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Testo del comunicato

Vedi allegato.

MASSIMO ZANETTI
BEVERAGE GROUP

PRESS RELEASE

MASSIMO ZANETTI BEVERAGE GROUP SPA: THE BOARD OF DIRECTORS APPROVES THE INTERIM REPORT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

SOLID RESULTS THANKS TO THE SALES MIX AND THE ORGANIC GROWTH OF GROSS PROFIT
EBITDA: EURO 50.6 MILIONI, +2.8%, +5.0% ON A COMPARABLE BASIS
NET PROFIT: EURO 12.4 MILIONI, +50.9%

- REVENUE: EURO 654.0 MILLION COMPARED TO EURO 708.5 MILLION IN THE NINE MONTHS OF 2017; -7.7% AT CURRENT EXCHANGE RATES, -3.7% ON A COMPARABLE BASIS*
- GROSS PROFIT: EURO 285.8 MILLION, -2.1% COMPARED TO EURO 292.1 MILLION IN THE NINE MONTHS OF 2017 WITH THE MARGIN ON REVENUE OF 43.7% COMPARED WITH 41.2%
- EBITDA: EURO 50.6 MILLION, +2.8% COMPARED TO EURO 49.2 MILLION IN THE NINE MONTHS OF 2017, +5.0% ON A COMPARABLE BASIS*
- NET PROFIT: EURO 12.4 MILLION, +50.9% COMPARED TO EURO 8.2 MILLION IN THE NINE MONTHS OF 2017;

Villorba, November 8, 2018. The Board of Directors of Massimo Zanetti Beverage Group S.p.A., one of the leading brands worldwide in the production, processing and marketing of roasted coffee and other selected categories of colonial products, listed on the Milan Stock Exchange (MZB.MI), approved today the Interim Report for the Nine Months ended September 30, 2018.

MASSIMO ZANETTI, THE GROUP'S CHAIRMAN AND CHIEF EXECUTIVE OFFICER, SAID: "In the first nine months of 2018, we achieved satisfactory profitability: EBITDA increased 5.0% on a comparable basis and net profit by more than 50%. Revenues for the first nine months of the year is slightly down on a comparable basis (-3.7% compared to the first nine months of 2017) and reflects the continuous improvement in the sales mix fuelled by the performance of the food service channel and highly-profitable products, which resulted in the organic growth of the gross profit.
All geographical areas recorded an increase in volumes, except for the US market, down by 5.4%. Specifically, volumes rose considerably in the Asia-Pacific region (+8.7%). Furthermore, the recent acquisition of the Australian group "The Bean Alliance" will enable us to seize additional opportunities in this high-potential area as of next year. Based on the results achieved in the first nine months of 2018 and given the positive outlook for the fourth quarter, we confirm our expectations of solid growth in profitability for the year".

**on a comparable basis: at constant exchange rates and with the retrospective application of IFRS 15 on 2017 revenue. For additional information, please refer to page 14 of this press release.*

MASSIMO ZANETTI
BEVERAGE GROUP

VOLUMES

In the first nine months of 2018, the roasted coffee sales volumes of Massimo Zanetti Beverage Group S.p.A. showed a slight decline, -2.2% compared to the first nine months of 2017 (93.4 thousand tons compared with 95.6 thousand tons of the same period of last year).

This trend is due to the decrease in the Americas (-5.4% compared to the first nine months of 2017) in the Private Label and Mass Market channels, partially offset by positive performance of all other areas: Southern Europe was up 0.6% compared with the first nine months of 2017, Northern Europe was up 4.2% compared with the first nine months of 2017, and Asia Pacific and Cafés was up 8.7% compared to the first nine months of 2017.

Food Service channel increased +2.0%, compared with the first nine months of 2017 mainly due to a positive performance of Americas and Apac and a substantially stable performance in Europe.

CONSOLIDATED REVENUE

The Group's consolidated revenue amounted to Euro 654.0 million in the first nine months of 2018, compared to Euro 708.5 million of the first nine months of the prior year, a decrease of 7.7% at current exchange rates, - 4.1% at constant exchange rates compared to the first nine months of 2017.

Revenue, on a comparable basis*, decreased -3.7% compared to the previous year, equal to Euro 26.5 million, mainly due to:

- the decrease in roasted coffee sales volumes, as explained before (-2.2% compared to the first nine months of 2017);
- the decrease of roasted coffee sales price resulting from the decrease in the average purchase price of green coffee which was partially offset by the positive effects of a different mix in the sales channels in 2018 and 2017.

**comparable basis: at constant exchange rates and with the retrospective application of IFRS 15 on 2017 revenue. For additional information, please refer to page 14 of this press release.*

MASSIMO ZANETTI
BEVERAGE GROUP

REVENUE BY CHANNEL

Revenue from the Food Service channel, which account for 23.6% of the Group's revenue, amount to Euro 154.9 million, stable on last year on a comparable basis, with volumes growth recorded in Americas and Apac and a slight decrease in Europe.

Performance of the Mass Market channel and Private Label channels, equal to 36.8% and 33.0% respectively of the Group's revenue, is due to the decline in volumes of the Americas and the slight decrease of roasted coffee sales price as a consequence of the reduction of the cost of green coffee, as explained before.

	Nine Months ended September 30,				Change		
(in Thousand of Euro)	2018		2017		Current FX	Constant FX	Comparable basis: Constant FX and IFRS 15
Foodservice	154,851	23.6%	157,613	22.2%	-1.8%	+0.2%	**+0.1%**
Mass Market	240,406	36.8%	261,163	36.9%	-7.9%	-5.1%	**-4.2%**
Private Label	215,513	33.0%	245,219	34.6%	-12.1%	-6.6%	**-6.6%**
Other	43,278	6.6%	44,519	6.3%	-2.8%	+0.9%	**+0.9%**
Total	**654,048**	**100.0%**	**708,514**	**100.0%**	**-7.7%**	**-4.1%**	**-3.7%**

REVENUE BY REGION

Revenue from the Americas amount to Euro 288.4 million (44.1% of the Group's revenue) a 6.9% reduction on last year on a comparable basis. This performance is explained by the decrease of the Mass Market and Private Label channels, as already explained.

Revenue from Europe are slightly negative mainly due to the reduction in sales prices as a consequence of the decrease in the purchase price of green coffee.

Revenue from Asia-Pacific, which also include those from the international network of cafés, amount to Euro 57.8 million, up by 6.8% on a like for like basis, compared to the first nine months of 2017.

	Nine months ended September 30,				Change		
(in Thousand of Euro)	2018		2017		Current FX	Constant FX	Comparable basis: Constant FX and IFRS15
Americas	288,428	44.1%	334,780	47.3%	-13.8%	-6.9%	-6.9%
Northern Europe	133,053	20.3%	134,661	19.0%	-1.2%	-1.2%	-2.0%
Southern Europe	174,802	26.7%	182,711	25.8%	-4.3%	-4.3%	-2.5%
Asia-Pacific and Cafés	57,765	8.8%	56,362	8.0%	+2.5%	+6.8%	+6.8%
Total	**654,048**	**100.0%**	**708,514**	**100.0%**	**-7.7%**	**-4.1%**	**-3.7%**

GROSS PROFIT

Gross profit amounts to Euro 258.8 million for the nine months ended September 30, 2018, was down by Euro 6.3 million compared to the nine months ended September 30, 2017. This decrease is mainly explained by the unfavorable effect of exchange rates (with an impact of Euro 8.8 million, compared to the first nine months of 2017). On a comparable basis, Gross Profit increases by Euro 4.8 million (+1.7% compared to the first nine months of 2017), mainly due to the sale of roasted coffee (+2.9% compared to the first nine months of 2017).

The increase in Gross Profit from the sale of roasted coffee is in turn mainly due to the positive impact of the trends in sales and purchase prices respectively of roasted and green coffee and to the positive effect of the different mix in the sales channels in the first nine months of 2018 and 2017 (+5.2% compared to the first nine months of 2017), partially offset by the decrease in roasted coffee volumes (-2.2% compared to the first nine months of 2017).

In percent of revenue the Gross Profit increased 250 basis points (from 41.2% of revenue to 43.7%).

EBITDA

EBITDA amounts to Euro 50.6 million (7.7% on revenue). In the nine months of 2017 EBITDA adjusted of costs associated with reorganization of Portugal (amounting to Euro 1.8 million) was 49.2 million (6.9% on revenues).

Excluding the negative impact of exchange rate fluctuations for Euro 1.1 million, EBITDA increased by 5.0% on a comparable basis driven by the positive increase of Gross Profit (for Euro 4.8 million compared with the same period of 2017) partially offset by the slight increase of operating costs (equal to Euro 2.3 million).

OPERATING INCOME (EBIT)

Operating income (EBIT) amounted to Euro 23.7 million for the nine months ended September 30, 2018, an increase of +19.6% compared to Euro 19.8 million of the nine months ended September 30, 2017. In addition to as previously described for EBITDA, this increase is attributable to the decrease in amortization and depreciation, amounting to Euro 0.7 million, mainly as a result of foreign exchange fluctuations.

NET PROFIT

The net profit amounts to Euro 12.4 million, up 50.9% compared to first nine months of 2017. Income taxes increased Euro 332 thousand, mainly due to the increased taxable income generated by the Group in the nine months ended September 30, 2018 compared to the same period of 2017.

NET DEBT

Net debt is equal to Euro 201.0 million, compared to 191.0 million at December 31, 2017. During the first nine months the net recurring investments amount to Euro 20.7 million compared to Euro 26.2 million of the first nine months of 2017. During the period 5.9 million dividends were distributed, compared with 5.3 million of the same period of 2017.

FORECAST FOR OPERATIONS AND SIGNIFICANT SUBSEQUENT EVENTS

In view of the results achieved in the first nine months of 2018 and considering current trends as well as assuming the absence of extraordinary transactions, management expectations for 2018 is:

- revenue on a comparable basis* substantially in line with 2017
- EBITDA *adjusted** increase of approximately +5.0%
- a reduction in net debt to below Euro 180 million.

** on a comparable basis: at constant exchange rates and with the retrospective application of IFRS 15 on 2017 revenue.*

CONFERENCE CALL TO PRESENT NINE MONTHS 2018 FINANCIAL RESULTS

The Group's nine months 2018 results will be presented during the conference call to be held today at 5:30 CET. To access the call, please use one of the following dial-in numbers: +1 718 705 8794 (US and Canada), +39 02 805 88 11 (Italy), +44 121 281 8003 (UK) ; +33 170 918 703 (France) and +39 02 805 88 27 (Press).

Digital Playback service will be available for 8 days, dialling the following numbers: +1 718 705 8797 (US and Canada), +39 02 72495 (Italy), +44 1 212 818 005 (UK) with the following passcode: 902#

The presentation will be available before the conference call on the company website www.mzb-group.com and on the storage system (www.emarketstorage.com). The recording file will be available on the company website.

Declaration by the Manager in charge of the Company's financial reports

The Manager in charge of the Company's financial reports, Leonardo Rossi, pursuant to paragraph 2 of Article 154-bis of Italy's Consolidated Law on Finance (TUF), declares that, based on his knowledge, the accounting information contained in this press release corresponds to the documented results, books and accounting records.

For more information

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Massimo Zanetti Beverage Group S.p.A.

Massimo Zanetti Beverage Group S.p.A. is a world leader in the production, processing and marketing of roasted coffee and other selected categories of colonial products, distributed in about 110 countries. The Group manages the different activities, from procurement to consumption, operating 18 facilities across Europe, Asia and the Americas, and through a global network of about 400 coffee shops in 50 countries. Moreover, Massimo Zanetti Beverage Group completes the range of its products through the sale of coffee machines and complementary products, such as tea, cocoa, chocolate and top-quality spices.

Disclaimer

This document includes forward-looking statements, relative to future events and income and financial operating results of the Massimo Zanetti Beverage Group. These forecasts, by their nature, include an element of risk and uncertainty, since they depend on the outcome of future events and developments. The actual results may differ even quite significantly from those stated due to a multiplicity of factors.

MASSIMO ZANETTI
BEVERAGE GROUP

ANNEX

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

	Nine months ended September 30,				Change	
(in thousands of Euro)	2018		2017		2018-2017	
Revenue	654,048	100.0%	708,514	100.0%	(54,466)	-7.7%
Raw, ancillary, and consumable materials and goods	(368,246)	-56.3%	(416,457)	-58.8%	48,211	-11.6%
Gross Profit	**285,802**	**43.7%**	**292,057**	**41.2%**	**(6,255)**	**-2.1%**
Purchases of services, leases and rentals	(128,839)	-19.7%	(134,908)	-19.0%	6,069	-4.5%
Personnel costs	(105,098)	-16.1%	(107,849)	-15.2%	2,751	-2.6%
Other operating costs, net	641	0.1%	201	0.0%	440	> 100%
Impairment	(1,918)	-0.3%	(2,055)	-0.3%	137	-6.7%
EBITDA	**50,588**	**7.7%**	**47,446**	**6.7%**	**3,142**	6.6%
Non-recurring items	-	0.0%	1,754	0.2%	(1,754)	-100.0%
Adjusted EBITDA	**50,588**	**7.7%**	**49,200**	**6.9%**	**1,388**	**2.8%**
Depreciation and amortization	(26,912)	-4.1%	(27,643)	-3.9%	731	-2.6%
Operating profit	**23,676**	**3.6%**	**19,803**	**2.8%**	**3,873**	**19.6%**
Net finance costs	(4,992)	-0.8%	(5,986)	-0.8%	994	-16.6%
Share of losses of companies accounted for using the equity method	(827)	-0.1%	(469)	-0.1%	(358)	76.3%
Profit before tax	**17,857**	**2.7%**	**13,348**	**1.9%**	**4,509**	**33.8%**
Income tax expense	(5,472)	-0.8%	(5,140)	-0.7%	(332)	6.5%
Profit for the period	**12,385**	**1.9%**	**8,208**	**1.2%**	**4,177**	**50.9%**

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(in thousands of Euro)	As at September 30 2018	As at December 31 2017
Investments:		
Intangible assets	182.009	183.231
Property, plant and equipment and investment properties	216.154	217.717
Investments in joint ventures and associates	10.345	9.616
Non-current trade receivables	2.666	3.076
Deferred tax assets and other non-current assets	25.751	23.913
Non-current assets (A)	**436.925**	**437.553**
Net working capital (B)	**115.100**	**92.199**
Employee benefits	(8.744)	(8.987)
Other non-current provisions	(3.066)	(2.986)
Deferred tax liabilities and other non-current liabilities	(28.878)	(25.942)
Non-current liabilities (C)	**(40.688)**	**(37.915)**
Net invested capital (A+B+C)	**511.337**	**491.837**
Sources:		
Equity	310.335	300.882
Net Financial Indebtedness	201.002	190.955
Sources of financing	**511.337**	**491.837**

NET WORKING CAPITAL

(in thousands of Euro)	As at September 30 2018	As at December 31 2017
Inventories	139,410	127,997
Trade receivables	122,174	123,405
Income tax assets	4,225	1,975
Other current assets	17,400	15,868
Trade payables	(135,702)	(139,329)
Income tax liabilities	(1,679)	(1,433)
Other current liabilities	(30,728)	(36,284)
Net working capital	**115,100**	**92,199**

Reclassified Consolidated cash flow statement

(in thousands of Euro)	Nine months ended September 30, 2018	2017
EBITDA Adjusted	**50.588**	**49.200**
Changes in Net Working Capital	(24.486)	(30.312)
Net recurring investments	(20.691)	(26.167)
Income tax paid	(6.315)	(4.047)
Other operating items	2.300	2.019
Free Cash Flow	**1.396**	**(9.307)**
Net non-recurring investments	(1.200)	(3.423)
Investments in financial receivables	(3.121)	488
Interest paid	(4.506)	(5.309)
Net cash generated from financing activities	(2.101)	33.416
Dividends paid	(5.898)	(5.305)
Exchange gains/(losses) on cash and cash equivalents	708	(843)
Net increase in cash and cash equivalents	**(14.722)**	**9.717**
Cash and cash equivalents at the beginning of the period	89.594	45.167
Cash and cash equivalents at the end of the period	**74.872**	**54.884**

Changes in Net working capital

(in thousands of Euro)	Nine months ended September 30, 2018	2017
Changes in inventories	(9.622)	(17.445)
Changes in trade receivables	(2.824)	(11.520)
Changes in trade payables	(5.456)	1.156
Changes in other assets/liabilities	(6.093)	(2.102)
Payments of employee benefits	(491)	(401)
Changes in net working capital	**(24.486)**	**(30.312)**

MASSIMO ZANETTI
BEVERAGE GROUP

NET FINANCIAL DEBT

(in thousands of Euro)		As at September 30 2018	As at December 31 2017
A	Cash and cash equivalents	(717)	(803)
B	Cash at bank	(74,155)	(88,791)
C	Securities held for trading	-	-
D	**Liquidity (A+B+C)**	**(74,872)**	**(89,594)**
E	**Current financial receivables**	**(5,730)**	**(2,327)**
F	Current loans	54,072	53,014
G	Current portion of non-current loans	39,730	24,259
H	Other current financial payables	1,359	1,459
I	**Current indebtedness (F+G+H)**	**95,161**	**78,732**
J	**Net current indebtedness (I+E+D)**	**14,559**	**(13,189)**
K	Non-current medium/long-term loans	183,566	201,453
L	Issued bonds		-
M	Other non-current financial payables	2,877	2,692
N	**Non-current indebtedness (K+L+M)**	**186,443**	**204,145**
O	**Net financial indebtedness (J+N)**	**201,002**	**190,956**

CONSOLIDATED CONDENSED INTERIM INCOME STATEMENT

	Nine months ended September 30,	
(in thousands of Euro)	2018	2017
Revenue	654,048	708,514
Other income	5,055	5,376
Raw, ancillary, and consumable materials and goods	(368,246)	(416,457)
Purchases of services, leases and rentals	(128,839)	(134,908)
Personnel costs	(105,098)	(107,849)
Other operating costs	(4,414)	(5,175)
Amortization, depreciation and impairment	(28,830)	(29,698)
Operating profit	**23,676**	**19,803**
Finance income	230	205
Finance costs	(5,222)	(6,191)
Share of losses of companies accounted for using the equity method	(827)	(469)
Profit before tax	**17,857**	**13,348**
Income tax expense	(5,472)	(5,140)
Profit for the year	**12,385**	**8,208**
Profit attributable to:		
Non-controlling interests	*66*	*144*
Owners of the parent	*12,319*	*8,064*
Basic/diluted earnings per share (in Euro)	**0.36**	**0.24**

MASSIMO ZANETTI
BEVERAGE GROUP

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	As at September 30	As at December 31
(in thousands of Euro)	2018	2017
Intangible assets	182,009	183,231
Property, plant and equipment	211,355	212,830
Investment properties	4,799	4,887
Investments in joint ventures and associates	10,345	9,616
Non-current trade receivables	2,666	3,076
Deferred tax assets	12,091	10,244
Non-current contract assets	7,272	-
Other non-current assets	6,388	13,669
Total non-current assets	**436,925**	**437,553**
Inventories	139,410	127,997
Trade receivables	122,174	123,405
Income tax assets	4,225	1,975
Current contract assets	3,354	-
Other current assets	19,776	18,195
Cash and cash equivalents	74,872	89,594
Total current assets	**363,811**	**361,166**
Total assets	**800,736**	**798,719**
Share capital	34,300	34,300
Other reserves	98,615	98,162
Retained earnings	175,590	166,443
Total equity attributable to owners of the Parent	**308,505**	**298,905**
Non-controlling interests	1,830	1,977
Total equity	**310,335**	**300,882**
Non-current borrowings	186,443	204,145
Employee benefits	8,744	8,987
Other non-current provisions	3,066	2,986
Deferred tax liabilities	26,258	22,895
Non-current contract liabilities	467	-
Other non-current liabilities	2,153	3,047
Total non-current liabilities	**227,131**	**242,060**
Current borrowings	95,161	78,731
Trade payables	135,702	139,329
Income tax liabilities	1,679	1,433
Current contract liabilities	327	-
Other current liabilities	30,401	36,284
Total current liabilities	**263,270**	**255,777**
Total liabilities	**490,401**	**497,837**
Total equity and liabilities	**800,736**	**798,719**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW

	Nine months ended September 30,	
(in thousands of Euro)	2018	2017
Profit before tax	**17,857**	**13,348**
Adjustments for:		
Amortization, depreciation and impairment	28,830	29,698
Provisions for employee benefits and other charges	567	590
Net finance expense	4,992	5,986
Other non-monetary items	642	(157)
Net cash generated from operating activities before changes in net working capital	**52,888**	**49,465**
Changes in inventories	(9,622)	(17,445)
Changes in trade receivables	(2,824)	(11,520)
Changes in trade payables	(5,456)	1,156
Changes in other assets/liabilities	(6,093)	(348)
Payments of employee benefits	(491)	(401)
Interest paid	(4,506)	(5,309)
Income tax paid	(6,315)	(4,047)
Net cash generated from operating activities	**17,581**	**11,551**
Acquisition of subsidiary, net of cash acquired	-	(2,583)
Purchase of property, plant and equipment	(20,206)	(27,078)
Purchase of intangible assets	(1,262)	(656)
Proceeds from sale of property, plant and equipment	752	1,561
Proceeds from sale of intangible assets	25	6
Investments in joint ventures and associates	(1,200)	(840)
Changes in financial receivables	(3,215)	419
Interest received	94	69
Net cash used in investing activities	**(25,012)**	**(29,102)**
Proceeds from long-term borrowings	15,360	41,681
Repayment of long-term borrowings	(19,651)	(23,524)
Increase / (decrease) in short-term borrowings	2,190	15,259
Dividends paid	(5,898)	(5,305)
Net cash (used)/generated from financing activities	**(7,999)**	**28,111**
Exchange gains/(losses) on cash and cash equivalents	708	(843)
Net increase/(decrease) in cash and cash equivalents	**(14,722)**	**9,717**
Cash and cash equivalents at the beginning of the period	89,594	45,167
Cash and cash equivalents at the end of the period	**74,872**	**54,884**

IMPACTS FROM NEW ACCOUNTING STANDARDS

IFRS 15

Under IFRS 15, an entity shall account for consideration payable to a customer as a reduction of revenue unless the payment to the customer is in exchange for a distinct good or service received from the customer and measured at fair value. Therefore, as of January 1, 2018, the Group has reclassified this type of consideration from "purchases of services, leases and rentals" to a decrease in "revenue". The application of IFRS 15 have implied in the nine month ended September 30, 2018 a reclassification from "Purchase of services, leases and rentals" to "Revenues" of Euro 3,670 thousand.

	Nine months ended September 30, 2018		
(in thousands of Euro)	Reported Figures	Reclassification	Restated Figures
Foodservice	154,851	(229)	154,622
Mass Market	240,406	3,750	244,156
Private Label	215,513	149	215,662
Other	43,278		43,278
Total	**654,048**	**3,670**	**657,718**

	Nine months ended September 30, 2018		
(in thousands of Euro)	Reported Figures	Reclassification	Restated Figures
Americas	288,428		288,428
Northern Europe	133,053	(871)	132,182
Southern Europe	174,802	4,541	179,343
Asia-Pacific and Cafés	57,765		57,765
Total	**654,048**	**3,670**	**657,718**

Under IFRS 15, contract assets and liabilities shall be presented separately in the statement of financial position. Therefore, the Group has reclassified some contract assets and liabilities (e.g., the discounts granted to the Foodservice channel customers and advances from customers) which are currently included in "other current assets", "other non-current assets" and "other current liabilities" and "other non-current liabilities". For these assets and liabilities, it has been given separate evidence of those related to "contracts" with customers, as shown in the following table.

	As of September 30, 2018		
(in thousands of Euro)	Reported Figures	IFRS 15	Data without the impact of IFRS 15
Asset			
Current and non-current contract assets	10,626	(10,626)	-
Other current and non-current assets	26,164	10,626	36,790
Liabilities			
Current and non-current contract liabilities	794	(794)	-
Other current and non-current liabilities	32,554	794	33,348

IFRS 9

Under the new impairment model applicable to financial assets, the accruals to the allowance for impairment are based on expected losses rather than on the losses already incurred as set out in IAS 39.

The Group has applied the simplified approach envisaged by IFRS 9 to asses the recoverability of its own trade receivables.

As at September 30, 2018 have been confirmed the values of the "expected write-off rate" used in the calculation done for the first application.

As mentioned above, when reporting the impact from the first adoption of IFRS 9, the Group has used the "*modified retrospective method*". According to this method, the cumulated effects related to the implementation of the new standard are recorded in the "Retained Earnings" as at January 1, 2018, without presenting the comparative amounts, as shown in the following table:

(in thousands of Euro)	As of December 31	IFRS 9 effect	As of January First
	2017		2018
Asset			
Current and non current trade receivables	126,481	(3,791)	122,690
Deferred tax assets and liabilities	10,244	821	11,065
Liabilities			
Retained earnings	166,443	(2,953)	163,490
Equity attributable to non-controlling interests	1,977	(17)	1,960

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