KME Group S.p.A.

PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES THE DRAFT OF THE 2007 ANNUAL REPORT

INCREASED PROFITABILITY AND A STRONGER BALANCE SHEET

EBITDA UP 12.3%

INDEBTEDNESS DOWN TO 398 MILLION EUROS (-25%)

DIVIDEND FOR BOTH COMMON AND SAVINGS SHARE

- **The Group reported improved results in 2007, compared with the previous year, that included gains in profitability and a stronger balance sheet.**

- In 2007, the **Group's consolidated** revenues totaled 3,485.3 million euros (3,556.8 million euros in 2006). Net of the value of raw materials, revenues show an increase of 5%, rising from 847.3 million euros to 890.9 million euros.

- 2007 **EBITDA** amounted to 142.0 million euros, for a gain 12.3% compared with 2006, when EBITDA totaled 126.5 million euros.
  The ratio of EBITDA to revenues (net of the value of raw materials) improved from 14.9% to 15.9% (it was 12.2% in 2005).
  An increase in sales made possible by the Group's stronger market position and the positive contribution of measures implemented to reorganize and streamline the manufacturing organization are the reasons for the improvement in profitability.

- The **consolidate gross result** rose to 52.3 million euros in 2007, compared with 4.9 million euros in 2006).
  Net of the effect of valuing inventories in accordance with IFRS accounting principles and of the resulting impact on current and deferred taxes, the **Group interest in consolidated net result** amounted to 40.8 million euros (51.7 million euros in 2006).

- As for the balance sheet, the Group's **net indebtedness** totaled 398.2 million euros at December 31, 2007 (-25% compared with the end of 2006), an amount lower than **consolidated shareholders' equity**, which was 537.6 million euros at the end of 2007.
  The positive operating results achieved in 2007 and a more efficient management of the financial cycle are the main reasons for the reduction in indebtedness.

- With regard to **expectations of future performance**, the indications of demand softness that became apparent during the second half of 2007 continued and, in some cases, became more pronounced in Europe during the early months of the current year. The Group has already taken effective action to address this change in economic conditions.

- **KME Group S.p.A.**, the Group's Parent Company, ended 2007 with a net result of 12.3 million euros (7.2 million euros in 2006).
  The Board of Directors will submit a motion recommending a dividend distribution of 0.04 euros on each common share and of 0.1086 euros on each savings share, which will mark the reinstatement of common share dividends after a five-year hiatus.

2007 Consolidated Financial Highlights

(in millions of euros)	2007	2006	2007/2006 % change
Revenues	3,485.3	3,556.8	- 2.0%
Revenues (net of raw mat.)	890.9	847.3	+ 5.1%
EBITDA	142.0	126.5	+ 12.3%
EBIT	88.8	46.3	+ 91.8%
Result before taxes and			
IFRS inventory valuation	52.3	4.9	+967.4%
Impact of IFRS inventory			
valuation	(15.2)	79.1	
Income taxes	4.2	(32.3)	
Group interest in net result	40.8	51.7	-21.1%
Net indebtedness	398.2 (at 12/31/07)	534.3 (at 12/31/06)	- 25.5%

Note: The information presented in this press release includes reclassifications of some items in the consolidated income statements (applied consistently in 2006 and 2007) and alternative performance indicators that are not used as reporting items in the IFRS accounting principles (EBITDA; Net indebtedness). Their meaning is explained in the Annexes to this press release.

Florence, March 14, 2008 – The Board of Directors of KME Group S.p.A. approved the documents that comprise the annual report at December 31, 2007 of the Group and of the Group's Parent Company.

The operating and financial results achieved in 2007 show significant gains compared with the previous year and are in line with the targets of higher profitability and greater financial strength set in the **Industrial Plan** approved in 2006.
The programs implemented during the past two years to redefine the Group's operating structure were designed to achieve the following objectives:

- **In the sales area**: leverage and develop products with greater value added; carry out innovative programs to diversify the range of competitively priced products that can be used to counterbalance the impact of higher raw material prices on market demand; and seize opportunities available in new markets, particularly in Asia and Central and Eastern Europe.

- **In the industrial area:** reorganize and streamline the manufacturing organization not only to achieve a competitive cost structure, but also to reorganize the Group's industrial facilities into a leaner and more flexible system that can react more quickly to changes in market conditions.

Consolidated **revenues** totaled 3,485.3 million euros in 2007, or 2% less than the previous year. Restated net of the value of raw materials, consolidated revenues show a 5% increase, rising from 847.3 million euros to 890.9 million euros.
A better sales mix and upward price adjustments offset the impact of a reduction in unit sales.
The stronger competitive position achieved by the Group through effective marketing programs enabled it to overcome the challenges posed by a European economy that showed steadily growing signs of weakness during the second half of the year and by the repercussions that such a development inevitably has on demand for copper and alloy semifinished goods, given the broad range of applications for which these products are used.
The Group responded to changing market conditions by defending its market share in its traditional markets and expanding it in the emerging markets, by investing in the launch of new products and by repositioning itself in the market not just as a seller of products but also as a supplier of services, systems and integrated solutions.
In the area of rolled products for covering applications used in building construction, the Group won important orders for special metal coverings for high-profile architectural projects in Europe, the Middle East, Singapore and the United States. In addition, the launch of a study for a project to develop a copper-based integrated solar covering system demonstrates the Group's attention to opportunities in the renewable energy market, which provides an outlet for tubing specifically designed for thermal solar panels and geothermal residential applications.
In the area of rolled products and tubing for industrial applications, the Group compensated for weaker demand in Western Europe by focusing on the main countries in Central and Eastern Europe (Czech Republic, Hungary and Poland), Russia and the more rapidly growing emerging markets of China, the Far East and the Arab countries.

As a result of the growth of the global economy and due in part to the impact on the markets of a significant speculative component, raw material prices have remained high. This has also been true for the price of copper, which is the metal that the Group uses most to manufacture semifinished goods.
High prices and price volatility have an impact on demand for semifinished goods to the extent that they create uncertainty among end users and cause them to hold inventories to a minimum.

The percentage of the Group's sales revenues represented by the value of raw materials increased to 74%. This percentage clearly shows the impact that changes in the price of raw materials can have on customer spending decisions. At the same time, it points to the potential advantage that can be gained by the rational and optimum management of the procurement and utilization phases of this component in the product's value chain, which is an issue of which the Group is keenly aware.

In 2007, the beneficial impact of a positive sales performance was magnified by the contribution provided by the programs implemented to reorganize and streamline the manufacturing organization in accordance with the guidelines of the Industrial Plan. As a result, the Group's profitability increased significantly.
EBITDA* grew from 126.5 million euros to 142.0 million euros, for a year-over-year gain of 12.3%. The ratio of EBITDA to revenues (net of the value of raw materials) was also up, improving from 14.9% to 15.9% (it was 12.2% in 2005).
EBIT* jumped from 46.3 million euros to 88.8 million euros, owing in part to the absence of the extraordinary restructuring charges that were incurred in 2006.
The 2007 **consolidated result before taxes,*** computed before the effect of valuing inventories and LME contracts in accordance with IFRS accounting principles and of the resulting impact on current and deferred taxes, totaled 52.3 million euros (4.95 million euros in 2006.
EBIT and net result have been restated without taking into account the impact produced on the income statement by valuing at current values the inventories of raw materials, as required by the IAS/IFRS principles, because, due to the volatility of raw material prices, such an approach would make it impossible to compare homogeneous data for different periods and, consequently, prevent an effective presentation of the results from operations. Additional information about this issue is provided in a detailed description of this reclassification contained in the Annexes.
An example of why using a raw material valuation method based on current prices (quarterly weighted average purchase price) instead of a valuation by the LIFO method to value the structural inventory does not produce truly representative results is provided by the 2007 income statement. In this instance, even though profitability improved significantly at the operating level, the consolidated net result shows a decrease of 21.3%, falling from 51.7 million euros to 41.2 million euros, when IFRS principles are applied. In a situation of decreasing prices, the valuation of the inventory of raw materials produced, at the end of 2007, a reduction in the differential between the amounts determined by the LIFO method and those computed in accordance with the IFRS principles. More specifically, while the positive differential was 79.1 million euros (60.2 million euros net of taxes) at the end of 2006, it had shrunk to 15.3 million euros (7.1 million euros net of taxes) at the end of 2007.

The data reported for 2007 show that the Group's balance sheet strengthened considerably.
The Group's **net indebtedness** decreased to 398.2 million euros at December 31, 2007, for a decrease of 136.1 million euros (-25%) compared with the exposure at the end of 2006 (534.3 million euros), and is thus lower than consolidated **shareholders' equity,** which amounted to 537.6 million euros.
The reduction in indebtedness was made possible by the cash flow generated by the Group's operations in the course of the year and reflects the impact of the positive operating results achieved in 2007 and a more efficient management of the financial cycle, which has been shortened significantly.

* *Reclassified indicators (see Annex 1).*

With regard to **expectations of future performance**, the indications of demand softness that became apparent during the second half of 2007 continued and, in some cases, became more pronounced in Europe during the early months of the current year. The Group has already taken effective action to address this change in economic conditions.

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KME Group S.p.A., the Group's Parent Company, ended 2007 with a net result of 12.3 million euros (7.2 million euros in 2006).
The Board of Directors will submit a motion recommending a dividend distribution of 0.04 euros on each common share and of 0.1086 euros on each savings share, which will mark the reinstatement of common share dividends after a five-year hiatus.
The total proposed dividend payout will amount to 11.5 million euros, equal to about 30% of the Group's consolidated net result.

If the Shareholders' Meeting approves this motion, the dividend will be payable as of June 5, 2008, record date June 2, 2008.

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The Board of Directors agreed to call a Shareholders' Meeting for April 29, 2008, on the first calling, and May 14, 2008, on the second calling.

* * *

Pursuant to Article 154 *bis*, Section 2, of the Uniform Finance Law (Legislative Decree No. 58/1998), Marco Miniati, in his capacity as Corporate Accounting Documents Officer, declares that the accounting disclosures provided in this press release are consistent with the data in the supporting documents and in the Company's other documents and accounting records.

The Board of Directors

Florence, March 14, 2008

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This press release is available at the Company website, www.kme.com, where additional information may also be obtained (telephone: +39-055.4411454; e.mail: investor.relations@kme.com).

Annexes:
1. Reclassifications and Reconciliations
2. Consolidated Income Statement
3. Consolidated Balance Sheet
4. Consolidated Cash Flow Statement
5. Company Income statement
6. Company Balance Sheet
7. Company Cash Flow Statement

Reclassifications Made and Reconciliations to the Results Restated in Accordance with IFRS Accounting Principles

KME Group S.p.A. – Consolidated Income Statement

(in millions of euros)	2007 IFRS		Reclassifications	2007 RICL	
Gross revenues	3,485.3			3,485.3	
Raw material costs	-		**(2,594.4)**	(2,594.4)	
Revenues net of raw material costs	**3,485.3**	*100%*		890.9	*100%*
Labor costs	(349.3)			(349.3)	
Other materials and costs	(3,011.9)		2,612.3	(399.6)	
EBITDA	**124.1**	*3.56%*		**142.0**	*15.94%*
Non-recurring income (expense)	-		**(2.6)**	(2.6)	
Depreciation and amortization	(50.6)			(50.6)	
EBIT	**73.5**	*2.11%*		**88.8**	*9.97%*
Net financial expense	(36.5)			(36.5)	
Interest in the result of companies valued by the equity method	-			-	
Result before taxes (non-IFRS inventory)	**37.0**	*1.06%*		**52.3**	*5.87%*
Current taxes	(30.0)			(30.0)	
Deferred taxes	34.2		**(8.2)**	26.0	
Net result (non-IFRS inventory)				**48.3**	*5.43%*
Impact of IFRS valuation of inventory and LME contracts			**(15.3)**	(15.3)	
Income taxes on IFRS valuation of inventory and LME contracts			**8.2**	8.2	
Consolidated net result	**41.2**	*1.18%*	**-**	**41.2**	*4.62%*
Minority interest in net result	0.4			0.4	
Group interest in net result	**40.8**	*1.17%*	**-**	**40.8**	*4.58%*

In order to present a more meaningful picture of the performance of the Group's industrial operations and make the data for different periods more readily comparable, certain components of the items used to compute EBITDA, EBIT and consolidated net result were reclassified.

Specifically:

- *Revenues are shown net of the value of raw materials to eliminate the impact of fluctuations in raw material prices.*
- *The impact on EBITDA, EBIT, result before taxes and net result of the adoption of the IFRS accounting principles to value the inventory of raw materials and the effect of valuing the corresponding London Metal Exchange hedging contracts at fair value was derecognized. It is also important to keep in mind that the adoption of the IFRS international accounting principles required a switch in the method used to value the metal inventory, which was changed from the LIFO method used for structural inventory* to a method based on current*

prices (quarterly weighted average). Because of the high volatility of raw material prices, raw copper in particular, the use of this method introduces an income statement component that runs the risks of distorting the presentation of the results from operations. Consequently, the description of the results from operations provided in the text of the press release and the data in the income statement provided as Annex 2 make reference primarily to EBITDA, EBIT, result before taxes and net result computed using the LIFO method to value the structural inventory (consistently, in 2006 and 2007), which is also the method used internally for management controlling purposes. Obviously, the information provided with the description of the results from operations and the data in the income statement provided as Annex 2 is complemented with income statement data computed using the method recommended by the IFRS accounting principles.

- *Extraordinary items are shown below the EBITDA line.*

** Structural inventory is the portion of inventory that is not earmarked for filling existing customer orders.*

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Alternative Performance Indicators

EBITDA

This indicator provides a useful yardstick to measure the Group's operating performance. It is an intermediate income statement item equal to EBIT before deducting depreciation and amortization.

Net Indebtedness

This indicator is used to evaluate the financial structure. It is equal to gross borrowings less cash and cash equivalents and other financial receivables.

Annex 2

KME Group S.p.A. – Consolidated Income Statement

(in millions of euros)	2007 reclassified		2006 reclassified		Change
Gross revenues	3,485.3		3,556.8		-2.0%
Raw material costs	(2,594.4)		(2,709.5)		-4.2%
Revenues net of raw material costs	**890.9**	100%	**847.3**	100%	5.1%
Labor costs	(349.3)		(347.4)		0.5%
Other materials and costs	(399.6)		(347.4)		7.0%
EBITDA	**142.0**	15.94%	**126.5**	14.93%	12.3%
Non-recurring income (expense)	(2.6)		(26.5)		n.m.
Depreciation and amortization	(50.6)		(53.7)		-5.8%
EBIT	**88.8**	9.97%	**46.3**	5.46%	97.8%
Net financial expense	(36.5)		(41.6)		-12.3%
Interest in the result of companies valued by the equity method	-		0.2		n.m.
Result before taxes (non-IFRS inventory)	**52.3**	5.87%	**4.9**	0.58%	n.m.
Current taxes	(30.0)		(4.9)		n.m.
Deferred taxes	26.0		(8.5)		n.m.
Net result (non-IFRS inventory)	**48.3**	5.43%	**(8.5)**	-1.00%	n.m.

Impact of Valuing the Raw Material Inventory at Current Prices (IFRS Principles)

KME Group S.p.A. – Consolidated Income Statement (continued)

(in millions of euros)	2007 reclassified		2006 reclassified		Change
Net result (non-IFRS inventory)	**48.3**	5.43%	**(8.5)**	-1.00%	n.m.
Impact of IFRS valuation of inventory and LME contracts	(15.3)		79.1		n.m.
Income taxes on IFRS valuation of inventory and LME contracts	8.2		(18.9)		n.m.
Consolidated net result	**41.2**	4.62%	**51.7**	6.10%	-20.3%
Minority interest in net result	0.4		-		n.m.
Group interest in net result	**40.8**	4.58%	**51.7**	6.10%	-21.1%

(Unaudited data)

Earnings per share (in euros):	2007	2006	
Basic earnings per share	0.1668	0.2751	(*)
Diluted earnings per share	0.1457	0.2259	(*)

(*) As required by IAS 33, Paragraph 64, the earnings per share provided below the income statement take into account the impact the reverse stock split (on the basis of 1 one common or savings share for every three shares of the same type) approved by the Extraordinary Shareholders' Meeting on June 21, 2007 and implemented on July 16, 2007. As a result of this transactions, the data at December 31, 2006 have been restated based on the new number of shares.

Annex 3

KME Group S.p.A. – Consolidated Balance Sheet

Balance Sheet Items classified as current and non-current *(amounts in thousands of euros)*	At 12/31/07	At 12/31/06
Property, plant and equipment	619,160	619,923
Investment property	20,516	10,591
Goodwill and consolidation difference	114,582	109,840
Other intangible assets	2,654	955
Investments in associates	5,279	4,906
Investments in other companies	3,693	245
Investments valued by the equity method	-	2,634
Other non-current financial assets	28,019	29,143
Deferred-tax assets	36,513	44,710
NON-CURRENT ASSETS	**830,416**	**822,947**
Inventories	628,233	683,627
Trade receivables	127,843	230,693
Other receivables and current assets	89,475	67,791
Current financial assets	34,048	75,347
Cash and cash equivalents	93,936	162,098
CURRENT ASSETS	**973,535**	**1,219,556**
TOTAL ASSETS	**1,803,951**	**2,042,503**
Share capital	324,165	319,643
Other reserves	96,133	93,654
Treasury stock	(37)	(37)
Retained earnings (loss carryforward)	5,917	5,176
Technical consolidation reserves (*)	68,787	25,044
Reserve for deferred taxes	194	-
Net profit (loss) for the period	40,774	51,785
Group interest in shareholders' equity	**535,933**	**495,265**
Minority interest in shareholders' equity	1,690	-
TOTAL SHAREHOLDERS' EQUITY	**537,623**	**495,265**
Provisions for employee benefits	158,510	166,904
Deferred-tax liabilities	118,290	160,289
Borrowings and other financial liabilities	393,077	487,353
Other non-current liabilities	8,000	7,721
Provisions for risks and charges	130,065	143,137
NON-CURRENT LIABILITIES	**807,942**	**965,404**
Borrowings and other financial liabilities	127,899	279,175
Trade payables	172,592	164,575
Other current liabilities	131,020	108,080
Provisions for risks and charges	26,875	30,004
CURRENT LIABILITIES	**458,386**	**581,834**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,803,951**	**2,042,503**

(*) The Technical consolidation reserves include the retained earnings (loss carryforward), the consolidation reserve and the currency translation reserve.

The data provided above have not yet been certified by the Independent Auditors.

<u>Annex 4</u>

KME Group S.p.A. – Consolidated Cash Flow Statement

Consolidated Cash Flow Statement indirect method *(amounts in thousands of euros)*	December 2007	December 2006
(A) Cash and cash equivalents at the beginning of the year	**162.098**	**151.992**
Result before taxes	36.956	84.133
Depreciation and amortization	50.272	53.421
Writedowns of current assets	4.132	1.439
Writedowns (Revaluations) of non-current assets other than financial assets	375	(2.027)
Writedowns (Revaluations) of current and non-current financial assets	-	1.149
Net accrued interest income	30.092	33.452
Losses (Gains) on non-current assets	256	(789)
Result of affiliated companies consolidated by the equity method	-	(216)
Changes in provisions for pensions, severance benefits and stock options	(4.270)	681
Changes in provisions for risks and charges	(15.991)	14.653
Decrease (Increase) in inventories	53.632	(238.887)
(Increase) Decrease in current receivables	84.278	108.694
Increase (Decrease) in current payables	21.181	55.512
Changes due to currency translations	(300)	96
Net interest expense for the year	(29.996)	(33.366)
Current taxes paid and refunds received during the year	(30.260)	(5.004)
(B) Cash flow from operating activities	**200.357**	**72.941**
(Increases) in non-current property, plant and equipment and intangibles	(70.818)	(50.242)
Decreases in non-current property, plant and equipment and intangibles	7.730	3.512
(Increases) Decreases in equity investments	(424)	(479)
(Increases) Decreases in available-for-sale financial assets	(3.448)	-
(Increases) Decreases in other non-current assets/liabilities	1.381	16
Dividend income	1.531	1.750
(C) Cash flow from investing activities	**(64.048)**	**(45.443)**
Contributory increases in shareholders' equity	4.522	128.835
Increases (Decreases) in current and non-current loans payable	(244.128)	(84.036)
(Increases) Decreases in current and non-current loans receivable	41.277	(60.877)
Dividend expense	(6.570)	(1.314)
(D) Cash flow from financing activities	**(204.899)**	**(17.392)**
(E) Change in cash and cash equivalents (B)+('C)+(D)	**(68.590)**	**10.106**
(F) Impact of changes in the scope of consolidation	**428**	**-**
(G) Cash and cash equivalents at the end of the year (A)+(E)+(F)	**93.936**	**162.098**

The data provided above have not yet been certified by the Independent Auditors.

Annex 5

KME Group S.p.A. - Company Income Statement

Separate Financial Statements of KME Group S.p.A. at December 31, 2007		
INCOME STATEMENT (amounts in euros)	**2007**	**2006**
Sales and service revenues	2.855.947	2.913.550
Other revenues	198.965	1.842.496
Labor costs	(1.114.855)	(1.348.410)
Depreciation, amortization and writedowns	(2.011)	-
Other operating expenses	(5.259.502)	(5.182.183)
EBIT	**(3.321.457)**	**(1.774.547)**
Financial income	10.149.283	3.727.194
Financial expense	(1.480.656)	(5.311.966)
Result before taxes	**5.347.170**	**(3.359.319)**
Current taxes	3.472.797	10.598.233
Deferred taxes	3.495.000	(33.144)
Total income taxes	**6.967.797**	**10.565.089**
Net result	**12.314.967**	**7.205.770**

The data provided above have not yet been certified by the Independent Auditors.

KME Group S.p.A. – Company Balance Sheet

Separate Financial Statements of KME Group S.p.A. at December 31, 2007		
BALANCE SHEET (amounts in euros)	**At 12/31/07**	**At 12/31/06**
Property, plant and equipment	29,671	-
Investment property	-	2,800,000
Investments in associates	312,991,149	310,890,540
Investments in other companies	3,577,559	129,114
Other non-current financial assets	6,992,026	22,180
Deferred-tax assets	3,748,000	-
NON-CURRENT ASSETS	**327,338,405**	**313,841,834**
Trade receivables	23,496	10,539,502
Other receivables and current assets	10,176,116	5,821,521
Current financial assets	66,241,884	67,718,529
Cash and cash equivalents	1,739,163	376,938
CURRENT ASSETS	**78,180,660**	**84,456,490**
TOTAL ASSETS	**405,519,065**	**398,298,324**
Share capital	324,164,741	319,643,223
Other reserves	628,715	(963,499)
Treasury stock	(37,161)	(37,161)
Retained earnings (Loss carryforward)	5,918,502	5,178,100
Reserve for first adoption of the IAS-IFRSs	1,644,616	2,784,099
Stock option reserve	3,180,428	958,537
Net profit (loss) for the period	12,314,967	7,205,770
SHAREHOLDERS' EQUITY	**347,814,808**	**334,769,069**
Provisions for employee benefits	143,900	347,436
Deferred-tax liabilities	59,000	-
Borrowings and other financial liabilities	12,651,323	581,551
Other liabilities	-	-
Provisions for risks and charges	3,997,613	4,101,180
NON-CURRENT LIABILITIES	**16,851,837**	**5,030,167**
Borrowings and other financial liabilities	37,784,008	56,119,342
Trade payables	328,834	436,819
Other current liabilities	2,739,578	1,942,927
CURRENT LIABILITIES	**40,852,420**	**58,499,088**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**405,519,065**	**398,298,324**

The data provided above have not yet been certified by the Independent Auditors.

Annex 7

KME Group S.p.A. - Company Cash Flow Statement

CASH FLOW STATEMENT (amounts in thousands of euros)	**2007**	**2006**
(A) Cash and cash equivalents at the beginning of the year	**377**	**9.379**
Result before taxes	5.347	(3.359)
Depreciation and amortization	2	-
Net accrued interest income	(744)	3.186
Losses (Gains) on non-current assets	-	(43)
Additions to provisions for pensions and other employee benefits	(82)	446
Additions to other provisions	58	(934)
(Increases) Decreases in current receivables	4.894	(7.337)
Increases (Decreases) in current payables	690	463
Net interest expense for the year	840	(3.100)
Current taxes (paid) and refunds received during the year	3.237	10.532
(B) Cash flow from operating activities	**14.242**	**(146)**
(Increases) Decreases in non-current property, plant and equipment and intangibles	2.768	(1.507)
(Increases) Decreases in other non-current assets/liabilities	-	(8)
(Increases) Decreases in equity investments	(3.448)	-
Dividend income	1.265	415
(C) Cash flow from investing activities	**585**	**(1.100)**
Contributory increases in shareholders' equity	4.522	128.835
Increases (Decreases) in current and non-current loans payable	(6.265)	(89.655)
(Increases) Decreases in current and non-current loans receivable	(5.515)	(45.622)
Dividend expense	(6.207)	(1.314)
(D) Cash flow from financing activities	**(13.465)**	**(7.756)**
(E) Net change in cash and cash equivalents (B+C+D)	**1.362**	**(9.002)**
(F) Cash and cash equivalents at the end of the year (A+E)	**1.739**	**377**

The data provided above have not yet been certified by the Independent Auditors.