

33. Financial risk management objectives and policies

d) Capital management

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	
	2016	2015	2016	2015
Long term borrowings (note 24)	710,965	716,766	310,678	300,712
Short term borrowings (note 24)	129,499	26,313	42,442	9,324
Debt	840,464	743,079	353,120	310,036
Less: cash and cash equivalents (note 21)	179,710	121,733	11,218	8,626
Net Debt	660,754	621,346	341,902	301,410
Profit before interest, taxes, depreciation, amortization and impairment,	278,599	216,422	30,086	43,768
Total liabilities	1,236,961	1,243,462	439,968	387,754
Total equity	1,552,816	1,705,285	827,269	860,544