

d) Capital management
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The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its operations and maximize shareholder value.

The Group manages its capital structure conservatively with the leverage ratio, as this is shown from the relationship between total liabilities and total equity as well as net debt and profit before interest, taxes, depreciation, amortization and impairment.

Titan's policy is to maintain leverage ratios in line with an investment grade profile.

The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

| (all amounts in Euro thousands) | Group | | Company | |
|--|------------------|------------------|----------------|----------------|
| | 2017 | 2016 | 2017 | 2016 |
| Long term borrowings (note 24) | 820,382 | 710,965 | 379,218 | 310,678 |
| Short term borrowings (note 24) | 56,825 | 129,499 | 32 | 42,442 |
| Debt | 877,207 | 840,464 | 379,250 | 353,120 |
| Less: cash and cash equivalents (note 21) | 154,247 | 179,710 | 29,323 | 11,218 |
| Net Debt | 722,960 | 660,754 | 349,927 | 341,902 |
| Profit before interest, taxes, depreciation, amortization and impairment. | 273,441 | 278,599 | 14,804 | 30,086 |
| Total liabilities | 1,225,795 | 1,236,961 | 470,726 | 439,968 |
| Total equity | 1,369,672 | 1,552,816 | 744,132 | 827,269 |