BCRA
est. 2002

BULGARIA
101, Aleksandar Stamboliyski Blvd.
Sofia Tower II, office 3A, 1303, Sofia
phone: +359 (2) 987 33 71
bcra.eu

Crown Holding Kft.

January 2024

Ivaylo Cholakov, Lead Financial Analyst
i.cholakov@bcra.eu

Kalina Dimitrova, Financial Analyst
k.dimitrova@bcra.eu

Crown Holding Kft.		**Initial Rating**	**Review**	**Review**	**Review**
	Date of Rating Committee:	20.01.2022	24.01.2023	17.02.2023	25.01.2024
	Date of Publication:	04.02.2022	25.01.2023	17.02.2023	26.01.2024
Issuer Rating	**Long-term rating:**	**BB-**	**BB-**	**BB-**	**BB-**
	Outlook:	Stable	Stable	Stable	Positive
Bond Rating ISIN: HU0000361472	**Long-term rating:**	**BB-**	**BB-**	**BB-**	**BB-**
	Outlook:	Stable	Stable	Stable	Positive

1) The credit rating and the rating outlook were disclosed to the rated entity or related third party. Following that disclosure amendments in the credit rating and rating outlook have not been executed;

2) During the last 2 years, BCRA Credit Rating Agency EAD has not provided ancillary services to the rated entity or a related third party.

***BCRA – CREDIT RATING AGENCY AD (BCRA)** is the third fully recognized rating agency in the EU, registered pursuant to Regulation No. 1060/2009 of the European Parliament and of the Council. The credit ratings, assigned by the BCRA are valid throughout the EU and are fully equal to those, of the other agencies, recognized by the European Securities and Markets Authority, without any territorial or other limitations.*

On January 25, 2024, the **Rating Committee** of BCRA had a session, in which the Report on the annual credit rating review of Crown Holding was discussed. The session was headed by Dr. Kiril Grigorov - chairmen of the Rating Committee. The members of the Rating Committee reviewed numerous qualitative and quantitative risk factors included in the Rating Report. Accordingly, the Rating Committee took the following decision:

*BCRA **affirms** both the Long-term Issuer rating and the Bond rating of Crown Holding at **BB-** and changes the **outlook** related to them from Stable to **Positive**.*

The official Methodology of BCRA for assigning a Corporate Credit Rating (effective as of February 2023) has been applied:
https://bcra.eu/files/corporate_methodology_2023_en.pdf

The users of the rating can find information on the meaning of each rating category, including the definition of default in the published Global rating scale on the BCRA's website:
https://bcra.eu/files/global_scale_en.pdf

Information from the rated entity, the BCRA database, and other sources of public information has been used.

Table 1: General information about the rated entity

Issuer:	Crown Holding Kft.
Head Office:	1052 Budapest, Deák Ferenc tér 3., Hungary
Main Activities:	Renting and operating of own or leased real estate
Registration number:	01-09-207175
LEI:	2330007B46WU4T654359
Bond ISIN:	HU0000361472

Company Overview

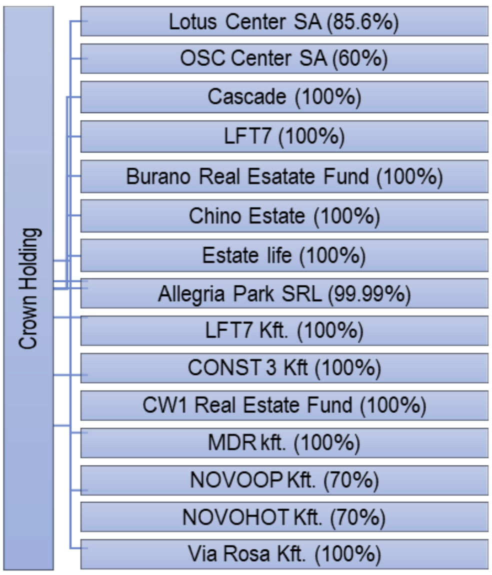
Crown Holding is a limited liability company, founded in 2015 and headquartered in Hungary. It is active in the commercial real estate sector in Hungary and Romania. The main field of activity of Crown Holding is asset management but indirectly through its subsidiaries, it is engaged in real estate development, real estate investment, and real estate management. The group has a diversified portfolio of commercial real estate- shopping malls, hotels, and office buildings at different locations in Romania and Hungary.

During the reviewed period, a technical change in the ownership structure has been made (effective as of 7.11.2023) as the sole capital owner Mr. Sandor Mudura sold its entire stake in Crown Holding Kft. to Crown Trust Kft. – a company that is also solely owned by him. So technically he transferred its ownership to a company that is fully owned by him.

Mr. Mudura is also the CEO of Crown Holding. Other members of the management team have a long experience and a wide range of expertise in Asset Management and Real Estate Development

Crown Holding is an environmentally conscious corporation, committed to contributing to the sustainability goals of the EU. In February 2022, it issued a green corporate bond of HUF 11.2 billion, with a maturity of 10 years. The green bond framework included 4 eligible GBP categories for the use of proceeds - Green buildings, Energy efficiency, Renewable energy, and Clean transport.

Figure 1: Key companies in Crown Holding's structure



As Crown Holding owns shares in more than 30 companies, *Figure 1* presents current holding structure, focusing only on key companies that own income-generating assets and those that are financed externally.

Lotus Center SA was incorporated in 2009 while Crown Holding acquired it in 2019. The entity owns a shopping center which represents a prime shopping destination in Oradea, Romania.

OSC Center SA owns a shopping center in Oradea, Romania. Crown Holding acquired the controlling interest in 2019

Allegria Park SRL is a retail park in Oradea, Romania, built on a single level and completed in 2018.

Burano Real Estate Investment owns a prime office building in Budapest. Crown Holding acquired 100% of fund shares in March 2022.

Cascade Building is a Romanian entity owning a prime office building in Bucharest, Romania. Crown Holding acquired the property in August 2022.

LFT7 Kft. was incorporated in 2011 and acquired by Crown Holding in 2016. The company owns a retail and residential property in Budapest, Hungary.

CONST 3 Kft. is the subsidiary that develops the Raddison Collection Hotel in Budapest.

CW1 Investment Fund owns an office building in Debrecen, Hungary.

MDR Kft. owns a property in the heart of the Central Business District of Budapest. The entity was acquired by Crown Holding in 2017.

NOVOHOT Kft. acquired the building of Novotel Szeged in 2018. The hotel is operated by another subsidiary of Crown Holding - **NOVOOP Kft.** which has signed a long-term lease agreement with NOVOHOT.

VIA ROSA Kft. was founded as a subsidiary of Crown Holding in 2020. The company owns an empty site, ready for development of circa 29 000 sqm gross floor, situated close to the center of Ujpest, Budapest.

Chino Invest is a Hungarian entity that owns an industrial plot/building in Budapest.

Estate Life is a Hungarian entity owning a small retail store in Budapest.

Over the past few years, Crown Holding's portfolio has grown significantly. Hence, the management is now focusing on stabilizing the core portfolio, integrating newly acquired assets, fully leasing out unoccupied areas, and completing the development of the Radisson Collection hotel in Budapest.

Operating environment

Business activities of Crown are carried out in the Real estate sector, particularly in *Renting and operating owned commercial real estate*. The close relation to construction activities and their high dependence on the overall macroeconomic situation turns real estate activities into a highly cyclical industry.

Hungarian commercial real estate market

The Hungarian commercial real estate market attracts enduring investor interest owing to its strong occupation and leasing agreements that comply with international standards. The lasts are being contracted in euros with annual rent updates in line with inflation.

After sustaining an upward trend in 2022 investments in real estate activities fell by 20.2% YoY in the first nine months of 2023. Given the uncertainties about the economic outlook and persistently high financing costs, the propensity to invest in real estate, not only in Hungary but also across Europe, is expected to remain slack, without a turnaround in the short term.

According to the *October 2023 Commercial Real Estate Market Report*[1] of the MNB, the investment turnover of the Hungarian commercial real estate market amounted to EUR 0.25 bln in H1 2023, which represents a 60% decline against the same period of 2022. The largest stake (41%) of the volume was generated by sales of hotels, while offices accounted for only 21% of it. Subdued transaction volumes are primarily driven by local investors who frequently acquire properties at a discount.

Concurrently, the prime yields in Hungary continued to rise in 2023 H1, broadly in line with trends observed in regional peers. Concerning the office segment, Budapest's prime yield reached 5.75% (based on Cushman & Wakefield’s data), increasing 25 basis points in annual terms. Among the CEE countries, prime office yields stagnated only in Bulgaria, where the highest level of 7.5% is recorded as well. Traditionally V4 countries are posting the lowest rental yields, although remaining highly competitive EU-wide.

Budapest has been recognised as one of the most business-friendly cities in Europe. The capital is characterised as a Tier II investment market. It concentrates the prime office stock and outclasses other big settlements in Hungary in modern office spaces supply with its eight sub-markets. The Váci Corridor sub-market has been the most rapidly developing office area in recent years.

Owing to the weaker demand, rents have risen only slowly, despite the high inflation environment. Rental rates vary significantly between office schemes within each market based on their specific location and quality attributes. Central Business District (CBD) is the highest-priced one with a monthly leasing value of EUR 25 per m2.

Budapest is the second largest supplier of modern office space in CEE after Warsaw with a total office stock of 4.3 mln m^2, In the first half of 2023, the volume of expiring office leases exceeded the volume of demand for new space, leading to a decrease in leased office space and an increase in the vacancy. The average vacancy rate for Budapest reached 12.6%, ranging from 5% in Central Buda to 34.8% in the periphery.

Considering the composition of demand, new leases constituted 45% of gross take-up in the first half of 2023, while renewals accounted for 42%. Office demand was driven by companies from the professional services, IT, and technology sectors.

Debrecen and Szeged, the cities where the other Hungarian assets of Crown Holding are located, are the second and the fourth largest cities in terms of population in Hungary. Both of them are classified as emerging Tier II markets whose economic prospects benefit from strong university backgrounds. Modern rental offices outside Budapest are concentrated namely in Debrecen, Miskolc, Pécs and Szeged.

Hungarian Hotel Market

Hotels in all of the capital cities of the CEE region saw improved performance, with room rates already exceeding the 2019 levels by nearly 20% on average. After a strong pickup in 2022, the growth in overnight stays in Hungarian hotels decelerated to 2.3% YoY in January–November 2023, from 69.7% in the same period of 2022.

[1] https://www.mnb.hu/en/publications/reports/commercial-real-estate-market-report/commercial-real-estate-market-report-october-2023

The most popular tourist region in Hungary is the Budapest–Central Danube. Accordingly, Budapest has been the most popular location with a powerful appeal for foreign tourists. Szeged, on the other hand, is a well-known destination in Hungary but often not so familiar to foreign travelers, thus, retaining a great development potential.

Over the last two years, hotel room rates in Hungary rose nationwide in line with ascending inflation. Concerning the average gross room price (EUR 115 in H1 20223), hotels in Budapest are the most expensive in the CEE region, exceeding the regional average by 6%.

In November 2023, around 59,400 hotel rooms were available nationwide, broadly unchanged from the number of rooms offered a year earlier. According to the *October 2023 Commercial Real Estate Market Report* of the MNB, around 3,500 new hotel rooms are under construction and are scheduled to be completed in Hungary in the second half of 2023 and 2024, 57% of which in Budapest. However, supply chain disruptions and costlier construction materials pose risks to the completion of developments and hotel openings on time, and in many cases may result in delays to the completion schedule. In parallel, the demand for hotel accommodations is also facing challenges due to subdued economic activity and lower real incomes, being eroded by inflation.

Romanian retail market

The retail real estate market in Romania develops dynamically, benefiting from enhanced conversions to mixed-use destinations. In addition, Romania has some of the most attractive retail yields in the CEE region.

30% of the retail stock is located in Bucharest and 70% in the regional cities, the most preferred of which are Timişoara, Constanţa and Oradea. The strong competition among the shopping centres in Bucharest has encouraged developers to extend their retail investments in the regional cities. Nowadays, development activity primarily focuses on refurbishments and extensions of existing shopping centres, as well as the construction of smaller retail parks and retail convenience schemes in regional towns.

The Romanian portfolio of Crown Holding is concentrated in Bihor County, northwest Romania, in the city of Oradea - the 10th most populated. Oradea is an important communications hub, located close to several European capitals. The local purchasing power is about 150% of Romania's average, befitting of a diversified economic profile and established industrial park. Oradea enjoys a reputation for good governance and attracts a significant part of EU development funds as well as private investments.

Oradea is characterised by the highest retail stock density in Romania. Its retail market has a total stock of approximately 200,000 m^2 distributed in four retail parks, two shopping centers, and one commercial gallery. Lotus Center is the first retail park to open in the city and the second outside Bucharest.

Lower average monthly rents in the segment of shopping centres in secondary and tertiary cities of Romania are continuing to attract developers with their favourable risk/return profile.

With record deliveries of about 300,000 m2 of shopping centers and retail parks, 2023 is expected to register the highest number of modern retail deliveries since 2008. The retail park format remains preferred by developers and despite the buoyant progress of e-commerce, many projects have already recorded footfalls and turnovers similar to pre-pandemic years. However, new challenges such as economic uncertainty and tighter financing may impact real estate investment by delaying decision-making, while consumer sentiment and disposable income have been negatively impacted by high inflation.

Assets Portfolio

Crown Holding's portfolio of income-producing assets can be analytically divided into three subgroups - Retail Portfolio, Office portfolio, and Hotel Portfolio. Besides them, the company owns smaller assets and several development plots with a combined market value of EUR 36.8 mln.

The retail portfolio consists of 3 shopping malls, all of them being located in Oradea, Romania, with a combined 84 576 m^2 gross area and EUR 115.4 mln market value.

Following the expansion in 2022, the office portfolio of Crown Holding now encompasses 4 properties – two in Budapest, one in Debrecen, and one in Bucharest. Their total gross area is 27,426 m^2 and the estimated market value is EUR 60.2 mln.

The hospitality portfolio is formed by two assets – the operating Novotel Szeged and Radisson Collection Hotel in Budapest which is still under development. In 2023, Crown Holding successfully finished the refurbishment of Novotel, while the development project is in 1-year delay as the general contractor went to bankruptcy last year. Besides the delay, there is no negative impact on the financials or the operation of Crown Holding. Radisson Collection is on the right track to start operation by Q3 2024.

Geographically the assets portfolio is concentrated in two countries from the CEE region – Hungary and Romania which hinders the company's ability to weather possible local economic challenges. Also, Crown Holding's assets are split into three different commercial real estate submarkets (office, retail, and hotel) in five different cities (Oradea, Bucharest, Budapest, Szeged, and Debrecen) which results in insignificant relative shares and limited visibility in operating markets, except for the retail market in Oradea. In the highly competitive real estate industry, this implies a lower resilience in a cyclical downturn because larger players might be better able to attract and retain tenants.

The Romanian retail portfolio represents the main source of income for Crown Holding as it has accounted for about 2/3 ot the total group's income. Given the triple net lease terms, both office and retail portfolios are achieving high EBITDA margins of above 70% while the profitability of the Novotel Szeged hotel is about 20%.

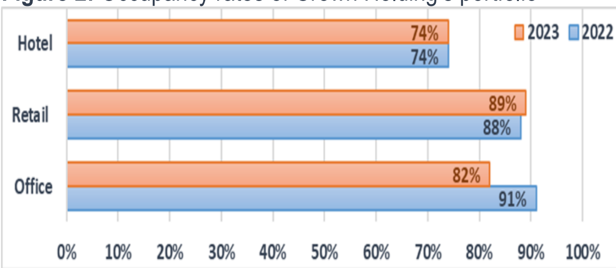
The tenant concentration is relatively elevated, thus, a possible termination of a small number of lease contracts may have a material effect on the company's revenue and profitability. Top 5 tenants accounted for about 1/3 of the total rental income generated by the Romanian retail portfolio, while tenants' concentration of the Hungarian office portfolio is above 90% as two of the buildings are almost fully let to a single tenant.

Despite the large portfolio exposure to retail companies, the certainty of the group's future cash flow is backed by the good credit quality of the main tenants and the sector diversification provided by the office portfolio.

Standing at 4.4 years in December 2023, the WAULT ratio of office and retail portfolio is assessed as relatively moderate. Accordingly, a higher re-letting risk may arise after 2027 but track records show that a significant proportion of tenants renew their leases. For expired contacts, the new contract length for the commercial portfolio is defined as 5 years.

The occupancy of the retail portfolio stabilized at about 90% in the last two years. Allegria and Lotus have been operating with either full occupancy or very close to it, compensating for the lower occupancy of OSC which however is expected to increase by 15 p.p. this year. Concurrently, the occupancy of the office portfolio temporally declined from 91% to 82% in 2023, mainly reflecting the lower occupancy of the Debrecen office building, while newly acquired buildings- Cascade and Buda Busines Centre have been successfully deployed in business activities.

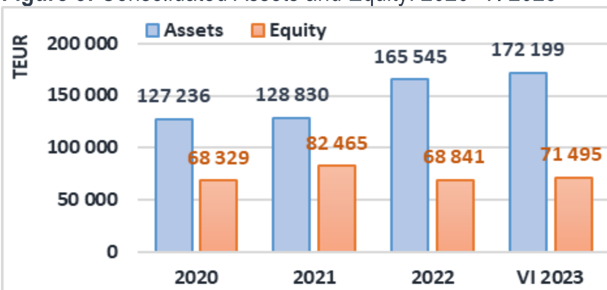
Figure 2: Occupancy rates of Crown Holding's portfolio



The pandemic outbreak and restriction on tourism had a material impact on the hospitality business, resulting in weak occupancy of Novotel Szeged hotel. However, the average occupancy rate rapidly improved to 74% in 202-2023, thus, well exceeding the pre-crisis rate of 64%.

Financial Analysis

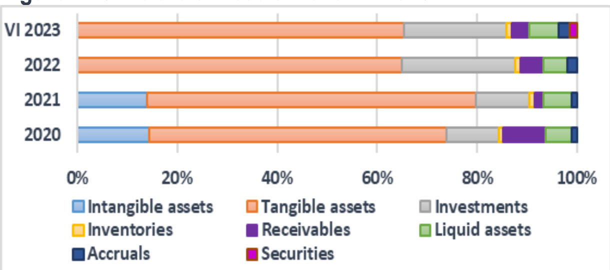
Figure 3: Consolidated Assets and Equity: 2020–VI 2023



Total consolidated assets of Crown Holding have sustained a firm upward trend during the analysed period. After acquisitions financed with bond proceeds, annual asset growth rapidly accelerated to 39.4%[2] in 2022. According to the interim financial statements for the first half of 2023, consolidated assets recorded a minor decline of 3.5% against the end of 2022, but expressed in euros their value peaked at TEUR 172 199 due to the strong appreciation of the forint during this period.

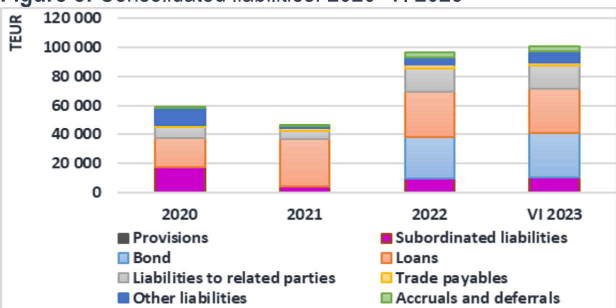
[2] *Cited growth rates are calculated using original values in forints, while the presented data is converted into euros using MNB's official EUR/HUF exchange rate at the end of the corresponding period.*

Figure 4: Structure of Assets: 2020–VI 2023



Standing at TEUR 112 557 as of end-June 2023, tangible assets continue to dominate the assets structure with a relative share of 65.4%. Investments (in real estate funds and other long-term participations) represent the second largest assets group in the consolidated balance sheet, accounting for 20.4% of total assets. Liquid assets traditionally occupy about 5% share, while other current assets and accruals have a combined relative weight of about 10%.

Figure 5: Consolidated liabilities: 2020–VI 2023

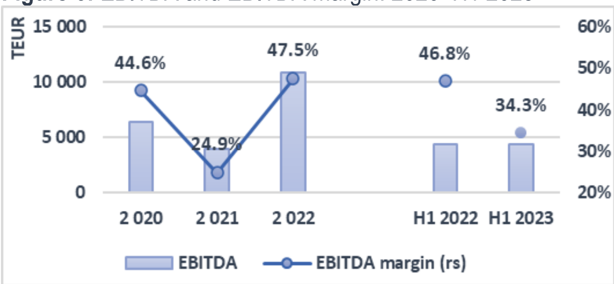


Mirroring the expansion of assets, the consolidated liabilities have been on the upside. In February 2022, Crown Holding issued a 10-year bond with a face value of HUF 11.2 bln and a fixed interest rate of 5.5% p.a. Following the issuance, total liabilities (incl. provisions and passive accruals) peaked at TEUR 100 704 as of end-June 2023, which represented an increase of 118.4% against the end of 2021.

Besides the bond liabilities of the parent company, interest-bearing financial liabilities of the group included TEUR 30471 investment and development loans drawn by subsidiaries (Novohot Novoop, Const3 Lotus Center, Allegria Park, and OSC), accounting for 30.3% of consolidated liabilities, and TEUR 1127 other long-term liabilities. The liabilities to related parties amounted to TEUR 16 205 as of end-June 2023, arising mainly from loans granted by the owner without an expiry date.

Property management and maintenance costs (paid to external parties) occupy the largest portion of the company's operating expenditures. However, they are almost fully passed to tenants as service charges, thus, forming a favourable low-cost operational structure.

Figure 6: EBITDA and EBITDA margin: 2020–H1 2023



The sales revenue of the company comes from operational activities related to real estate leasing. With the effective deployment of newly acquired assets in 2022, net sales revenue grew by a strong rate of 45.9%. As a result, the EBITDA almost tripled in a year - from TEUR 3 996 in 2021 to TEUR 10 883 in 2022, and its margin rose from 24.9% to 47.5%.

In parallel, the result from financial activities deteriorated, falling from TEUR 4038 to TEUR 111 because of the pickup in interest payments (+385.9% YoY) and the booking of other financial expenditures related to the bond issuance. However, the net financial result in 2022 increased by 70.8% YoY, to TEUR 5 133. The latter was impacted by the reduction of non-controlling interest outflow.

Table 3: Key financial indicators: 2020-2022

TEUR	2022	2021	2020
Total Assets	165 545	128 830	127 236
Fixed Assets	145 055	116 557	107 266
Equity	68 841	82 465	68 329
Net Financial Result	5 133	3 259	4 369
EBITDA	10 883	3 996	6 442
Financial Debt	59 783	32 796	20 607
Net Debt	51 787	25 457	14 065
EBITDA margin	47.5%	24.9%	44.6%
EBITDA-to-Interest	367%	604%	877%
Net Debt-to-Equity	75.2%	30.9%	20.6%
Net Debt-to-EBITDA	4.76	6.37	2.18
Net Debt-to-Assets	31.3%	19.8%	11.1%
Current Liquidity	66.2%	85.3%	85.1%
Cash Liquidity	30.3%	56.7%	30.0%

The accumulation of positive financial results has been supporting Crown Holding's track record of good credit metrics. As portfolio growth in 2022 was financed via external financing, leverage indicators deteriorated. The Net Debt-to-Equity ratio peaked at 75.2% at the end of 2022. however, it is still assessed as relatively moderate while the debt service has been well-secured with adequate EBITDA coverage.

Financial Forecast

A financial forecast for the period 2023-2027 was prepared based on expected cash flow data, provided by Crown Holding's management. Projections are assessed as relevant and broadly achievable given the company's track record of successful business development. The forested cash flows and key financial indicators in 2022-2026 are presented in the Appendix.

According to cash flow estimates, rental income derived from assets portfolio tends to generate solid internal financing, combined with a sustained low portion of non-recoverable costs. Lotus Center will remain the flagship asset in Crown Holding's portfolio but its relative contribution to total income is set to decline from 48% in 2023 to 28% in 2027. In this regard, the start of operations of the Radisson hotel in Budapest represents an important milestone as it is projected to generate about 1/3 of total revenues at the end of the forecasted period.

If revenue targets are successfully met, Crown Holding is expected to record a constantly increasing EBITDA - expanding from EUR 10.8 mln in 2023 to EUR 18.3 mln in 2027. Concurrently, the profitability will slightly moderate, due to the expansion of hospitability business activities that traditionally generate lower margins than the triple-net leased retail and office portfolios. Despite the decline, the EBITDA margin is expected to remain very favourable, stabilising at about 53% from 2026.

In conclusion, Crown Holding will be able to generate more than sufficient cash flow to maintain operations and timely service its debt obligations in the medium term with EBITDA-to-interest coverage ranging between 430% and 750% and Net Debt-to-EBITDA ratio falling below 1x from 2026.

Bond Rating

Table 4: Main Bond parameters

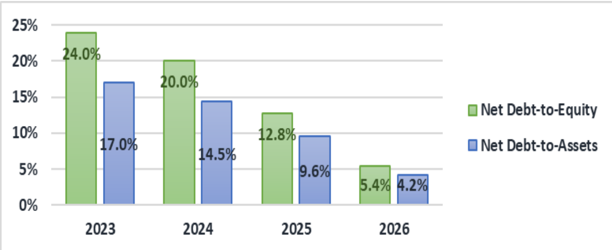
Issuer	Crown Holding Kft.
Date of issue	23-Feb-22
ISIN	HU0000361472
Face value	HUF 11.2 bln
Currency	Forint (HUF)
Tenor	10 year
Coupon	fixed, 5.5% p.a.
Amortization	12.5% p.a. from the sixth year
Baloon	50% on maturity

In February 2022, Crown Holding issued a 10-year unsecured bond with a face value of HUF 11.2 bln in an auction within the framework of the Bond Funding for Growth Scheme launched by the National Bank of Hungary. The average price of the issuance was above the nominal value, thus, Crown Holding received proceeds of HUF 11.41 bln to finance real estate acquisitions.

The principal repayment schedule envisages a 12.5% amortisation starting from the sixth year after issuance and a 50% balloon at final maturity. The bond has a fixed annual coupon of 5.5%.

Financial Covenants of the bond are set as follows: 1) consolidated Net Debt-to-Total Equity ratio shall be maintained at a maximum level of 1.2x and the NetDebt-to-Total Assets ratio shall be kept at a maximum level of 50%, and 2) EBITDA interest cover ratio at consolidated level is not allowed to fall below 150% during the term of the bond.

Figure 7: Forecasted Net Debt-to-Total Equity and NetDebt-to-Total Assets ratios: 2023-2026



Accordingly, the prepared financial forecast does not indicate for possible breach of covenants. Given the fact that the debt issue is not secured with any collateral, the bond rating corresponds to the rating assigned to the issuer.

General Conclusions:

The **issuer credit rating** of Crown Holding is backed by its sound financial metrics, namely high profitability, and moderate leverage, as well as by track record of successful business development. On the other hand, the company operates in the highly cyclical real estate industry with a small relative market share which represents a rating constraint.

The **rating of the bond** (HU0000361472) issued by Crown Holding corresponds to the rating assigned to the issuer.

The **positive outlook** reflects improved profitability of operations and better financial results achieved after the successful deployment of newly acquired assets.

The following factors could lead to a **rating upgrade**:

1) strengthening of the company's market position through a decline in concentration, better cash flow visibility, and increase in relative market share;
2) sustaining favourable financial results and high profitability;
3) reduction in indebtedness.

The following factors could lead to a **negative change in outlook** and/or **rating downgrade**:

1) material increase in leverage;
2) unreached revenue targets, resulting in negative EBITDA.

APPENDIX

Table 5: Crown Holding - Financial Forecast for the period 2023-2027

TEUR	2023	2024	2025	2026	2027
Cash at the beginning of the period	**8 001**	**13 278**	**18 931**	**24 326**	**34 872**
Operating Revenues	20 232	26 344	30 773	33 057	34 779
OPEX	-9 433	-14 689	-17 793	-19 432	-20 195
EBIT	**10 799**	**11 655**	**12 980**	**13 626**	**14 584**
Depreciation	2 785	3 538	3 833	3 881	3 758
EBITDA	**13 584**	**15 193**	**16 813**	**17 506**	**18 342**
Cash Flow from Operations (CFO)	**14 411**	**13 692**	**15 156**	**15 735**	**16 462**
Other CAPEX	-3 262	-7 109	-1 540	-864	-487
Cash Flow from Investing CFI)	**-3 262**	**-7 109**	**-1 540**	**-864**	**-487**
Loans borrowing/repayment	-3 241	820	-7 081	-3 708	-2 900
Interest & coupon payments	-3 371	-3 219	-2 969	-2 659	-2 438
Financial income	740	1 469	1 829	2 042	1 436
Cash Flow from Financing (CFF)	**-5 872**	**-930**	**-8 221**	**-4 325**	**-3 902**
Change in Cash	**5 277**	**5 653**	**5 395**	**10 546**	**12 072**
Cash at the end of the period	**13 278**	**18 931**	**24 326**	**34 872**	**46 944**
Gross Financial Debt *	56 806	57 626	50 545	46 836	43 937
Net Financial Debt	43 528	38 695	26 219	11 964	Net Cash
Net Debt-to-Equity	24.0%	20.0%	12.8%	5.4%	Net Cash
Net Debt-to-Assets	17.0%	14.5%	9.6%	4.2%	Net Cash
EBITDA Margin	67.1%	57.7%	54.6%	53.0%	52.7%
EBITDA interest cover	4.03	4.72	5.66	6.58	7.52
Net Debt-to-EBITDA	3.20	2.55	1.56	0.68	Net Cash

**Total amount of outstanding interest-bearing financial liabilities (bonds, loans, leases), excluding loans provided by the shareholders.*

Note: Values in HUF and RON are converted into EUR using the following fixed projected rates: HUF/EUR=400 and RON/EUR=4.92.