit (DIF) represented 717 K€ for a total of 49 252 hours.

## NOTE 28 - FOREIGN EXCHANGE RISKS EXPOSURE

The Company is mainly exposed to foreign exchange risks with receivables in US dollars, Australian dollars and pound sterling. A portion of this exposure is hedged by forward purchases of the relevant currencies and by a specific hedging instrument in US dollars.



# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## Significant receivables (net of provisions), payables and commitments in foreign currency not hedged

Foreign exchange exposure In K€	Currencies				
	AUD	BRL	GBP	USD	PLN
<b>BALANCE SHEET</b>					
Receivables <sup>(1)</sup>	14 475		62 227	62 905	
of which Group receivables	14 462		62 116	56 864	
of which non-Group receivables	13		111	6 041	
Payables <sup>(2)</sup>	142			2 937	4
of which Group payables	139			1 838	
of which non-Group payables	4			1 099	4
<b>OFF-BALANCE SHEET COMMITMENTS <sup>(3)</sup></b>					
Group commitments given	139		435	63	
Non-group commitments given					

<sup>(1)</sup> Financial receivables, trade receivables

<sup>(2)</sup> Borrowings, trade payables, others

<sup>(3)</sup> This concerns commitments to cover lease payments and risk pools mentioned in section 23.2

## Significant receivables, payables and commitments in foreign currency that are hedged

Foreign exchange exposure In K€	Currencies				
	AUD	AED	GBP	USD	DZD
<b>BILAN</b>					
Receivables <sup>(1)</sup>				7 974	
of which Group receivables				7 974	
of which non-Group receivables					

<sup>(1)</sup> Financial receivables, trade receivables

Receivables in US dollars are hedged at an exchange rate of 1,1204 €.

## NOTE 29 - INTEREST-RATE RISKS

The company has purchased interest rate swaps with maturities of 1 to 5 five years. The market valuation of these financial instruments represented a negative position of 2 559 K€.

# STATUTORY ACCOUNTS

Fiscal year ended 31 December 2011

## NOTE 30 - CASH FLOW STATEMENT

	2011	2010
Net income	(32 031)	(26 746)
Depreciation and change in provisions	24 955	20 987
Gain and losses from disposal of fixed assets	391	27
<b>Gross cash flow from operations</b>	<b>(6 685)</b>	<b>(5 732)</b>
Change in operating working capital	(11 553)	16 616
<b>Net cash flow from operating activities</b>	<b>(18 238)</b>	<b>10 884</b>
Purchases of fixed assets	15 334	28 062
Proceeds from the sales of fixed assets, net of tax	1 654	367
Changes in payables on fixed assets		
<b>Net cash flow from investing activities</b>	<b>16 988</b>	<b>28 429</b>
Loan issues	18 106	21 441
Repayment of borrowings	(39 439)	(90 088)
Cash capital increases	0	94
Dividends paid to shareholders		
<b>Net cash flows from financing activities</b>	<b>(21 333)</b>	<b>(68 553)</b>
<b>Net change in cash and cash equivalents</b>	<b>(22 583)</b>	<b>(29 240)</b>
<b>Opening cash and cash equivalents</b>	<b>23 167</b>	<b>34 907</b>
<b>Other changes *</b>	<b>0</b>	<b>(17 500)</b>
<b>Closing cash and cash equivalents</b>	<b>584</b>	<b>23 167</b>

\* corresponds to the reclassification of the revolving credit line from bank overdrafts to bank borrowings in accordance with the renegotiation of the credit terms with banks in June 2010.

