PANARIAgroup®

PRESS RELEASE

PANARIAGROUP Industrie Ceramiche S.p.A : the Board of Directors approves the Draft Financial Statements at 30th June 2020.

In an exceptionally complex macroeconomic framework, affected by the spread of coronavirus (COVID-19) pandemic phenomenon, the Group has preserved the Gross Operating Margin and the financial situation despite a contraction in the overall turnover.

- **Consolidated net revenues came to Euro 175.7 million (Euro 201.3 million at 30th June 2019, down Euro 25.5 million, equal to -12.7%)**
- **Gross Operating Margin came to Euro 19.2 million, equal to 11.1% of Value of Production (Euro 20.8 million at 30th June 2019, equal to 9.8% of Value of Production**
- **Net Operating Margin before-Impairment came to a negative Euro 0.5 million (positive for Euro 3.1 million at 30th June 2019)**
- **Net Operating Margin was negative for Euro 7.0 million (positive for Euro 3.1 million at 30th June 2019)**
- **The Consolidated net result was negative for Euro 6.6 million (positive for Euro 0.8 million at 30th June 2019).**
- **Financial Indebtness before-IFRS16 improved by Euro 5.0 million compared to 30th June 2019**

The Board of Directors of Panariagroup Industrie Ceramiche S.p.a, Group specialized in the production and distribution of ceramic material for high-end and luxury floor and wall coverings, today approved the Financial Statements at 30 June 2020, drafted in accordance with International Financial Reporting Standards (IFRS).

The Group's performance during the half-year suffered significantly from the impacts of the pandemic on the world economic system and the construction industry. The decline in consumption seen has led to an overall negative impact for Panariagroup on turnover volume of Euro 25.5 million, only to a limited extent affecting the first quarter (-3.9 million or 4%) and then becoming far more significant in the second quarter (-21.6 million, 20%).

The global reach of the phenomenon meant that all the Group's business units have suffered a significant reduction in turnover; the worst struck was the Italian BU, with a 19% drop in revenues (-29% in the second quarter), whilst the American BU was down 8% in dollars (-13% in the second quarter) and the Portuguese BU dropped by 7% (-14% in the second quarter).

Despite the difficult macroeconomic context, the Group has successfully worked to overcome the particularly adverse economic conditions, limiting the effects in particular in terms of margins, with a slight reduction of Gross Operating Profit (Euro - 1.6 million) in respect of a decline in the Value of Production (Euro -40.2 million) and with an improvement in the incidence of Gross Operating Profit, which went from 9.8% during the first half of 2019 to 11.1% during the first half of 2020.

Against Gross Operating Profit that is substantively in line, in terms of absolute value, with last year, we note a worsening of Net Operating Profit, as a result of particularly large provisions made and impairment applied in the first half of 2020, in view of the major uncertainty that weighed upon the whole of the economic system.

In this respect, we note that net of said impairment effect, Net Operating Margin for the half year would have come in negative for Euro 0.5 million, whilst net EBIT for the second quarter would be positive for Euro 1.0 million.

The Impairment carried out, equal to Eur 6.5 million, concerned the assets of the US Business Unit; while maintaining our confidence in the improvement of margins, we believe it is correct to reflect the persistence of the viral phenomenon on the company plans with adequate caution.
Further provisions, which affected all the companies of the Group, were also made (mainly for credit and inventory risk) for Euro 3.1 million.

In light of these write-downs, strictly connected to the moment we are going through, we consider the improving trend of the Gross Operating Margin as particularly relevant, reaching 11.1% of the Value of Production.

This result was made possible by a set of relevant factors of different nature, one part of which has already been implemented and planned since several months, another part deriving from emergency measures activated to deal with the epidemic crisis and a final component deriving from factors exogenous, including the drop in energy tariffs and the support measures activated in the second quarter by the governments of the countries in which the Group operates.

Management was also effective on the financial point of view; the speed and intensity of the onset of the economic impacts of the virus constituted a huge risk for all businesses, but to which the Group was able to react quickly.

The management of financial debt was one of the main topic in the Covid-19 emergency, on which we believe we have achieved the objectives we had set for the end of the half year, with financial debt improving by Euro 5 million compared to the 30th June 2019, obtaining moratoriums on the existing loans, with the transfer to following years of Euro 18.5 million originally expiring in 2020 and the funding of new medium-long term loans for a total of Euro 14 million, to which were added another Euro 22 million obtained in the first days of August.

CONSOLIDATED FINANCIAL HIGHLIGHTS
(thousand euros)

Nature	**06/30/2020**	**06/30/2019**	**var. €**
Revenues from sales and services	175,722	201,271	(25,549)
Value of Production	172,519	212,668	(40,149)
Gross Operating Profit	19,211	20,829	(1,618)
Net Operating Profit before-Impairment	(521)	3,383	(3,904)
Net Operating Profit	(7,021)	3,383	(10,404)
Consolidated Net Profit	(6,621)	814	(7,435)

“In a half year characterized by a completely inedited drop in revenues, due to intensity and unpredictability, entirely due to exogenous factors - ***said Emilio Mussini, Chairman of Panariagroup*** *- The Group reacted quickly and effectively to counteract the effects, not only in terms of health and safety, but also on an economic and financial level ".*
"The signs that we are experiencing in the last two months - ***continued Mussini*** *- make us cautiously optimistic for the next quarter, in a situation in which it is difficult to formulate long-term forecasts. The conviction of having made in time important strategic choices on products, such as investments in antibacterial materials and large-ultra-thin slabs with low environmental impact, strengthen our positive vision in order to be increasingly relevant on international markets ".*

Consolidated Revenues

Net revenues from sales dropped by Euro 25.5 million compared to the first half of 2019, with a negative change of 12.7%.
The turnover of the Group's **foreign markets** is equal to **84%** of the total, with the share of **non-European markets** equal to **46 %** of total turnover.
The Group's territorial structure, characterised by a geographic diversification of sales and logistics and production business, is, even amidst this global emergency, making it possible to amortise the negative effects of the pandemic, which is striking the various areas of the world with variable intensity.

In the main business area following trends are reported:

EUROPE - Turnover on the European markets dropped by a total of 9.8%.
The reduction in sales was clearly generalised, but with negative peaks for the Countries worst struck by the epidemic, namely Spain, France and Great Britain, with reductions of between 20 and 30%.
The Group's most important markets, moreover, show a good holding out, considering the unique economic context, of Germany (+0.6%) and Portugal (-3.2%).
The share of the European markets on total revenues was 38%.

USA - Turnover on the US market dropped by 7.8% in dollars on 30th June 2019, which reduces to 3.6% if expressed in euros, due to the difference in the euro/dollar exchange rates in the two half-years.
After the first quarter, when no tangible effects had yet been seen of the pandemic, the performance in the second quarter significantly suffered the extensive spread of the phenomenon in the US, which remains at concerning levels.
Despite the difficult context, we note further growth to sales of Florida Tile to Home Centres, thereby showing the strengthening of the partnerships launched and an expansion of market share on this distribution channel, just as we should also point out the excellent performance of Panariagroup USA, the company selling the Panaria brand products in US.
The share of the US market on total revenues was 37%.

ITALY - The Italian market, which dropped 27%, was severely penalised by the spread of the virus, also due to the lock-down that involved the economic assets of our industry for a very long time indeed, with a dramatic impact in March (-41%), April (-80%) and May (-40%).
The performance of sales in June (+2%) and July (+3%) is in any case a positive sign of a return to normal operations.
The share of the Italian market on total revenues was 16%.

ASIA, CANADA, SOUTH AMERICA, OCEANIA AND AFRICA – The Group suffered the negative consequences of the spread of the epidemic, with an overall decline of 37%.
The main difficulties were seen in Asia (in particular in the Far East), where the virus started; already during the first quarter, the downturn to sales was seen as a result of the epidemic, however, differently to other areas, we have not yet to date seen a clear reversal of trend.
The share of the "other markets" on total revenues was 9%.

OPERATING RESULTS

Gross Operating Result came to Euro 19.2 million, representing 11.1% of the Value of Production (Euro 20.8 million as at 30th June 2019, equal to 9.8% of the Value of Production).

The half-year results are particularly positive, in percentage terms, coming in as the best recorded by the Group in the last 18 months, yet it is even better if we consider the period during which they were obtained.

In actual fact, 2019 had already paved the way for an improvement in margins, after two years of not entirely satisfactory results in this regard, with a series of important actions taken in all business units and all corporate areas. In the commercial area, the elements most directly relevant to the recovery of profitability were the safeguarding of the prices of sale, the optimisation of marketing and merchandising expenditure and the

greater penetration in new sales channels. In logistics and production, activities were increased aimed at rationalising and standardising products and processes.
In addition to these planned interventions, the need also arose to act significantly and quickly on operating costs as a result of the Covid emergency; this policy was implemented in a timely reduction of the spending budget and a major overhaul of production programmes.

In terms of payroll costs, the reduction of the hours worked was accompanied by a similar reduction in the cost. The Group in fact benefited from the measures implemented by the governments of Italy, Portugal and USA in support of employment. These measures have made it possible to make a cost as "variable" when, under normal conditions, would have been largely as "fixed".

Another improvement was made to margins by the considerable reduction in gas and electricity tariffs, which had significantly weighed on the economic results of 2018 and 2019; indeed, we expect to now maintain these cost levels for the rest of 2020 and 2021.

Net Operating Result was a negative Euro 7.0 million (profit of Euro 3.1 million as at 30 June 2019).
Net Operating Result suffers significantly the impairment and provisions made for a total of Euro 9.6 million (Euro 1.4 million at 30th June 2020), of which Euro 6.5 million for impairment and Euro 3.1 for provisions.

The Impairment test process, on which the write-downs are based, had to take into account the altered market conditions and the climate of uncertainty that characterises the global economy, as a result of the continuation of the pandemic phenomenon and, mainly, as result of the drop in turnover predicted by public sources available.
This led to the need to review the business plans prepared pre-Covid, taking into account more conservative forecasts for the trends of ceramic consumption in 2020 and thereafter, based on the latest sector studies of Prometeia.

Amortisation/depreciation, including that deriving from rights of use and provisions, are substantively in line with 2019 in terms of absolute value, while the total incidence on value of production grows from 7.6% to 9.6%. In this respect we note that despite the prolonged down-time imposed by the lock-downs, amortisation/depreciation was entirely considered and calculated according to the original plans.

“Financial expense” of Euro 2.3 million (including Euro 1.1 million in interest expense payable for IFRS) is in line with the figure booked for the first half of 2019.

The Consolidated net result was a loss of Euro 6.6 million (profit of Euro 0.8 million as at 30th June 2019).
It should be noted that net of the impairment effect, the net result would have been negative for Euro 1.9 million.

NET FINANCIAL POSITION BEFORE IFRS 16

The Net Financial Position before IFRS 16 improved of 5.0 million Euros on first half of 2019, passing from 111.6 to 106.6 million Euros.

Right from the very start of the pandemic, it became clear that financial and liquidity management would have been key to overcome the economic crisis.
The Group therefore took action in this sense, in two main ways: maintaining the level of Net Financial Position and redesigning financial debt towards the medium/long-term, with the aim of conserving considerable room on the short-term facilities.

In regard to the first aspect, aimed at maintaining the level of NFP, the result obtained to date, with an NFP “before-IFRS 16” showing improvement of Euro 5 million on the first half of 2019, despite a decline in turnover of more than Euro 25 million, is without doubt extremely positive and it is the result of significant reduction in inventories, limitation of investments, improvement of margins and cut to operating costs.

In regard to the second aspect, the first leverage of intervention was to request moratoriums on loans already in place, which was subsequently accepted by the institutions involved; this allowed us to reposition approximately Euro 18.5 million in instalments originally falling due in 2020, in future years.
In a parallel fashion, the first half also saw the conclusion of two "new finance" transactions for the medium/long-term for a total of Euro 14 million.
The combined result of these transactions has taken the medium/long-term component of the financial debt "before-IFRS 16" from 55% at the start of the year to 70% at 30th June 2020.
Finally, it is important to stress that to date, additional loan contracts, over and above those mentioned previously, have been stipulated for a total of Euro 22 million.

LEASING LIABILITIES – IFRS 16

The Leasing Liabilities as at 30th June 2020 decreased compared to 30th June 2019, going from Euro 109.2 million to Eur 105.0 (Eur - 4.2 million).

EQUITY

Equity goes from Euro 157.3 million at 31st December 2019 to Euro 150.9 million at 30th June 2020, mainly due to the period loss.

BUSINESS OUTLOOK

The continued epidemic, still very much in progress worldwide and far from having been defeated, makes it even more complicated to prepare long-term forecasts.

If we limit our gaze to the next quarter, we are confident for improving results on the same period of last year, in consideration of the consolidation of the positive signs recorded by the Group in the last two months, and savings expected on operating costs.

In the next months we will try to seize the opportunities that the current positive phase is offering, without abandoning the focus on the key matters of finance management, inventory reduction, limitation of operating costs and investments, precisely in consideration of the existence of a risk that remains high on all markets.

The Groups is working to make the organisation yet more efficient, in all its components, in the various business units and corporate departments considering that the economic phase after the crisis will be even more selective and will reward businesses that are able to offer to their stakeholders extensive guarantees in terms of competences, service, quality, respect for the environment and people and we believe that Panariagroup has all the characteristics to emerge, even more than before, amongst the industry's most important players.

Declaration of the financial reporting manager

The Financial Reporting Manager, Mr. Damiano Quarta, hereby certify pursuant to article 154-bis, paragraph 2 of the Consolidated Law on Finance that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Attachments: Consolidated Balance Sheet and Income Statement.

Panariagroup Industrie Ceramiche

Panariagroup Industrie Ceramiche S.p.A. is a multinational italian group, worldwide leader in the production and distribution of ceramic tiles for floors and walls. With more than 1,700 employees, 10.000 customers, 6 production facilities (3 in Italy, 2 in Portugal and 1 in the United States), and a turnover of 382 million € in 2019, Panariagroup is a player of reference in its sector and boasts a geographic distribution of revenues focused for 81% on the foreign markets Specialised in the production of porcelain and laminated stoneware, by means of its own brands (Panaria, Lea, Cotto d'Este, Blustyle, Fiordo in Italy, Margres and Love Tiles in Portugal, Florida Tile in USA and Bellissimo in India), Panariagroup offers high quality and prestigious solutions for all the needs of residential, commercial and public architecture.
Panariagroup is an international-scale reference point, counting on production facilities in Italy, Portugal, United States, India and an extensive sales network in over 130 countries all over the world.

web www.panariagroup.it |
social: facebook.com/panariagroup https://www.linkedin.com/company/panariagroup/

Contact:

Panariagroup – Foreign Relations Office
relazioniesterne@panariagroup.it
T. +39 0522 773 530

Finale Emilia, 07th August 2020

PANARIAgroup

Income Statement: comparison 30 June 2020 – 30 June 2019 – Year to Date
(Figures in thousands of Euro)

		PROGRESSIVE					
		06/30/2020		06/30/2019			
		eur (000)	%	eur (000)	%	var € (000)	var %
R05	**Revenues from sales and services**	**175.722**	**101,9%**	**201.271**	**94,6%**	**(25.549)**	**-12,7%**
R10	Change in Inventories of Finished Products	(7.885)	-4,6%	6.025	2,8%	(13.910)	-230,9%
R20	Other Revenues	4.682	2,7%	5.372	2,5%	(690)	-12,8%
	Value of the Production	**172.519**	**100,0%**	**212.668**	**100,0%**	**(40.149)**	**-18,9%**
C10	Raw Materials	(54.085)	-31,4%	(64.378)	-30,3%	10.293	-16,0%
C20	Services, leases and rentals	(57.217)	-33,2%	(76.113)	-35,8%	18.896	-24,8%
C30	Personell costs	(40.582)	-23,5%	(49.665)	-23,4%	9.083	-18,3%
C40	Other operating expenses	(1.424)	-0,8%	(1.683)	-0,8%	259	-15,4%
	Production Costs	**(153.308)**	**-88,9%**	**(191.839)**	**-90,2%**	**38.531**	**-20,1%**
	Gross Operating Profit	**19.211**	**11,1%**	**20.829**	**9,8%**	**(1.618)**	**-7,8%**
A10	Amortisation and depreciation	(10.937)	-6,3%	(10.455)	-4,9%	(482)	4,6%
A20	Amortisation of Right of Use of assets	(5.661)	-3,3%	(5.549)	-2,6%	(112)	2,0%
A30	Provisions and writedowns	(3.134)	-1,8%	(1.442)	-0,7%	(1.692)	117,3%
	Net Operating Profit before Impairment	**(521)**	**-0,3%**	**3.383**	**1,6%**	**(3.904)**	**-115,4%**
	Asset Impairment	(6.500)	-3,8%	–	0,0%	(6.500)	0,0%
	Net Operating Profit	**(7.021)**	**-4,1%**	**3.383**	**1,6%**	**(10.404)**	**-307,5%**
F10	Financial Income (Expense)	(1.218)	-0,7%	(1.036)	-0,5%	(182)	17,6%
F20	Financial Expense - IFRS 16	(1.080)	-0,6%	(1.129)	-0,5%	49	-4,3%
	Pre-Tax Profit	**(9.319)**	**-5,4%**	**1.218**	**0,6%**	**(10.537)**	**-865,1%**
			0,0%				
I10	Income Taxes	2.698	1,6%	(404)	-0,2%	3.102	-767,8%
			0,0%				
	Net Result for the Period	**(6.621)**	**-3,8%**	**814**	**0,4%**	**(7.435)**	**-913,4%**

PANARIAgroup

Income Statement: comparison 30 June 2020 – 30 June 2019 (Second Quarter)
(Figures in thousands of Euro)

		QUARTER II					
		Q2 - 2020		Q2 - 2019			
		eur (000)	%	eur (000)	%	var € (000)	var %
R05	**Revenues from sales and services**	**83.246**	**104,3%**	**104.913**	**94,8%**	**(21.667)**	**-20,7%**
R10	Change in Inventories of Finished Products	(5.802)	-7,3%	2.776	2,5%	(8.578)	-309,0%
R20	Other Revenues	2.360	3,0%	2.937	2,7%	(577)	-19,6%
	Value of the Production	**79.804**	**100,0%**	**110.626**	**100,0%**	**(30.822)**	**-27,9%**
C10	Raw Materials	(24.913)	-31,2%	(32.387)	-29,3%	7.474	-23,1%
C20	Services, leases and rentals	(24.791)	-31,1%	(38.985)	-35,2%	14.194	-36,4%
C30	Personell costs	(17.196)	-21,5%	(24.908)	-22,5%	7.712	-31,0%
C40	Other operating expenses	(645)	-0,8%	(926)	-0,8%	281	-30,3%
	Production Costs	**(67.545)**	**-84,6%**	**(97.206)**	**-87,9%**	**29.661**	**-30,5%**
	Gross Operating Profit	**12.259**	**15,4%**	**13.420**	**12,1%**	**(1.161)**	**-8,7%**
A10	Amortisation and depreciation	(5.527)	-6,9%	(5.168)	-4,7%	(359)	6,9%
A20	Amortisation of Right of Use of assets	(2.860)	-3,6%	(2.724)	-2,5%	(136)	5,0%
A30	Provisions and writedowns	(2.832)	-3,5%	(1.208)	-1,1%	(1.624)	134,4%
	Net Operating Profit before Impairment	**1.040**	**1,3%**	**4.320**	**3,9%**	**(3.280)**	**-75,9%**
A30	Asset Impairment	(6.500)	-8,1%	–	0,0%	(6.500)	#DIV/0!
	Net Operating Profit	**(5.460)**	**-6,8%**	**4.320**	**3,9%**	**(9.780)**	**-226,4%**
F10	Financial Income (Expense)	(800)	-1,0%	(861)	-0,8%	61	-7,1%
F20	Financial Expense - IFRS 16	(735)	-0,9%	(557)	-0,5%	(178)	32,0%
	Pre-Tax Profit	**(6.995)**	**-8,8%**	**2.902**	**2,6%**	**(9.897)**	**-341,1%**
I10	Income Taxes	2.040	2,6%	(977)	-0,9%	3.017	-308,8%
	Net Result for the Period	**(4.955)**	**-6,2%**	**1.925**	**1,7%**	**(6.880)**	**-357,4%**

PANARIAgroup

Income Statement: 2020 performance by quarter
(Figures in thousands of Euro)

		BY QUARTER					
		Q1 - 2020		Q2 - 2020		06/30/2020	
		eur (000)	%	eur (000)	%	eur (000)	%
R05	**Revenues from sales and services**	**92.476**	**99,7%**	**83.246**	**104,3%**	**175.722**	**101,9%**
R10	Change in Inventories of Finished Products	(2.083)	-2,2%	(5.802)	-7,3%	(7.885)	-4,6%
R20	Other Revenues	2.322	2,5%	2.360	3,0%	4.682	2,7%
	Value of the Production	**92.715**	**100,0%**	**79.804**	**100,0%**	**172.519**	**100,0%**
C10	Raw Materials	(29.172)	-31,5%	(24.913)	-31,2%	(54.085)	-31,4%
C20	Services, leases and rentals	(32.426)	-35,0%	(24.791)	-31,1%	(57.217)	-33,2%
C30	Personell costs	(23.386)	-25,2%	(17.196)	-21,5%	(40.582)	-23,5%
C40	Other operating expenses	(779)	-0,8%	(645)	-0,8%	(1.424)	-0,8%
	Production Costs	**(85.763)**	**-92,5%**	**(67.545)**	**-84,6%**	**(153.308)**	**-88,9%**
	Gross Operating Profit	**6.952**	**7,5%**	**12.259**	**15,4%**	**19.211**	**11,1%**
A10	Amortisation and depreciation	(5.410)	-5,8%	(5.527)	-6,9%	(10.937)	-6,3%
A20	Amortisation of Right of Use of assets	(2.801)	-3,0%	(2.860)	-3,6%	(5.661)	-3,3%
A30	Provisions and writedowns	(302)	-0,3%	(2.832)	-3,5%	(3.134)	-1,8%
	Net Operating Profit before Impairment	**(1.561)**	**-1,7%**	**1.040**	**1,3%**	**(521)**	**-0,3%**
A30	Asset Impairment	–	0,0%	(6.500)	-8,1%	(6.500)	-3,8%
	Net Operating Profit	**(1.561)**	**-1,7%**	**(5.460)**	**-6,8%**	**(7.021)**	**-4,1%**
F10	Financial Income (Expense)	(418)	-0,5%	(800)	-1,0%	(1.218)	-0,7%
F20	Financial Expense - IFRS 16	(345)	-0,4%	(735)	-0,9%	(1.080)	-0,6%
	Pre-Tax Profit	**(2.324)**	**-2,5%**	**(6.995)**	**-8,8%**	**(9.319)**	**-5,4%**
I10	Income Taxes	658	0,7%	2.040	2,6%	2.698	1,6%
	Net Result for the Period	**(1.666)**	**-1,8%**	**(4.955)**	**-6,2%**	**(6.621)**	**-3,8%**

PANARIAgroup

RECLASSIFIED CONSOLIDATED BALANCE SHEET
(Figures in thousands of Euro)

	06/30/2020	12/31/2019	06/30/2020
Inventories	154.467	164.289	165.363
Receivables from customers	67.283	58.844	82.184
Other current assets	8.756	12.332	15.324
CURRENT ASSETS	**230.506**	**235.465**	**262.871**
Payables due to suppliers	(72.137)	(82.103)	(91.870)
Other current liabilities	(28.774)	(26.398)	(31.853)
CURRENT LIABILITIES	**(100.911)**	**(108.501)**	**(123.723)**
NET WORKING CAPITAL	**129.595**	**126.964**	**139.148**
Goodwill	8.464	8.464	8.139
Intangible Assets	15.713	17.113	17.002
Tangible Assets	108.702	115.459	119.683
Lease - Right of Use Asset	96.860	101.451	104.064
Equity Investiments and other financial assets	37	32	124
FIXED ASSETS	**229.776**	**242.519**	**249.012**
Receivables due after following years	378	368	429
Liabilities for employee benefits	(5.055)	(5.046)	(5.016)
Provision for risk and charge	(11.804)	(11.938)	(11.926)
Deferred tax assets	21.093	18.122	14.874
Other payables due after year	(1.331)	(1.644)	(2.161)
ASSET AND LIABILITIES DUE AFTER THE YEAR	**3.281**	**(138)**	**(3.800)**
NET CAPITAL EMPLOYED	**362.652**	**369.345**	**384.360**
Short term financial assets	(15.398)	(9.384)	(5.817)
Mid/Long term financial asset	(17.860)	(17.803)	(18.428)
Short term financial debt	46.470	57.314	54.859
Mid/Long term financial debt	93.393	75.463	80.960
NET FINANCIAL POSITION BEFORE IFRS 16	**106.605**	**105.590**	**111.574**
Short Term Lease Liabilities	10.373	9.464	10.114
Medium-Long Term Lease Liabilities	94.619	96.967	99.039
Lease Liabilities	**104.992**	**106.431**	**109.153**
NET FINANCIAL POSITION AFTER IFRS 16	**211.597**	**212.021**	**220.727**
EQUITY	**151.055**	**157.324**	**163.633**
TOTAL SOURCES OF FOUNDS	**362.652**	**369.345**	**384.360**