Notes to the Cash Flow Statement

43. Notes to the Cash Flow Statement

Free Cash Flow

The balance of the cash inflow from operating activities and the cash outflow from investing activities makes up the free cash flow. This indicates what cash resources are available for dividend distribution or the redemption of existing loans. The free cash flow increased from € 65,127 thousand in the previous year to € 185,639 thousand, due to both higher cash flow from operating activities and lower cash flow from investing activities. The increase in operating cash flow stemmed from higher EBIT, a rise in provisions, growth in trade liabilities and other equity and liabilities, and lower tax payments. An increase in trade receivables had an offsetting effect. The cash flow from investing activities changed because lower payments were made for investments in property, plant and equipment and proceeds from short-term deposits were higher.

Financial Funds

Financial funds include cash in hand and bank balances with a remaining term of up to three months and receivables and liabilities relating to HGV. Receivables from HGV are overnight deposits available on demand. They are recognised at nominal value.

Financial Funds

in € thousand	31.12.2016	31.12.2015
Cash and cash equivalents with a maturity up to 3 months	12,869	57,965
Short-term deposits with a maturity of 4–12 months	18,795	73,050
Bank balances and cash in hand	145,528	63,550
Cash, cash equivalents and short-term deposits	177,192	194,565
Receivables from HGV	74,000	43,900
Short-term deposits with a maturity of 4–12 months	- 18,795	- 73,050
Financial funds at the end of the period	232,397	165,415