# Annual Financial Report 2014

Be

Think, Solve, Execute

# Annual Financial Report 2014

(TRANSLATION FROM ITALIAN ORIGINAL WHICH REMAINS THE DEFINITIVE VERSION)

# Contents

Think, Solve, Execute

# 2014 Management Report

Registered office:
Viale dell'Esperanto 71 - Rome
Share capital:
€ 27,109,164.85, fully paid up
Rome Register of Companies
Tax code and VAT number 01483450209

# 1. Corporate Bodies

### Board of Directors

| | |
|---|---|
| - **Antonio Taverna** | *Chairman* |
| - **Stefano Achermann** | *Chief Executive Officer* |
| - **Carlo Achermann** | *Director* |
| - **Claudio Berretti** | *Director* |
| - **Anna Lambiase** | *Director* |
| - **Bernardo Attolico** | *Director* |
| - **Anna Zattoni** | *Independent Director* |
| - **Cristina Spagna** | *Independent Director* |
| - **Umberto Quilici** | *Independent Director* |

*The Board of Directors was appointed by the Shareholders' Meeting of 12 June 2014 and will remain in office until the date of approval of the financial statements at 31 December 2016.*

### Board of Statutory Auditors

| | |
|---|---|
| - **Stefano De Angelis** | *Chairman* |
| - **Daniele Girelli** | *Standing Auditor* |
| - **Andrea Mariani** | *Standing Auditor* |
| - **Barbara Cavalieri** | *Alternate Auditor* |
| - **Susanna Russo** | *Alternate Auditor* |

*The Board of Statutory Auditors was appointed by the Shareholders' Meeting of 10 May 2012 for 3 years, with term of office expiring on approval of the financial statements at 31 December 2014.*

### Control and Risk Committee

| | |
|---|---|
| - **Umberto Quilici** | *Independent Chairman* |
| - **Bernardo Attolico** | *Member* |
| - **Anna Zattoni** | *Independent Member* |

*The Control and Risk Committee was appointed by Board of Directors' resolution on 18 June 2014 for 3 years, expiring on approval of the financial statements at 31 December 2016.*

### Remuneration and Appointments Committee

| | |
|---|---|
| - **Cristina Spagna** | *Independent Chairman* |
| - **Claudio Berretti** | *Member* |
| - **Umberto Quilici** | *Independent Member* |

*The Remuneration and Appointments Committee was appointed by Board of Directors' resolution on 18 June 2014 for 3 years, expiring on approval of the financial statements at 31 December 2016.*

### Independent Auditors

- **Deloitte & Touche S.p.A.**

*The independent auditors received their assignment at the Shareholders' Meeting of 10 May 2012*

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## 2. Summary income statement and statement of financial position

*(amounts in EUR millions)*

### Key profitability indicators

| | 2014 | 2013 |
|---|---|---|
| Value of production | 98.5 | 82.5 |
| EBITDA | 12.9 | 11.2 |
| EBIT | 6.1 | 4.3 |
| Profit (loss) before tax | 3.8 | 1.9 |
| Net profit (loss) | 1.0 | 0.4 |

### Key equity and financial indicators

| | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Group Shareholders' Equity | 45.7 | 45.6 |
| Net Invested Capital | 63.2 | 65.4 |
| Net Operating Working Capital (NOWC) | 10.7 | 10.5 |
| Net Financial Position (D+E+F) | (17.0) | (19.5) |

### Value of production by operating segment

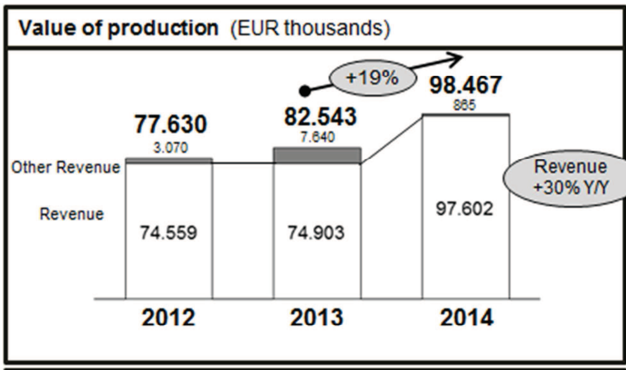
| | 2014 | 2013 |
|---|---|---|
| Business Consulting | 61.1 | 41.6 |
| ICT Solutions | 34.4 | 36.8 |
| ICT Professional Services | 3.0 | 3.4 |
| Other | 0.0 | 0.7 |
| **TOTAL** | **98.5** | **82.5** |

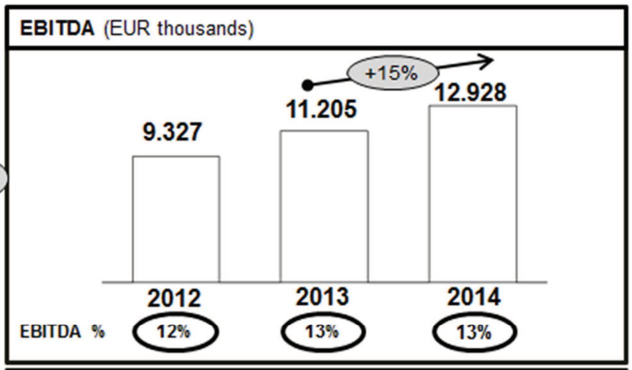
### Value of production by customer type

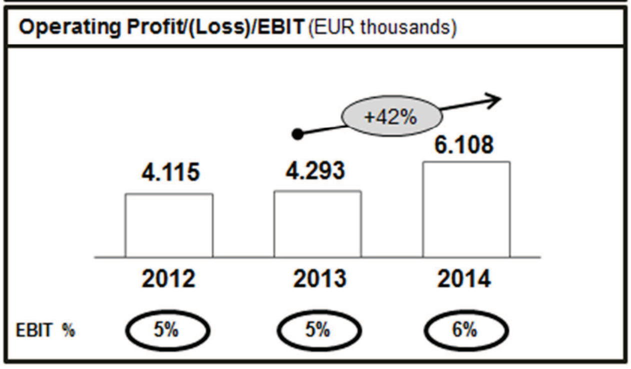
| | 2014 | 2013 |
|---|---|---|
| Banks | 73.0 | 54.5 |
| Insurance | 15.1 | 15.7 |
| Industry | 10.1 | 11.2 |
| Public Administration | 0.1 | 0.5 |
| Other | 0.2 | 0.6 |
| **TOTAL** | **98.5** | **82.5** |

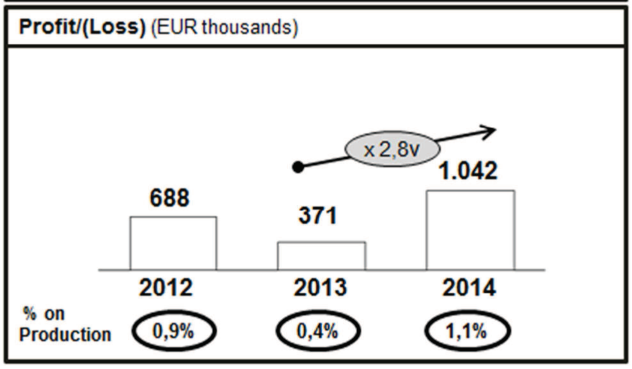
### Group Headcount

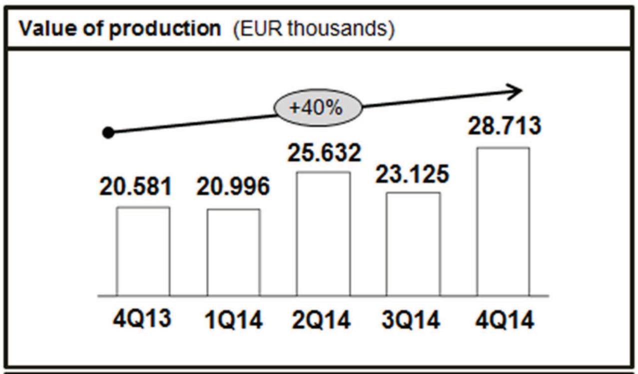
| | 31.12.2014 | 31.12.2013 |
|---|---|---|
| Executives | 95 | 76 |
| Middle Managers | 103 | 87 |
| White collar | 792 | 699 |
| Blue collar | 3 | 3 |
| Apprentices | 12 | 9 |
| **TOTAL** | **1,005** | **874** |

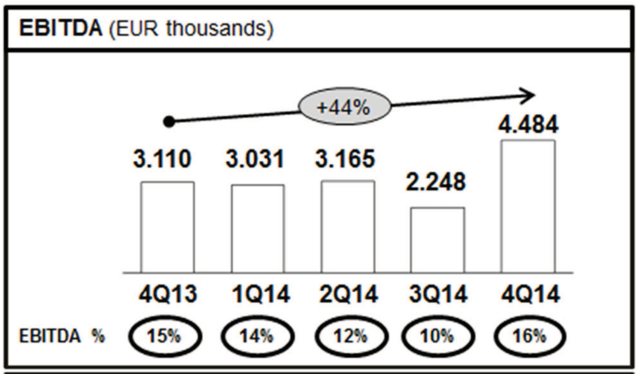

Value of production (EUR thousands)
+19%
77.630
3.070
82.543
7.640
98.467
865
Other Revenue
Revenue
74.559
74.903
97.602
Revenue +30% Y/Y
2012
2013
2014

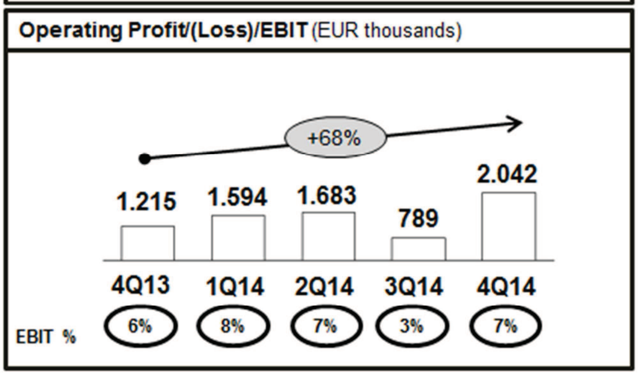

EBITDA (EUR thousands)
+15%
9.327
11.205
12.928
2012
2013
2014
EBITDA %
12%
13%
13%

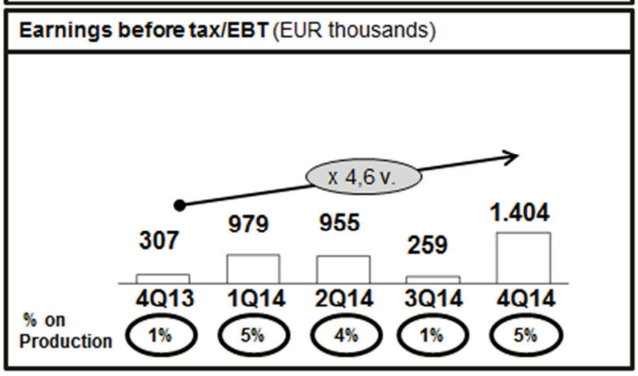

Operating Profit/(Loss)/EBIT (EUR thousands)
+42%
4.115
4.293
6.108
2012
2013
2014
EBIT %
5%
5%
6%


Profit/(Loss) (EUR thousands)
x 2,8v
688
371
1.042
2012
2013
2014
% on Production
0,9%
0,4%
1,1%


Value of production (EUR thousands)
+40%
20.581
20.996
25.632
23.125
28.713
4Q13
1Q14
2Q14
3Q14
4Q14


EBITDA (EUR thousands)
+44%
3.110
3.031
3.165
2.248
4.484
4Q13
1Q14
2Q14
3Q14
4Q14
EBITDA %
15%
14%
12%
10%
16%


Operating Profit/(Loss)/EBIT (EUR thousands)
+68%
1.215
1.594
1.683
789
2.042
4Q13
1Q14
2Q14
3Q14
4Q14
EBIT %
6%
8%
7%
3%
7%


Earnings before tax/EBT (EUR thousands)
x 4,6 v.
307
979
955
259
1.404
4Q13
1Q14
2Q14
3Q14
4Q14
% on Production
1%
5%
4%
1%
5%

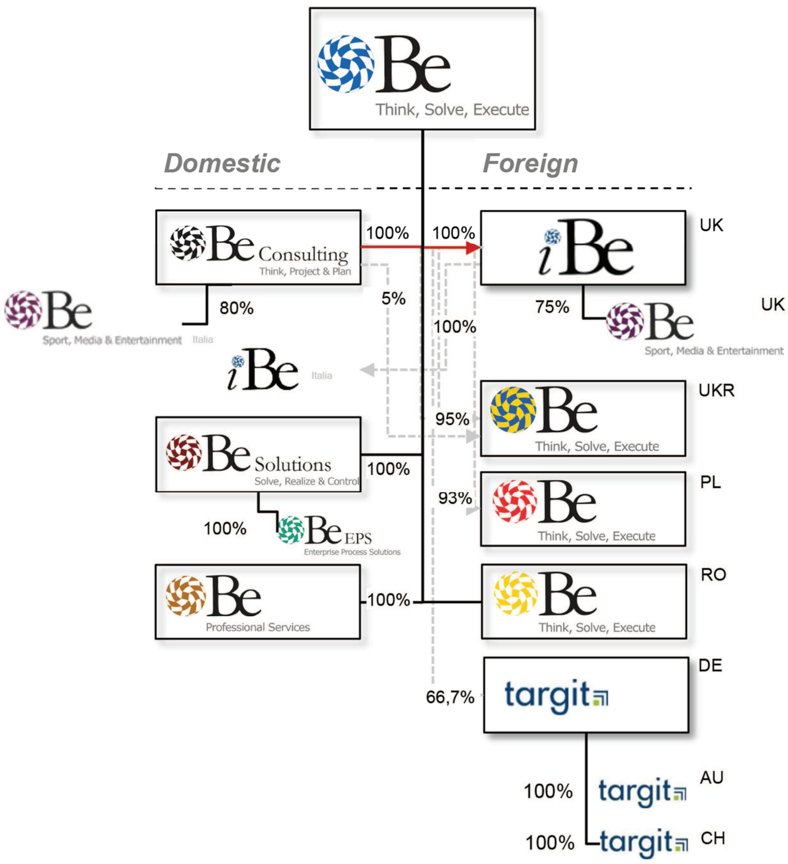
# 3. Group Structure and Shareholders

**The Be Group** is one of the leading Italian players in the IT Consulting sector. The Group provides Business Consulting, Information Technology and Professional services. A combination of specialist skills, advanced proprietary technologies and a wealth of experience enable the Group to work with leading financial and insurance institutions and Italian industry to improve their competitive capacity and their potential to create value. With around 1,000 employees and branches in Italy, Germany, United Kingdom, Switzerland, Austria, Poland, the Ukraine and Romania, in 2014 the Group recorded a total value of production of Euro 98.5 million.

**Be S.p.A.**, listed in the Segment for High Requirement Shares (STAR) of the Electronic Share Market (MTA), performs management and coordination activities for the Group companies pursuant to art. 2497 et seq. of the Italian Civil Code, through control and coordination of operating, strategic and financial decisions of the subsidiaries and through management and control of reporting flows in readiness for preparation of both annual and interim accounting documents.

The following chart shows the Group structure at 31 December 2014:

- Data Holding 2007 S.r.l. 33,43%
- Gruppo Intesa San Paolo 20,71%
- Achermann Carlo 2,96%
- Achermann Stefano 5,76%
- Altri azionisti <2% 37,14%




*(*) The above chart does not include the subsidiary A&B S.p.A., 95% owned by the Parent Company Be S.p.A. and the remaining 5% by private shareholders. This company provided services for local public administration and is currently inactive. It also does not include To See S.r.l., wholly owned by Be Consulting S.p.A.*

At 31 December 2014 the number of shares outstanding totalled 134,897,272, and the shareholding structure - as indicated in disclosures pursuant to art. 120 of the "Consolidated Law on Finance" (TUF) and in relation to notices received in accordance with internal dealing regulations - was as follows:

**Shareholders**

| | Nationality | No. of shares | % Ordinary capital |
|---|---|---|---|
| Data Holding 2007 S.r.l. | Italian | 45,101,490 | 33.43 |
| - *Imi Investimenti* | *Italian* | *27,910,342* | *20.69* |
| - *Intesa Sanpaolo* | *Italian* | *29,918* | *0.02* |
| - *Cassa di Risparmio del Veneto* | *Italian* | *2,400* | *0.00* |
| - *Cassa di Risparmio di Forlì e della Romagna* | *Italian* | *200* | *0.00* |
| Intesa Sanpaolo Group | Italian | 27,942,860 | 20.71 |
| Stefano Achermann | Italian | 7,771,132 | 5.76 |
| Carlo Achermann | Italian | 3,993,108 | 2.96 |
| **Float** | | **50,088,682** | **37.14** |
| **Total** | | **134,897,272** | **100.00** |

Note that Data Holding 2007 S.r.l., with a 33.43% interest in the share capital, exercises working control over Be S.p.A. pursuant to art. 93 of the Consolidated Law on Finance.

## 4. Business Model and operating segments

"Be" is a Group specialising in the IT Consulting segment of the Financial Services sector. The organisation is divided by design into different specialisations: Business Consulting, ICT Solutions and platforms, and ICT Professional Services.

## I. BUSINESS CONSULTING

The business consulting segment focuses on the capacity to support the financial services industry in implementing business strategies and/or creating important plans for change. Its specialist skills are in constant development in the areas of payment systems, planning & control methods, regulatory compliance, information gathering and corporate governance systems for financial processes and asset management.

| | |
|---|---|
| *No. of employees* | 408 employees at 31 December 2014. |
| *Core business* | Banking, Insurance. |
| *Segment revenue at 31 December 2014* | Euro 60.8 million |
| *Operating units* | Rome, Milan, London, Kiev, Warsaw, Munich, Vienna, Zurich. |

The Group's Business Consulting segment operates through the following subsidiaries:

- **Be Consulting S.p.A.** Established in 2008, the company operates in the sector of management consulting for Financial Institutions. Its aim is to provide support to the Systemically Important Financial Institutions (SIFIs) in creating value, with a particular focus on changes that affect business, the IT platforms and corporate processes. Be Think, Solve, Execute is the 100% owner of Be Consulting's share capital;
- **iBe TSE Limited.** Based in London, this company operates on the UK and European market, focusing on financial services consulting, with a customer base with high profiles on the UK and international markets. It specialises in the banking and financial sectors, particularly providing support in the field of innovation and payment services. Since 2012, Be Consulting has been 100% owner of the company's share capital. In 2014, the company changed its name from the previous Bluerock Consulting Ltd.
- **Be Ukraine LLC.** Established in Kiev in December 2012, this company is 95% owned by iBe TSE Limited and 5% by Be Consulting S.p.a.. It performs consulting and development activities for core banking systems and in the areas of accounting and bank reporting.
- **Be Poland Think, Solve and Execute, sp zo.o.** Established in Warsaw in January 2013, this company is 93% owned by iBe TSE Limited and 7% by its own management.
- **Targit Group**. This Group specialises in ICT consulting services, primarily on the German and Austrian markets and operating through its Parent Company Munich-based Targit Gmbh and the two 100% subsidiaries Targit GmbH Wien with offices in Vienna and Targitfs AG based in Zurich. At 31 December 2014 iBe TSE Limited controlled the Group with a 66.67% interest.
- **Be Sport, Media & Entertainment Ltd.** Established in August 2014 and based in London, this company is 75% owned by iBe TSE Limited, and provides data analysis and enhancement services, loyalty programmes, digital distribution of proprietary content and the transformation of sports venues and large museums into cashless operations.
- **Be Sport, Media & Entertainment S.p.A.** Established in November 2014 and based in Rome, this company is 80% owned by Be Consulting S.p.A., and provides services in the area of loyalty programmes, digital distribution of proprietary content, the transformation of sports venues into cashless operations and the purchase and sale of television rights.

## II. ICT SOLUTIONS

The ICT Solutions segment is able to bring together business skills and technology solutions, products and platforms, creating theme-based business lines also as part of highly specialised segment-leading applications;

| | |
|---|---|
| *No. of employees* | 429 employees at 31 December 2014. |
| *Core Businesses* | Banking, Insurance, Energy and Public Administration. |
| *Segment revenue at 31 December 2014* | Euro 34.2 million. |
| *Operating units* | Rome, Milan, Turin, Spoleto, Pontinia, Bucharest. |

The Be Group operates in the ICT Solutions segment through the following subsidiaries:

- **Be Solutions S.p.A.**, which aims to offer specialised system integration services for proprietary products/platforms or those of third-party market leaders. In recent years special skills have been developed in corporate control and governance systems, in the insurance sector, the management of multi-channel systems and billing systems for the utilities segment. Cooperation agreements and partnerships are currently in place with a number of the major players in the ICT industry (Oracle, Microsoft, IBM). The partnerships regard: retailing of catalogue software products, access to training courses and HR certification, as well as professional training on the main product developments in the sector of the two providers. Be Solutions is 100% owner of Be Enterprise Process Solutions S.p.A.

- **Be Enterprise Process Solutions S.p.A.**, a company dedicated to the development of services, solutions and platforms in the BPO/DMO area with the aim of implementing/managing:
  - Business Process Outsourcing (BPO) activities through the use of technology solutions and input from specialist resources (e.g. management of incoming and outgoing correspondence or the management of sector-specific processes);
  - Value Added Services, i.e. innovative solutions to solve specific problems through new service models that are mainly outsourced.
- **Be Think Solve Execute RO S.r.l.**, established in July 2014 and based in Bucharest. The company develops the Group's "near shoring" operations involving high complexity projects in the System Integration segment.

## III. ICT PROFESSIONAL SERVICES

A pool of resources specialised in languages and technology, able to lend its professionalism to supporting critical systems or wide-scale technology upgrade plans.

| | |
|---|---|
| *No. of employees* | 139 employees at 31 December 2014. |
| *Core Businesses* | Banking, Industry and Public Administration. |
| *Segment revenue at 31 December 2014* | Euro 2.7 million. |
| *Operating units* | Rome, Milan, Turin. |
| *Other non-operating companies* | A&B S.p.A.. |

**Be Professional Services S.p.A.** gathers together the group's expertise in the most common development languages. The aim is to be involved in major developments for the leading financial institutions, providing highly-specialised professional resources.

# 5. Events involving the Group in 2014

### Important resolutions of the Shareholders' Meeting

On 29 April 2014, the Shareholders' Meeting approved the Consolidated Financial Statements and the Parent Company Financial Statements for the year ending 31 December 2013, resolving to allocate Euro 1,024,407 of the profit for the year as Euro 51,220 to the Legal Reserve and the remaining Euro 973,187 to the Extraordinary Reserve.

The Board of Directors, at a meeting held on the same date, unanimously resolved to convene an ordinary and extraordinary session of the Shareholders' Meeting, in order to change article 15 of the articles of association regarding the composition and election of members of the management body. The Board of

Directors had decided to make this amendment, given certain findings and doubts raised by Consob on the correct interpretation of the current wording of the articles of association and its application at the time of appointment of the current Board, and particularly to provide the Company with rules for the appointment of a Board of Directors that encourage the appointment of a board comprised of an adequate number of independent directors, in line with the recommendations of the Corporate Governance Code issued by Borsa Italiana S.p.A., continuing to ensure the presence of an adequate number of executive directors.

During the board meeting, all directors also considered it appropriate to resign from their respective offices to allow shareholders to immediately appoint a new Board of Directors in line with the new statutory rules. The effectiveness of these resignations was, however, subject to approval by the Be Shareholders' Meeting of the proposed amendments to article 15 of the articles of association.

On 12 June 2014, the Shareholders' Meeting of Be met in ordinary and extraordinary session.

During the extraordinary session, the Shareholders resolved to change article 15 of the articles of association regarding the election and composition of the Company's Board of Directors; following the approval of the Shareholders' Meeting, the resignation of the entire Board of Directors, submitted on 29 April, became effective.

Subsequently, the ordinary session of the Shareholders' Meeting resolved to establish the number of Board members as 9, appointing the following as members until the date of approval of the financial statements for the year ending 31 December 2016: Antonio Taverna, Stefano Achermann, Carlo Achermann, Claudio Berretti, Cristina Spagna, Anna Zattoni, Anna Lambiase, Umberto Quilici and Bernardo Attolico.

The independent board directors, Cristina Spagna, Anna Zattoni and Umberto Quilici, stated that they met the requirements of independence envisaged by article 148, paragraph 3, of Italian legislative Decree no. 58 dated 24 February 1998, and by article 3 of the Code of Self Regulation for listed companies adopted by the committee for corporate governance of Borsa Italiana S.p.A..

## STAR

On 11 July, the Company announced that Borsa Italiana had admitted its ordinary shares to the STAR segment. From 21 July 2014, Be's ordinary shares have been traded in the Segment for High Requirement Shares (STAR) of the Electronic Share Market (MTA) organised and managed by Borsa Italiana. The STAR segment includes medium sized companies capitalised from Euro 40 million to Euro 1 billion, which undertake to comply with standards of excellence in terms of: high transparency and a vocation for communication, high liquidity (minimum float of 35%) and Corporate Governance aligned with international standards.

## Relevant events to business development

On 14 January 2014, Be signed a letter of intent for the acquisition of "Targit GmbH", a company specialising in ICT consulting services in the Austrian and German markets. The letter of intent evolved into the acquisition of 66.67% of the company's shares on 11 March 2014, confirming the strategy to consolidate business in the European market. Targit GmbH, based in Munich, which in turn holds 100% of the share capital of Targit GmbH based in Vienna, and 100% of the share capital of Targit AG based in Zurich. With regard to the 66.67% purchased, the Company paid Euro 1.6 million at the time of closing and the second tranche of Euro 1.4 million was paid in 2014. For further details on the amounts of the transactions, please refer to paragraph 2.13 "Business Combinations" in the Consolidated Financial Statements.

On 19 July, the company decided to establish "Be Romania Think Solve Execute" based in Bucharest, Romania, following the award to Be of an important contract by a leading multinational Bank. This contract, worth more than Euro 4.0 million, envisages development centres located in Austria and Romania. The company will have the task of developing the Group's "near shoring" operations involving high complexity projects in the System Integration area.

On 21 July, the Be Group announced the launch of a new "Digital" focused business line through the creation of a hub of specialised companies in the main countries in which it is present. The initiative aims to concentrate and add to the experience and professionalism which already exists within the Group, in order to speed up the process of growth and value creation in support of major European financial institutions. The new hub will feature skills in the sectors of marketing, advanced analytics, big data, mobility, social and cashless experience. The integration of assets, professional resources and intellectual capital into a single competency centre aims to enhance the individual areas of specialisation and offer a coherent approach to the "digital" sphere, in all areas in which the Group operates.

On 27 August, the Be Group announced its entrance into the sphere of consulting for companies operating in the sports, arts and entertainment segment, through its subsidiary Be Sport, Media & Entertainment LTD, established in London in August 2014. The company will provide data analysis and enhancement services, loyalty programmes, digital distribution of proprietary content and the transformation of sports venues and large museums into cashless operations. It will also be involved in brand enhancement and attracting investment to sponsorships.

On 29 September 2014, To See S.r.l. sold its business unit involved in the development and marketing of software products and solutions for fraud management and risk consulting to Bluerock Consulting Ltd, (now iBe Think Solve Execute Ltd), both wholly owned by Be Consulting S.p.A. The sale became effective on 1 October 2014.

Subsequently, on 18 November 2014, Be announced the launch of iBe Think Solve Execute Ltd (iBe for short), which brings together specialised professional skills in the digital economy under a single brand: marketing, *big data*,, social, product redesign, evolved operations, mobile business management and payment systems. iBe, created from the combination of Bluerock Consulting Ltd and 2C_To See srl, Group subsidiaries, aims to be a hub of professional excellence, supporting companies that are investing in their transformation to the digital sphere.

Be Sport, Media & Entertainment S.p.A. was also established in November, and provides services in the area of loyalty programmes, digital distribution of proprietary content, the transformation of sports venues into cashless operations and the purchase and sale of television rights.

## 6. Analysis of economic, financial and equity data

Following the entry into force of (EC) Regulation no. 1606/2002 issued by the European Parliament and the European Council in July 2002 and of Italian Legislative Decree 38/2005, the consolidated and separate financial statements to which we refer, have been prepared in accordance with international accounting standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Community.

According to the faculties envisaged by Italian Legislative Decree no. 32 of 2 February 2007, the Management Report of the 2014 Annual Financial Statements must include, as in the previous year, information on both the consolidated financial statements and the financial statements of the Parent Company Be S.p.A.

One of the main indicators adopted to assess the economic and financial performance of the Group is the Gross Operating Margin, or Earnings before Interests, Taxes, Depreciation & Amortization (EBITDA) - an indicator not envisaged by the IFRS (Communication CERS/05-178b).

## 6.1 Group economic performance

The **Value of Production** amounted to Euro 98.5 million, compared to Euro 82.5 million in 2013.

**Operating revenue** was Euro 97.6 million, up 30.3% compared to 2013 (Euro 74.9 million).

This significant improvement is attributable to the Business Consulting segment, which recorded, also due to the acquisition of the Targit Group, a revenue of Euro 60.8 million (+69.8% compared to 2013). The revenue recorded by foreign subsidiaries amounted to Euro 18.9 million, up 64.7% compared to 2013 (Euro 9.6 million).

At 31 December 2014, operating costs increased by around Euro 14.2 million (+19.9%), mainly due to the acquisition of the Targit Group and in particular:

- service costs at 31 December 2014 increased compared to the previous year by around Euro 6.3 million (+21.8%);
- personnel costs increased compared to last year by around Euro 8.7 million (+20.9%);
- other costs decreased significantly by around Euro 1.0 million compared to 31 December 2013 (-36.4%), which had included the accounting effect of non-recurring charges;
- the capitalisation of costs, mainly personnel-related, incurred at 31 December 2014 on software platform development projects amounted to Euro 1.6 million, down Euro 0.3 million on the same period last year (-16.7%). Note that the cost of internal work capitalised, previously included among "Other revenue", has been reclassified in this Income Statement as a reduction of the operating costs to which it refers.

The gross operating margin (**EBITDA**) was Euro 12.9 million, up 15.4% compared to 2013 (Euro 11.2 million). The EBITDA Margin stood at 13.1% (13.6% in 2013).

Amortisation and depreciation were Euro 6.0 million, substantially in line with last year. Allocations and write-downs amounted to Euro 0.8 million, against Euro 1.0 million last year.

Operating profit (loss) (**EBIT**) was Euro 6.1 million, up 42.3% compared to 2013 (Euro 4.3 million). The EBIT Margin stood at 6.2%, an improvement on 5.2% in 2013.

Profit (loss) before tax from continuing operations was Euro 3.8 million, up 98.7% compared to Euro 1.9 million recorded in 2013.

Taxes for 2014 amounted to Euro 2.6 million, compared to Euro 1.5 million last year.

Net profit was Euro 1.0 million, against as profit of around Euro 0.4 million in 2013.

Net financial indebtedness was Euro 17.0 million, showing a decided and continuing improvement on the Euro 19.5 million recorded at 31 December 2013.

The results of discontinued operations are stated in a single item "Net profit (loss) from discontinued operations".

At 31 December 2014, discontinued operations had no impact on the income statement, therefore the costs and revenue recognised in the consolidated income statement refer solely to "continuing operations".

The Consolidated Income Statement is shown below, restated at 31 December 2014, and is compared to the amounts of the previous year.

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**Restated Consolidated Income Statement**

| *Amounts in EUR thousands* | **2014** | **2013** | **Δ** | **Δ (%)** |
|---|---|---|---|---|
| Operating revenue | 97,602 | 74,903 | 22,700 | 30.3% |
| Other operating revenue and income | 865 | 7,640 | (6,775) | (88.7%) |
| **Value of production** | **98,467** | **82,543** | **15,924** | **19.3%** |
| Cost of raw materials and consumables | (281) | (363) | 82 | (22.6%) |
| Cost of services and use of third-party assets | (34,994) | (28,741) | (6,253) | 21.8% |
| Personnel costs | (50,271) | (41,587) | (8,685) | 20.9% |
| Other costs | (1,553) | (2,520) | 967 | (38.4%) |
| Internal capitalisations | 1,560 | 1,873 | (313) | (16.7%) |
| **Gross Operating Margin (EBITDA)** | **12,928** | **11,205** | **1,722** | **15.4%** |
| Amortisation/Depreciation | (6,015) | (5,952) | (63) | 1.1% |
| Write-downs and provisions | (805) | (961) | 156 | (16.2%) |
| **Operating Profit (loss) (EBIT)** | **6,108** | **4,293** | **1,816** | **42.3%** |
| Net financial income and expense | (2,295) | (2,378) | 83 | (3.5%) |
| Value adjustments to financial assets | (8) | 0 | (8) | n.a. |
| **Net profit (loss) before tax from continuing operations** | **3,805** | **1,915** | **1,890** | **98.7%** |
| Taxes | (2,556) | (1,527) | (1,029) | 67.4% |
| **Net profit (loss) from continuing operations** | **1,249** | **388** | **861** | **n.a** |
| **Net profit (loss) from discontinued operations** | **0** | **0** | **0** | **n.a.** |
| **Consolidated net profit (loss)** | **1,249** | **388** | **861** | **n.a** |
| Net profit (loss) attributable to minority interests | 207 | 16 | 190 | n.a. |
| **Group net profit (loss)** | **1,042** | **371** | **671** | **n.a** |

The breakdown of the Value of Production by operating segment is provided below:

**Value of Production by operating segment**

| *(amounts in EUR millions)* | **2014** | **%** | **2013** | **Δ** | **Δ (%)** |
|---|---|---|---|---|---|
| Business Consulting | 61.1 | 62.0% | 41.6 | 50.4% | 46.7% |
| ICT Solutions | 34.4 | 34.9% | 36.8 | 44.6% | (6.6%) |
| ICT Professional Services | 3.0 | 3.1% | 3.4 | 4.1% | (12.6%) |
| Other | 0.0 | 0.0% | 0.7 | 0.9% | (95.2%) |
| **TOTAL** | **98.5** | **100.0%** | **82.5** | **100.0%** | **19.3%** |

An analysis of the breakdown of the Value of Production by operating segment shows the following:

- in the Consulting segment, the increase in revenue recorded in 2014 benefits from the portion of revenue deriving from acquisition of the Targit Group, the increase in revenue of Be Consulting net of non-recurring income of Euro 5.5 million recorded in 2013 and the considerable increase in the turnover volumes of foreign companies.

- ICT activities as a whole recorded a 19.2% drop in revenue, mainly due to the reduction of the Document Management portfolio.

The breakdown of the Value of Production by customer type is also provided below:

**Value of Production by customer type**

| *(amounts in EUR millions)* | **2014** | **%** | **2013** | **Δ** | **Δ(%)** |
|---|---|---|---|---|---|
| Banks | 73.0 | 74.1% | 54.5 | 66.1% | 33.7% |
| Insurance | 15.1 | 15.3% | 15.7 | 19.0% | (4.4%) |
| Industry | 10.1 | 10.3% | 11.2 | 13.6% | (9.6%) |
| Public Administration | 0.1 | 0.1% | 0.5 | 0.6% | (70.1%) |
| Other | 0.2 | 0.2% | 0.6 | 0.7% | (62.0%) |
| **TOTAL** | **98.5** | **100.0%** | **82.5** | **100.0%** | **19.3%** |

## 6.2 Breakdown of Group equity and financial positions

A summary Consolidated Statement of Financial Position at 31 December 2014 is shown below, compared to the same statement at 31 December 2013.

**Restated Statement of Financial Position**

| *Amounts in EUR thousands* | **31.12.2014** | **31.12.2013** | **Δ** | **Δ(%)** |
|---|---|---|---|---|
| Non-current assets | 80,538 | 82,344 | (1,806) | (2.2%) |
| Current assets | 22,396 | 20,636 | 1,760 | 9% |
| Non-current liabilities | (14,230) | (11,101) | (3,129) | 28.2% |
| Current liabilities | (25,554) | (26,510) | 956 | (3.6%) |
| **Net Invested Capital** | **63,150** | **65,369** | **(2,219)** | **(3.4%)** |
| **Shareholders' equity** | **46,185** | **45,869** | **316** | **0.7%** |
| **Net Financial Position** | **16,965** | **19,500** | **(2,535)** | **(13.0%)** |

Non-current assets are represented by goodwill (Euro 53.0 million), recognised at the time of business combinations, intangible assets (Euro 19.2 million) mostly relating to software, deferred tax assets (Euro 5.6 million), technical fixed assets (Euro 1.4 million) and receivables and other non-current assets (Euro 1.2 million).

Current assets recorded a rise of Euro 1.8 million compared to the previous year due mainly to the rise in trade receivables resulting from the acquisition of the Targit Group and from the increase in other receivables, mostly related to receivables due from social security organisations.

Non-current liabilities mostly refer to payables for post-employment benefits (TFR) of Euro 6.1 million, deferred tax liabilities of Euro 4.4 million and provisions for risks and charges of Euro 1.3 million, plus other liabilities of Euro 2.3 million, of which Euro 1.6 million refers to the remaining share of the discounted price for the future acquisition of minority interest in the Targit Group.

Current liabilities - mostly comprised of trade payables of Euro 8.4 million and other liabilities, including advances and payables for indirect taxes totalling Euro 17.1 million - recorded a fall of Euro 1.0 million. This decrease was mainly due to the partial repayment of the advances received during the previous year from customers for consulting services.

Consolidated net equity was Euro 46.2 million, increasing Euro 0.3 million compared to the previous year.

The breakdown of Net working capital is shown below; for details and related comments on individual items, reference should be made to the description in the Notes to the Consolidated Financial Statements.

| *Amounts in EUR thousands* | 31.12.2014 | 31.12.2013 | Δ | Δ(%) |
|---|---|---|---|---|
| Inventories | 265 | 179 | 86 | 47.9% |
| Trade receivables | 18,885 | 18,447 | 438 | 2.4% |
| Trade payables | (8,417) | (8,148) | (269) | 3.3% |
| **Net Operating Working Capital (NOWC)** | **10,733** | **10,478** | **255** | **2.4%** |
| Other short-term receivables | 3,246 | 2,010 | 1,236 | 61.5% |
| Other current liabilities | (17,137) | (18,362) | 1,225 | (6.7%) |
| **Net Working Capital (NWC)** | **(3,158)** | **(5,874)** | **2,716** | **n.a** |

The net financial position at 31 December 2014 was Euro 17.0 million, and showed an improvement of Euro 2.5 million with respect to last year, due to the combined effect of a decrease in current indebtedness of Euro 3.0 million, against an increase of Euro 0.5 million in long-term indebtedness.

## Consolidated net financial position

| | *Amounts in EUR thousands* | 31.12.2014 | 31.12.2013 | Δ | Δ(%) |
|---|---|---|---|---|---|
| | Cash and cash equivalents at bank | 8,521 | 6,348 | 2,173 | 34.2% |
| **A** | **Cash and cash equivalents** | **8,521** | **6,348** | **2,173** | **34.2%** |
| **B** | **Current financial receivables** | **404** | **2,712** | **(2,308)** | **(85.1%)** |
| | Current bank payables | (7,854) | (10,764) | 2,910 | (27.0%) |
| | Current share of medium/long-term indebtedness | (5,987) | (5,635) | (352) | 6.3% |
| | Other current financial payables | (380) | (1,037) | 657 | (63.4%) |
| **C** | **Current financial indebtedness** | **(14,221)** | **(17,436)** | **3,215** | **(18.4%)** |
| **D** | **Net current financial indebtedness (A+B+C)** | **(5,296)** | **(8,376)** | **3,080** | **(36.8%)** |
| | Non-current bank payables | (11,669) | (10,773) | (896) | 8.3% |
| | Other non-current financial payables | 0 | (351) | 351 | (100.0%) |
| **E** | **Net non-current financial indebtedness** | **(11,669)** | **(11,124)** | **(545)** | **4.9%** |
| **F** | **Financial commitments for new purchases of equity investments** | **0** | **0** | **0** | **n.a.** |
| **G** | **Net financial position (D+E+F)** | **(16,965)** | **(19,500)** | **2,535** | **(13.0%)** |

With regard to items in the table on the consolidated net financial position, note:

- financial receivables amounting to Euro 0.4 million, Euro 0.2 million of which refer to receivables due from factoring companies on receivables assigned up to 31 December 2014, the disbursement of which took place after that date and the remaining Euro 0.2 million refer to receivables for accrued interest on factoring related to 2015, but paid in 2014;

- current payables to banks at 31 December 2014, which totalled around Euro 14.2 million (Euro 17.4 million at 31 December 2013) and relate mainly to:
  - current bank payables for Euro 7.9 million (Euro 10.8 million at 31 December 2013), of which:
    a) Euro 6.9 million in short-term credit facilities classed as "advances on invoices", "current account overdrafts" and "advances to suppliers", against short-term credit facilities;
    b) Euro 1.0 million as the amount of a short-term loan granted to the Parent Company during the second half of the year for Euro 1.0 million, repayable in three instalments from 31 January 2015;
  - around Euro 6.0 million (Euro 5.6 million at 31 December 2013) as the current portion of loans received;
  - "other current borrowings" for Euro 0.38 million, of which Euro 0.13 million referring to finance lease instalments payable within 12 months, and Euro 0.25 million relates to company acquisitions from related parties.

Non-current financial payables of Euro 11.7 million refer mainly to payables to banks for unsecured medium/long-term loans due beyond 12 months.

The repayment plan for medium/long-term loans outstanding at 31 December 2014 (amounts in EUR thousands) is illustrated below:

**M/L term loans outstanding at 31 December 2014**

| Bank | Maturity | Balance at 31.12.2014 | <1 year | >1<2 years | >2<3 years | >3<4 years | >4 years |
|---|---|---|---|---|---|---|---|
| GE Capital | 2015 | 1,825 | 1,825 | 0 | 0 | 0 | 0 |
| Intesa Sanpaolo | 2017 | 2,813 | 1,125 | 1,125 | 563 | 0 | 0 |
| BNL | 2017 | 2,250 | 1,000 | 1,000 | 250 | 0 | 0 |
| Mediocredito Centrale | 2015 | 616 | 616 | 0 | 0 | 0 | 0 |
| Unicredit | 2018 | 3,588 | 1,025 | 1,025 | 1,025 | 513 | 0 |
| Unicredit-Sace | 2019 | 1,530 | 360 | 360 | 360 | 360 | 90 |
| Unicredit factoring | | 5,094 | | 5,094 | | | |
| **TOTAL LOANS** | | **17,716** | **5,951** | **8,604** | **2,198** | **873** | **90** |

## 6.3 Operating performance of the Parent Company Be S.p.A.

The Parent Company's **Value of Production** amounted to Euro 4.1 million, compared to Euro 4.9 million in 2013, recorded a drop of Euro 0.8 million.

The Parent Company's Value of production is mainly represented by charges to subsidiaries for management services rendered at central level, royalties on the Be trademark, and recharges of various costs incurred in the name and on behalf of subsidiaries.

The Gross Operating Margin **(EBITDA)** recorded a loss of around Euro 2.2 million, against Euro 2.8 million last year.

Operating Profit (Loss) **(EBIT)** recorded a loss of around Euro 2.7 million, compared to a loss of around Euro 3.3 million in 2013.

Financial management recorded an income of Euro 3.5 million, against an income of Euro 2.7 million last year. The result recorded by financial management in 2014 breaks down as follows:

- dividends of Euro 3.5 million (the same amount, Euro 3.5 million was recorded in 2013);
- financial income, which offset the financial expense incurred during the year.

With regard to the centralised treasury management at Group level, net interest due to the Parent Company accrued on funds transferred to Group companies amounted to Euro 1.0 million (Euro 1.18 million in 2013). Interest expense due to the Banking system amounted to around Euro 0.9 million (Euro 1.2 million in 2013), of which Euro 0.4 million on draw downs of short-term credit facilities and Euro 0.5 million refers to financial payables on maturity.

Pre-tax Profit (Loss) recorded a profit of around Euro 0.8 million, compared to a loss of Euro 0.5 million in 2013.

Taxes recorded a positive balance of Euro 1.37 million, accrued against:

- tax benefits of around Euro 1.7 million relating to the Group Tax Consolidation scheme;
- the net impact of Euro -0.34 million, of deferred tax assets/liabilities.

Following the above, the 2014 Parent Company's financial statements closed with a profit of around Euro 2.2 million, compared to a profit of around Euro 1.0 million last year.

The Income Statement is shown below, restated at 31 December 2014, and is compared to the amounts of the previous year.

**Parent Company Restated Income Statement**

| *Amounts in EUR thousands* | **2014** | **2013** | **Δ** | **Δ(%)** |
|---|---|---|---|---|
| Operating revenue | 3,890 | 3,696 | 196 | 5.3% |
| Other operating revenue and income | 193 | 1,204 | (1,011) | (84.0%) |
| **Value of production** | **4,083** | **4,900** | **(817)** | **(16.7%)** |
| Cost of raw materials and consumables | (3) | (1) | (1) | 82.9% |
| Cost of services and use of third-party assets | (4,116) | (4,507) | 391 | (8.7%) |
| Personnel costs | (1,978) | (2,283) | 306 | (13.4%) |
| Other costs | (213) | (935) | 722 | (77.2%) |
| **Gross Operating Margin (EBITDA)** | **(2,226)** | **(2,827)** | **601** | **(21.3%)** |
| Amortisation/Depreciation | (46) | (41) | (5) | 12.2% |
| Write-downs and provisions | (402) | (408) | 6 | (1.4%) |
| **Operating Profit (Loss) (EBIT)** | **(2,674)** | **(3,276)** | **602** | **(18.4%)** |
| Net financial income and expense | 3,494 | 3,471 | 23 | 0.7% |
| Value adjustments to financial assets | (8) | (732) | 724 | (98.9%) |
| **Net profit (loss) before tax from continuing operations** | **812** | **(537)** | **1,348** | **n.a** |
| Taxes | 1,376 | 1,561 | (186) | (11.9%) |
| **Net profit (loss) from continuing operations** | **2,187** | **1,024** | **1,163** | **n.a** |
| Net profit (loss) from discontinued operations | 0 | 0 | 0 | n.a. |
| **Net profit (loss)** | **2,187** | **1,024** | **1,163** | **n.a** |

## 6.4 Breakdown of equity and financial positions of the Parent Company Be S.p.A.

### Be Spa - Key equity indicators

| *Amounts in EUR thousands* | 31.12.2014 | 31.12.2013 | Δ | Δ(%) |
|---|---|---|---|---|
| Non-current assets | 54,027 | 53,062 | 966 | 1.8% |
| Current assets | 9,521 | 7,799 | 1,721 | 22.1% |
| Non-current liabilities | (4,107) | (3,514) | (593) | 16.9% |
| Current liabilities | (5,099) | (4,027) | (1,071) | 26.6% |
| **Net Invested Capital** | **54,342** | **53,319** | **1,023** | **1.9%** |
| Shareholders' equity | 46,545 | 44,448 | 2,097 | 4.7% |
| Net financial position | 7,797 | 8,871 | (1,075) | (12.1%) |

For details and related comments on individual items, reference should be made to the description in the Notes to the Separate Financial Statements.

### Net financial position Be S.p.a.

| | *Amounts in EUR thousands* | 31.12.2014 | 31.12.2013 | Δ | Δ(%) |
|---|---|---|---|---|---|
| | Cash and cash equivalents at bank | 3,023 | 4,168 | (1,145) | (27.5%) |
| **A** | **Cash and cash equivalents** | **3,023** | **4,168** | **(1,145)** | **(27.5%)** |
| **B** | **Current financial receivables** | **17,538** | **13,512** | **4,026** | **29.8%** |
| | Current bank payables | (2,182) | (5,765) | 3,583 | (62.2%) |
| | Current share of medium/long-term indebtedness | (3,196) | (3,035) | (162) | 5.3% |
| | Other current financial payables | (17,511) | (8,556) | (8,955) | n.a. |
| **C** | **Current financial indebtedness** | **(22,889)** | **(17,355)** | **(5,534)** | **31.9%** |
| **D** | **Net current financial indebtedness (A+B+C)** | **(2,328)** | **324** | **(2,653)** | **n.a.** |
| | Non-current bank payables | (5,468) | (8,948) | 3,480 | (38.9%) |
| | Other non-current financial payables | 0 | (248) | 248 | (100.0%) |
| **E** | **Net non-current financial indebtedness** | **(5,468)** | **(9,195)** | **3,727** | **(40.5%)** |
| **F** | **Financial commitments for new purchases of equity investments** | **0** | **0** | **0** | **n.a.** |
| **G** | **Net financial position (D+E+F)** | **(7,797)** | **(8,871)** | **1,075** | **(12.1%)** |

The net financial position of Be S.p.a. at 31 December 2014 was around Euro 7.8 million, and breaks down into:

- Euro 3.0 million in cash and cash equivalents at bank;
- around Euro 17.5 million in receivables from subsidiaries, relating to centralised treasury activities;
- Euro 5.4 million in current payables to the banking system, of which Euro 2.2 million for drawdowns of credit facilities and Euro 3.2 million relating to the portion of existing medium to long-term loans maturing in the following year;
- around Euro 17.5 million in payables to subsidiaries, of which Euro 12.3 million relating to centralised treasury activities and Euro 4.95 million to the loan from the subsidiary A&B S.p.A,

with the remainder of Euro 0.25 million related to current payables to related parties for company acquisitions;

- around Euro 5.5 million relating to the portion of loans maturing beyond the following year.

The repayment plan for medium/long-term loans outstanding at 31 December 2014 (amounts in EUR thousands) is illustrated below:

**M/L term loans outstanding at 31 December 2014**

| Bank | Maturity | Balance at 31.12.2014 | <1 year | >1<2 years | >2<3 years | >3<4 years | >4 years |
|---|---|---|---|---|---|---|---|
| Intesa Sanpaolo | 2017 | 2,813 | 1,125 | 1,125 | 563 | 0 | 0 |
| BNL | 2017 | 2,250 | 1,000 | 1,000 | 250 | 0 | 0 |
| Unicredit | 2018 | 3,588 | 1,025 | 1,025 | 1,025 | 513 | 0 |
| **TOTAL LOANS** | | **8,651** | **3,150** | **3,150** | **1,838** | **513** | **0** |

## 6.5 Reconciliation of the profit (loss) for the period and the shareholders' equity of Be S.p.A. and the corresponding consolidated amounts

Pursuant to Consob communication no. DEM/6064293 of 28 July 2006, the Statement of reconciliation of shareholders' equity and the net profit (loss) of the Parent Company and the corresponding consolidated amounts is shown below.

| | Shareholders' equity 31.12.2014 | Net profit (loss) 31.12.2014 | Shareholders' equity 31.12.2013 | Net profit (loss) 31.12.2013 |
|---|---|---|---|---|
| **Shareholders' equity and Net profit (loss) from financial statements of the Parent Company** | **46,545** | **2,187** | **44,448** | **1,024** |
| Surplus of the shareholders' equities on financial statements for the year, including the profits (losses) for the period, compared to the book values of consolidated equity investments | 2,344 | 1,765 | 4,189 | 2,131 |
| Other adjustments made at time of consolidation for: | | | | |
| - write-down of equity investments | 796 | 796 | 732 | 732 |
| - dividends from subsidiaries | (3,500) | (3,500) | (3,500) | (3,500) |
| **Shareholders' equity and Consolidated net profit (loss)** | **46,185** | **1,248** | **45,869** | **387** |
| Capital and minority reserves | 488 | 207 | 277 | 16 |
| **Shareholders' equity and Net Profit (Loss) attributable to the Parent Company** | **45,698** | **1,042** | **45,592** | **371** |

## 6.6 Related Party Transactions

With regard to Related party transactions, including therein intercompany transactions, note that the same cannot be quantified as atypical or unusual, as part of the normal course of operations of Group companies. Said transactions are settled at arm's length, on the basis of the goods and services provided. In the Notes to the Consolidated Financial Statements and to the Separate Financial

Statements, the company provides the information requested by art. 154-ter of the Consolidated Law on Finance, as indicated by Consob regulation no. 17221 of 12 March 2010.

## 7. 2015-2017 Business Plan

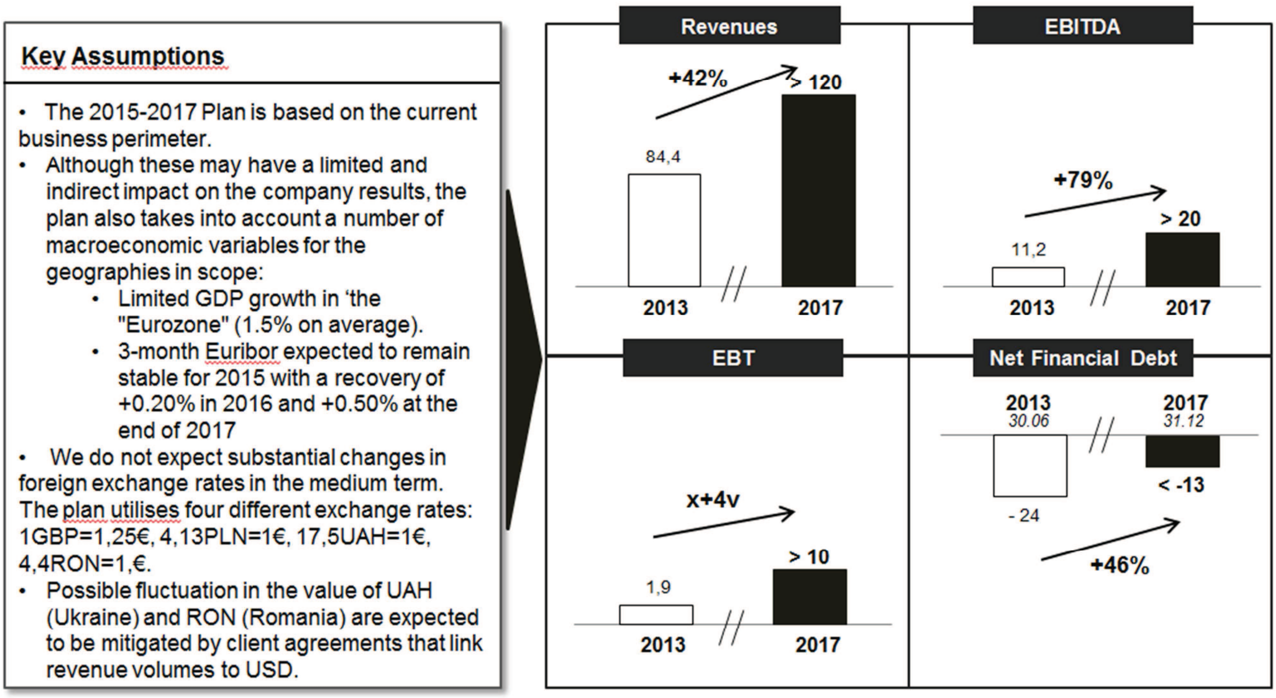
On 25 September 2014, the Board of Directors of Be S.p.A. approved the new 2015-2017 Business Plan.

The lines of development and the targets of the 2015-2017 Business Plan, presented on 30 September 2014 to the Financial Community, confirm the present organisational structure, which envisages a non-operating Parent Company and three business lines specialised by type of operation (in this regard, please refer to paragraph 4 "Business Model and operating segments" in this Management Report).

The objectives of the plan presented to the financial community on 30 September 2014, are summarised below:

- increase of the share of the foreign portfolio from the current 20% to 35% forecast for 2017. The growth of the British, German, Polish and Austrian markets is estimated to be higher in percentage terms than that of the domestic market.
- increase in volumes in the "Consulting" segment. The objective is to consolidate the domestic perimeter and obtain increasing access to medium-large scale international projects.
- ICT Solutions line, objective to decidedly boost the profit margin (from 13% to 18%).
- reduction of the Net Financial Position from Euro 24.7 million at 30 June 2014 to around Euro 13 million at 31 December 2017.

*Amounts in EUR millions*



# 8. Other disclosures and Corporate Governance

## 8.1 Main risks and uncertainties to which the Be Group is exposed

Detailed below are the main risks and uncertainties that could affect the business activities, financial conditions and prospects of the Company and the Group.

- **Risks associated with "Operating Performance"**

  In order to further improve operating performance, the Company believes it is important to achieve the strategic objectives of the 2015-2017 Plan. The 2015-2017 Business Plan was prepared by the Directors on the basis of forecasts and assumptions inherent to future trends in operations and the reference market. The forecasts represent the best estimate of future events expected to arise and of action that management intends to take. These were estimated on the basis of final figures, orders already received or sales to be made to established customers, as such presenting a lower degree of uncertainty and therefore a higher probability of actually occurring. Vice versa, the assumptions relate to future events and action, fully or partly independent from management action. Consequently, the Directors acknowledge that the strategic objectives identified in the 2015-2017 Business Plan, though reasonable, present profiles of uncertainty due to the chance nature of future events occurring and the characteristics of the reference market, and also as regards the occurrence of events represented in the plan and their extent and timing.

- **Risks associated with the "Financial Position"**

  The Be Group is exposed to financial risks associated with its operations, particularly interest rate risk, liquidity risk, credit risk and the risk of cash flow fluctuations. In addition, essential upkeep of the bank credit facilities held is important to the Group in order to meet its overall current funding needs and to achieve the objectives of the 2015-2017 Plan.

- **Risks associated with "Goodwill Impairment"**

  The Be Group could have a negative impact on the value of its shareholders' equity if there should be any impairment to goodwill recognised in the financial statements at 31 December 2014 because of the incapacity to generate sufficient cash flows to satisfy those forecast and envisaged in the 2015-2017 Plan.

- **Risks associated with "Litigation Liabilities"**

  The Be Group is involved in proceedings before various judicial authorities, divided into litigation cases as defendant - i.e. where the Company has been summonsed by third parties - and cases as plaintiff where the Company has summonsed third parties.

- **Risks associated with "Restructuring" activities**

  In recent years the Be Group began a restructuring of its area of business with action necessary to reduce personnel, also through transfers. There is a risk of appeals against such action and the proceedings have given rise to prudential allocation of provisions in the company financial statements. Uncertainty remains in any event regarding the decisions of the Authorities involved.

- **Risks associated with "Competition"**

  The ICT consulting market is highly competitive. A number of competitors could be able to expand their product mix to our detriment. In addition, an intensification of the level of competition could affect Group business and the option of consolidating or widening its competitive position in the reference sectors, with subsequent repercussions on business and on the income, equity and financial positions.

- **Risks associated with "Technological Change"**

  The Group operates in a market characterised by profound and continuous technological changes that call for a Group capacity to adapt quickly and successfully to such developments and to the changing technology needs of its customers. Any inability of the Group in adapting to new technologies and therefore to changes in the needs of its customers could have a negative impact on operating performance.

- **Risks related to dependence on key personnel**

  The Group's success depends largely on certain key personnel that have been a determining factor in its development, in particular the executive directors of the parent company. The Group companies also have an executive team with many years' experience in the field, playing a crucial role in managing the Group's activities. The loss of any of these key figures without a suitable replacement, and the inability to attract and retain new, qualified resources, could have a negative impact on the Group's prospects, business activities, operating performance and financial position. Management considers in any event that the Company has an operational and executive structure capable of ensuring management of corporate affairs as a going concern.

- **Risks associated with internationalisation**

  As part of its internationalisation strategy the Group could be exposed to risks typical of international operations, including those relating to changes in the political, macroeconomic, tax and/or regulatory frameworks and to fluctuating exchange rates.

## 8.2 Research and Development: investment

The Group's research and development activities have always aimed to consolidate customer relations, develop new forms of business for them and acquire new customers.

The main research and development conducted entails developing the technological platforms related to the "IT Services" business line to manage the Life and Non-Life insurance portfolios of its customers as well as developing innovative solutions for the management of documental processes.

Overall in 2014, investments were made in technological platforms as follows:

- Euro 1.6 million related to an investment to improve the Targit Group's proprietary software platform;
- Euro 1.6 million regarding the in-house development and evolution of proprietary platforms.

In 2015-2017, the Be Group will continue to invest in research and development, also planning other project opportunities. These new initiatives will aim to expand the product mix, creating technology platforms for the provision of services to its customers.

## 8.3 Human Resources

The Group's total headcount at 31 December 2014 was 1,005 employees (874 at 31 December 2013). With a view to bringing its "digital" culture together in a single aggregated hub, a segment which is expected to enjoy significant growth in the sphere of professional services addressed to providing support to banks and other financial operators, the Be Group has decided that iBe TSE Limited, based in London (Be Group Company, wholly owned by Be Consulting S.p.A., in turn wholly owned by Be S.p.A.) is to be the centre of competence for the formal coordination of the "digital" hub. More specifically, in the Italian market, the business division of To See (19 employees) will become part of the "digital" hub - through the Italian branch of iBe TSE Limited, from 1 October 2014. Again as regards the strategy to develop proposals relating to the "digital" sphere, projects have been launched both in the UK and Italian markets, with a view to operating in the emerging segment of Sport, Art & Entertainment through Be Sport, Media & Entertainment, an investee company of iBe TSE Limited and Be Sport, Media & Entertainment, an investee of Be Consulting S.p.A. respectively.

In 2014, the process to internationalise the Be Group continues, through the establishment of Be Romania Think, Solve, Execute, based in Bucharest and the purchase of 66.7% of Targit GmbH by iBe TSE Limited, based in Munich, with offices in Frankfurt, Vienna and Zurich.

## 8.4 Corporate governance

The system of Corporate Governance adopted by Be Think, Solve, Execute S.p.A is taken from the Code of Self-Regulation approved by the Committee for the Corporate Governance of Listed Companies in March 2006, and updated in December 2011, the recommendations contained in which are adopted by the company in the absence of any indications to the contrary.

On 31 July 2014, the Board of Directors decided to resolve upon the revocation of the internal code of self-regulation adopted by the Board of Directors on 21 December 2012, confirming that the Company will now comply with the principles and recommendations of the Code of Self-Regulation, accessible to the public from the web page:http://www.borsaitaliana.it/comitato-corporate-governance/codice/2014clean.

With regard to the disclosure requested by art. 123 bis of the Consolidated Law on Finance, please refer to the "Annual Report on Corporate Governance and Ownership Structures" drawn up in compliance with the law in force and published jointly with this report.

## 8.5 Disclosure pursuant to Italian Legislative Decree no. 196 (Code for the protection of personal data) of 30 June 2003

We hereby inform you that the Company has complied with the requirements envisaged by the privacy code (Italian Legislative Decree no. 196 of 30 June 2003) and has therefore updated the Security Policy Document.

## 9. Events after 31 December 2014 and business outlook

In January 2015, Be signed a Memorandum of Understanding with one of the largest European Banking Groups, for the award of an ICT Consulting service agreement with a minimum counter value of Euro 73 million in the three-year period 2015-2017. The agreement regards the provision of management consulting services and the development of applications in all countries in which the Group operates and opens up opportunities for further collaboration over the three-year period. The parties have undertaken to transform the arrangement into a service agreement by 1 March 2015. On 13 February 2015, the parties signed an addendum to the Memorandum of Understanding, which, leaving intact all matters not supplemented or amended by the Addendum, extended the commitment to sign the service agreement to 2 April 2015.

The positive results achieved by the Group in 2014, combined with the numerous initiatives undertaken with a view to business development, mean that it can be reasonably optimistic about the continuation of its activities, where it will be fundamental to maintain the quality of the services provided and the continuing ability to serve its customers, while focusing on the value generated on each occasion.

## 10. Proposal to approve the financial statements and to allocate the profit (loss) for the year

The Board of Directors submits the Financial Statements of Be S.p.A. at 31 December 2014 to the Shareholders' Meeting for approval, which show a net profit of Euro 2,187,355.06 and proposes that the Shareholders' Meeting resolves:

- to approve the Financial Statements at 31 December 2014 of Be S.p.A.;
- to approve the proposal to allocate the net profit for the year, corresponding to Euro 2,187,355.06 as follows:
- distribution of dividends for a gross amount of Euro 750,000.00, corresponding to Euro 0.00556 per share;
- Euro 109,367.75 to the Legal Reserve;
- the remaining Euro 1,327,987.31 to the Extraordinary Reserve.

Milan, 11 March 2015

*/signed/ Stefano Achermann*
For the Board of Directors
Chief Executive Officer

Think, Solve, Execute

# Consolidated Financial Statements

*As at 31 December 2014*

Registered office:
Viale dell'Esperanto 71 - Rome
Share capital:
€ 27,109,164.85, fully paid up
Rome Register of Companies
Tax code and VAT number 01483450209

# Consolidated Statement of Financial Position

| *Amounts in EUR thousands* | ***Notes*** | **31.12.2014** | **31.12.2013** |
|---|---|---|---|
| *NON-CURRENT ASSETS* | | | |
| Property, plant and equipment | *1* | 1,356 | 1,485 |
| Goodwill | *2* | 53,016 | 52,056 |
| Intangible assets | *3* | 19,282 | 21,801 |
| Equity investments in other companies | *4* | 0 | 8 |
| Financial receivables and other non-current financial assets | *5* | 1 | 0 |
| Loans and other non-current assets | *6* | 1,231 | 1,416 |
| Deferred tax assets | *7* | 5,653 | 5,578 |
| **Total Non-current assets** | | **80,539** | **82,344** |
| *CURRENT ASSETS* | | | |
| Inventories | *8* | 265 | 179 |
| Trade receivables | *9* | 18,885 | 18,447 |
| Other assets and receivables | *10* | 2,633 | 1,568 |
| Direct tax receivables | *11* | 613 | 442 |
| Financial receivables and other current financial assets | *12* | 403 | 2,712 |
| Cash and cash equivalents | *13* | 8,521 | 6,348 |
| **Total Current assets** | | **31,320** | **29,695** |
| **Total discontinued operations** | | **0** | **0** |
| **TOTAL ASSETS** | | **111,859** | **112,040** |
| *SHAREHOLDERS' EQUITY* | | | |
| Share capital | | 27,109 | 27,109 |
| Reserves | | 17,546 | 18,111 |
| Net profit (loss) attributable to owners of the Parent Company | | 1,042 | 371 |
| **Group Shareholders' equity** | | **45,697** | **45,592** |
| **Minority interests:** | | | |
| Capital and reserves | | 281 | 260 |
| Net profit (loss) attributable to minority interests | | 207 | 16 |
| **Minority interests** | | **488** | **277** |
| **TOTAL SHAREHOLDERS' EQUITY** | *14* | **46,185** | **45,869** |
| *NON-CURRENT LIABILITIES* | | | |
| Financial payables and other non-current financial liabilities | *15* | 11,669 | 11,124 |
| Provisions for risks | *20* | 1,334 | 1,337 |
| Post-employment benefits (TFR) | *17* | 6,149 | 5,228 |
| Deferred tax liabilities | *18* | 4,437 | 3,839 |
| Other non-current liabilities | *19* | 2,310 | 697 |
| **Total Non-current liabilities** | | **25,899** | **22,225** |
| *CURRENT LIABILITIES* | | | |
| Financial payables and other current financial liabilities | *16* | 14,221 | 17,436 |
| Trade payables | *21* | 8,417 | 8,148 |
| Provision for current risks | *20* | 21 | 16 |
| Tax payables | *22* | 685 | 433 |
| Other liabilities and payables | *23* | 16,431 | 17,913 |
| **Total Current liabilities** | | **39,775** | **43,946** |
| **Total Discontinued operations** | | **0** | **0** |
| **TOTAL LIABILITIES** | | **65,674** | **66,171** |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | | **111,859** | **112,040** |

*The effects of related party transactions and non-recurring transactions on the consolidated income statement in accordance with Consob Resolution no. 15519 of 27 July 2006 are illustrated in a specific statement of financial position in paragraph 5.3.*

# Consolidated Income Statement

| *Amounts in EUR thousands* | *Notes* | 2014 | 2013 |
|---|---|---|---|
| Operating revenue | 24 | 97,602 | 74,903 |
| Other operating revenue and income | 25 | 865 | 7,640 |
| **Total revenue** | | **98,467** | **82,543** |
| | | | |
| Raw materials and consumables | 26 | (281) | (363) |
| Service costs | 27 | (34,994) | (28,741) |
| Personnel costs | 28 | (50,271) | (41,587) |
| Other operating costs | 29 | (1,553) | (2,520) |
| Cost of internal work capitalised | 30 | 1,560 | 1,873 |
| *Amortisation, depreciation and write-downs:* | | | |
| Depreciation of property, plant and equipment | 31 | (781) | (868) |
| Amortisation of intangible assets | 31 | (5,234) | (5,084) |
| Allocations to provisions | 32 | (805) | (961) |
| **Total Operating costs** | | **(92,359)** | **(78,250)** |
| | | | |
| **Operating Profit (loss) (EBIT)** | | **6,108** | **4,293** |
| | | | |
| Financial income | | 38 | 33 |
| Financial expense | | (2,333) | (2,411) |
| Write-down of financial assets | | (8) | 0 |
| **Total financial income/expense** | **33** | **(2,303)** | **(2,378)** |
| | | | |
| **Profit (loss) before tax** | | **3,805** | **1,915** |
| | | | |
| Current income taxes | 34 | (2,254) | (1,696) |
| Deferred tax assets and liabilities | 34 | (302) | 169 |
| **Total income taxes** | | **(2,556)** | **(1,527)** |
| | | | |
| **Net profit (loss) from continuing operations** | | **1,249** | **388** |
| | | | |
| **Net profit (loss) from discontinued operations** | | **0** | **0** |
| | | | |
| **Net profit (loss)** | | **1,249** | **388** |
| | | | |
| **Net profit (loss) attributable to minority interests** | 14 | **207** | **16** |
| | | | |
| **Net profit (loss) attributable to owners of the Parent Company** | | **1,042** | **371** |
| | | | |
| **Earnings per share:** | | | |
| Basic earnings per share (Euro) | 35 | **0.01** | **0.00** |
| Diluted earnings per share (Euro) | 35 | **0.01** | **0.00** |

*The effects of related party transactions and non-recurring transactions on the consolidated income statement in accordance with Consob Resolution no. 15519 of 27 July 2006 are illustrated in a specific statement of financial position in paragraph 5.3.*

# Consolidated Statement of Comprehensive Income

| *Amounts in EUR thousands* | **2014** | **2013** |
|---|---|---|
| **Net profit (loss)** | **1,249** | **388** |
| ***Items not subject to reclassification in the income statement:*** | | |
| Actuarial gains (losses) on employee benefits | (649) | 237 |
| Tax effect on actuarial gains (losses) | 179 | (65) |
| ***Items subject to reclassification in the income statement*** | | |
| ***when certain conditions are met:*** | | |
| Gains (losses) on cash flow hedges | 24 | 23 |
| Translation gains (losses) | (387) | (38) |
| **Other items of comprehensive income** | **(833)** | **157** |
| **Net comprehensive profit (loss)** | **416** | **545** |
| *Attributable to:* | | |
| Owners of the Parent Company | 209 | 529 |
| Minority interests | 207 | 16 |

# Consolidated Statement of Cash Flows

| *Amounts in EUR thousands* | Notes | 2014 | 2013 |
|---|---|---|---|
| Net profit (loss) | | 1,249 | 388 |
| Amortisation, depreciation and write-downs | 31 | 6,015 | 5,952 |
| Non-monetary changes in post-employment benefits (TFR) | | 759 | 28 |
| Net financial expense in the income statement | 33 | 2,503 | 2,378 |
| Taxes for the year | 34 | 2,254 | 1,696 |
| Deferred tax assets and liabilities | 34 | 250 | (169) |
| Losses on current assets and provisions | 32 | 805 | 961 |
| Increase in internal work capitalised | 30 | (1,560) | (1,873) |
| Other non-monetary changes | | 36 | 1 |
| Non-monetary income from business combinations | | 0 | (5,530) |
| Exchange rate conversion differences | | (195) | (46) |
| **Cash flow from operating activities** | | **12,116** | **3,786** |
| Change in inventories | 8 | (86) | (17) |
| Change in trade receivables | 9 | 1,444 | 7,704 |
| Change in trade payables | 21 | (634) | (1,136) |
| Use of bad debt provisions | 20 | (802) | (1,749) |
| Other changes in current assets and liabilities | | (5,922) | 1,028 |
| Taxes for the year paid | 22 | (1,778) | (1,279) |
| Post-employment benefits paid | 17 | (487) | (783) |
| Other changes in non-current assets and liabilities | | 2,198 | 345 |
| **Change in net working capital** | | **(6,067)** | **4,113** |
| **Cash flow from (used in) operating activities** | | **6,049** | **7,899** |
| (Purchase) of property, plant and equipment net of disposals | 1 | (563) | (114) |
| (Purchase) of intangible assets net of disposals | 3 | (56) | (353) |
| Cash flow from business combinations net of cash acquired | | (562) | (4,000) |
| Cash paid to purchase equity investments | | 0 | (248) |
| **Cash flow from (used in) investing activities** | | **(1,181)** | **(4,715)** |
| Change in current financial assets | 12 | 2,308 | 5,309 |
| Change in current financial liabilities | 16 | (3,148) | (4,783) |
| Change in non-current financial assets | 5 | (1) | 0 |
| Financial expense paid | | (2,399) | (2,281) |
| Change in non-current financial liabilities | 15 | 545 | (1,401) |
| Share capital increase (net of shareholder loans) | | (0) | 4,957 |
| **Cash flow from (used in) financing activities** | | **(2,695)** | **1,801** |
| **Cash flow from (used in) discontinued operations** | | **0** | **0** |
| **Cash and cash equivalents** | | **2,173** | **4,985** |
| Net cash and cash equivalents - opening balance | 13 | 6,348 | 1,363 |
| Net cash and cash equivalents - closing balance | 13 | 8,521 | 6,348 |
| **Net increase (decrease) in cash and cash equivalents** | | **2,173** | **4,985** |

*The effects of related party transactions and non-recurring transactions on the consolidated income statement in accordance with Consob Resolution no. 15519 of 27 July 2006 are illustrated in a specific statement of financial position in paragraph 5.3.*

## Statement of Changes in Consolidated Shareholders' Equity

| *Amounts in EUR thousands* | Share capital | Retained earnings | Profit (loss) for the year | Group Shareholders' equity | Minority interests | Total |
|---|---|---|---|---|---|---|
| **SHAREHOLDERS' EQUITY AT 31.12.2012** | **20,537** | **11,537** | **688** | **32,762** | **1,236** | **33,998** |
| Net profit (loss) | | | 371 | 371 | 16 | 388 |
| Other items of comprehensive income | | 157 | | 157 | | 157 |
| **Net comprehensive profit (loss)** | | **157** | **371** | **528** | **16** | **545** |
| Allocation of prior year profit (loss) | | 688 | (688) | 0 | | 0 |
| Share capital increase | 6,572 | 5,915 | | 12,487 | | 12,487 |
| Other changes | | (186) | | (186) | (976) | (1,162) |
| **SHAREHOLDERS' EQUITY AT 31.12.2013** | **27,109** | **18,111** | **371** | **45,592** | **276** | **45,869** |
| Net profit (loss) | | | 1,042 | 1,042 | 207 | 1,249 |
| Other items of comprehensive income | | (833) | | (833) | | (833) |
| **Net comprehensive profit (loss)** | | **(833)** | **1,042** | **209** | **207** | **416** |
| Allocation of prior year profit (loss) | | 371 | (371) | 0 | | 0 |
| Other changes | | (104) | | (104) | | (104) |
| Impact of subscribing shareholdings | | | | 0 | 5 | 5 |
| **SHAREHOLDERS' EQUITY AT 31.12.2014** | **27,109** | **17,546** | **1,042** | **45,697** | **488** | **46,185** |

# Notes to the consolidated financial statements

## 1. Corporate information

**The Be Group** is one of the leading Italian players in the IT Consulting sector. The Group provides Business Consulting, Information Technology and Professional services. A combination of specialist skills, advanced proprietary technologies and a wealth of experience enable the Group to work with leading financial and insurance institutions and Italian industry to improve their competitive capacity and their potential to create value. With around 1,000 employees and branches in Italy, Germany, United Kingdom, Switzerland, Austria, Poland, the Ukraine and Romania, in 2014 the Group recorded total revenues of Euro 98.5 million.

**Be S.p.A.**, listed in the Segment for High Requirement Shares (STAR) of the Electronic Share Market (MTA), performs management and coordination activities for the Group companies pursuant to art. 2497 et seq. of the Italian Civil Code, through control and coordination of operating, strategic and financial decisions of the subsidiaries and through management and control of reporting flows in readiness for preparation of both annual and interim accounting documents.

The consolidated financial statements at 31 December 2014 were approved for publication by the Parent Company Board of Directors on 11 March 2015.

## 2. Measurement criteria and accounting standards

### 2.1. Presentation criteria

The consolidated financial statements of the Be Group at 31 December 2014 have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, as well as with provisions issued in implementation of art. 9 of Italian Legislative Decree 38/2005. The above standards are integrated with IFRIC (International Financial Reporting Interpretations Committee) and SIC (Standing Interpretations Committee) interpretations. The consolidated financial statements comprise the consolidated statement of financial position, the consolidated income statement, the consolidated comprehensive income statement, the consolidated statement of cash flows, the consolidated statement of changes in shareholders' equity and the relative notes to the consolidated financial statements.

The Be Group consolidated income statement presents a classification of individual components based on their nature. This format complies with the management reporting method adopted by the Group and is therefore considered more representative than a presentation by item allocation, providing more reliable and more significant indications for the business sector concerned. With reference to the statement of financial position, a presentation format has been adopted that divides assets and liabilities into current and non-current, as permitted by IAS 1.

The consolidated statement of cash flows indicates cash flows during the year and classified as operating, investing or financing activities. Cash flows from operating activities are recognised using the indirect method.

The consolidated statement of changes in shareholders' equity was prepared in compliance with IAS 1.

With regard to segment reporting in accordance with IFRS 8, note that in view of the Group's business operations the reference format is that for operating segments, a better description of which can be found in paragraph 2.14 "segment reporting".

The Financial Statements and the notes to the financial statements are presented in thousands of Euro unless otherwise indicated. There could be differences in the unit amounts shown in the tables below due to rounding.

These consolidated financial statements are compared with the previous consolidated financial statements, drawn up on the same criteria; the closing date of the financial year, which lasts 12 months, is 31 December of each year. In preparing these financial statements, the directors used going concern assumptions and therefore prepared the statements on the basis of standards and criteria applying to fully operative companies. For further information, please refer to paragraph 2.4 "Disclosure on going concern assumptions". The accounting principles adopted are in line with those adopted last year, with the exception of the effects resulting from the application of new accounting standards, detailed below in paragraph 2.6 "Consolidation principles".

## 2.2 Discretionary measurements and significant accounting estimates

Preparation of the financial statements and related notes in application of IFRS requires that management perform discretionary measurements and accounting estimates that have an effect on the value of assets, liabilities, revenue and costs in the financial statements and disclosures. The final results could differ from such estimates. The estimates are used in measuring goodwill, in recognising credit risk provisions, determining write-downs on investments or assets, determining amortisation and depreciation and in calculating taxes and provisions for risks and charges. Also note that the directors have exercised their discretion in assessing the prerequisites for going concern assumptions. The estimates and assumptions are periodically reviewed and the effects of any change are immediately reflected in the income statement.

## 2.3 Uncertainty of estimates

When applying Group accounting standards, the Directors have taken decisions based on certain key assumptions regarding the future and other important sources of uncertainty in estimates as at the end date of the financial statements, which could lead to adjustments to the book values of assets and liabilities. Intangible assets and goodwill represent a significant share of the Group's assets. More specifically, goodwill is tested for impairment at least once a year; said testing entails estimating the value in use of the cash flow generating units to which the goodwill pertains, in turn based on an estimation of the expected cash flows of the units and on their discounting based on an adequate discount rate; the assumptions made to determine the value in use of the individual cash flow generating units, to support said asset values, may not necessarily be fulfilled and may lead to adjustments of book values in the future. The 2015-2017 Plan was prepared by the Directors on the basis of forecasts and assumptions inherent to future trends in operations and the reference market. The forecasts represent the best estimate of future events that management expects to arise and of action that management intends to take. These were estimated on the basis of final figures, orders already received or sales to be made to established customers, as such presenting a lower degree of uncertainty and therefore a higher probability of actually occurring. Vice versa, the assumptions relate to future events and action, fully or partly independent to management action; they are therefore characterised by a greater degree of chance, and in the case in hand mainly relate to the expected growth in the three-year period of new products and services of the IT Services business line, as well as the expected growth of the Consulting business line.

Consequently, the Directors acknowledge that the strategic objectives identified in the 2015-2017 Plan, though reasonable, present profiles of uncertainty due to the chance nature of future events occurring and the characteristics of the reference market, and also as regards the occurrence of events represented in the plan and their extent and timing. Any failure to implement said initiatives could result in lower economic results with consequent negative effects on the Group's income statement and statement of financial position and on whether the future cash flows on which the estimated value in use to support the recoverability of goodwill recorded under assets is based, amongst other things, can be achieved.

## 2.4 Disclosure on going concern assumptions

On 25 September 2014, the Board of Directors of Be S.p.A. approved the new 2015-2017 Business Plan - which was also the basis for the 2015-17 Plan used for impairment testing, specifically approved by the Board of Directors of Be S.p.A. on 18 February 2015 - which confirms the present organisational structure featuring a non-operating Parent Company and three business lines specialised by type of operation (in this regard, please refer to paragraph 4 “Business Model and operating segments” in the “Management Report”). The 2015-2017 Plan was prepared on the basis of forecasts and assumptions inherent to future trends in operations and the reference market. Though reasonable, these do show profiles of uncertainty due to the questionable nature of future events and the characteristics of the market in which the Group operates. Given the above and given the contents of paragraph 9 “Events after 31 December 2014 and business outlook” in the Management Report, the Directors consider going concern assumptions to be appropriate in preparing the Consolidated Financial Statements as no uncertainties have emerged associated with events or circumstances which, taken individually or as a whole, could give rise to doubts about the company as a going concern.

## 2.5 Scope of consolidation

The scope of consolidation includes the Parent Company Be S.p.A. and the companies under its direct or indirect control. Taking previous considerations into account, a list of investments in companies included in the scope of consolidation is provided below, as required by Consob Communication no. 6064293 of 28 July 2006:

## List of equity investments in the scope of consolidation

| Company name | Registered office | Share capital | Currency | Parent Company | Direct % | Indirect % of Parent Company | Minority interests |
|---|---|---|---|---|---|---|---|
| Be S.p.A. | Rome | 27,109,165 | EUR | | | | |
| Be Professional Service S.p.A. | Rome | 351,900 | EUR | Be S.p.A. | 100% | 0% | 0% |
| Be Consulting S.p.A. | Rome | 120,000 | EUR | Be S.p.A. | 100% | 0% | 0% |
| Be Solutions S.p.A. | Rome | 7,548,441 | EUR | Be S.p.A. | 100% | 0% | 0% |
| A&B S.p.A. | Rome | 2,583,000 | EUR | Be S.p.A. | 95% | 0% | 5% |
| Be Think Solve Execute RO S.r.l. | Bucharest | 22,000 | RON | Be S.p.A. | 100% | 0% | 0% |
| Be Enterprise Process Solutions S.p.A. | Rome | 500,000 | EUR | Be Solutions S.p.A. | 100% | 100% | 0% |
| To See S.r.l | Rome | 100,000 | EUR | Be Consulting S.p.A. | 100% | 100% | 0% |
| Be Sport, Media & Entertainment S.p.A. | Rome | 22,500 | EUR | Be Consulting S.p.A. | 80% | 0% | 20% |
| iBe Think Solve Execute Ltd | London | 91,914 | GBP | Be Consulting S.p.A. | 100% | 0% | 0% |
| Be Ukraine LLC | Kiev | 20,116 | UAH | iBe Think Solve Execute Ltd | 95% | 95% | 0% |
| | | | | Be Consulting S.p.A. | 5% | 5% | 0% |
| Targit Group | Munich | 92,033 | EUR | iBe Think Solve Execute Ltd | 67% | 67% | 33% |
| Be Sport, Media & Entertainment Ltd | London | 100,000 | GBP | iBe Think Solve Execute Ltd | 75% | 75% | 25% |
| Be Poland Think, Solve and Execute sp z.o.o | Warsaw | 5,000 | PLN | iBe Think Solve Execute Ltd | 93% | 93% | 7% |

Compared to 31 December 2013, the scope of consolidation has been altered by the following events:

- To See S.r.l.. On 11 June 2014, Be Consulting S.p.A. finalised the acquisition of the remaining 49% of share capital of the subsidiary To See S.r.l.;
- Targit Group. On 11 March 2014, iBe Solve Execute Ltd., wholly owned by Be Consulting, finalised the acquisition of 66.67% of the company's share capital. Targit GmbH, based in Munich, which in turn holds 100% of the share capital of Targit GmbH based in Vienna, and 100% of the share capital of Targitfs AG based in Zurich. The Company also signed a purchase agreement on the remaining 33.33% of share capital with effect from 2019; by virtue of this contract, the Group is consolidated at 100%, recognising only the share of Profit (loss) accrued in the period attributable to minority interests;
- Be Think Solve Execute RO S.r.l. Incorporated in July 2014, based in Bucharest, wholly owned by Be S.p.A., with a share capital of RON 22,000;
- Be Sport, Media & Entertainment Ltd. Incorporated in August 2014, based in London, in which iBe Solve Execute Ltd holds 75% of share capital, corresponding to GBP 320,000 (not fully paid up);
- Be Sport, Media & Entertainment S.p.A. Incorporated in November 2014, based in Rome, in which Be Consulting holds 80% of share capital, corresponding to Euro 90 thousand (not fully paid up).

## 2.6 Principles of consolidation

The consolidation of subsidiary companies is made on the basis of their respective accounts, appropriately adjusted to bring them in line with the accounting principles adopted by the Parent Company. The end date of the financial year of the subsidiaries included in the scope of consolidation is the same as that of Be S.p.A.

Subsidiaries are consolidated on a line-by-line basis, starting from their date of acquisition, namely from the date on which the Group acquired control, and are no longer consolidated from the date on which control is transferred out of the Group. In preparing the consolidated financial statements, assets and liabilities are assumed on a line-by-line basis, as are the costs and revenue of the companies consolidated, at their total amount, attributing the portion of shareholders' equity and of the profit (loss) for the year relating to minority shareholders under specific items of the statement of financial position and the income statement. The book value of the equity interest in each subsidiary is eliminated against the corresponding portion of shareholders' equity of each subsidiary, including any fair value adjustments, at the acquisition date, to the relative assets and liabilities; any remaining difference that arises, is positive, is allocated to goodwill, and if negative, to the income statement. All intercompany balances and transactions, including any unrealised gains resulting from transactions performed between Group companies, are eliminated in full. The amount of gains and losses recorded with associated companies attributed to the Group are eliminated. Intercompany losses are eliminated, unless they represent impairment losses.

## 2.7 Conversion of financial statements in currencies other than the Euro

The assets and liabilities of foreign subsidiaries are converted into Euro at the exchange rate in force on the date of the financial statements. Income and expense are converted at average exchange rates for the year. The differences resulting from exchange rates are recorded under "Translation reserve" in Shareholders' Equity. This reserve is recognised in the Income Statement as income or as expense for the period in which the relative subsidiary was transferred.

## 2.8 Transactions and balances in foreign currency

Transactions in foreign currencies are recognised at the exchange rate in force on the date of the transaction. Monetary assets and liabilities, denominated in foreign currencies on the reference date of the financial statements, are converted at the exchange rate in force on said date. The exchange rate differences generated by the derecognition of monetary items or by their conversion at different rates to those at which they were converted at the time of initial recognition are booked to the income statement. The table below shows the exchange rates used for conversion into Euro for the 2014 - 2013 financial statements in foreign currencies:

**Exchange rate**

| Currency | 2014 average | 31.12.2014 | 2013 average | 31.12.2013 |
|---|---|---|---|---|
| British Pound (GBP) | 0.8063 | 0.7789 | 0.8592 | 0.8337 |
| Polish Zloty (PNL) | 4.1846 | 4.2732 | 4.1971 | 4.1543 |
| Ukrainian Hryvnia (UAH) | 15.8890 | 19.2060 | 10.7883 | 11.3292 |
| Romanian Leu (RON) | 4.4441 | 4.4828 | - | - |
| Swiss Franc (CHF) | 1.2146 | 1.2024 | - | - |

## 2.9 Accounting principles

The accounting principles adopted in these Financial Statements are in line with those adopted last year, with the exception of the effects resulting from the application of new accounting standards, detailed below.

### 2.9.1 Intangible assets

Intangible assets acquired separately are recognised at cost, while those acquired through business combination transactions are recognised at fair value on the date of acquisition. After initial recognition, intangible assets are recognised at cost, net of any accumulated amortisation and any accumulated impairment losses. Intangible assets produced internally, with the exception of application software development costs, are not capitalised and are recognised in the income statement of the year in which they were incurred.

The useful life of intangible assets is classified as finite or indefinite. Intangible assets with a finite useful life are amortised for the period of the same and tested for impairment whenever there is evidence of possible impairment. The period and the amortisation method applied to the same is reviewed at the end of each year or more frequently, if retained necessary. Changes in the expected useful life or in the way in which the future economic benefits related to the intangible asset are consumed by the Group are recognised by changing the period or the amortisation method, as needed, and are treated as changes in accounting estimates.

The amortisation charges for intangible assets with finite useful life are recognised in the income statement under the cost category that best reflects the function of the intangible asset.

The useful life attributed to the various categories of asset is the following:

- patent rights and intellectual property rights from 3 to 10 years;
- IT platform of Be Solutions S.p.A. - 10 years;
- "Software of To See S.r.l. - 10 years;
- concessions, licences and trademarks, the shorter between the duration of the right or 5 years;
- software - 3 years.

Amortisation begins when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The gains or the losses resulting from the sale of an intangible asset are measured as the difference between the net sales income and the book value of the asset and are recognised in the income statement at the time of sale.

### 2.9.2 Research and development costs

Research costs are booked to the income statement at the time they are incurred.

The development costs incurred with relation to a specific project are capitalised only when the Company can demonstrate the technical feasibility of completing the intangible asset, making it available for use or for sale, its intention to complete said asset to use it or to sell it, the way in which the same will generate potential future economic benefits, the availability of technical, financial or other resources required to complete the development and its ability to reliably assess the cost attributable to the asset during its development. After initial recognition, development costs are measured at cost, less any accumulated amortisation or loss. Any development costs capitalised are amortised with regard to the period in which the related project is envisaged to generate revenue for the Group.

The book value of development costs is re-assessed annually in order to ascertain any impairment losses, when the asset is not yet in use, or more frequently when there is evidence of a potential impairment loss in the year.

### 2.9.3 Goodwill

Goodwill acquired through a business combination is represented by the surplus cost of the business combination with respect to the pertinent share of equity measured at present values relating to the amounts of the identifiable assets, liabilities and potential liabilities acquired. After initial recognition, goodwill is measured at cost, less any accumulated impairment losses. The recoverability of goodwill is assessed at least once a year or more frequently if events or changes occur that could lead to any impairment loss (Impairment test).

Goodwill resulting from acquisitions made prior to the date of transition to IFRS standards is maintained at the values resulting from the application of Italian accounting principles and said value is tested for impairment annually.

To assess recoverability, the goodwill acquired through business combinations is allocated, from the acquisition date, to each of the units cash flow generating (or groups of units) that are retained to benefit from the synergies resulting from the acquisition, regardless of the allocation of other assets or liabilities acquired. Each unit or group of units to which goodwill is allocated:

- represents the lowest level within the Group at which goodwill is monitored for internal management purposes;
- is not higher than an operating segment as defined by IFRS 8 "Operating Segments".
  Impairment losses are determined by establishing the recoverable amount of the cash flow generating unit (or group of units) to which the goodwill is allocated. When the recoverable amount of the cash flow generating unit (or group of units) is lower than the book value, an impairment loss is recognised. In cases in which the goodwill is allocated to a cash flow generating unit (or group of units) whose assets are partially disposed of, the goodwill associated to the asset sold is considered when establishing any gain or loss resulting from the transaction. In these circumstances, the goodwill transferred is measured on the basis of the values relating to the asset disposed of with respect to the asset still held with relation to the same unit.

At the time of disposal of a part or of an entire business previously acquired and whose acquisition gave rise to goodwill, when establishing the gains or losses on disposal, the corresponding residual value of the goodwill is taken into consideration.

### 2.9.4 Property, plant and equipment

Property, plant and equipment are recognised at historical cost, including directly attributable accessory costs and financial charges and needed to bring it to the working condition for which the asset was purchased, plus, when relevant and in the presence of present obligations, the present value of the cost estimated to dismantle and remove the asset. When significant parts of these tangible assets have different useful lives, these components are depreciated separately. Land, both unbuilt and related to buildings, is not depreciated insofar as it has an indefinite useful life.

The rates of depreciation used are as follows:

**Rates of depreciation**

| Description of asset | Depreciation rate |
|---|---|
| Plant and equipment | From 15% to 20% |
| Fixtures and fittings, tools and other equipment | 15% |
| **Other assets:** | |
| Office furniture and machines | 12% |
| Electronic office machines | 20% |
| Passenger cars | 25% |
| Vehicles | 20% |

The book value of property, plant and equipment is tested to reveal any impairment losses, when events or changes in situations indicate that the book value cannot be recovered. If there is evidence of this nature and in the event in which the book value exceeds the estimated recoverable amount, the assets are written down to reflect their recoverable amount. The recoverable amount of property, plant and equipment is represented by the higher between the net sale price and the value in use.

When establishing the value in use, the expected future cash flows are discounted using a pre-tax discount rate which reflects the present market estimate of the cost of money with relation to the time and to the specific risks of the asset. For assets that do not generate fully independent cash flows, the recoverable amount is established in relation to the cash flow generating unit to which said asset belongs. Impairment losses are booked to the income statement under costs for amortisation, depreciation and write-downs. These impairment losses are reversed in the event in which the reasons that generated them should cease to exist.

At the time of sale or when the expected future benefits from the use of an asset no longer exist, it is derecognised from the financial statements and any gain or loss (calculated as the difference between the sale value and the book value) is booked to the income statement in the year of said derecognition. The residual value of the asset, the useful life and the methods applied are reviewed annually and adjusted if necessary at the end of each year.

### 2.9.5 Impairment loss on assets

On the closing date of the annual financial statements, the existence of impairment losses on assets is assessed. In said case, or in cases in which annual impairment testing is required, the recoverable amount is estimated. The recoverable amount is the higher between the fair value of an asset or cash flow generating unit net of sale costs, and its value in use, and is established by individual asset, unless said asset generates cash flows which are fully independent of those generated by other assets or groups of assets. If the book value of an asset is higher than its recoverable amount, said asset has suffered an impairment loss and is consequently written down to its recoverable amount. When establishing the value in use, estimated future cash flows are discounted at the present value at a discount rate which reflects market valuations on the temporary value of money and the specific risks of the asset. The impairment losses suffered by continuing operations are booked to the income statement under the cost category pertaining to the function of the asset that has suffered the impairment loss.

On the closing date of the annual financial statements, an assessment is made as to whether the impairment loss previously recognised is still valid (or should be reduced) and a new recoverable amount is estimated. The value of an asset previously written down (with the exception of goodwill) may be restated only if there are changes in the estimates used to establish the recoverable amount of the asset after the last recognition of an impairment loss. In this case, the book value of the asset is brought to its recoverable amount, although the increased value must not exceed the book value that would have been determined, net of amortisation or depreciation, if no impairment loss had been recognised in previous years. Each reversal is recognised as income on the income statement, unless the asset is recognised at a revalued amount, the case in which the reversal is treated as a revaluation. After an impairment loss has been reversed, the amortisation or depreciation charges of the asset are adjusted in future periods, in order to share the changed book value, net of any residual value, on a straight-line basis over the remaining useful life.

### 2.9.6 Financial assets

IAS 39 envisages the following types of financial instruments: 1) financial assets at fair value through profit or loss; 2) loans and receivables; 3) held-to-maturity investments; 4) available-for-sale financial assets.

Initially, all financial assets are recognised at their fair value, increased, in the case of assets other than those measured at fair value through profit or loss, by accessory charges. The Company establishes the classification of its financial assets after initial recognition and, where adequate and permitted, reviews said classification at the end of each financial year.

All purchases and sales of financial assets are recognised at the settlement date, namely at the date on which the Company commits to purchasing the asset. Standard purchases and sales mean all purchase and sale transactions of financial assets that envisage the delivery of the asset in the period generally envisaged by the regulations and practices of the market in which the exchange is made.

### 2.9.7 Financial assets at fair value through profit or loss

This category includes financial assets held for trading, namely all assets acquired to be sold in the short term. Derivatives are classified as financial assets held for trading unless they are designated as effective hedging instruments. Gains or losses on assets held for trading are booked to the income statement.

### 2.9.8 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not listed on an active market. These assets are recognised at amortised cost using the effective discounting method. The gains or losses are booked to the income statement when the loans or receivables are derecognised from the accounts or when impairment losses emerge, in addition to through the amortisation process.

### 2.9.9 Held-to-maturity investments

Financial assets that are not derivative instruments and are characterised by fixed or determinable payments or maturities are classified as "held-to-maturity investments" when the Group intends and is able to maintain them in the portfolio until they mature. The financial assets that the Group decides to hold in the portfolio for an indefinite period of time do not fall into this category. Other long-term held-to-maturity financial investments, such as bonds, are then measured at amortised cost. This cost is calculated as the value initially recognised less the repayment of the principal amount, plus or minus the amortisation accumulated using the effective interest rate of each and any difference between the value initially recognised and the amount on maturity. This calculation includes all of the commission or points exchanged between the parties, which are an integral part of the effective interest rate, transaction costs and other premiums or discounts. For investments measured at amortised cost, the gains or losses are booked to the income statement when the investment is derecognised from the accounts or when impairment losses emerge, in addition to through the amortisation process.

### 2.9.10 Available-for-sale assets

Available-for-sale financial assets are those financial assets, excluding derivative instruments, which have been designated as such or are not classified in any of the other three previous categories. After initial recognition at cost, available-for-sale financial assets are measured at fair value and the gains or losses are recognised under a separate item of shareholders' equity until such time as they are derecognised from the accounts or until it has been ascertained that they have suffered an impairment loss; the gains or losses accumulated up until that time under shareholders' equity are then booked to the income statement. In the case of securities widely traded on regulated markets, the fair value is determined with reference to the stock market price recorded at the end of trading on the closing date of the financial year. For investments for which no active market exists, the fair value is determined using measurement techniques based on recent transaction prices between independent parties; the present market value of a substantially similar instrument; the analysis of discounted cash flows; pricing models of options.

### 2.9.11 Final inventories

Warehouse inventories are recognised at the lower between the purchase or production cost and the net recoverable amount represented by the amount that the enterprise expects to obtain from their sale during the normal course of business. The cost of inventories is determined by applying the weighted average cost. The value of inventories obtained in this way is then adjusted by a specific "provision for obsolete goods", to take into account goods whose recoverable amount is lower than their cost.

### 2.9.12 Trade receivables

Trade receivables are recognised at their fair value, identified from the face value and subsequently reduced by any impairment losses. Trade receivables which are not due within standard trading terms and which do not generate interest, are discounted.

### 2.9.13 Cash and cash equivalents

Cash and cash equivalents include cash and demand and short-term deposits, in the latter case whose original maturity is three months or less, and are recognised at their face value.

### 2.9.14 Treasury shares

Treasury shares that are repurchased are deducted from shareholders' equity. The purchase, sale, issue or cancellation or instruments representing share capital do not generate the recognition of any gain or loss in the income statement.

### 2.9.15 Employee benefits

Short-term employee benefits, namely due within twelve months of the end of the year in which the employee has worked, are recorded as a cost and as a liability for an amount corresponding to the non-discounted amount that should be paid to the employees for his service. Instead, long-term benefits, such as those to be paid beyond twelve months from the end of the year in which the employee worked, are recognised as a liability for an amount corresponding to the current value of the benefits on the date of the financial statements.

Post-employment benefits reflect the amount accrued in favour of employees, in accordance with the law in force and collective labour agreements. The liabilities relating to defined benefit plans, net of any assets serving the plan, are determined on the basis of actuarial assumptions and are recognised on an accrual basis in accordance with the work performed required to obtain the benefits; these liabilities are measured by independent actuaries.

From 1 January 2007, the nature of Provisions for post-employment benefits changed from "defined benefit plans" to "defined contribution plans". For IAS purposes, Provisions for post-employment benefits accrued as at 31 December 2006 continue to be considered a defined benefit plan. The accounting treatment of the amounts maturing from 1 January 2007 is therefore similar to that existing for payments of other types of contribution, both in the case of the supplementary pension plan option, and in the case in which it is paid into the Treasury Fund held by INPS.

As regards the liabilities relating to the defined benefit plan, the new IAS 19 envisages that all of the actuarial profits and losses accrued as at the date of the financial statements should be immediately recognised in the "Statement of Comprehensive Income" (Other Comprehensive Income, hereafter OCI).

Therefore, it is no longer possible to defer the same through the corridor method, or to recognise all actuarial profits and losses in the year in which they arise in the income statement. Consequently, for the recognition of actuarial profits/losses, the standard only permits the so-called OCI method.

### 2.9.16 Provisions for risks and charges

Provisions for risks and charges regard costs and charges of a specific nature, whose existence is certain or likely, for which at the closing date of the reference period, the amount or contingency date has not been established. Provisions are recognised in the presence of a present obligation (legal or implicit) which originates from a past event, when an outlay of resources to meet the obligation is likely, and a reliable estimate of the amount of the obligation can be made.

Provisions are recognised at a value that represents the best estimate of the amount that the company should pay to extinguish the obligation or to transfer it to third parties on the closing date of the period. If the effect of discounting is significant, the provisions are calculated by discounting the expected future cash flows at a pre-tax discount rate which reflects the present market valuation of the cost of money with relation to time. When the discounting is performed, the increase of the provision due to the passing of time is recognised as a financial charge.

### 2.9.17 Trade and other payables

Trade payables and other payables are initially recognised at cost, namely at the fair value of the amount paid during the course of the transaction. Subsequently, payables that have a fixed due date are measured at amortised cost, using the effective interest rate method, while payables without a fixed due date are measured at cost. Short-term payables, for which the accrual of interest has not be agreed, are measured at their face value. The fair value of long-term payables has been established by discounting future cash flows: the discount is recognised as a financial charge over the term of the payable until due.

### 2.9.18 Financial liabilities

Financial liabilities are represented by financial payables and by financial liabilities related to derivative instruments. Financial liabilities other than derivative financial instruments, are initially recognised at fair value plus the costs of the transaction; subsequently they are measured at amortised cost, namely at the initial value, net of repayments of principal amounts already made, adjusted (up or down) on the basis of amortisation (using the effective interest rate method) by any differences between the initial value and the value when due.

### 2.9.19 Grants

A Government grant is recognised when there is reasonable certainty that it will be received and all conditions relating to the same have been met. When grants related to income regard cost components, they are deducted from the costs to which they refer. In the event in which a grant relates to an asset, the fair value is recognised as a reduction of the value of the assets to which it refers, with a consequent reduction of amortisation or depreciation charges.

### 2.9.20 Leases

Finance leases, which substantially transfer all of the risks and benefits relating to the ownership of the leased asset to the Group, are capitalised from the start date of the lease at the fair value of the leased asset or, if lower, at the present value of instalments. Instalments are split on a pro rata basis between a principal amount and an interest amount in order to apply a constant interest rate to the residual balance of the debt. Financial expense is booked directly to the income statement Capitalised leased assets are amortised or depreciated over the shortest timeframe between the estimated useful life of the asset and the length of the lease agreement, if there is no reasonable certainty that the Group will obtain ownership of the asset at the end of the agreement.

Operating lease instalments are recognised as costs in the income statement on a straight-line basis over the term of the agreement.

### 2.9.21 Revenue

Revenue is recognised to the extent to which it is likely that the economic benefits will be consumed by the Group and the relative amount can be reliably determined. The following specific recognition criteria must be applied to revenue before it may be booked to the income statement:

- Sale of assets: the revenue is recognised when the enterprise has transferred all of the significant risks and benefits related to the ownership of the asset to the buyer.
- Provision of services: the revenue generated by the provision of services is recognised in the income statement when the service is performed.
  Work in progress is valued on the state of progress. If the outcome of the contract cannot be reliably estimated, the revenue is recognised only to the extent to which the costs incurred are considered recoverable.

In cases in which extensions are granted to the customer not at normal market conditions, without accruing interest, the amount that will be collected is discounted. The difference between the present value and the amount collected represents financial income and is recorded on an accrual basis.

- Interest: is recognised as financial income when the applicable interest income has been established (calculated using the effective interest method which is the rate that exactly discounts the expected future cash flows based on the expected life of the financial instrument at the net book value of the financial asset).
- Dividends: are recognised when the right of shareholders to receive payment arises.

### 2.9.22 Costs of goods and services

In accordance with the accrual principle, the above costs contribute to reducing economic benefits, and take the form of cash outflows or the reduction of the value of an asset or the incurrence of a liability.

### 2.9.23 Current and deferred taxes

Deferred tax assets and liabilities are calculated on the temporary differences arising on the date of the financial statements between the tax amounts taken as reference for assets and liabilities and the amounts shown in the financial statements.

Deferred tax liabilities are recognised against all taxable temporary differences, with the exception of:

- when the deferred tax liabilities originate from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and which, at the time of said transaction, does not impact the profit for the year calculated for financial statement purposes or the profit or loss calculated for tax purposes;
- with reference to taxable temporary differences associated to equity investments in subsidiaries, associates or joint ventures, if the reversal of the temporary differences may be checked and it is likely that it will arise in the foreseeable future.

Deferred tax assets are recognised against all deductible temporary differences to the extent that the existence of adequate future tax income is likely, which can render the use of the deductible temporary differences applicable, with the exception of the case in which:

- the deferred tax asset related to the deductible temporary differences originates from the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of said transaction, does not impact the profit for the year calculated for financial statement purposes or the profit or loss calculated for tax purposes;
  With regard to taxable temporary differences associated to equity investments in subsidiaries, associates or joint ventures, the deferred tax assets are recognised only to the extent to which it is likely that the deductible temporary differences will be paid

again in the future or there is adequate taxable income against which the temporary differences may be used. The likelihood of recovering deferred tax assets is assessed with reference, in particular, to taxable income expected in subsequent years and to the tax strategies that the Group intends to adopt (for example, tax consolidation agreements).

The value of deferred tax assets to be reported in the financial statements is reviewed on the closing date of the financial statements.

Deferred tax assets that are not recognised are reviewed annually on the closing date of the financial statements.

Deferred tax assets and liabilities are measured on the basis of the tax rates that are expected to be applied to the year in which the assets are realised or the liabilities are extinguished, on the basis of rates that will be issued or substantially issued on the date of the financial statements.

Income taxes relating to items recognised directly under shareholders' equity are booked to shareholders' equity and not to the income statement.

Deferred tax assets and liabilities are offset, when there is a legal right to offset current tax assets against current tax liabilities and said deferred taxes are enforceable vis-à-vis the tax authority in question.

The Company ("consolidator") has again renewed the tax consolidation option with the subsidiary Be Consulting Think, Project & Plan S.p.A. for the three-year period 2014-2016.

The Company has also extended the tax consolidation option for the three-year period 2012-2014 with the following subsidiaries: Be Solutions Solve, Realize & Control S.p.A., Be Enterprise and Process Solutions S.p.A. (previously Alix Italia S.r.l.), To See S.r.l..

Lastly, for the three-year period 2013-2015, it again renewed the tax consolidation option with Be Professional Services S.p.A. (previously Be Operations Execute, Manage & Perform S.p.A), and A&B S.p.A.

Economic, equity and financial transactions resulting from the application of tax consolidation are regulated by a "tax consolidation contract" which disciplines the legal relationships resulting from the national tax consolidation scheme.

On the basis of this agreement, against taxable income recorded and transferred to the Parent Company, the Subsidiary undertakes to recognise "tax adjustments" corresponding to the sum of the relative taxes due on the income transferred to the Parent Company.

### 2.9.24 Foreign currency translation

The currency adopted for the consolidated financial statements is the Euro. Transactions in currencies other than the Euro are initially recognised at the exchange rate in force (against the functional currency) on the date of the transaction. Monetary assets and liabilities, denominated in currencies other than the Euro, are reconverted into the functional currency in force on the closing date of the financial statements. All exchange rate differences are recognised in the income statement. Non-monetary items measured at historical cost in currencies other than the Euro are converted by the exchange rates in force on the date of initial recognition of the transaction. Non-monetary items measured at fair value in currencies other than the Euro are converted by the exchange rates in force on the date said value was determined.

### 2.9.25 Business combinations

Business combinations are recognised according to the acquisition method, as envisaged by IFRS 3 - Business combinations.

In the case of Business combinations that are performed in stages, the equity investment previously held in the acquired enterprise and remeasured at fair value on the date on which control was acquired and any resulting gains or losses are booked to the Income Statement under Gains/(losses) from disposal of equity investments. Any amounts resulting from the previously held equity investment and recognised under Other total gains and losses are reclassified in the Income Statement as if the equity investment had been disposed of.

### 2.9.26 Earnings per share

Earnings per share are calculated by dividing the net profit/loss for the period pertaining to the ordinary shareholders of the Parent Company by the average number of ordinary shares outstanding during the period, calculating and showing the effect between assets used in business operations and assets held for sale separately. Diluted earnings also include the effect of all financial instruments outstanding that have a potentially dilutive effect.

### 2.9.27 Derecognition of financial assets and liabilities

*Financial assets*

A financial asset (or, where applicable, part of a financial asset or parts of a group of similar financial assets) is derecognised from the financial statements when:

- the rights to receive cash flows from the asset cease;
- the Group retains the right to receive cash flows from the asset, but has undertaken a contractual obligation to pay them in their entirety and without delay to a third party;
- the Group has transferred the right to receive cash flows from the asset and (a) has substantially transferred all of the risks and benefits of the ownership of the financial assets, or (b) has not substantially transferred, nor retained all of the risks and benefits of the asset, but has transferred the control of the same. In cases in which the Group has transferred the rights to receive cash flows from an asset and has not transferred or substantially retained all of the risks and benefits or has not lost control of the same, the asset is recognised in the financial statements of the Group to the extent of its residual involvement in said asset. Residual involvement may take the form of a guarantee on the asset transferred, and in this case it is measured at the lower between the initial book value of the asset and the maximum value of the amount that the Group could be bound to pay.

*Financial liabilities*

A financial liability is derecognised from the financial statements when the obligation underlying the liability ceases, is cancelled or is fulfilled. In cases in which an existing financial liability is replaced by another from the same lender, at substantially different conditions, or the conditions of an existing liability are substantially changed, said replacement or change is treated as the derecognition of the original liability and the recognition of a new liability, with any differences between the book values recorded in the income statement.

### 2.9.28 Impairment loss on financial assets

On each closing date of the financial statements, the Group assesses whether a financial asset or a group of financial assets have suffered any impairment loss.

### 2.9.29 Assets measured at amortised cost

If there is objective evidence that a loan or receivable recognised at amortised cost has suffered an impairment loss, the amount of the loss is measured as the difference between the book value of the asset and the present value of the estimated future cash flows (excluding future losses on receivables not yet incurred) discounted at the original effective interest rate of the financial asset (namely at the effective interest rate calculated on the initial recognition date). The book value of the asset will be reduced both directly, and by the use of a provision. The amount of the loss is booked to the income statement.

The Group first assesses the existence of objective evidence of impairment loss at individual level, for financial assets that are significant individually, and then at individual or collective level for the financial assets that are not. In the absence of objective evidence of impairment loss assessed individually, whether significant or not, said asset is included in a group of financial assets with similar credit risk characteristics and said group is impairment tested collectively. Assets assessed at individual level for which an impairment loss is found or continues to be found, are not included in a collective assessment.

If, in a subsequent year, the entity of the impairment loss decreases and said reduction may be objectively attributed to an event that occurred after the recognition of the impairment loss, the value previously reduced may be recovered. Any subsequent value recoveries are recognised in the income statement, to the extent to which the book value of the asset does not exceed the amortised cost at the date of the recovery.

### 2.9.30 Financial assets recognised at cost

If there is objective evidence of impairment loss of an unlisted instrument representing equity, which is not recognised at fair value, because its fair value cannot be reliably measured, or of a derivative instrument which is related to said equity instrument and must be settled through the delivery of said instrument, the amount of the impairment loss is measured as the difference between the book value of the asset and the present value of expected future cash flows and is discounted at the current market rate of return for a similar financial asset.

### 2.9.31 Available-for-sale financial assets

In the event of an impairment loss of an available-for-sale financial asset, a value corresponding to the difference between the cost of the asset (net of the repayment of the principal and of amortisation) and its present fair value is transferred from shareholders' equity to the income statement, net of any impairment losses previously recognised on the income statement. Value recoveries relating to equity instruments classified as available for sale are not recognised on the income statement. Value recoveries related to debt instruments are recognised on the income statement if the increase in the fair value of the instrument may be objectively attributed to an event that occurred after the loss was recognised on the income statement.

### 2.9.32 Held-for-sale assets and liabilities associated to held-for-sale assets

Non-current assets (or groups of assets and liabilities) are classified as held for sale if they are available to be immediately sold in their present state, subject to the standard conditions of sale for that type of asset, and that the sale is highly likely. These assets are measured:

- at the lower between the book value and the fair value, net of selling costs, recognising any impairment losses on the income statement, unless part of a business combination transaction, otherwise;
- at the fair value, net of selling costs (without the option of recognising write-downs at the time of initial recognition), if part of a business combination transaction.
  In any event, the amortisation process is interrupted at the time of classification of the asset, as held for sale.

Assets and liabilities directly related to a group of assets held for sale are classified separately on the statement of financial position, (under "assets and liabilities held for disposal") as are the pertinent reserves of accumulated profits or losses, directly booked to shareholders' equity. The net profit (loss) of the transactions sold and held for disposal is indicated in a separate item on the income statement.

### 2.9.33 Derivative financial instruments

If the Group uses derivative financial instruments, such as currency forward contracts and interest rate swaps to hedge risks relating mostly to fluctuations in interest rates, these instruments are initially recognised at fair value at the date on which they were stipulated; subsequently, said fair value is periodically re-measured. They are recognised as assets when the fair value is positive and as liabilities when it is negative. Any profits or losses resulting from changes in the fair value of derivatives not suitable for hedge accounting are directly booked to the income statement for the year.

The fair value of the interest rate swaps is determined with reference to the market value of similar instruments.

As at 31 December 2014, the Group had a swap in place after entering into a loan agreement with a term of five years, at a floating rate of interest. Last year the Company had conducted the effectiveness test required by paragraph 88 of IAS 39, however, the result of the same had been negative. Therefore, the cash flow hedge reserve was discontinued on a prospective basis for the term of the loan.

### 2.9.34 Put & Call contracts

Put & Call contracts on minority interests for the purpose of the Consolidated Financial Statements, are transactions that are part of transactions conducted on shareholders' equity and are measured at fair value.

More specifically, a financial liability is recognised for the value of the Put option, which is deducted from the interest of minority shareholders until its book value is reached, and any surplus amount is recognised under goodwill.

## 2.10 IFRS accounting standards, amendments and interpretations applicable from 1 January 2014

The accounting principles adopted are the same as for the previous year and therefore reference should be made to the consolidated financial statements at 31 December 2014, except for those entering into force from 1 January 2014, and adopted by the Group for the first time, i.e.:

- IFRS 10 - Consolidated Financial Statements, replacing the part of IAS 27 - Consolidated and Separate Financial Statements, referring to consolidated financial statements and replacing SIC-12 Consolidation - Special Purpose Entities. The previous IAS 27 was renamed "Separate Financial Statements" and only regulates the accounting of equity investments in separate financial statements. The main changes established by the new standard for consolidated financial statements are as follows:
    - IFRS 10 establishes that the only underlying basic principle for the consolidation of all types of entity is that of control. This change removes the inconsistency perceived between the previous IAS 27 (based on control) and SIC 12 (based on transfer of risks and benefits);
    - a more rigorous definition of control has been introduced with respect to the past, based on the simultaneous presence of the following three elements: (a) power over the acquired company; (b) exposure, or rights, to variable returns deriving from involvement in the

company; (c) capacity to use the acquired power to influence the amount of such variable returns;
- in order to assess whether an investor has control over the acquired company, IFRS 10 requires that an investor focuses on the activities that have a significant effect on his returns (concept of relevant activities);
- IFRS 10 requires that, to assess the existence of control, only substantive rights are taken into consideration, i.e. those exercisable in practice when significant decisions have to be made regarding the acquired company;
- IFRS 10 offers practical guidance to help assess whether or not control exists in complex situations, such as working control, potential voting rights, structured entities, situations in which it is important to establish whether a person with decision-making powers is acting as agent or as principal, etc.

In general, the application of IFRS 10 calls for a significant degree of judgment on a certain number of application-related aspects. The standard is applicable retrospectively from 1 January 2014.

**The adoption of this new standard has had no effect on the Group's scope of consolidation.**

- IFRS 11 – Joint Arrangements, which replaces IAS 31 – Interests in Joint Ventures and SIC-13 – Jointly Controlled Entities – Non-Monetary Contributions by Venturers. Without prejudice to the criteria for identifying the presence of joint control, the new standard provides criteria for the accounting treatment of joint arrangements based on rights and obligations deriving from the arrangements rather than on their legal format, distinguishing said arrangements as joint ventures or joint operations. According to IFRS 11, in contrast to the previous IAS 31, the existence of a separate vehicle is not sufficient in itself to qualify a joint arrangement as a joint venture. For joint ventures, where the parties have rights solely on shareholders' equity in the arrangement, the standard establishes that only the equity method should be used for recognition in the consolidated financial statements. For joint operations, where the parties have asset rights and liability commitments under the arrangement, the standard envisages direct pro rata recognition in the consolidated (and separate) financial statements of the assets, liabilities, costs and revenue deriving from the joint operation. In general, the application of IFRS 11 calls for a significant degree of judgment in certain corporate segments as regards the distinction between joint venture and joint operation. The new standard is applicable retrospectively from 1 January 2014. Following the issue of the new standard IFRS 11, IAS 28 – Investments in Associates was amended to also include investments in jointly-controlled entities in its scope of application from the effective date of the standard.

  **The adoption of this new standard has had no effect on the Group's scope of consolidation.**

- IFRS 12 – Disclosure of Interests in Other Entities, a new and complete standard on disclosures to be provided in the consolidated financial statements for all types of equity investment, including interests in subsidiaries, joint arrangements, associates, specific purpose entities and other non-consolidated vehicles. The standard is applicable retrospectively from 1 January 2014.

  **The adoption of this new standard has had no effect on the information provided in the Notes to the Group's Consolidated Financial Statements; therefore please refer to Note 14 in the Notes.**

- Amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities", with a view to clarifying the application of the criteria required to offset financial assets and financial liabilities in the financial statements (i.e. the entity currently has a legally enforceable right to offset the amounts reported and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously). The amendments are applicable retrospectively from 1 January 2014.

**The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**

- Amendments to IFRS 10, IFRS 12 and IAS 27) "Investment Entities", which, for investment companies, introduces an exception to the consolidation of subsidiaries, except in cases where their parent companies provide additional services with reference to the investing activities of such investment companies. In application of these amendments, investment entities must measure their investments in subsidiaries at fair value. The following criteria were introduced for qualification as an investment entity, and therefore for access to the aforementioned exception:

  - obtain funds from one or more investors with the aim of providing them with investment management services;
  - a commitment to investors to pursue the aim of investing the funds solely to achieve returns on the capital appreciation, investment income or both; and
  - measure and assess the performance of essentially all the investments at fair value.

  These amendments are applicable with the standards to which they refer from 1 January 2014.

  **The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**

- Amendments to IAS 36 "Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets" These amendments aim to clarify that disclosures on the recoverable amount of assets (including goodwill) or of cash generating units subject to impairment testing, if their recoverable amount is based on fair value net of disposal costs, only refer to assets or cash generating units for which an impairment loss has been recognised or recovered during the financial year. In this case, an adequate disclosure must be provided on the level of the fair value hierarchy attributed to the recoverable amount and on the measurement techniques and assumptions used (if level 2 or 3). The changes are applicable retrospectively from 1 January 2014.

  **The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**

- Amendments to IAS 39 – "Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting". The amendments concern the introduction of a number of exceptions to the hedge accounting requirements defined in IAS 39 if an existing derivative is replaced with a new derivative in specific instances, where this replacement involves a central counterparty (CCP) following the introduction of a new law or regulation. The changes are applicable retrospectively from 1 January 2014.

  **The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**

## 2.11 Accounting Standards, IFRS and IFRIC amendments and interpretations endorsed by the European Union, whose application is not yet compulsory and for which the Group did not opt for early adoption as at 31 December 2014

- On 20 May 2013 the interpretation IFRIC 21 – Levies was published, providing clarification on the recognition timing of a liability associated with a tax (other than income tax) levied by a government authority. The standard interpretation covers tax liabilities included in the scope of application of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets and tax liabilities on taxes for which the timing and amount are known. The interpretation is applicable retrospectively for years that start at the latest from 17 June 2014 or a later date.

**The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**

- On 12 December 2013, the IASB published a document entitled "Annual Improvements to IFRSs: 2010-2012 Cycle" which summarises the changes to several standards as part of the annual process to improve the same. The main changes regard:

  - IFRS 2 Share-based Payment – Definition of vesting condition. Changes have been made to the definitions of "vesting condition" and "market condition" and further definitions of "performance condition" and "service condition" have been added (previously included in the definition of "vesting condition");
  - IFRS 3 Business Combinations – Accounting for contingent consideration. The change clarifies that a contingent consideration within a business combination classified as a financial asset or liability must be re-measured at fair value at each accounting period closing date and the fair value changes must be recognised in the income statement or under components of the statement of comprehensive income in accordance with the requirements of IAS 39 (or IFRS 9);
  - IFRS 8 Operating Segments – Aggregation of operating segments. The changes require an entity to provide disclosure on assessments made by management in application of criteria for the aggregation of operating segments, including a description of the operating segments aggregated and of the economic indicators considered when deciding whether said operating segments had similar economic characteristics.
  - IFRS 8 Operating Segments – Reconciliation of the total of the reportable segments' assets to the entity's assets. The changes clarify that the reconciliation of total assets of operating segments and the total assets as a whole of the entity must be presented only if the total assets of the operating segments are regularly reviewed by the highest decision-making level of the entity;
  - IFRS 13 Fair Value Measurement – Short-term receivables and payables. The Basis for Conclusions for this standard have been amended with a view to clarifying that with the issue of IFRS 13, and the consequent changes to IAS 39 and IFRS 9, current trade receivables and payables can still be recognised in the accounts without recognising the effect of discounting, if the same is immaterial.
  - IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets – Revaluation method: proportionate restatement of accumulated depreciation/amortisation. The changes have eliminated inconsistencies in the recognition of accumulated depreciation/amortisation when a tangible or intangible asset is revalued. The requirements envisaged by the changes clarify that the gross book value must be consistent with the revaluation of the book value of the asset and that accumulated depreciation/amortisation corresponds to the difference between the gross book value and the book value net of impairment losses recorded;
  - IAS 24 Related Party Disclosures – Key management personnel. The change clarifies that if the services of executives with strategic responsibilities are provided by an entity (and not by a physical person), said entity is to be considered a related party in any event.

  The changes are to be applied at the latest from years that start on 1 February 2015 or later.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 12 December 2013, the IASB published a document entitled "Annual Improvements to IFRSs: 2011-2013 Cycle" which summarises the changes to several standards as part of the annual process to improve the same. The main changes regard:

  - IFRS 3 Business Combinations – Scope exception for joint ventures. The change clarifies that paragraph 2(a) of IFRS 3 excludes all types of joint arrangements, as defined by IFRS 11 from the scope of application of IFRS 3;
  - IFRS 13 Fair Value Measurement – Scope of portfolio exception (par. 52). The change clarifies that the portfolio exception included in paragraph 52 of IFRS 13

- applies to all contracts included in the scope of application of IAS 39 (or IFRS 9) regardless of whether they fulfil the definition of financial asset or liability provided by IAS 32;
- IAS 40 Investment Property – Interrelationship between IFRS 3 and IAS 40. The change clarifies that IFRS 3 and IAS 40 do not mutually exclude one another and that, in order to establish if the acquisition of an investment property falls within the scope of application of IFRS 3 or of IAS 40, reference must be made respectively to the indications provided by IFRS 3 or by IAS 40.
- The changes are to be applied from years that start on 1 January 2015 or later.

**At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 21 November 2013, the IASB published the amendment to IAS 19 "Defined Benefit Plans: Employee Contributions", which proposes to include contributions (relating only to the service provided by the employee over the year) made by employees or by third parties in defined benefit plans to reduce the service cost of the year in which said contribution is paid. The need for this proposal arose with the introduction of the new IAS 19 (2011), where it is retained that said contributions are to be considered as part of a post-employment benefit, rather than a short-term benefit and, therefore, that said contribution should be spread over the years of service of the employee. The changes are to be applied at the latest from years that start on 1 February 2015 or later.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

## 2.12 Accounting Standards, IFRS amendments and interpretations not yet endorsed by the European Union

At the reference date of these Group Consolidated Financial Statements, the competent bodies of the European Union have not yet completed the endorsement process required for adoption of the amendments and standards illustrated below.

- On 30 January 2014, the IASB published IFRS 14 Regulatory Deferral Accounts, which only allows those that adopt IFRS for the first time to continue to recognise amounts related to Rate Regulation Activities according to the previous accounting standards adopted.

  **As the Group is not a first-time adopter, said standard is not applicable.**

- On 6 May 2014, the IASB issued several amendments to IFRS 11 Joint Arrangements - Accounting for acquisitions of interests in joint operations regarding the recognition of the acquisition of a stake in a joint operation, whose activity is considered a business according to IFRS 3. The amendments require that the principles established by IFRS 3 are applied to these cases, with regard to the recognition of the effects of a business combination. The changes are applicable from 1 January 2016, although early adoption is permitted.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 12 May 2014 the IASB issued a number of amendments to IAS 16 Property, Plant and Equipment and to IAS 38 Intangible Assets – "Clarification of acceptable methods of depreciation and amortisation". The amendments to IAS 16 establish that depreciation criteria established on the basis of revenue are not appropriate, insofar as, according to the amendment, the revenue generated by an asset, which includes the use of an asset subject to depreciation, generally reflects factors other than just the consumption of the economic benefits of said asset. The changes to IAS 38 introduce a relative assumption, according to which amortisation criteria based on revenue is usually considered inappropriate for the same reasons established by the changes made to IAS 16. In the case of intangible assets, this assumption may also be superseded, but only in limited and specific circumstances. The changes are applicable from 1 January 2016, although early adoption is permitted.

**At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 28 May 2014, the IASB published IFRS 15 – Revenue from Contracts with Customers which will replace standards IAS 18 – Revenue and IAS 11 – Construction Contracts, as well as interpretations IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers and SIC 31 – Revenues-Barter Transactions Involving Advertising Services. The standard establishes a new revenue recognition model, which will be applied to all contracts stipulated with customers, with the exception of those that fall within the scope of application of other IAS/IFRS standards such as leases, insurance contracts and financial instruments. The fundamental steps for the recognition of revenue according to the new model are:

  - identifying the contract with the customer;
  - identifying the performance obligations of the contract;
  - establishing the price;
  - allocating the price to the performance obligations of the contract;
  - the recognition criteria for revenue when the entity fulfils each performance obligation.

  The standard is applicable from 1 January 2017, although early adoption is permitted.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 30 June 2014, the IASB issued a number of amendments to IAS 16 Property, Plant and Equipment and to IAS 41 Agriculture – Bearer Plants. The amendments require that bearer plants, namely fruit trees that give rise to annual harvests (e.g. vines, hazelnut plants) have to be recorded in the accounts according to the requirements of IAS 16 (rather than IAS 41). This means that these assets must be measured at cost rather than fair value, net of selling costs (although the use of the revaluation method proposed by IAS 16 is permitted). The changes proposed are limited to trees used to produce seasonal fruit and not to be sold as living plants or subject to a harvest as agricultural products. These trees will be included in the scope of IAS 16 also during the organic ripening phase, namely until such time as they are no longer able to generate agricultural products. The changes are applicable from 1 January 2016, although early adoption is permitted.

  **The directors do not expect the adoption of these amendments to have any impact on the consolidated financial statements.**

- On 24 July 2014, the IASB published the final version of IFRS 9 - Financial instruments. This document encompasses the results of the phases relating to Classification and measurement, Impairment, and Hedge Accounting, of the IASB project to replace IAS 39. The new standard, which replaces the previous versions of IFRS 9, must be applied to financial statements that start on 1 January 2018 or later. Following the financial crisis in 2008, on the request of the major financial and political institutions, the IASB launched the project to replace IFRS 9 and proceeded in phases. In 2009, the IASB published the first version of IFRS 9, which only regarded the Classification and measurement of financial assets; subsequently, in 2010, criteria relating to the classification and measurement of financial liabilities were published, as well as to derecognition (the latter topic was transposed, unaltered, from IAS 39). In 2013, IFRS 9 was amended to include the general hedge accounting model. Following the current publication, which also includes impairment, IFRS 9 is now considered complete with the exception of criteria for macro-hedging, for which the IASB has undertaken a separate project. The standard introduces the new criteria for the classification and measurement of financial assets and liabilities. In particular, for financial assets, the new standard uses a single approach based on the procedure adopted to manage financial instruments and on the characteristics of the contractual cash flows of the same financial assets in order to determine the measurement criterion, replacing the various rules envisaged by IAS 39. As regards financial liabilities instead, the main change made regards the accounting treatment of changes in the fair value of a financial liability designated as a financial liability measured at fair value through profit and loss, in the event in which these changes are due to a change in the credit rating of the issuer of the liability in question. According to the new standard, these changes must be recognised in "other comprehensive income" rather than the income statement. With regard to the impairment model, the new standard requires that the estimate of losses on loans is made on the basis of the expected losses model (and not on the incurred losses model) using supportable information that is available without undue cost or effort, and that includes historical, current and forecast information. The standard envisages that this impairment model should be applied to all financial instruments, namely to financial instruments measured at amortised cost, to those measured at fair value through other comprehensive income, lease receivables and trade receivables. Lastly, the standard introduces a new hedge accounting model with a view to improving on the requirements envisaged by the current IAS 39, which at times are considered too strict and not suitable to reflect the risk management policies of companies. The main new features of the document regard:

- increase of the types of transactions eligible for hedge accounting, also including the risks of non-financial assets/liabilities to be managed in hedge accounting;
- change in the way that forward contracts and options are recognised when included in a hedge accounting relationship in order to reduce the volatility of the income statement.
- changes to the test of effectiveness by replacing the current procedures based on a parameter of 80-125% with the principle of "economic relationship" between the item hedged and the hedging instrument; furthermore, a retrospective assessment of the effectiveness of the hedging relationship will no longer be required;

The greater flexibility of the new accounting rules is counterbalanced by requests for additional disclosures on the company's risk management activities.

**At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 12 August 2014, the IASB published an amendment to IAS 27 - Equity Method in Separate Financial Statements. The document introduces the option for an entity to use the net equity method in separate financial statements to measure equity investments in subsidiaries, jointly-controlled entities and associates. Consequently, following the introduction of the amendment, an entity may recognise said equity investments in its separate financial statements either:

  - at cost; or
  - according to the provisions of IFRS 9 (or IAS 39); or
  - using the net equity method.

  The changes are applicable from 1 January 2016, although early adoption is permitted.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 11 September 2014, the IASB published an amendment to IFRS 10 and IAS 28 Sales or Contribution of Assets between an Investor and its Associate or Joint Venture. This document was published to resolve the current conflict between IAS 28 and IFRS 10. According to IAS 28, the gain or loss resulting from the sale or contribution of a non-monetary asset to a joint venture or associate in exchange for a stake in the share capital of the latter is limited to the stake held by other investors not involved in the transaction in the joint venture or associate. On the contrary, IFRS 10 envisages the recognition of the entire gain or loss in the case of the loss of control of a subsidiary, even if the entity continues to hold a non-controlling interest in the same, also including the sale or contribution of a subsidiary to a joint venture or associate. The amendments introduced envisage that in a sale/contribution of an asset or of a subsidiary to a joint venture or an associate, the amount of the gain or of the loss to be recognised in the financial statements of the seller/contributor depends on whether or not the assets or the subsidiary sold/contributed constitutes a business, as defined by IFRS 3. If the assets or the subsidiary do represent a business, the entity must recognise the gain or the loss on the entire investment previously held; otherwise, the share of the gain or the loss relating to the interest still held by the entity must be derecognised. The changes are applicable from 1 January 2016, although early adoption is permitted.

**At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 25 September 2014, the IASB published a document entitled "Annual Improvements to IFRSs: 2012-2014 Cycle". The changes introduced by the document must be applied from years which start on 1 January 2016 or later.

  The document introduces changes to the following standards:

- IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations. The change introduces specific guidelines for the standard in the case in which an entity reclassifies an asset (or a disposal group) from the held-for-sale category to the held-for-distribution category (or vice versa), or when the requirements for classifying an asset as held-for-distribution are no longer met. The changes establish that (i) said reclassifications should not be considered as a change to a sale or distribution plan and that the same classification and measurement criteria continue to be valid; (ii) assets that no longer meet the classification criteria envisaged for held-for-distribution should be treated in the same way as an asset that ceases to be classified as held-for-sale;

  a) IFRS 7 – Financial Instruments: Disclosure. The changes regulate the introduction of further guidelines to clarify whether a servicing arrangement represents continuing involvement in an asset transferred for the purpose of disclosure with relation to the transferred assets. Furthermore, it is clarified that the disclosure of financial assets and liabilities is not usually expressly required for interim financial statements. However, said disclosure may be necessary to meet the requirements envisaged by IAS 34, if considered a significant disclosure;
  b) IAS 19 – Employee Benefits. The document introduces changes to IAS 19 in order to clarify that the high quality corporate bonds used to determine the discount rate of post-employment benefits should be in the same currency as that used to pay the benefits. The changes specify that the scale of the high quality corporate bonds market to be considered is that of currency.
  c) IAS 34 – Interim Financial Reporting. The document introduces changes in order to clarify the requirements to be met in the case in which the disclosure requested is included in the interim financial report, but not in the interim financial statements. The amendment specifies that this disclosure is to be included by means of a cross-reference from the interim financial statements to other parts of the interim financial report and that this document is available to readers of the financial statements in the same way and with the same timing of the interim financial statements.

**At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 18 December 2014, the IASB published an amendment to IAS 1 – Disclosure Initiative. The objective of the changes is to provide clarifications on elements of disclosure that may be perceived as preventing the clear and intelligible preparation of the financial statements. The following changes have been made:

  - Materiality and aggregation: clarifies that a company should not obscure information by aggregating or disaggregating information and that materiality considerations apply to the financial statement schedules, notes and any specific disclosure requirements in IFRS. The disclosures requested specifically by IFRS must be provided if the information is material;
  - Statement of financial position and income statement: clarifies that the list of items specified by IAS 1 for these statements can be disaggregated and aggregated as relevant. Guidelines have also been provided on the presentation of subtotals in these statements;

- Presentation of items of Other Comprehensive Income ("OCI"): clarifies that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to the income statement;
- Notes: clarifies that entities have flexibility when designing the structure of the notes and provides guidelines on how to determine a systematic order of the notes, for example:
- By giving significance to those that are more relevant to the understanding of the financial position (e.g. by grouping information on specific assets);
- Grouping items measured using the same criteria (e.g. assets measured at fair value);
- Following the order of the items presented in the statements.

The changes introduced by the document must be applied from years which start on 1 January 2016 or later.

**At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

- On 18 December 2014, the IASB published a document entitled "Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)", containing amendments on topics that emerged following the application of the consolidation exception granted to investment entities. The changes introduced by the document must be applied from years which start on 1 January 2016 or later, early adoption is also permitted.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the Group's consolidated financial statements.**

## 2.13 Business combinations

*Business combinations in the reporting period*

As described previously, during 2014 the Be Group acquired 66.67% of Targit Gmbh shares and of the group of the same name for a total of Euro 3 million, confirming its consolidation strategy for the European market.

The Targit Group is specialised in the provision of IT consulting services to banks operating in the Investment Banking sector, and in the capital markets in general. The group is based in Munich, with operating units also in Frankfurt, Vienna and Zurich.

With regard to the 66.67% purchased, the Company paid Euro 1.6 million at the time of closing and the second tranche of Euro 1.4 million was paid in 2014.

**Reference amount for acquisition transaction**

| *Amounts in EUR thousands* | Book value of the business acquired | Fair value adjustments | Fair Value |
|---|---|---|---|
| Property, plant and equipment | 89 | | 89 |
| Intangible assets | 34 | 1,565 | 1,599 |
| Loans and other non-current assets | 9 | | 9 |
| Trade receivables | 1,884 | | 1,884 |
| Other assets and receivables | 147 | | 147 |
| Direct tax receivables | 239 | | 239 |
| Cash and cash equivalents | 2,438 | | 2,438 |
| Post-employment benefits (TFR) | (78) | | (78) |
| Deferred tax liabilities | (28) | (516) | (544) |
| Trade payables | (903) | | (903) |
| Other liabilities and payables | (888) | | (888) |
| **NET TOTAL OF ASSETS ACQUIRED** | **2,942** | **1,049** | **3,991** |
| **GOODWILL** | | | **651** |
| **ACQUISITION PRICE** | | | **4,642** |
| broken down as follows, (amounts include discounting as at the acquisition date): | | | |
| 2014 Fee | | | (2,929) |
| Extended fee discounted including earn-out | | | (1,713) |
| **CASH FLOW FROM THE ACQUISITION** | | | |
| Payment already made | | | (3,000) |
| Cash and cash equivalents acquired | | | 2,438 |
| **NET CASH FLOWS** | | | **(562)** |

Note that the agreement between the parties - particularly in reference to the obligation to purchase the remaining 33.33% of shares envisages a basic fee (floor) of Euro 1.8 million, to be increased up to a maximum (cap) of Euro 4.2 million based on any positive results achieved by the subsidiary in 2016, 2017 and 2018 (earn-out).

The above-mentioned fee - including the estimated earn-out - was calculated on the basis of currently available estimates of Euro 2,186 thousand (corresponding to a discounted amount at the acquisition date of Euro 1,713 thousand).

Euro 350 thousand of this amount was paid in January 2015, while the remainder will be paid as follows: Euro 350 thousand by 31 December 2015, Euro 1,049 thousand by 29 March 2019 and Euro 437 thousand by 31 March 2021.

The transaction was accounted for using the purchase cost method with effect from the date of acquisition of control.

Euro 1,565 thousand of the gain generated by the acquisition was allocated to software with a useful life of ten years, and the remainder of Euro 641 thousand was allocated to goodwill.

In the period between the date of acquisition of control by the Be Group and the closing date of the consolidated financial statements at 31 December 2014 the Targit Group has achieved a total revenue of Euro 11.7 million (Euro 10.7 million net of intercompany revenue) and profit before tax of Euro 0.9 million.

## 2.14 Segment reporting

The disclosure required by IFRS 8 is provided, taking into account the organisational structure of the Group, which includes the following business areas:

- **Business Consulting:**

  Business Unit: active in the business consulting sector. This business unit operates through «Be Consulting» S.p.A., To See S.r.l., iBe Solve Execute Ltd, Be Ukraine Think, Solve, Execute S.A., Be Poland Think, Solve, Execute Sp.zo.o., Targit Group, Be Sport, Media & Entertainment Ltd, Be Sport and Media & Entertainment S.p.A.

- **ICT Solutions:**

  Business Unit: active in the provision of integrated solutions and systems for the financial services, insurance and utilities sectors. This business unit covers the activities performed by Be Solutions Solve Realize & Control S.p.A., Be Enterprise Process Solutions and Be Think Solve Execute RO S.r.l.

- **ICT Professional Services:**

  Business Unit: active in the provision of specialised programming language, solutions and ICT architecture expertise. This business unit relates to activities performed by "Be Professional Services S.p.A."

  The structure of the disclosure reflects that of the reports periodically analysed by management and by the Board of Directors to manage the business and is the subject of periodic management reporting and planning.

  The Parent Company's activities and those of residual businesses are indicated separately. The economic positions of the Group for 2014 and 2013 are reported below, separating continuing operations from discontinued operations.

## Breakdown by operating segment 1 January 2014 – 31 December 2014

| | Consulting | IT Service | Professional Services | Corporate and other | Discontinued | Consolidation adjustments | Minority interests | Total |
|---|---|---|---|---|---|---|---|---|
| Operating revenue | 60,759 | 34,161 | 2,682 | 0 | | | | 97,602 |
| Other revenue | 291 | 198 | 330 | 45 | | | | 865 |
| Value of production | 61,050 | 34,359 | 3,012 | 45 | | | | 98,467 |
| Operating Profit (loss) (EBIT) | 8,093 | 1,895 | (1,182) | (2,694) | | (4) | | 6,108 |
| Net financial expense | (816) | (2,225) | (128) | 3,600 | | (2,734) | | (2,303) |
| **Net profit (loss)** | **3,447** | **(1,095)** | **(1,017)** | **2,255** | **0** | **(2,341)** | **(207)** | **1,042** |
| Goodwill | 25,557 | 26,711 | 748 | 0 | | | | 53,016 |
| Other intangible assets | 9,845 | 9,410 | 0 | 27 | | | | 19,282 |
| Property, plant and equipment | 494 | 488 | 323 | 50 | | | | 1,356 |
| Segment assets | 39,179 | 19,486 | 6,875 | 79,678 | | (107,014) | | 38,204 |
| Segment liabilities | (39,208) | (37,102) | (7,195) | (38,053) | | 55,884 | | (65,673) |

## Breakdown by operating segment 1 January 2013 – 31 December 2013

| | Consulting | IT Service | Professional Services | Corporate and other | Discontinued | Consolidation adjustments | Minority interests | Total |
|---|---|---|---|---|---|---|---|---|
| Operating revenue | 35,780 | 35,760 | 3,345 | 18 | | | | 74,903 |
| Other revenue | 5,825 | 1,023 | 103 | 688 | | | | 7,640 |
| Value of production | 41,605 | 36,783 | 3,448 | 707 | | | | 82,543 |
| Operating Profit (loss) (EBIT) | 10,263 | (1,561) | (393) | (3,321) | | (697) | | 4,292 |
| Net financial expense | (741) | (1,469) | (205) | 2,851 | | (2,814) | | (2,378) |
| **Net profit (loss)** | **6,231** | **(2,984)** | **(561)** | **1,075** | **0** | **(3,374)** | **(16)** | **372** |
| Goodwill | 24,597 | 26,711 | 748 | 0 | | | | 52,056 |
| Other intangible assets | 10,614 | 10,743 | 405 | 39 | | | | 21,801 |
| Property, plant and equipment | 260 | 917 | 249 | 59 | | | | 1,485 |
| Segment assets | 11,293 | 15,511 | 5,733 | 74,024 | | (69,864) | | 36,697 |
| Segment liabilities | (22,160) | (35,619) | (6,314) | (34,585) | | 32,507 | | (66,171) |

At present, the Group does not believe that a segment analysis by geographic area is relevant for its reporting purposes, even though last year the revenue reported by foreign subsidiaries amounted to Euro 18.9 million, up 64.7% compared to 2013 (Euro 9.6 million).

# 3. Breakdown of the main items of the Statement of Financial Position

## Note 1.
## Property, plant and equipment

At 31 December 2014, property, plant and equipment recorded a balance of Euro 1,356 million, net of cumulative depreciation, against a total of Euro 1,485 million at 31 December 2013.

### Change in historical cost

| | Historical cost 2013 | Business combinations | Increases | Decreases | Reclassifications | Write-downs | Historical cost 2014 |
|---|---|---|---|---|---|---|---|
| Plant and equipment | 10,262 | | | (2) | 21 | | 10,281 |
| Fixtures and fittings, tools and other equipment | 2,891 | | 18 | (13) | (158) | | 2,738 |
| Other assets | 21,616 | 89 | 555 | (482) | 137 | | 21,915 |
| **TOTAL** | **34,769** | **89** | **573** | **(497)** | **0** | **0** | **34,934** |

### Change in accumulated depreciation

| | Accumulated depreciation 2013 | Business combinations | Depreciation | Decreases | Reclassifications | Write-downs | Accumulated depreciation 2014 |
|---|---|---|---|---|---|---|---|
| Accumulated depreciation plant and equipment | 10,083 | | 83 | (1) | 15 | | 10,180 |
| Accumulated depreciation Fixtures and fittings, tools and other equipment | 2,806 | | 40 | (5) | (104) | | 2,737 |
| Accumulated depreciation other assets | 20,395 | | 653 | (476) | 89 | | 20,661 |
| **TOTAL** | **33,284** | | **776** | **(482)** | **0** | **0** | **33,578** |

### Reconciliation of book value

| | Net value 2013 | Net value 2014 |
|---|---|---|
| Plant and equipment | 179 | 101 |
| Fixtures and fittings, tools and other equipment | 85 | 1 |
| Other assets | 1,221 | 1,254 |
| **TOTAL** | **1,485** | **1,356** |

The value of fixtures and fittings, tools and other equipment includes all the Group-owned operating assets used in the production of data processing services.

The figure for other assets includes the following:

- vehicles;
- ordinary office furniture and machines;

- electronic office machines;
- leasehold improvements.

The increase in other assets during the period mainly refers to leasehold improvements incurred by Be Consulting relating to the new offices of iBe plus the purchase of electronic office machines by Be Professional S.p.A and Be Ukraine. The decreases refer to the disposal of obsolete assets during the year.

## Note 2.
## Goodwill

Goodwill stood at Euro 53,016 thousand at 31 December 2014. The cash generating units (CGUs) were identified for impairment testing purposes based on the Group's reorganisation defined during 2013 and consistent with the former IFRS 8 reporting structure described in the paragraph 2.14 "Segment reporting".

The breakdown is as follows:

**Goodwill**

| | Balance at 31.12.2013 | Increases | Decreases | Exchange gains/losses | Balance at 31.12.2014 |
|---|---|---|---|---|---|
| Goodwill | 52,056 | 651 | | 309 | 53,016 |
| **TOTAL** | **52,056** | **651** | **0** | **309** | **53,016** |

**Goodwill**

| | Attributed to | Balance at 31.12.2013 | Increases | Decreases | Exchange gains/losses | Balance at 31.12.2014 |
|---|---|---|---|---|---|---|
| **Operating segment** | ***Cash generating unit (CGU)*** | | | | | |
| Business Consulting | Consulting | 24,597 | 651 | | 309 | 25,557 |
| ICT Services | IT (Solutions) | 26,711 | | | | 26,711 |
| ICT Professional Services | Professional | 748 | | | | 748 |
| **Total** | | **52,056** | **651** | **0** | **309** | **53,016** |

The recoverable amount of the CGU is determined on the basis of the value in use obtained by discounting the expected cash flows generated by the management of the assets set in place by the Group's business units. The cash flow forecast, the trend of interest rates and the main monetary variables are determined on the basis of the best information available at the time of the estimation and based on the 2015-2017 Plan containing forecasts of revenue, investment and operating costs. On the basis of the results of impairment testing - refer to below - the Directors therefore confirmed the sustainability of the book value of goodwill recognised at 31 December 2014.

The increase in goodwill of Euro 651 thousand refers to the acquisition of the Targit Group.

For further details, please refer to paragraph 2.13 "Business combinations".

### Impairment testing

The company conducted annual impairment testing on the goodwill recognised in the consolidated financial statements in accordance with the provisions of IAS 36, Impairment of assets. The goodwill shown above was recognised at 31 December 2014, after impairment testing, for an amount of Euro 53,016 thousand.

In 2014, based on the results of the impairment testing of the CGUs and of the relative sensitivity analyses conducted with the assistance of an external consultant, the Directors decided that the above amounts recognised could be recovered. The aim of the impairment test was to establish the "value in use" of the CGUs that represent the Group's activities, by discounting cash flows ("DCF Analysis") extrapolated from the 2015 Budget and from the 2016-2017 Plan approved by the Company's Board of Directors on 18 February 2015. For the purpose of goodwill impairment testing, IAS 36 establishes that the recoverable amount of the CGUs must be compared with the net book value of their non-current assets. The recoverable amount may be estimated by referring to two value categories: value in use and fair value less selling costs. The Group opted to estimate the recoverable amount on the basis of the value in use. This criterion entails calculating the recoverable amount of the CGU by discounting cash flows at a discount rate.

Given the above, the test conducted, is based on the following criteria:

- the value in use of each CGU is the sum of the following two elements: (a) the present value of the "available" operating cash flows (net of the central costs recharged to the different CGUs and of the investment required for their achievement) expected for the analytical forecasting period, which covers financial years from 2015 and 2017; (b) the present amount of the Terminal Value (TV) calculated by capitalising the cash flows expected for normal operations after the analytical forecasting period;
- the rate used to discount the flows estimated for each CGU corresponds to the Weighted Average Cost of Capital ("WACC"). More specifically, to calculate the WACC, the cost of the share capital attributed to the individual CGUs was determined on the basis of the CAPM model, by applying the following parameters: (a) risk-free rate, i.e. the long-term rate of return offered by risk-free liquid investments (10-year Italian BTP); (b) market risk premium, which indicates the higher remuneration requested for investments in risk capital; (c) Beta coefficient, which expresses the level of risk of an investment in a specific share with respect to the risk observed in the reference stock market; (d) small size premium, a premium for the additional risk related to the size of a company with respect to comparable companies used to determine the Beta and the financial structure of the segment; (e) a further premium considered to take into account the risk associated with the plan's forecasts. The debt to equity ratio (debt/debt + equity) applied in the calculation of the WACC is the ratio for the industry and was determined from a sample of comparable companies;
- the cash flow for normal operations was discounted at the same rate used to discount the flows in the period of the plan and assuming a long-term growth rate "g" of 1% (Gordon Model) in line with the expected inflation rate;
- the flows that show different risk profiles were estimated separately (e.g. Be Ukraine), taking into account the specific contractual forecasts related to the same; similarly, the rate used to discount these flows was also estimated separately;
- given the uncertainty of recording the amount of revenue estimated, to determine the value in use, a discounting rate increased by a probable margin of error in the estimate of the expected cash flows was used; the after-tax discounting rate was therefore 9.73% for the "professional Services" CGU, 9.93% for the Solutions CGU and 9.65% for the Consulting CGU. With regard to the latter CGU, note that the value in use was calculated also taking into account the flows generated by the subsidiary company Be Ukraine, which reflects the higher country risk.
- lastly, the results of the test underwent a sensitivity analysis. More specifically, within limits considered reasonable, the discounting rate and the expected flows were changed.

In the light of the analyses conducted, the recoverable value of the CGU to which the goodwill was attributed was higher than the corresponding book value at 31 December 2014. The Directors report that the recoverable amount of goodwill is sensitive to variances with respect to the basic assumptions used to prepare the 2015-2017 Plan, such as the revenue and profit margin expected to be recorded.

## Key assumptions used to calculate value in use

The calculation of the value in use of the CGUs was made on the basis of the main assumptions illustrated below, in line with the cited 2015-2017 Plan and considered reasonable by the Directors:

- increase of volumes and of the profit margin in the Consulting area, with regard to higher penetration in system projects/projects on medium-large banks; an increase of the contribution from international projects is also expected;
- decided recovery of the profit margin of the ICT Solution Line, resulting from the development of existing business lines – Enterprise Data Governance, Insurance, Utilities – combined with an increase of the workforce by hiring resources with a high level of specialisation and a percentage reduction in the use of external resources.

- maintenance and further growth in revenue relating to IT Professional Services rendered to third parties, by boosting commercial activities, with a view to extending the "customer portfolio" and improving relations with consolidated customers.

## Sensitivity and changes in assumptions

Due to the uncertainty relating to the occurrence of any future event, both in terms of whether said event will actually occur and in terms of the extent and timing of the same, the value in use of goodwill is particularly sensitive to any changes in the assumptions underlying the impairment test. Given that, the main drivers used to prepare the 2015-2017 plan, which could lead to a reduction in the value in use if they change, are listed below:

- achieving forecast revenue: achieving revenue targets, beyond the actions envisaged by management, is also related to market demand, to the renewal and/or award of tenders envisaged and to the successful development of other activities envisaged or in progress;
- achieving the normalised level of profitability and maintaining said level of profitability beyond the period of the 2015-2017 Plan; note that a significant portion of the value in use of goodwill is related to this assumption;
- discount rates: the discount rate was calculated on the basis of external market parameters and therefore the fact that the current macroeconomic crisis could worsen, or that there may be a slowdown of the expected recovery also have to be taken into account as they could have a significant influence on the same, resulting in a change to those used in this analysis.

For the sake of completeness, note that:

- the surplus value in use of the CGUs with respect to the corresponding book value, including the relative goodwill, will become zero due to the systematic reductions of EBIT envisaged by the plan:
  - by 45.48% with regard to the "Business Consulting" CGU;
  - by 34.56% with regard to the "ICT Solutions" CGU;
  - by 24.25% with regard to the "ICT Professional Service" CGU;
- the after-tax discount rates that render the book value of the CGUs equal to their value in use are respectively:
  - by 37.32% with regard to the "Business Consulting" CGU;
  - by 18.03% with regard to the "ICT Solutions" CGU;
  - by 14.88% with regard to the "ICT Professional Service" CGU;

## Note 3.
## Intangible Assets

At 31 December 2014, intangible assets recorded a balance of Euro 19,282 thousand, net of cumulative amortisation, compared to Euro 21,801 thousand at 31 December 2013.

The changes during the reporting period, changes in cumulative depreciation and the historic cost are provided below, with amounts expressed in thousands of Euro.

## Change in historical cost

| | Historical cost | Business combinations | Increases | Decreases | Reclassification | Exchange gains/losses | Historical cost at 31.12.2014 |
|---|---|---|---|---|---|---|---|
| Research and development costs | 1,247 | | | | | | 1,247 |
| Rights, patents and intellectual property | 219 | | | | | | 219 |
| Concessions, licences and trademarks | 8,848 | | 11 | | | | 8,859 |
| Assets under development and advances | 1,720 | | 1,560 | | (1,720) | | 1,560 |
| Other (including proprietary SW) | 31,923 | 1,599 | 15 | (5) | 1,720 | (501) | 34,751 |
| **TOTAL** | **43,957** | **1,599** | **1,586** | **(5)** | **0** | **(501)** | **46,636** |

## Change in accumulated amortisation

| | Accumulated amortisation 2013 | Amortisation | Decreases | Reclassifications | Exchange gains/losses | Accumulated amortisation 2014 |
|---|---|---|---|---|---|---|
| Research and development costs | 581 | 226 | | | | 807 |
| Rights, patents and intellectual property | 219 | | | | | 219 |
| Concessions, licences and trademarks | 7,662 | 856 | | | | 8,518 |
| Other (including proprietary SW) | 13,695 | 4,151 | | | (35) | 17,811 |
| **TOTAL** | **22,157** | **5,234** | **0** | **0** | **(35)** | **27,355** |

## Reconciliation of book value

| | Net value 2013 | Net value 2014 |
|---|---|---|
| Research and development costs | 666 | 440 |
| Rights, patents and intellectual property | 0 | 0 |
| Concessions, licences and trademarks | 1,186 | 341 |
| Assets under development and advances | 1,720 | 1,560 |
| Other (including proprietary SW) | 18,228 | 16,940 |
| **TOTAL** | **21,801** | **19,282** |

The residual values of individual intangible assets are considered justified on the basis of their estimated useful lives and profitability.

At 31 December 2014, the increase in assets under development refer mainly to the development of IT platforms owned by Be Solutions S.p.A., and relate to the Universo Sirius platform and to the software development projects of Archivia Web Services and Archivia Classificator which form part of Be Enterprise Process Solutions S.p.A., as well as the Kyte Insurance software platform by iBe.

Note that Euro 1.6 million refers to the technological platform belonging to the Targit Group.

## Note 4.
## Equity investments in other companies

The table below summarises the equity investments held in other companies:

**Equity investments in other companies**

| | Balance at 31.12.2014 | Balance at 31.12.2013 | Registered office | Interest held (%) |
|---|---|---|---|---|
| Age Consulting S.r.l. | 0 | 8 | Rome | 10% |
| **TOTAL** | **0** | **8** | | |

Note that during the year, the Parent Company sold its 10% interest in the Share Capital of Age Consulting Srl, which operates in the field of Information Technology.

## Note 5.
## Receivables and other non-current financial assets

Receivables and other non-current financial assets amounted to Euro 1 thousand, compared to zero at 31 December 2013.

**Receivables and other non-current financial assets**

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Receivables and other non-current financial assets | 1 | 0 |
| **TOTAL** | **1** | **0** |

## Note 6.
## Receivables and other non-current assets

Receivables and other non-current assets refer mainly to guarantee deposits paid for Euro 306 thousand and advances paid to employees in past years to be recovered on termination of their employment contracts for Euro 128 thousand. Other non-current assets, amounting to Euro 556 thousand, refers to an amount receivable from a customer and not yet collected at the reporting date. A balancing entry to this receivable is recognised under other non-current liabilities as a payable for the same amount in relation to penalties demanded by the same customer and challenged by the Group.

Non-current prepaid expenses amounted to Euro 228 thousand at 31 December 2014 and mainly refer to costs incurred by Be Solutions relating to long-term maintenance of equipment used externally by customers.

**Receivables and other non-current assets**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Guarantee deposits | 307 | | 225 |
| Receivables from employees due beyond 12 months | 128 | | 150 |
| Receivables from social security and welfare organisations | 12 | 9 | 3 |
| Other non-current receivables | 556 | | 556 |
| Non-current prepaid expenses | 228 | | 482 |
| **TOTAL** | **1,231** | **9** | **1,416** |

## Note 7.
## Deferred tax assets

The deferred tax assets in the financial statements refer mainly to the Parent Company and are recognised based on the reasonable assumption that they will be recoverable, in accordance with future taxable income forecast in the three-year plan. They are calculated on the basis of prior year losses considered recoverable and on the temporary tax differences on taxable provisions for risks and differences between the book value and value for tax purposes on goodwill recognised. Deferred tax assets are calculated using the current tax rates (IRES 27.5% and IRAP 3.9%-4.42%). Please refer to the Notes to the financial statements of the Parent Company for further details.

**Deferred tax assets**

| | Balance at 31.12.2014 | Allocation | Utilisation | Other changes | Balance at 31.12.2014 |
|---|---|---|---|---|---|
| Deferred tax assets | 5,578 | 198 | (211) | 88 | 5,653 |
| **TOTAL** | **5,578** | **198** | **(211)** | **88** | **5,653** |

## Note 8.
## Inventories

Inventories refer mainly to the inventories of raw materials, consumables and finished products of Be Solutions (Engineering business unit) for Euro 67 thousand and of Be Enterprise for Euro 59 thousand and of Be Consulting for Euro 139 thousand.

**Inventories**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Raw materials and consumables | 126 | | 179 |
| Work in progress and Finished products and goods | 139 | | 0 |
| **TOTAL** | **265** | **0** | **179** |

## Note 9.
## Trade receivables

Trade receivables arise from goods and services produced and provided by the Group but not yet paid at 31 December 2014.

**Trade receivables**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Receivables due from customers | 19,800 | 1,884 | 19,397 |
| Bad debt provision for receivables due from customers | (915) | | (950) |
| **TOTAL** | **18,885** | **1,884** | **18,447** |

The table below shows the changes in the bad debt provision; utilisation of the bad debt provision refers to the write-off of old receivables deemed uncollectible. The amount allocated in the financial statements is considered fair coverage of the credit risk.

### Bad debt provision

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Opening balance | 950 | 1,687 |
| Allocations | 297 | 2 |
| Utilisation | (332) | (739) |
| **TOTAL** | **915** | **950** |

The breakdown of receivables is shown below, by due date, net of invoices/credit notes to be issued and before the bad debt provision; the amount outstanding for over 180 days mostly regards receivables due from the Italian Public Administration for which the appropriate credit collection measures have been taken.

| | Due | 0-30 days | 31-60 days | 61-90 days | 91-180 days | Over 180 days | Total |
|---|---|---|---|---|---|---|---|
| Receivables due from customers | 7,143 | 2,205 | 697 | 199 | 399 | 4,478 | 15,122 |
| Bad debt provision | | | | | | (915) | (915) |
| **TOTAL** | **7,143** | **2,205** | **697** | **199** | **399** | **3,563** | **14,206** |

## Note 10.
## Other assets and receivables

Advances to suppliers refer to payments on account mainly to suppliers of services provided to Group companies. Prepaid expenses amount to Euro 536 thousand and include the portions of costs incurred during the period but due in the next period, relating to support and maintenance fees, rents, insurance premiums and lease instalments. Accrued income totals Euro 112 thousand and refers to revenue for the reporting period to be invoiced in the next period. Receivables due from social security organisations mainly refers to the receivable due to Be Eps from these organisations and relates to the recovery of costs for welfare support systems.

### Other assets and receivables

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Advances to suppliers for services | 182 | | 282 |
| Receivables due from social security organisations | 1,368 | | 465 |
| Receivables due from employees | 54 | | 46 |
| VAT credits and other indirect taxes | 327 | | 208 |
| Accrued income and prepaid expenses | 648 | 26 | 331 |
| Other receivables | 54 | 121 | 236 |
| **TOTAL** | **2,633** | **147** | **1,568** |

## Note 11.
## Tax receivables

Tax receivables primarily include amounts due from tax authorities for IRAP and IRES, as well as other direct taxes to be recovered from foreign companies.

### Tax receivables

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Tax receivables | 557 | 239 | 416 |
| Other tax receivables | 56 | | 26 |
| **TOTAL** | **613** | **239** | **442** |

## Note 12.
## Financial receivables and other current financial assets

Financial receivables amounting to Euro 0.4 million refer to receivables due from factoring companies on assignments made up to 31 December 2014, but settled after that date.

**Financial receivables and other current financial assets**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Other financial receivables | 403 | | 2,712 |
| **TOTAL** | **403** | **0** | **2,712** |

## Note 13.
## Cash and cash equivalents

The balance represents cash held in current accounts at banks and post offices, and to a residual extent cash on hand at 31 December 2014.

Note that the Be Group has adopted an automatic daily cash pooling system with the banks in order to optimise financial resources at Group level.

**Cash and cash equivalents**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Bank and post office deposits | 8,509 | 2,438 | 6,340 |
| Cash on hand | 12 | | 8 |
| **TOTAL** | **8,521** | **2,438** | **6,348** |

## Note 14.
## Shareholders' equity

At 31 December 2014 the Parent Company's fully paid-up share capital totalled Euro 27,109 thousand, divided into 134,897,272 ordinary shares.

On 29 April 2014, the Shareholders' Meeting approved the Consolidated Financial Statements of Be S.p.A. for the year ending 31 December 2013, resolving to allocate Euro 1,024,407 of the profit for the year as Euro 51,220 to the Legal Reserve and the remaining Euro 973,187 to the Extraordinary Reserve.

Consolidated equity reserves at 31 December 2014 amount to Euro 17,546 thousand and mainly include the following:

- Share Premium Reserve of the Parent Company for Euro 15,168 thousand;
- Legal Reserve of the Parent Company for Euro 140 thousand;
- Other Reserves of the Parent Company for Euro 2,000 thousand;
- IAS Reserves (FTA and IAS 19R) for Euro 76 thousand;
- other positive Consolidation Reserves for Euro 162 thousand.

### Stock option plans

The company has no stock option plans.

## Treasury shares

At 31 December 2014 the company holds no treasury shares.

## Minority interests

Minority interests amounts to Euro 488 thousand, compared to Euro 211 thousand the previous year, mainly due to recognition of the portion of profit pertaining to minority interests for the period from the subsidiary Targit GmbH.

## Disclosure on the Group's Minority shareholders (Non-Controlling Interest)

The following paragraphs contain financial information on companies not fully controlled by the Group, as required by the new standard IFRS 12. The following amounts are shown prior to consolidation adjustments:

| Company | % interest | Local currency | Total assets | Total Shareholders' Equity | Net Revenue | Net profit (loss) for the year | Dividends available for distribution to shareholders |
|---|---|---|---|---|---|---|---|
| A&B S.p.A. | 5.00% | EUR | 5,816 | 5,327 | 11 | 68 | 0 |
| Be Sport, Media & Entertainment | 20.00% | EUR | 23 | 18 | 0 | (4) | 0 |
| Targit Group | 33.33% | EUR | 5,676 | 3,645 | 11,681 | 703 | 0 |
| Be Sport, Media & Entertainment Ltd | 25.00% | GBP | 441 | (72) | 415 | (194) | 0 |
| Be Poland Think, Solve and Execute sp z.o.o | 7.00% | PLN | 1,007 | 448 | 1,859 | 260 | 0 |

## Net financial position

Net financial indebtedness at 31 December 2014 was Euro 17.0 million; the breakdown is shown below. For comments on individual items, please refer to the content of notes 5, 12 and 13 above and notes 15 and 16 below.

### Consolidated net financial position

| | *Amounts in EUR thousands* | 31.12.2014 | 31.12.2013 | Δ | Δ(%) |
|---|---|---|---|---|---|
| | Cash and cash equivalents at bank | 8,521 | 6,348 | 2,173 | 34.2% |
| **A** | **Cash and cash equivalents** | **8,521** | **6,348** | **2,173** | **34.2%** |
| **B** | **Current financial receivables** | **404** | **2,712** | **(2,308)** | **(85.1%)** |
| | Current bank payables | (7,854) | (10,764) | 2,910 | (27.0%) |
| | Current share of medium/long-term indebtedness | (5,987) | (5,635) | (352) | 6.3% |
| | Other current financial payables | (380) | (1,037) | 657 | (63.4%) |
| **C** | **Current financial indebtedness** | **(14,221)** | **(17,436)** | **3,215** | **(18.4%)** |
| **D** | **Net current financial indebtedness (A+B+C)** | **(5,296)** | **(8,376)** | **3,080** | **(36.8%)** |
| | Non-current bank payables | (11,669) | (10,773) | (896) | 8.3% |
| | Other non-current financial payables | 0 | (351) | 351 | (100.0%) |
| **E** | **Net non-current financial indebtedness** | **(11,669)** | **(11,124)** | **(545)** | **4.9%** |
| **F** | **Financial commitments for new purchases of equity investments** | **0** | **0** | **0** | **n.a.** |
| **G** | **Net financial position (D+E+F)** | **(16,965)** | **(19,500)** | **2,535** | **(13.0%)** |

## Note 15.
## Financial payables and other non-current financial liabilities

Non-current financial payables of Euro 11.7 million refer mainly to payables to banks for unsecured medium/long-term loans due beyond 12 months.

**Financial payables and other non-current financial liabilities**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Non-current financial payables | 11,669 | 0 | 11,124 |
| **TOTAL** | **11,669** | **0** | **11,124** |

The loans outstanding at 31 December 2014 and relative maturities were as follows (amounts in EUR thousands):

| Bank | Maturity | Balance at 31.12.2014 | <1 year | >1<2 years | >2<3 years | >3<4 years | >4 years |
|---|---|---|---|---|---|---|---|
| GE Capital | 2015 | 1,825 | 1,825 | 0 | 0 | 0 | 0 |
| Intesa Sanpaolo | 2017 | 2,812 | 1,125 | 1,125 | 563 | 0 | 0 |
| BNL – BNP Paribas | 2017 | 2,250 | 1,000 | 1,000 | 250 | 0 | 0 |
| Mediocredito Centrale | 2015 | 616 | 616 | 0 | 0 | 0 | 0 |
| Unicredit | 2018 | 3,588 | 1,025 | 1,025 | 1,025 | 513 | 0 |
| Unicredit (SACE) | 2019 | 1,530 | 360 | 360 | 360 | 360 | 90 |
| Unicredit (Factoring) | 2016 | 5,094 | 0 | 5,094 | 0 | 0 | 0 |
| **TOTAL LOANS** | | **17,716** | **5,951** | **8,604** | **2,198** | **873** | **90** |

- On 19 December 2012, the Be Group and GE Capital S.p.A. reached an agreement to restructure the residual debt relating to the last two instalments of the loans amount to approximately Euro 7 million, on a medium/long-term basis. It envisages the repayment in quarterly instalments of Euro 650 thousand each, plus interest, starting from 31 March 2013.

  The 2012 restructuring agreement with GE Capital envisages an obligation for the Company to observe the following financial covenants:

  - Net Financial Position to EBITDA ratio (to be checked six-monthly on the basis of figures recorded in the consolidated Interim financial report at 30 June and the Group's consolidated financial statements at 31 December of each year and to be calculated on a rolling basis on the previous 12 months) not to exceed the following: 3 at 31 December 2012 and at 30 June 2013; 2.75 at 31 December 2013 and 30 June 2014; 2.5 at 31 December 2014 and 30 June 2015.
  - Net Financial Position to Shareholders' Equity ratio not exceeding 0.90 for the entire duration of the loan, to be checked annually on the basis of figures taken from the Group's consolidated financial statements at 31 December of each year;
  - Debt Services Coverage Ratio, which indicates the relationship between cash flow and debt, as specifically measured, to be calculated on an annual basis, higher or equal to 1 (one) for the entire duration of the loan, to be checked annually on the basis of the figures taken from the Be Group's consolidated financial statements at 31 December of each year;

  During the year under analysis, again with reference to the "GE Capital" loan, Euro 2.6 million was repaid, and the residual debt at 31 December 2014 was Euro 1.8 million, which will be fully repaid in 2015.

- On 8 November 2012, Intesa Sanpaolo disbursed an industrial credit loan to the Parent Company for Euro 4.5 million, to be paid back in six-monthly instalments of Euro 0.56 million each from 30 September 2013.

  The afore-mentioned Intesa 2012 Loan envisages a commitment by the Company to ensure that the following financial covenants are respected, checked annually on consolidated data:

  - a NFP to EBITDA ratio not exceeding 3.5 in 2012, and not exceeding 3 in subsequent years until the loan expires and
  - a NFP to EQUITY ratio not exceeding 1 for the entire duration of the loan.

  If the Company does not fulfil these commitments, the Intesa 2012 Loan envisages the right for Intesa Sanpaolo to terminate the loan agreement.

  During the year under analysis, the instalments envisaged in the repayment plan amounting to Euro 1.1 million were repaid; the residual debt at 31 December 2014 was Euro 2.8 million, Euro 1.7 million of which is long-term.

- In the first quarter of 2012, the Parent Company obtained a loan from BNL - BNP Paribas at a floating rate for a term of five years for the amount of Euro 4 million.

  The main security for this loan is a pledge in BNL's favour on the shares of Be Consulting, held by Be S.p.A. with a total face value of Euro 60,000.00, corresponding to 50% of Be Consulting S.p.A.'s share capital; the agreement envisages that the voting rights of said shares shall be held by Be S.p.A.

  During the year under analysis, Euro 1.0 million were repaid and the residual debt at 31 December 2014 was Euro 2.3 million, Euro 1.25 million of which is long-term.

- With reference to the loan obtained from Mediocredito Centrale in 2007 and 2008 for the "Pia/Dama" development and investment project, disbursed for a total of around Euro 2.4 million, we report that in 2014, the Bank disbursed a further and final tranche of Euro 266 thousand; the residual debt of Euro 0.6 million will be repaid in 2015.

- In 2013, the Parent Company signed a new five-year floating rate loan agreement with Unicredit for Euro 4.1 million. The Unicredit loan envisages a commitment by the Company to ensure that the NFP to EBITDA ratio does not exceed 3.6, a covenant that will be checked every six months on the basis of the Group's Annual Consolidated Financial Statements and Interim Consolidated Financial Statements.

  During the year under analysis, Euro 0.5 million were repaid and the residual debt at 31 December 2014 was Euro 3.6 million, Euro 2.6 million of which is long-term.

- To part-finance the purchase of the Targit Group, in 2014 the Parent Company signed a new five-year floating rate loan agreement with Unicredit for Euro 1.8 million, guaranteed by Sace S.p.A., with quarterly repayments.

  During the year under analysis, Euro 0.3 million were repaid and the residual debt at 31 December 2014 was Euro 1.5 million, Euro 1.2 million of which is long-term.

- In 2014, Be Consulting signed a loan for the amount of Euro 5.1 million on an advance foreign service agreement in a pool between Unicredit and Unicredit Factoring.

The above-mentioned bank loans entered into with leading banks envisage floating rates (generally based on the Euribor) plus spreads ranging from 3.5% to 6.5%.

The lending terms, particularly the spread, represent terms negotiated at different times and which mirror the loan duration, any guarantees given, market conditions and the Group's credit rating at the date of signing.

As regards 2014, all covenants on existing loans were respected.

Long-term financial payables include the positive impact of the application of the amortising cost of Euro 0.1 million.

## Note 16.
## Financial payables and other current financial liabilities

Current payables to banks at 31 December 2014 totalled around Euro 14.2 million (Euro 17.4 million at 31 December 2013) and relate mainly to:

- current bank payables for Euro 7.9 million (Euro 10.8 million at 31 December 2013), of which:
  - Euro 6.9 million in short-term credit facilities classed as "advances on invoices", "current account overdrafts" and "advances to suppliers", against short-term credit facilities
  - Euro 1.0 million as the amount of a short-term loan granted to the Parent Company during the second half of the year for Euro 1.0 million, repayable in three instalments from 31 January 2015;
- around Euro 6.0 million (Euro 5.6 million at 31 December 2013) as the current portion of loans received;
- "other current borrowings" for Euro 0.4 million, of which Euro 0.15 million referring to finance lease instalments payable within 12 months, and Euro 0.25 million relates to company acquisitions from related parties that were made in the previous year.

**Financial payables and other current financial liabilities**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Current financial payables | 14,221 | 0 | 17,436 |
| **TOTAL** | **14,221** | **0** | **17,436** |

## Note 17.
## Employee benefits

The increases refer to allocations for the period by Group companies not affected by welfare reform and to monetary revaluation of post-employment benefits set aside by the companies prior to the reform.

The decrease in post-employment benefits is mainly due to outflows during 2014 following personnel resignations and to advances paid.

**Post-employment benefits (TFR)**

| | Balance at 31.12.2013 | Increases - Allocation | Decreases - Utilisation | Business combinations | Balance at 31.12.2014 |
|---|---|---|---|---|---|
| Post-employment benefits (TFR) | 5,228 | 1,505 | (661) | 78 | 6,149 |
| **TOTAL** | **5,228** | **1,505** | **(661)** | **78** | **6,149** |

Post-employment benefits are recognised in compliance with IAS 19 as "Defined benefit plans" and were determined on the basis of an expert actuarial calculation in line with the provisions of international accounting standards.

The assumptions used to determine the Post-Employment Benefit obligation were:

| Main Actuarial Assumptions | |
|---|---|
| Annual discounting rate | 1.49% |
| Annual inflation rate | 2.00% |
| Annual rate increase in post-employment benefits | 3.00% |
| Annual increase in remuneration | 1.00% |
| Frequency of benefit advances/no. of years' service | 2.00% |
| No. of years' service/annual turnover rate: up to 10 years | 4.00% |
| No. of years' service/annual turnover rate: from 10 to 30 years | 4.00% |
| No. of years' service/annual turnover rate: over 30 years | 6.00% |

The additional information required by IAS 19, as amended*, is shown below:

- sensitivity analysis:

| | | **changes in assumptions** | | | | | |
|---|---|---|---|---|---|---|---|
| *Company* | *POST-EMPLOYMENT BENEFITS (TFR)* | *turnover rate* | | *inflation rate* | | *discounting rate* | |
| | | *-1%* | *1%* | *+ 1/4 %* | *- 1/4 %* | *+ 1/4 %* | *- 1/4 %* |
| Be S.P.A. | 124 | 123 | 124 | 125 | 122 | 121 | 126 |
| Be Professional S.p.A. | 966 | 962 | 970 | 977 | 955 | 948 | 984 |
| Be Consulting S.p.A. | 1,025 | 1,009 | 1,044 | 1,053 | 998 | 994 | 1,058 |
| To See S.p.A. | 11 | 12 | 12 | 12 | 12 | 12 | 12 |
| Ibe Tse Ltd | 199 | 193 | 202 | 202 | 192 | 191 | 203 |
| Be Enterprise S.p.A. | 2,841 | 2,801 | 2,839 | 2,861 | 2,778 | 2,753 | 2,888 |
| Be Solutions S.p.A. | 814 | 811 | 817 | 821 | 807 | 803 | 825 |

* the sensitivity analysis only refers to the Group's Italian companies, as not relevant or applicable to Foreign companies.

- indication of the contribution to the next* year and the average financial duration of the obligation for defined benefit plans:

| Company | Service Cost | Duration of the plan |
|---|---|---|
| Be S.P.A. | 0 | 8 |
| Be Professional S.p.A. | 0 | 9 |
| Be Consulting S.p.A. | 405 | 21 |
| To See S.p.A. | 4 | 14 |
| iBe Tse Ltd | 81 | 21 |
| Be Enterprise S.p.A. | 0 | 10 |
| Be Solutions S.p.A. | 0 | 6 |

* The service cost is zero, in application of the approach adopted by the Company with an average of at least 50 employees over the course of 2006.

- The average number of employees in 2014, broken down by category, is illustrated in the following table:

| Description | Average number current year | Average number previous year |
|---|---|---|
| Executives | 93 | 72 |
| Middle Managers | 98 | 81 |
| White collar | 761 | 675 |
| Blue collar | 2 | 8 |
| Apprentices | 7 | 4 |
| Total | 960 | 840 |

## Note 18.
## Deferred tax liabilities

The deferred tax liabilities and related changes during the period are mainly attributable to temporary differences between the book value and the value recognised for tax purposes to goodwill and post-employment benefits.

Specifically, with regard to goodwill, the difference arises - in application of IAS/IFRS - because these assets are not amortised whereas they are tax deductible to the extent of 1/18 per year. Deferred tax liabilities are calculated using the current tax rates (IRES 27.5%, IRAP 3.9%-4.42%).

**Deferred tax liabilities**

| | Balance at 31.12.2013 | Increases | Decreases | Other changes | Business combinations | Balance at 31.12.2014 |
|---|---|---|---|---|---|---|
| Deferred tax liabilities | 3,839 | 726 | (437) | (236) | 544 | 4,437 |
| **TOTAL** | **3,839** | **726** | **(437)** | **(236)** | **544** | **4,437** |

## Note 19.
## Other non-current liabilities

The increase of around Euro 1.6 million in other non-current liabilities refers to the residual portion of the discounted price for acquisition of minority interests in the Targit Group payable beyond one year plus the consideration for the acquisition of a minority shareholding in Be Poland to be completed on exercise of the call option.

**Other non-current liabilities**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Other non-current liabilities | 2,310 | | 697 |
| **TOTAL** | **2,310** | **0** | **697** |

## Note 20.
## Current and non-current provisions

Provisions for risks and charges recorded the following changes during the year:

**Current and non-current provisions**

| | Balance at 31.12.2013 | Reclassification | Increases | Decreases | Balance at 31.12.2014 |
|---|---|---|---|---|---|
| Provision for risks - penalties | 16 | | 5 | | 21 |
| Provision for personnel risks | 739 | | 188 | (505) | 422 |
| Other provisions for risks and charges | 598 | | 315 | (2) | 911 |
| **TOTAL** | **1,353** | **0** | **508** | **(507)** | **1,355** |

The Provisions refer to:

- provisions for pending disputes with employees for Euro 422 thousand, of which Euro 267 thousand relating to the Parent Company, Euro 155 thousand to the subsidiary Be Professional S.p.A. The utilisation of provisions during the period relate to the Parent Company and the subsidiaries Be Professional and Be Solutions S.p.A., essentially referring to the conclusion of disputes with employees;

- other provisions for risks and charges refer to pending disputes with third parties in proceedings before judicial Authorities. The item also includes the allocation made during the year for the relevant share of any bonus that will be paid to Directors if the objectives envisaged in the three-year plan are reached.

## Note 21.
## Trade Payables

Trade payables arise from the purchase of goods or services with payment due within 12 months. These amounts refer essentially to the services and equipment supplied, lease instalments and maintenance charges.

**Trade payables**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Trade payables | 8,417 | 903 | 8,148 |
| **TOTAL** | **8,417** | **903** | **8,148** |

## Note 22.
## Tax payables

The balance at 31 December 2014 relates to residual tax payables and to allocation of the portion for 2014 of IRES and IRAP, in addition to the taxes of companies acquired during the year that are not included in the tax consolidation.

**Tax payables**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| IRES tax payables | 441 | | 58 |
| IRAP tax payables | 205 | | 220 |
| Other tax payables | 39 | | 155 |
| **TOTAL** | **685** | **0** | **433** |

## Note 23.
## Other liabilities and payables

Payables to employees include amounts due to employees for additional months' salaries accrued at 31 December 2014 and for leave and permitted absences accrued but not used.

Social security and welfare payables relate to contributions payable by the company.

Accrued expenses and deferred income refer to deferred revenue receivable on invoices collectible in the next reporting period.

Other payables mainly include advances from customers and payments on account on multi-year contracts, together with outstanding payables on exit incentives.

**Other liabilities and payables**

| | Balance at 31.12.2014 | Of which business combinations | Balance at 31.12.2013 |
|---|---|---|---|
| Social security and welfare payables | 2,101 | | 1,910 |
| Payables to employees | 4,285 | | 2,681 |
| Payables for VAT and withholding tax | 3,882 | | 3,527 |
| Accrued expenses and deferred income | 475 | | 337 |
| Other payables | 5,688 | 888 | 9,458 |
| **TOTAL** | **16,431** | **888** | **17,923** |

# 4. Breakdown of the main items of the Income Statement

## Note 24.
## Operating revenue

Revenue accrued during the year was from activities, projects and services performed on behalf of Group customers and amounts to Euro 97,602 thousand, compared to Euro 74,903 thousand last year.

**Operating revenue**

| | FY 2014 | FY 2013 |
|---|---|---|
| Operating revenue | 97,602 | 74,903 |
| **TOTAL** | **97,602** | **74,903** |

If we compare this year with last year, this year recorded an increase of Euro 22.7 million in revenue from sales and services, of which Euro 10.7 million relate to the portion of revenue deriving from the acquisition of the Targit Group.

For further details on business performance, reference should be made to the “Management Report”.

## Note 25.
## Other operating revenue and income

The Group’s Other revenue and income totalled Euro 865 thousand at 31 December 2014, compared to Euro 7,640 thousand at 31 December 2013.

**Other operating revenue and income**

| | FY 2014 | FY 2013 |
|---|---|---|
| Other operating revenue and income | 865 | 7,524 |
| Grants related to income | 0 | 116 |
| **TOTAL** | **865** | **7,640** |

This item decreased by Euro 6,775 thousand compared to 2013 and is substantially due to the fact that in the first half of 2013 this item included non-recurring income of Euro 5.5 million from the acquisition of a series of assets through the subsidiaries Be Consulting and Be Ukraine.

This item includes ordinary contingent assets, the recovery of costs advanced to customers, insurance reimbursements, invoicing to employees for the use of company cars and other income of a residual nature.

## Note 26.
## Cost of raw materials and consumables

This item includes the costs incurred and related changes for the purchase of consumables such as stationery, paper, toner, etc., and to goods purchased (hardware and licences) for resale as part of the services provided to customers.

### Cost of raw materials and consumables

| | FY 2014 | FY 2013 |
|---|---|---|
| Change in inventories of raw materials and consumables | 53 | 43 |
| Purchase of raw materials and consumables | 228 | 320 |
| **TOTAL** | **281** | **363** |

## Note 27.
## Service costs

Service costs include all costs incurred for services received from professionals and businesses.

They also include the fees paid to Directors based on the resolutions of the Shareholders' Meeting.

### Service costs

| | FY 2014 | FY 2013 |
|---|---|---|
| Service costs | 34,994 | 28,741 |
| **TOTAL** | **34,994** | **28,741** |

Note that Outsourced and consulting services include the costs of services received from technical and ICT professions used by the Group to provide its own services to customers; the increase in this item is mainly due to the consolidation of the Targit Group.

Rental and leasing regards the costs incurred by the Group for the use of registered securities and properties it does not own, based on signed lease and rental agreements.

Service costs break down as follows:

**Service costs**

| | FY 2014 | FY 2013 |
|---|---|---|
| Transport | 145 | 316 |
| Outsourced and consulting services | 17,701 | 12,184 |
| Remuneration of directors and statutory auditors | 1,863 | 2,337 |
| Marketing costs | 2,946 | 2,429 |
| Cleaning, surveillance and other general services | 1,031 | 655 |
| Maintenance and support services | 183 | 311 |
| Utilities and telephone charges | 1,614 | 1,513 |
| Consulting - administrative services | 2,429 | 1,988 |
| Other services (chargebacks, commissions, etc.) | 2,271 | 2,121 |
| Bank and factoring charges | 542 | 900 |
| Insurance | 329 | 310 |
| Rental and leasing | 3,940 | 3,677 |
| **TOTAL** | **34,994** | **28,741** |

## Note 28.
## Personnel costs

The figure shown represents the total personnel-related cost incurred by the Group in 2014. Wages and salaries include amounts due to employees for additional months' salaries accrued and for leave and permitted absences accrued but not used.

Social security contributions include all the legal contributions payable on remuneration. Post-employment benefits refer to the provision for such benefits accrued during the period, with regard to which reference should also be made to note 17 "Post-employment benefits". Pensions and similar obligations include costs accrued in application of collective labour agreements or in implementation of the company's supplementary agreements.

Other costs include personnel-related costs such as membership fees paid on behalf of employees, indemnities and compensation, fringe benefits disbursed by the company in various forms to certain employee categories and restaurant tickets.

**Personnel costs**

| | FY 2014 | FY 2013 |
|---|---|---|
| Wages and salaries | 36,569 | 29,078 |
| Social security contributions | 9,783 | 8,842 |
| Post-employment benefits | 2,265 | 2,084 |
| Other personnel costs | 1,654 | 1,583 |
| **TOTAL** | **50,271** | **41,587** |

The number of employees at 31 December 2014, broken down by category, is illustrated in the following table:

**Employees at 31 December 2014**

| | 31.12.2014 |
|---|---|
| Executives | 95 |
| Middle Managers | 103 |
| White collar | 792 |
| Blue collar | 3 |
| Apprentices | 12 |
| **TOTAL** | **1,005** |

## Note 29.
## Other operating costs

This item includes all costs of a residual nature, other than those recognised elsewhere in the financial statements. Specifically, the item includes contingent liabilities for Euro 600 thousand mainly referring to undeclared contingent assets relating to the current year and other operating costs for Euro 708 thousand referring to Chamber of Commerce fees, fines, penalties on services provided and indirect taxes for Euro 245 thousand.

**Other operating costs**

| | FY 2014 | FY 2013 |
|---|---|---|
| Other operating expense | 1,553 | 2,520 |
| **TOTAL** | **1,553** | **2,520** |

## Note 30.
## Cost of internal work capitalised

Capitalised costs refer to the suspension of costs relating mainly to personnel involved in the development of proprietary software platforms, described in more detail in note 3.

The item cost of internal work capitalised, previously included among Other revenue, has been reclassified in this Income Statement as a reduction in operating costs.

**Cost of internal work capitalised**

| | FY 2014 | FY 2013 |
|---|---|---|
| Cost of internal work capitalised | 1,560 | 1,873 |
| **TOTAL** | **1,560** | **1,873** |

## Note 31.
## Amortisation, depreciation and write-downs

Amortisation and depreciation are calculated according to the deterioration of assets and recognised to a specific provision, reducing the value of the individual assets.

**Amortisation, depreciation and write-downs**

| | FY 2014 | FY 2013 |
|---|---|---|
| Depreciation of property, plant and equipment | 781 | 868 |
| Amortisation of intangible assets | 5,234 | 5,084 |
| **TOTAL** | **6,015** | **5,952** |

## Note 32.
## Allocations to provisions

Allocations to provisions for risks mainly concern the Parent Company Be Spa and Be Professional for disputes with employees, customers and suppliers.

A more complete description can be found in Note 20 and paragraph 5.1.

**Allocations to provisions**

| | FY 2014 | FY 2013 |
|---|---|---|
| Allocation to other provisions for future risks and charges | 508 | 959 |
| Allocation to bad debt provision | 297 | 2 |
| **TOTAL** | **805** | **961** |

## Note 33.
## Financial income and expense

Financial income and expense can be broken down as follows:

**Financial income and expense**

| | FY 2014 | FY 2013 |
|---|---|---|
| Financial income | 38 | 33 |
| Financial expense | (2,341) | (2,378) |
| Revaluation (Write-down) of financial assets | (8) | 0 |
| Gains (Losses) on foreign currency transactions | 8 | (33) |
| **TOTAL** | **(2,303)** | **(2,378)** |

Financial income is represented by bank interest income.

**Breakdown of financial interest and income**

| | FY 2014 | FY 2013 |
|---|---|---|
| Interest income from current bank accounts | 17 | 2 |
| Other financial income | 21 | 31 |
| **TOTAL** | **38** | **33** |

The financial expense includes bank interest expense for advances on invoices and current account overdrafts, factoring transactions and interest expense due on outstanding loans, in addition to the financial component of post-employment benefits measured according to IAS/IFRS.

**Breakdown of financial interest and expense**

| | FY 2014 | FY 2013 |
|---|---|---|
| Interest expense on current bank accounts | 163 | 381 |
| Interest expense on factoring and advances on invoices | 692 | 603 |
| Interest expense on loans | 1,084 | 1,124 |
| Other financial expense | 402 | 303 |
| **TOTAL** | **2,341** | **2,411** |

## Note 34.
## Current and deferred taxes

Current income taxes at 31 December 2014 refer to IRAP for the period of Euro 1,462 thousand and Euro 792 thousand to IRES. In this respect, note that the Parent Company and Italian subsidiaries have jointly adopted the national tax consolidation regime pursuant to Article 117 et seq. of the Consolidated Income Tax Act (TUIR).

### Current and deferred taxes

| | FY 2014 | FY 2013 |
|---|---|---|
| Current taxes | 2,254 | 1,696 |
| Deferred tax assets and liabilities | 302 | (169) |
| **TOTAL** | **2,556** | **1,527** |

The table below illustrates the reconciliation of the theoretical tax burden resulting from the consolidated financial statements and the theoretical tax burden

### Reconciliation of theoretical tax burden resulting from the financial statements and theoretical (IRAP) tax burden

| Description | Amount | Taxes |
|---|---|---|
| Operating Profit (loss) (EBIT) | 6,108 | |
| Consolidation adjustments | 2,283 | |
| Subsidiaries without IRAP debt | 2,694 | |
| **Difference between aggregated value and cost of production** | **11,085** | |
| iBe UK | 848 | |
| Be SME Italia | 4 | |
| Be SME Ltd | 195 | |
| Be Romania | (83) | |
| Be Ukraine | (176) | |
| Be Poland | (325) | |
| Targit | (947) | |
| Taxable income of iBe Italian branch | 786 | |
| Costs not relevant for IRAP purposes | 39,233 | |
| Deductible personnel costs | (15,694) | |
| **Total** | **34,926** | |
| **- Theoretical tax burden (%)** | **4.13%** | **1,441** |
| Increases | 3,923 | |
| Decreases | (3,398) | |
| | **525** | **21** |
| **- Taxable income for IRAP purposes** | **35,451** | **1,462** |

## Reconciliation of theoretical tax burden resulting from the financial statements and theoretical IRES tax burden

| Description | Amount | Taxes |
|---|---|---|
| Profit (Loss) before tax | 3,805 | |
| Consolidation adjustments | 5,017 | |
| **Aggregated profit (loss) before tax** | **8,822** | |
| iBe UK | 1,014 | |
| Be Ukraine | (19) | |
| Be Poland | (332) | |
| Targit | (950) | |
| Be SME LTD | 194 | |
| Romania | (81) | |
| Taxable income of iBe Italian Branch | 750 | |
| **Total** | **9,398** | |
| **Theoretical tax burden (%)** | **27.5%** | **2,584** |
| *Temporary differences taxable in future years:* | | |
| Amortisation of goodwill | (2,743) | |
| **Temporary differences taxable in future years:** | **(2,743)** | **(754)** |
| *Temporary differences deductible in future years:* | | |
| Services not completed at 31.12.2014 | 1,122 | |
| Non-deductible allocations | 508 | |
| Allocation to Post-employment benefits (TFR) IAS | 235 | |
| **Temporary differences deductible in future years:** | **1,865** | **513** |
| *Reversal of temporary differences from previous years:* | | |
| Services not completed at 31.12.2013 | (642) | |
| Utilisation of provisions for risks | (602) | |
| Utilisation of taxed bad debt provision | (243) | |
| Amortisation of share capital increase expense | (28) | |
| **Reversal of temporary differences from previous years:** | **(1,514)** | **(416)** |
| *Differences that will not be reversed in future years* | | 0 |
| Wholly or partially non-deductible costs | 4,011 | |
| Permanent decreases | (4,809) | |
| Deductible interest expense | (880) | |
| ACE | (18) | |
| Use of previous tax losses | (3,655) | |
| **Differences that will not be reversed in future years** | **(5,351)** | **(1,471)** |
| **- Taxable income** | **2,491** | **685** |
| **Current IRES on income for the year** | | **455** |
| Taxes of foreign subsidiaries | | 0 |
| **TOTAL IRES for the year relating to Italian companies** | | **455** |
| **TOTAL IRES for the year relating to foreign companies** | | **337** |
| **TOTAL Group IRES** | | **792** |

## Note 35.
## Earnings per share

The basic earnings per share is calculated by dividing the profit/loss for the period pertaining to owners of the Parent Company by the average number of ordinary shares outstanding during the period.

The result and disclosures on shares used to calculate the basic negative earnings per share are provided below.

**Earnings per share**

| | FY 2014 | FY 2013 |
|---|---|---|
| Profit (loss) from continuing operations pertaining to owners of the Company | 1,042 | 371 |
| Profit (loss) from discontinued operations pertaining to owners of the Parent Company | 0 | 0 |
| Profit (loss) attributable to owners of the Parent Company | 1,042 | 371 |
| Total no. shares | 134,897,272 | 134,897,272 |
| Average number of treasury shares held | - | - |
| Average number of ordinary shares outstanding | 134,897,272 | 134,897,272 |
| Basic earnings per share pertaining to owners of the Parent Company | EUR 0.01 | EUR 0.00 |
| Diluted earnings per share | EUR 0.01 | EUR 0.00 |

# 5. Other disclosures

## 5.1. Potential liabilities and disputes pending

The “Be” Group is involved in certain legal proceedings before various judicial authorities brought by third parties, and in labour law disputes relating to dismissals challenged by Company employees.

Also on the basis of opinions expressed by its legal advisors, the Group has allocated provisions for risks totalling Euro 1.4 million, considered sufficient to cover liabilities that could arise from these disputes.

### 5.1.1 Litigation with Group as defendant

The Group is involved in certain legal proceedings before various judicial authorities:

- provisions relating to litigation with employees were supplemented, following utilisation of the provision during the year. These provisions cover appeals against redundancy and transfers brought in previous months;
- other disputes: with regard to the Bassilichi Group (formerly Saped Servizi S.p.A.), with relation to which a trade receivable due to the group is being disputed, at this stage of proceedings, there are reasonable grounds that the arguments submitted by Be S.p.A. will be accepted, while no developments can be reported as regards the dispute for the AIPA dossier.

### 5.1.2 Litigation with Group as plaintiff

Due to the solidity of the arguments brought forward - no further allocation to provisions for the ongoing disputes with Vitrociset and KS were retained necessary.

### 5.1.3 Other disclosures

On 3 March 2014 Consob sent two separate notices to Be S.p.A. of the opening of administrative proceedings in which the company is charged with infringement of certain provisions of the Consolidated Law on Finance (art. 114 paragraph 5, art. 5 paragraph 1 and art. 149 paragraph 1 sub-paragraph a), infringement of CONSOB regulations on related party transactions and infringement of statutory and legal provisions in the context of appointing directors with reference, in particular, to:

- several transactions performed with related parties - specifically Intesa Sanpaolo - for which the Company has published the relative disclosures pursuant to Consob Regulation on Related Party Transactions;
- the compliance with the articles of association of the increase in the number of directors from seven to nine and the procedure to appoint two directors, made following the Shareholders' Meeting resolutions on 23 April 2013.

In the latter case, the subject of the findings was the actions of the Board of Statutory Auditors, for which the company is jointly liable in the event that a penalty is imposed.

The Company promptly contacted Consob to illustrate its justification and rationale behind its actions, in any event allocating a provision equal to the minimum fine as a precautionary measure.

## 5.2. Non-recurring Income and Charges

In the year under analysis, the Be Group recognised non-recurring charges pursuant to Consob Resolution no. 15519 of 27 July 2006.

The charges refer to non-recurring costs incurred to motivate redundancy.

## 5.3. Related Party Transactions

The Company's Board of Directors adopted new "Regulations on Related Parties" on 1 March 2014, replacing those previously approved on 12 March 2010. For further details, this document is published on the Company web site (www.be-tse.it).

The related parties of the Be Group at 31 December 2014 are: Data Holding 2007 S.r.l., TIP Tamburi Investment Partners S.p.A., Carlo Achermann and Stefano Achermann and the companies controlled by the same - Carma Consulting S.r.l. and iFuture S.r.l.; Intesa Sanpaolo Group and Ir Top S.r.l..

The following tables illustrate the Group's costs and revenue, payables and receivables due to/from related parties:

**Receivables and payables with related parties at 31 December 2014**

| | ***Receivables*** | | | ***Payables*** | | |
|---|---|---|---|---|---|---|
| | **Trade and other receivables** | **Other receivables** | ***Financial receivables*** | **Trade and other payables** | ***Other payables*** | ***Financial payables*** |
| **Related parties** | | | | | | |
| IR Top | 0 | 0 | 0 | 31 | 0 | 0 |
| Tamburi Investment Partners S.p.A | 0 | 0 | 0 | 37 | 0 | 0 |
| S. Achermann | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Achermann | 0 | 0 | 0 | 0 | 0 | 0 |
| Data Holding S.r.l | 0 | 0 | 0 | 0 | 0 | 0 |
| Intesa Sanpaolo Group | 1,190 | 0 | 1,787 | 59 | 1,734 | 4,815 |
| **Total Related Parties** | **1,190** | **0** | **1,787** | **127** | **1,734** | **4,815** |

### Receivables and payables with related parties at 31 December 2013

| | Receivables | | | Payables | | |
|---|---|---|---|---|---|---|
| | Trade and other receivables | Other receivables | *Financial receivables* | Trade and other payables | *Other payables* | *Financial payables* |
| **Related parties** | | | | | | |
| IR Top | 0 | 0 | 0 | 0 | 0 | 0 |
| Tamburi Investment Partners S.p.A | 0 | 0 | 0 | 73 | 0 | 0 |
| S. Achermann | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Achermann | 0 | 0 | 0 | 0 | 0 | 0 |
| Data Holding S.r.l | 0 | 0 | 0 | 0 | 0 | 0 |
| Intesa Sanpaolo Group | 854 | 502 | 4,100 | 60 | 4,472 | 5,393 |
| **Total Related Parties** | **854** | **502** | **4,100** | **133** | **4,472** | **5,393** |

### Revenue and costs with related parties FY 2014

| | Revenue | | | Costs | | |
|---|---|---|---|---|---|---|
| | Revenue | Other revenue | *Financial income* | Services | *Other costs* | *Financial expense* |
| **Related parties** | | | | | | |
| IR Top | 0 | 0 | 0 | 88 | 0 | 0 |
| Tamburi Investment Partners S.p.A | 0 | 0 | 0 | 73 | 0 | 0 |
| S. Achermann | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Achermann | 0 | 0 | 0 | 41 | 0 | 0 |
| Data Holding S.r.l | 0 | 0 | 0 | 0 | 0 | 0 |
| Intesa Sanpaolo Group | 15,338 | 0 | 1 | 370 | 2 | 300 |
| **Total Related Parties** | **15,338** | **0** | **1** | **572** | **2** | **300** |

### Revenue and costs with related parties FY 2013

| | Revenue | | | Costs | | |
|---|---|---|---|---|---|---|
| | Revenue | Other revenue | *Financial income* | Services | *Other costs* | *Financial expense* |
| **Related parties** | | | | | | |
| Tamburi Investment Partners S.p.A | 0 | 0 | 0 | 73 | 0 | 0 |
| S. Achermann | 0 | 0 | 0 | 0 | 0 | 3 |
| C. Achermann | 0 | 0 | 0 | 0 | 0 | 1 |
| Data Holding S.r.l | 0 | 0 | 0 | 0 | 0 | 23 |
| Intesa Sanpaolo Group | 14,072 | 1 | 1 | 433 | 0 | 592 |
| **Total Related Parties** | **14,072** | **1** | **1** | **506** | **0** | **619** |

The amounts for the Intesa Sanpaolo Group refer to trade-related services provided by the subsidiary Be Consulting S.p.A., Be Solutions S.p.A. and Be Professional S.p.A. due to Intesa Sanpaolo S.p.A. and Intesa Group companies, and relations of a financial nature, such as current accounts and credit facilities for advances on invoices.

In particular, as regards transactions and relations in place with the Intesa Sanpaolo Group (the "ISP Group"), note that trade receivables amount to Euro 1,190 thousand, trade payables to Euro 59 thousand and financial receivables for availability of liquid assets to Euro 1,787 thousand.

Other payables relates to the payable for the advance relating to professional services contracts for Euro 1,734 thousand, while "financial payables" includes the payable for the medium-term loan of Euro 2,813 thousand, the utilisation of credit facilities granted to the Be Group of Euro 1,755 thousand as well as the residual amount due for the purchase of a 25% minority interest in Be Professional Services for a total of Euro 248 thousand, to be repaid at 31 January 2015.

In 2014, no economic or financial transactions took place with Data Holding Srl.

With regard to Mssrs Stefano and Carlo Achermann and the companies controlled by the same - Carma Consulting S.r.l. and iFuture S.r.l. - the economic transactions that took place in 2014 refer only to fees paid for the positions of Executive and Company Director of Group companies and are not included in the above tables. In this regard, please refer to the content of the table entitled "Fee due to directors and statutory auditors of Be S.p.A." in the Separate Financial Statements of the Parent Company.

Pursuant to Consob Communication DEM/6064293 of 28 July 2006, the impact of related party transactions is illustrated below in table format:

**Relevance of related party transactions**

| *STATEMENT OF FINANCIAL POSITION* | **31.12.2014** | **Absolute value** | **%** | **31.12.2013** | **Absolute value** | **%** |
|---|---|---|---|---|---|---|
| Trade receivables | 18,885 | 1,190 | 6% | 18,447 | 854 | 5% |
| Other assets and receivables | 2,633 | 0 | 0% | 1,568 | 502 | 32% |
| Cash and cash equivalents | 8,521 | 1,787 | 21% | 6,348 | 4,100 | 65% |
| Financial payables and other liabilities | 44,631 | 6,549 | 15% | 43,762 | 9,866 | 23% |
| Trade payables | 8,417 | 127 | 2% | 8,148 | 133 | 2% |
| *INCOME STATEMENT* | **FY 2014** | **Absolute value** | **%** | **FY 2013** | **Absolute value** | **%** |
| Operating revenue | 98,467 | 15,338 | 16% | 82,543 | 14,072 | 17% |
| Service and other costs | 36,547 | 574 | 2% | 31,261 | 506 | 2% |
| Net financial expense | 2,303 | 298 | 13% | 2,378 | 619 | 26% |

The consolidated statement of financial position and statement of comprehensive income indicating the related parties, in accordance with Consob Resolution no. 15519 of 27 July 2006, is provided below.

## Consolidated Statement of Financial Position

| *Amounts in EUR thousands* | 31.12.2014 | Of which related parties | 31.12.2013 | Of which related parties |
|---|---|---|---|---|
| ***NON-CURRENT ASSETS*** | | | | |
| Property, plant and equipment | 1,356 | | 1,485 | |
| Goodwill | 53,016 | | 52,056 | |
| Intangible assets | 19,282 | | 21,801 | |
| Equity investments in other companies | 0 | | 8 | |
| Financial receivables and other non-current financial assets | 1 | | 0 | |
| Loans and other non-current assets | 1,231 | | 1,416 | |
| Deferred tax assets | 5,653 | | 5,578 | |
| **Total Non-current assets** | **80,539** | **0** | **82,344** | **0** |
| *CURRENT ASSETS* | | | | |
| Inventories | 265 | | 179 | |
| Trade receivables | 18,885 | 1,190 | 18,447 | 854 |
| Other assets and receivables | 2,633 | | 1,568 | |
| Direct tax receivables | 613 | | 442 | |
| Financial receivables and other current financial assets | 403 | | 2,712 | 502 |
| Cash and cash equivalents | 8,521 | 1,787 | 6,348 | 4,100 |
| **Total Current assets** | **31,320** | **2,977** | **29,695** | **5,456** |
| **Total discontinued operations** | **0** | | **0** | |
| **TOTAL ASSETS** | **111,859** | | **112,040** | |
| *SHAREHOLDERS' EQUITY* | | | | |
| Share capital | 27,109 | | 27,109 | |
| Reserves | 17,546 | | 18,111 | |
| Net profit (loss) attributable to owners of the Parent Company | 1,042 | | 371 | |
| **Group Shareholders' equity** | **45,697** | | **45,592** | |
| **Minority interests:** | | | | |
| Capital and reserves | 281 | | 260 | |
| Net profit (loss) attributable to minority interests | 207 | | 16 | |
| **Minority interests** | **488** | | **277** | |
| **TOTAL SHAREHOLDERS' EQUITY** | **46,185** | **0** | **45,869** | **0** |
| *NON-CURRENT LIABILITIES* | | | | |
| Financial payables and other non-current financial liabilities | 11,669 | 2,813 | 11,124 | 3,061 |
| Provisions for risks | 1,334 | | 1,337 | |
| Post-employment benefits (TFR) | 6,149 | | 5,228 | |
| Deferred tax liabilities | 4,437 | | 3,839 | |
| Other non-current liabilities | 2,310 | | 697 | |
| **Total Non-current liabilities** | **25,899** | **2,813** | **22,225** | **3,061** |
| *CURRENT LIABILITIES* | | | 0 | |
| Financial payables and other current financial liabilities | 14,221 | 2,002 | 17,436 | 2,333 |
| Trade payables | 8,417 | 127 | 8,148 | 133 |
| Provision for current risks | 21 | | 16 | |
| Tax payables | 685 | | 433 | |
| Other liabilities and payables | 16,431 | 1,734 | 17,913 | 4,472 |
| **Total Current liabilities** | **39,775** | **3,863** | **43,946** | **6,938** |
| **Total Discontinued operations** | **0** | | **0** | |
| **TOTAL LIABILITIES** | **65,674** | **6,676** | **66,171** | **9,999** |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | **111,859** | | **112,040** | |

## Consolidated Income Statement

| *Amounts in EUR thousands* | 2014 | Of which related parties | Of which non-recurring income (charges) | 2013 | Of which related parties | Of which non-recurring income (charges) |
|---|---|---|---|---|---|---|
| Operating revenue | 97,602 | 15,338 | | 74,903 | 14,072 | |
| Other operating revenue and income | 865 | 0 | | 7,640 | 1 | 5,530 |
| **Total Operating revenue** | **98,467** | **15,338** | **0** | **82,543** | **14,073** | **5,530** |
| Raw materials and consumables | (281) | | | (363) | | |
| Service costs | (34,994) | (572) | | (28,741) | (506) | (420) |
| Personnel costs | (50,271) | | (709) | (41,587) | | (967) |
| Other operating costs | (1,553) | (2) | | (2,520) | | (863) |
| Cost of internal work capitalised | 1,560 | | | 1,873 | | |
| *Amortisation, depreciation and write-downs:* | | | | | | |
| Depreciation of property, plant and equipment | (781) | | | (868) | | |
| Amortisation of intangible assets | (5,234) | | | (5,084) | | (1,162) |
| Allocations to provisions | (805) | | | (961) | | (959) |
| **Total Operating costs** | **(92,359)** | **(574)** | **(709)** | **(78,250)** | **(506)** | **(4,371)** |
| **Operating Profit (loss) (EBIT)** | **6,108** | **14,765** | **(709)** | **4,293** | **13,567** | **1,159** |
| Financial income | 38 | 1 | | 33 | 1 | |
| Financial expense | (2,333) | (300) | | (2,411) | (619) | |
| Write-down of financial assets | (8) | | | 0 | | |
| **Total financial income/expense** | **(2,303)** | **(299)** | **0** | **(2,378)** | **(618)** | **0** |
| **Profit (loss) before tax** | **3,805** | **14,466** | **(709)** | **1,915** | **12,949** | **1,159** |
| Current income taxes | (2,254) | | | (1,696) | | (1,548) |
| Deferred tax assets and liabilities | (302) | | | 169 | | |
| **Total income taxes** | **(2,556)** | **0** | **0** | **(1,527)** | **0** | **(1,548)** |
| **Net profit (loss) from continuing operations** | **1,249** | **14,466** | **(709)** | **388** | **12,949** | **(389)** |
| **Net profit (loss) from discontinued operations** | **0** | | | **0** | | |
| **Net profit (loss)** | **1,249** | | | **388** | | |
| **Net profit (loss) attributable to minority interests** | **207** | | | **16** | | |
| **Net profit (loss) attributable to owners of the Parent Company** | **1,042** | | | **371** | | |

# Consolidated Statement of Cash Flows

| *Amounts in EUR thousands* | 2014 | of which related parties | 2013 | of which related parties |
|---|---|---|---|---|
| Net profit (loss) | 1,249 | | 388 | |
| Amortisation, depreciation and write-downs | 6,015 | | 5,952 | |
| Non-monetary changes in post-employment benefits (TFR) | 759 | | 28 | |
| Net financial expense in the income statement | 2,503 | 300 | 2,378 | 619 |
| Taxes for the year | 2,254 | | 1,696 | |
| Deferred tax assets and liabilities | 250 | | (169) | |
| Losses on current assets and provisions | 805 | | 961 | |
| Increase in internal work capitalised | (1,560) | | (1,873) | |
| Other non-monetary changes | 36 | | 1 | |
| Non-monetary income from business combinations | 0 | | (5,530) | |
| Exchange rate conversion differences | (195) | | (46) | |
| **Cash flow from operating activities** | **12,116** | | **3,786** | |
| Change in inventories | (85) | | (17) | |
| Change in trade receivables | 1,444 | (336) | 7,704 | 276 |
| Change in trade payables | (634) | (6) | (1,136) | 76 |
| Use of bad debt provisions | (802) | | (1,749) | |
| Other changes in current assets and liabilities | (5,922) | | 1,028 | |
| Taxes for the year paid | (1,778) | | (1,279) | |
| Post-employment benefits paid | (487) | | (783) | |
| Other changes in non-current assets and liabilities | 2,198 | (2,236) | 345 | 4,472 |
| **Change in net working capital** | **(6,067)** | | **4,113** | |
| **Cash flow from (used in) operating activities** | **6,049** | | **7,899** | |
| (Purchase) of property, plant and equipment net of disposals | (563) | | (114) | |
| (Purchase) of intangible assets net of disposals | (56) | | (353) | |
| Cash flow from business combinations net of cash acquired | (562) | | (4,000) | |
| Cash paid for purchase of share pertaining to third parties | 0 | | (248) | (248) |
| **Cash flow from (used in) investing activities** | **(1,181)** | | **(4,715)** | |
| Change in current financial assets | 2,308 | | 5,309 | (131) |
| Change in current financial liabilities | (3,148) | 547 | (4,783) | (4,796) |
| Change in non-current financial assets | (1) | | 0 | |
| Financial expense paid | (2,399) | (300) | (2,281) | (619) |
| Change in non-current financial liabilities | 544 | (1,125) | (1,401) | (630) |
| Share capital increase (net of shareholder loans) | (0) | | 4,957 | |
| **Cash flow from (used in) financing activities** | **(2,695)** | | **1,801** | |
| Cash flow from discontinued operations | 0 | | 0 | |
| **Cash flow from (used in) discontinued operations** | **0** | | **0** | |
| **Cash and cash equivalents** | **2,173** | | **4,985** | |
| Net cash and cash equivalents - opening balance | 6,348 | 4,100 | 1,363 | 200 |
| Net cash and cash equivalents - closing balance | 8,521 | 1,787 | 6,348 | 4,100 |
| **Net increase (decrease) in cash and cash equivalents** | **2,173** | | **4,985** | |

## 5.4. Management of financial risk: objectives and criteria

The Company's main financial instruments, other than derivatives, include bank loans, finance leases and rental agreements with a purchase option, demand and short-term bank deposits. The main objective of these instruments is to fund the operations of the Company and of the Group. The Company and the Group have various financial instruments, such as trade payables and receivables, resulting from its operations. The Company and the Group have not performed any transactions in derivatives, unless to exclusively hedge interest rate risk.

- ### Exchange rate risk

The Company and the Group are exposed to the risk of fluctuations in the following exchange rates: Euro/GBP, Euro/UAH, Euro/PLN, Euro/RON and Euro/CHF, with regard to the consolidation of the economic and equity amounts of iBe Solve Execute Ltd, Be Sport, Media & Entertainment Ltd, Be Ukraine Think, Solve, Execute S.A., Be Poland Think, Solve, Execute Sp.zo.o., Be Think Solve Execute RO and the Targit Group. With specific reference to Be Ukraine, not that around 60% of the turnover envisaged is performed in USD, while the remaining costs are in UAH and therefore, at present, exposure to the UAH is limited.

The potential positive or negative impact related to short-term credit/debt exposure in foreign currency, resulting from the fluctuation of the exchange rate as a consequence of a hypothetical and immediate change in exchange rates of +/- 10%, is summarised in the following table:

| Currency | +10% | -10% |
|---|---|---|
| Polish Zloty (PNL) | (39) | 48 |
| Ukrainian Hryvnia (UAH) | (42) | 51 |
| Romanian Leu (RON) | (7) | 8 |
| British Pound (GBP) | 209 | (256) |
| Swiss Franc (CHF) | 6 | (7) |
| **Total** | **127** | **(156)** |

Following a hypothetical increase of all exchange rates of ten percent, the overall impact would be a positive Euro 127 thousand, against a negative impact of Euro 156 thousand if the rates fell by the same percentage.

- ### Risk of change in price of raw materials

The Company and the Group are not exposed to the risk of fluctuations in raw materials prices.

- ### Credit risk

Credit risk represents the Group's exposure to potential losses resulting from the failure of the counterparty to fulfil its commercial and financial obligations.

Given the nature of its customers (mainly banks and the public administration), credit risk mainly relates to delays in collecting receivables from Public Administration customers and to any disputes (see note 9 and 5.1). In this regard, the Company and the Group carefully consider the use of all instruments, including any legal action, to ensure the prompt collection of receivables from Public Administration customers.

The maximum theoretical exposure to credit risk for the group at 31 December 2014 is represented by the book value of the financial assets taken from the consolidated financial statements.

The Group has ongoing transactions to free up trade receivables without recourse.

- **Interest rate risk**

  As the Company has loans in Euro at a floating interest rate, it does not believe that its exposure to any rise in interest rates may increase future financial expense. A swap contract has been drawn up to hedge interest rate risk on an unsecured loan obtained of Euro 4 million, for a duration of 5 years.

  The tables included in the sections on current and non-current financial receivables show the book value, by maturity, of the Company's and Group's financial instruments that are exposed to interest rate risk.

  A hypothetical sudden and unfavourable 1% change in the interest rate applicable to existing loans at 31 December 2014 would result in a pre-tax expense of Euro 135 thousand per year.

- **Liquidity risk**

  Liquidity risk is defined as the possibility that the Group is not able to maintain its payment commitments, due to the inability to raise new funds, or to be forced to incur very high costs to meet its commitments. The Be Group's exposure to this risk is represented above all by the loan agreements in place. At present, it has short and medium/long-term loans with banking financial counterparties. In addition, in the event of need, the Group may arrange other short-term bank loans. For details of the features of current and non-current financial liabilities, see note 19 "Financial liabilities". The two main factors that determine the group's liquidity situation are on one hand, the resources generated or absorbed by operating and investing activities, and on the other the maturity and renewal characteristics of the payable or of the liquidity of the financial loans and market conditions.

  From an operating perspective, the Group manages liquidity risk by monitoring cash flows, obtaining adequate credit lines and maintaining an adequate level of available resources. The management of operating cash flows, of the main loan transactions and of the company's liquidity is centralised and performed by the Group's treasury companies, with the objective of guaranteeing the effective and efficient management of the financial resources.

  The maturity characteristics of financial payables are illustrated in Note 19, while with regard to trade payables, the amount due within the following year is shown on the financial statements.

  Management retains that the funds currently available, in addition to those that will be generated by operating and funding activities, including therein the current funds available on credit lines, will enable the Group to meet its requirements relating to investment, the management of working capital and the repayment of debts when the same are due, and will assure an appropriate level of operating and strategic flexibility.

## 5.5. Positions deriving from atypical or unusual transactions

In 2014, the Group did not undertake any atypical or unusual transactions as defined in Consob Communication DEM/6064293.

## 5.6. Fees due to the independent auditors Deloitte&Touche S.p.A. and to their network pursuant to art. 149-duodecies of the Issuers' Regulation

The fees due to the independent auditors in 2014 totalled Euro 215 thousand (Euro 184 thousand last year). The independent auditors did not carry out any activities other than auditing the financial statements.

## 6. Events after the reporting period at 31 December 2014

In January 2015, Be signed a Memorandum of Understanding with one of the largest European Banking Groups, for the award of an ICT Consulting service agreement with a counter value of Euro 73 million in the three-year period 2015-2017. The agreement regards the provision of management consulting services and the development of applications in all countries in which the Group operates and opens up opportunities for further collaboration over the three-year period. The parties have undertaken to transform the arrangement into a service agreement by 1 March 2015. On 13 February 2015, the parties signed an addendum to the Memorandum of Understanding, which, leaving intact all matters not supplemented or amended by the Addendum, extended the commitment to sign the service agreement to 2 April 2015.

The positive results achieved by the Group in 2014, combined with the numerous initiatives undertaken with a view to business development, mean that it can be reasonably optimistic about the continuation of its activities, where it will be fundamental to maintain the quality of the services provided and the continuing ability to serve its customers, while focusing on the value generated on each occasion.

Milan, 11 March 2015

*/signed/ Stefano Achermann*
For the Board of Directors
Chief Executive Officer

# Certification of 2014 Consolidated Financial Statements pursuant to art. 81-ter, Consob Regulation no. 11971 of 14 May 1999, as amended

**1.** Having considered the provisions of art. 154-*bis*, paragraphs 3 and 4, Italian Legislative Decree no. 58 of 24 February 1998, the undersigned, Stefano Achermann as "Chief Executive Officer" and Manuela Mascarini as "Executive in charge of preparing the company's accounting documents" of "Be Think, Solve, Execute S.p.A.", or "Be S.p.A.", hereby confirm:

- the adequacy in relation to the business characteristics, and
- the effective application of administrative accounting procedures to prepare the consolidated financial statements in 2014.

**2.** It is also confirmed that:

**2.1** the consolidated financial statements:

a) were prepared in compliance with international accounting standards endorsed by the European Community pursuant to (EC) Regulation 1606/2002 of the European Parliament and Council dated 19 July 2002;

b) correspond with the accounting entries and records;

c) provide a true and fair view of the equity, economic and financial position of the issuer and its consolidated companies;

**2.2.** the management report contains a reliable analysis of references to significant events occurring in the financial year and their impact on the results of operations, as well as of the position of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

**Rome, 11 March 2015**

| | |
|---|---|
| /signed/ Manuela Mascarini | /signed/ Stefano Achermann |
| Executive in charge of preparing the company's accounting documents | Chief Executive Officer |
| *Manuela Mascarini* | *Stefano Achermann* |

Deloitte.

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**RELAZIONE DELLA SOCIETÀ DI REVISIONE**
**AI SENSI DEGLI ARTT. 14 E 16 DEL D. LGS. 27.1.2010, N. 39**

**Agli Azionisti della**
**BE THINK, SOLVE, EXECUTE S.p.A.**

1. Abbiamo svolto la revisione contabile del bilancio consolidato, costituito dalla situazione patrimoniale-finanziaria consolidata, dal conto economico consolidato, dal conto economico complessivo consolidato, dal prospetto delle variazioni del patrimonio netto consolidato, dal rendiconto finanziario consolidato e dalle relative note esplicative, della Be Think, Solve, Execute S.p.A. e sue controllate ("Gruppo Be") chiuso al 31 dicembre 2014. La responsabilità della redazione del bilancio consolidato in conformità agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D.Lgs. N. 38/2005 compete agli amministratori della Be Think, Solve, Execute S.p.A.. E' nostra la responsabilità del giudizio professionale espresso sul bilancio consolidato e basato sulla revisione contabile.

2. Il nostro esame è stato condotto secondo i principi e i criteri per la revisione contabile raccomandati dalla CONSOB. In conformità ai predetti principi e criteri, la revisione è stata pianificata e svolta al fine di acquisire ogni elemento necessario per accertare se il bilancio consolidato sia viziato da errori significativi e se risulti, nel suo complesso, attendibile. Il procedimento di revisione comprende l'esame, sulla base di verifiche a campione, degli elementi probativi a supporto dei saldi e delle informazioni contenuti nel bilancio consolidato, nonché la valutazione dell'adeguatezza e della correttezza dei criteri contabili utilizzati e della ragionevolezza delle stime effettuate dagli amministratori. Riteniamo che il lavoro svolto fornisca una ragionevole base per l'espressione del nostro giudizio professionale.

   Per il giudizio relativo al bilancio consolidato dell'esercizio precedente, i cui dati sono presentati ai fini comparativi, si fa riferimento alla relazione da noi emessa in data 7 aprile 2014.

3. A nostro giudizio, il bilancio consolidato del Gruppo Be al 31 dicembre 2014 è conforme agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D.Lgs. n. 38/2005; esso pertanto è redatto con chiarezza e rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria, il risultato economico ed i flussi di cassa del Gruppo Be per l'esercizio chiuso a tale data.

4. La responsabilità della redazione della relazione sulla gestione e della relazione sul governo societario e gli assetti proprietari in conformità a quanto previsto dalle norme di legge e dai regolamenti compete agli amministratori della Be Think, Solve, Execute S.p.A.. E' di nostra competenza l'espressione del giudizio sulla coerenza della relazione sulla gestione e delle informazioni di cui al comma 1, lettere c), d), f), l), m) e al comma 2, lettera b) dell'art. 123-bis del D.Lgs. 58/98, presentate nella relazione sul governo societario e gli assetti proprietari, con il bilancio consolidato, come richiesto dalla legge. A tal fine, abbiamo svolto le procedure indicate dal principio di revisione 001 emanato dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili e raccomandato dalla CONSOB. A nostro giudizio la relazione sulla gestione e le informazioni di cui al comma 1, lettere c), d), f), l), m) e al comma 2, lettera b) dell'art. 123-bis del D.Lgs. 58/98 presentate nella relazione sul governo societario e gli assetti proprietari sono coerenti con il bilancio consolidato del Gruppo Be al 31 dicembre 2014.

DELOITTE & TOUCHE S.p.A.

Stefano Marnati
Socio

Milano, 31 marzo 2015

Think, Solve, Execute

# Parent Company Financial Statements

*As at 31 December 2014*

Registered office:
Viale dell'Esperanto 71 - Rome
Share capital:
€ 27,109,164.85, fully paid up
Rome Register of Companies
Tax code and VAT number 01483450209

## Statement of Financial Position

| *Amounts in EUR* | ***Notes*** | **31.12.2014** | **31.12.2013** |
|---|---|---|---|
| *NON-CURRENT ASSETS* | | | |
| Property, plant and equipment | *1* | 50,318 | 58,564 |
| Goodwill | *2* | 10,170,000 | 10,170,000 |
| Intangible assets | *3* | 26,732 | 39,191 |
| Equity investments in subsidiaries | *4* | 38,361,250 | 37,356,231 |
| Equity investments in other companies | *5* | 0 | 8,200 |
| Loans and other non-current assets | *6* | 565,740 | 576,348 |
| Deferred tax assets | *7* | 4,853,032 | 4,853,032 |
| **Total Non-current assets** | | **54,027,072** | **53,061,567** |
| *CURRENT ASSETS* | | | |
| Trade receivables | *8* | 4,127,201 | 4,628,746 |
| Other assets and receivables | *9* | 5,290,948 | 3,062,422 |
| Direct tax receivables | *10* | 102,635 | 108,273 |
| Financial receivables and other current financial assets | *11* | 17,537,969 | 13,511,911 |
| Cash and cash equivalents | *12* | 3,022,931 | 4,167,644 |
| **Total Current assets** | | **30,081,684** | **25,478,996** |
| **Total discontinued operations** | | **0** | **0** |
| **TOTAL ASSETS** | | **84,108,756** | **78,540,563** |
| *SHAREHOLDERS' EQUITY* | | | |
| Share capital | | 27,109,165 | 27,109,165 |
| Reserves | | 17,248,720 | 16,314,475 |
| Net profit (loss) | | 2,187,355 | 1,024,407 |
| **Total Shareholders' Equity** | | **46,545,240** | **44,448,047** |
| **TOTAL SHAREHOLDERS' EQUITY** | ***13*** | **46,545,240** | **44,448,047** |
| *NON-CURRENT LIABILITIES* | | | |
| Financial payables and other non-current financial liabilities | *14* | 5,468,302 | 9,195,399 |
| Provisions for future risks and charges | *15* | 1,028,620 | 807,150 |
| Post-employment benefits (TFR) | *16* | 123,627 | 87,357 |
| Deferred tax liabilities | *17* | 2,398,772 | 2,063,624 |
| Other non-current liabilities | *18* | 556,222 | 556,222 |
| **Total Non-current liabilities** | | **9,575,543** | **12,709,752** |
| *CURRENT LIABILITIES* | | | |
| Financial payables and other current financial liabilities | *19* | 22,889,395 | 17,355,493 |
| Trade payables | *20* | 1,511,224 | 1,552,626 |
| Tax payables | *21* | 155,828 | 47,245 |
| Other liabilities and payables | *22* | 3,431,526 | 2,427,400 |
| **Total Current liabilities** | | **27,987,973** | **21,382,765** |
| **Total Discontinued operations** | | **0** | **0** |
| **TOTAL LIABILITIES** | | **37,563,516** | **34,092,516** |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | | **84,108,756** | **78,540,563** |

*The effects of related party transactions on the statement of financial position in accordance with Consob Resolution no. 15519 of 27 July 2006 are illustrated in a specific statement of financial position in note 5.4.*

# Income Statement

| *Amounts in EUR* | *Notes* | 2014 | 2013 |
|---|---|---|---|
| Operating revenue | *23* | 3,890,000 | 3,695,500 |
| Other revenue | *24* | 193,093 | 1,204,037 |
| **Total Operating revenue** | | **4,083,093** | **4,899,537** |
| Raw materials and consumables | *25* | (2,641) | (1,444) |
| Service costs | *26* | (4,115,991) | (4,507,212) |
| Personnel costs | *27* | (1,977,565) | (2,283,128) |
| Other operating costs | *28* | (212,906) | (934,786) |
| *Amortisation, depreciation and write-downs:* | | | |
| Depreciation of property, plant and equipment | *29* | (22,943) | (21,514) |
| Amortisation of intangible assets | *29* | (23,160) | (19,592) |
| Allocations to provisions | *30* | (402,000) | (407,524) |
| **Total Operating costs** | | **(6,757,207)** | **(8,175,201)** |
| **Operating Profit (loss) (EBIT)** | | **(2,674,114)** | **(3,275,664)** |
| Financial income | *31* | 4,524,548 | 4,828,314 |
| Financial expense | *31* | (1,030,706) | (1,357,613) |
| Write-down of financial assets | *31* | (8,200) | (732,000) |
| **Total financial income/expense** | | **3,485,642** | **2,738,702** |
| **Profit (loss) before tax** | | **811,528** | **(536,963)** |
| Current income taxes | *32* | 1,714,740 | 1,683,014 |
| Deferred tax assets and liabilities | *32* | (338,913) | (121,644) |
| **Total income taxes** | | **1,375,827** | **1,561,370** |
| **Net profit (loss) from continuing operations** | | **2,187,355** | **1,024,407** |
| **Net profit (loss) from discontinued operations** | | **0** | **0** |
| **Net profit (loss)** | | **2,187,355** | **1,024,407** |

*The effects of related party transactions on the income statement in accordance with Consob Resolution no. 15519 of 27 July 2006 are illustrated in a specific income statement in paragraph 5.4.*

## Comprehensive Income Statement

| *Amounts in EUR* | **2014** | **2013** |
|---|---|---|
| **Net profit (loss)** | **2,187,355** | **1,024,407** |
| ***Items not subject to reclassification in the income statement*** | | |
| Actuarial gains (losses) on employee benefits | (13,692) | 5,781 |
| Tax effect on actuarial gains (losses) | 3,765 | (1,590) |
| ***Items subject to reclassification in the income statement when certain conditions are met*** | | |
| Gains (losses) on cash flow hedges | 23,765 | 23,830 |
| Gains (losses) on the restatement (fair value) of available-for-sale financial assets | | |
| **Other items of comprehensive income** | **13,838** | **28,021** |
| **Net comprehensive profit (loss)** | **2,201,193** | **1,052,428** |

# Statement of Cash Flows

| *Amounts in EUR* | **2014** | **2013** |
|---|---|---|
| Net profit (loss) | 2,187,355 | 1,024,407 |
| Amortisation, depreciation and write-downs | 46,103 | 41,107 |
| Non-monetary changes in post-employment benefits (TFR) | 55,727 | 123,815 |
| Net financial expense in the income statement | 1,030,706 | 1,357,613 |
| Taxes for the year | (1,714,740) | (1,683,014) |
| Deferred tax assets and liabilities | 338,913 | 121,644 |
| Losses on current assets and provisions | 410,200 | 1,139,524 |
| Other non-monetary changes | 23,765 | (8) |
| **Cash flow from operating activities** | **2,378,029** | **2,125,087** |
| Change in inventories | 0 | 0 |
| Change in trade receivables | 501,546 | 269,470 |
| Change in trade payables | (41,402) | (586,959) |
| Use of bad debt provisions | (180,530) | (1,567,647) |
| Other changes in current assets and liabilities | 628,503 | 670,291 |
| Taxes for the year paid | (127,942) | 0 |
| Post-employment benefits paid | (33,148) | (177,409) |
| Other changes in non-current assets and liabilities | 10,608 | 22,530 |
| **Change in net working capital** | **757,635** | **(1,369,724)** |
| **Cash flow from (used in) operating activities** | **3,135,664** | **755,364** |
| (Purchase) of property, plant and equipment net of disposals | (14,696) | 442 |
| (Purchase) of intangible assets net of disposals | (10,702) | (41,783) |
| Cash paid to purchase equity investments | (5,019) | (247,500) |
| **Cash flow from (used in) investing activities** | **(30,417)** | **(288,841)** |
| Change in current financial assets | (4,026,058) | 2,383,074 |
| Change in current financial liabilities | 4,576,629 | 1,071,485 |
| Change in non-current financial liabilities | (3,727,097) | (3,638,754) |
| Financial expense paid | (1,073,433) | (1,222,769) |
| Share capital increase (net of shareholder loans) | 0 | 4,956,617 |
| **Cash flow from (used in) financing activities** | **(4,249,959)** | **3,549,653** |
| **Cash flow from (used in) discontinued operations** | 0 | 0 |
| **Cash and cash equivalents** | **(1,144,712)** | **4,016,176** |
| Net cash and cash equivalents - opening balance | 4,167,644 | 151,468 |
| Net cash and cash equivalents - closing balance | 3,022,931 | 4,167,644 |
| **Net increase (decrease) in cash and cash equivalents** | **(1,144,712)** | **4,016,176** |

*In accordance with Consob Resolution no. 15519 of 27 July 2006, the effects of related party transactions on the Statement of cash flows are illustrated in a specific Cash Flow Statement in paragraph 5.4.*

# Statement of Changes in Shareholders' Equity

| *Amounts in EUR* | Share capital | Legal reserve | Share premium reserve | Extraordinary reserve | Other reserves | Profit (loss) for the year | Shareholders' equity |
|---|---|---|---|---|---|---|---|
| **SHAREHOLDERS' EQUITY AT 31.12.2012** | **20,537,247** | **52,346** | **9,253,421** | **994,574** | **(661,092)** | **724,193** | **30,900,689** |
| Net profit (loss) | | | | | | 1,024,407 | 1,024,407 |
| Other items of comprehensive income | | | | | 28,021 | | 28,021 |
| **Net comprehensive profit (loss)** | | | | | **28,021** | **1,024,407** | **1,052,428** |
| Allocation of prior year profit (loss) | | 36,210 | | 687,983 | | (724,193) | 0 |
| Share capital increase | 6,571,918 | | 5,914,726 | | | | 12,486,644 |
| Other changes | | | | | 8,285 | | 8,285 |
| **SHAREHOLDERS' EQUITY AT 31.12.2013** | **27,109,165** | **88,556** | **15,168,147** | **1,682,557** | **(624,785)** | **1,024,407** | **44,448,047** |
| Net profit (loss) | | | | | | 2,187,355 | 2,187,355 |
| Other items of comprehensive income | | | | | 13,839 | | 13,838 |
| **Net comprehensive profit (loss)** | | | | | **13,839** | **2,187,355** | **2,201,193** |
| Allocation of prior year profit (loss) | | 51,220 | | 973,187 | | (1,024,407) | 0 |
| Other changes | | | | | (104,000) | | (104,000) |
| **SHAREHOLDERS' EQUITY AT 31.12.2014** | **27,109,165** | **139,776** | **15,168,147** | **2,655,744** | **(714,947)** | **2,187,355** | **46,545,240** |

# Notes to the financial statements

## 1. Corporate information

Be Think, Solve, Execute S.p.A. (also Be S.p.A. for short), the parent company, is a joint-stock company established in 1987 in Mantua.

The registered office is in Viale dell'Esperanto 71 in Rome.

Be S.p.A., listed in the Segment for High Requirement Shares (STAR) of the Electronic Share Market (MTA), performs management and coordination activities for the Group companies pursuant to art. 2497 et seq. of the Italian Civil Code, through control and coordination of operating, strategic and financial decisions of the subsidiaries and through management and control of reporting flows in readiness for preparation of the annual and interim accounting documents.

The financial statements of Be S.p.A. for the year ending 31 December 2014 were approved for publication by the Board of Directors on 11 March 2015. Be S.p.A. has also drawn up the Consolidated Financial Statements for the Be Group as at 31 December 2014.

## 2. Measurement criteria and accounting standards

### 2.1 Presentation criteria

The financial statements of Be S.p.A as at 31 December 2014 have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, as well as with provisions issued in implementation of art. 9 of Italian Legislative Decree 38/2005. The above standards are integrated with IFRIC (International Financial Reporting Interpretations Committee) and SIC (Standing Interpretations Committee) interpretations. The financial statements comprise the statement of financial position, the income statement, the comprehensive income statement, the statement of cash flows, the statement of changes in shareholders' equity and the relative notes to the financial statements.

The Company presents a comprehensive income statement by classifying individual components based on their nature. This format complies with the management reporting method adopted by the company and is therefore considered more representative than a presentation by item allocation, providing more reliable and more significant indications for the business sector concerned. With reference to the statement of financial position, a presentation format has been adopted that divides assets and liabilities into current and non-current, as permitted by IAS 1.

The statement of cash flows indicates cash flows during the year and classified as operating, investing or financing activities. Cash flows from operating activities are recognised using the indirect method.

The statement of changes in shareholders' equity was prepared in compliance with IAS 1.

As regards segment reporting, the company does not fall within the scope of application of IFRS 8. The Financial Statements are presented in Euro, the amounts in the notes to the financial statements are presented in Euro unless otherwise indicated, therefore, there could be differences in the amounts shown in the tables below due to rounding.

In preparing these financial statements, the directors used going concern assumptions and therefore prepared the statements on the basis of standards and criteria applying to fully operative companies.

For further information on this aspect, please refer to note 2.3.

## 2.2 Discretionary measurements and significant accounting estimates

Preparation of the financial statements and related notes in application of IFRS requires that management perform discretionary measurements and accounting estimates that have an effect on the value of statement of financial position assets and liabilities and on financial statement disclosures. The final results could differ from such estimates. The estimates are used to measure goodwill, to recognise credit risk provisions, to determine write-downs on investments or assets, determine amortisation and depreciation and to calculate taxes and provisions for risks and charges. Also note that the directors have exercised their discretion in assessing the prerequisites for going concern assumptions. The estimates and assumptions are periodically reviewed and the effects of any change are immediately reflected in the income statement.

*Uncertainty of estimates*

When applying accounting standards, the Directors have taken decisions based on certain key assumptions regarding the future and other important sources of uncertainty in estimates as at the end date of the financial statements, which could lead to adjustments to the book values of assets and liabilities. Intangible assets, equity investments and goodwill represent a significant share of the Company's assets. More specifically, goodwill is tested for impairment at least once a year; said testing entails estimating the value in use of the cash flow generating units to which the goodwill pertains, in turn based on an estimation of the expected cash flows of the units and on their discounting based on an adequate discount rate; the assumptions made to determine the value in use of the individual cash flow generating units, to support said asset values, may not necessarily be fulfilled and may lead to adjustments of book values in the future. The 2015-2017 Business Plan was prepared by the Directors on the basis of forecasts and assumptions inherent to future trends in operations and the reference market. The forecasts represent the best estimate of future events that management expects to arise and of action that management intends to take. These were estimated on the basis of final figures, orders already received or sales to be made to established customers, as such presenting a lower degree of uncertainty and therefore a higher probability of actually occurring.

Vice versa, the assumptions relate to future events and action, fully or partly independent to management action; they are therefore characterised by a greater degree of chance, and in the case in hand mainly relate to the expected growth in the three-year period of new products and services of the Information Technology business line, as well as the expected growth of the Consulting business line. Consequently, the Directors acknowledge that the strategic objectives identified in the 2015-2017 Business Plan, though reasonable, present profiles of uncertainty due to the chance nature of future events occurring and the characteristics of the reference market, and also as regards the occurrence of events represented in the plan and their extent and timing. Any failure to implement said initiatives could result in lower economic results with consequent negative effects on the Company's and group's income statement and statement of financial position and on whether the future cash flows on which the estimated value in use to support the recoverability of goodwill and of equity investments recorded under assets is based, amongst other things, can be achieved.

## 2.3 Disclosure on going concern assumptions

With reference to the information on risks, on financial indebtedness and to the Business Plan, illustrated in specific chapters of the Management Report, as well as to the paragraph above on "uncertainty in estimates", the paragraphs below provide information on going concern assumptions.

### Business Plan

On 25 September 2014, the Board of Directors of Be S.p.A. approved the new 2015-2017 Business Plan (which was also the basis for the 2015-2017 plan used for impairment testing, specifically approved by the Board of Directors on 18 February 2015), which confirms the present organisational structure featuring a non-operating Parent Company and three business lines specialised by type of operation (in this regard, please refer to the paragraph entitled "Business Model and operating segments" in the "Management Report").

The 2015-2017 Plan was prepared on the basis of forecasts and assumptions inherent to future trends in operations and the reference market. Though reasonable, these do show profiles of uncertainty due to the questionable nature of future events and the characteristics of the market in which the Group operates. With reference to the content of the paragraph entitled "Events after 31 December 2014 and business outlook" in the Management Report, the directors consider going concern assumptions to be appropriate in preparing the Financial Statements of the Parent Company, as no uncertainties have emerged associated with events or circumstances which, taken individually or as a whole, could give rise to doubts about the company as a going concern.

### Changes in medium-term credit facilities

In 2014, the company repaid the envisaged instalments of loans and did not enter into any new loans that expire within the year.

## 2.4 Accounting principles

The accounting principles adopted in these Financial Statements are in line with those adopted last year, with the exception of the effects resulting from the application of new accounting standards, detailed below.

### Intangible assets

Intangible assets acquired separately are recognised at cost, while those acquired through business combination transactions are recognised at fair value on the date of acquisition. After initial recognition, intangible assets are recognised at cost, net of any amortisation provisions and any accumulated impairment losses.

The useful life of intangible assets is classified as finite or indefinite. Intangible assets with a finite useful life are amortised for the period of the same and tested for impairment whenever there is evidence of possible impairment. The period and the amortisation method applied to the same is reviewed at the end of each year or more frequently, if retained necessary. Changes in the expected useful life or in the way in which the future economic benefits related to the intangible asset are consumed by the company are recognised by changing the period or the amortisation method, as needed, and are treated as changes in accounting estimates. The amortisation charges for intangible assets with finite useful life are recognised in the income statement under the cost category that best reflects the function of the intangible asset.

The useful life generally attributed to the various categories of asset is the following:

- patent rights and intellectual property rights from 3 to 5 years;
- concessions, licences and trademarks, the shorter between the duration of the right or 5 years.

Amortisation begins when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The gains or the losses resulting from the sale of an intangible asset are measured as the difference between the net sales income and the book value of the asset and are recognised in the income statement at the time of sale.

## Goodwill

Goodwill acquired through a business combination is represented by the surplus cost of the business combination with respect to the pertinent share of equity measured at present values relating to the amounts of the identifiable assets, liabilities and potential liabilities acquired. After initial recognition, goodwill is measured at cost, less any accumulated impairment losses. The recoverability of goodwill is assessed at least once a year or more frequently if events or changes occur that could lead to any impairment loss.

Goodwill resulting from acquisitions made prior to the date of transition to IFRS standards is maintained at the values resulting from the application of Italian accounting principles at said date and is tested for impairment annually.

To assess recoverability, the goodwill acquired through business combinations is allocated, from the acquisition date, to each of the units cash flow generating (or groups of units) that are retained to benefit from the synergies resulting from the acquisition, regardless of the allocation of other assets or liabilities acquired. Each unit or group of units to which goodwill is allocated:

- represents the lowest level within the company at which goodwill is monitored for internal management purposes;
- is not higher than an operating segment as defined by IFRS 8 "Operating segments".

Impairment losses are determined by establishing the recoverable amount of the cash flow generating unit (or group of units) to which the goodwill is allocated. When the recoverable amount of the cash flow generating unit (or group of units) is lower than the book value, an impairment loss is recognised.

In cases in which the goodwill is allocated to a cash flow generating unit (or group of units) whose assets are partially disposed of, the goodwill associated to the asset sold is considered when establishing any gain or loss resulting from the transaction. In these circumstances, the goodwill transferred is measured on the basis of the values relating to the asset disposed of with respect to the asset still held with relation to the same unit.

At the time of disposal of a part or of an entire business previously acquired and whose acquisition gave rise to goodwill, when establishing the gains or losses on disposal, the corresponding residual value of the goodwill is taken into consideration.

## Property, plant and equipment

Property, plant and equipment are recognised at historical cost, including directly attributable accessory costs and financial charges and needed to bring it to the working condition for which the asset was purchased, plus, when relevant and in the presence of present obligations, the present value of the cost estimated to dismantle and remove the asset.

When significant parts of these tangible assets have different useful lives, these components are depreciated separately. The rates of depreciation used are as follows:

**Rates of depreciation**

| Description of asset | Depreciation rate |
|---|---|
| Plant and equipment | From 15% to 20% |
| Fixtures and fittings, tools and other equipment | 15% |
| | |
| **Other assets:** | |
| Office furniture and machines | 12% |
| Electronic office machines | 20% |
| Passenger cars | 25% |

The book value of property, plant and equipment is tested to reveal any impairment losses, when events or changes in situations indicate that the book value cannot be recovered. If there is evidence of this nature and in the event in which the book value exceeds the estimated recoverable amount, the assets are written down to reflect their recoverable amount. The recoverable amount of property, plant and equipment is represented by the higher between the net sale price and the value in use.

When establishing the value in use, the expected future cash flows are discounted using a pre-tax discount rate which reflects the present market estimate of the cost of money with relation to the time and to the specific risks of the asset. For assets that do not generate fully independent cash flows, the recoverable amount is established in relation to the cash flow generating unit to which said asset belongs. Impairment losses are booked to the income statement under costs for amortisation, depreciation and write-downs. These impairment losses are reversed in the event in which the reasons that generated them should cease to exist.

At the time of sale or when the expected future benefits from the use of an asset no longer exist, it is derecognised from the financial statements and any gain or loss (calculated as the difference between the sale value and the book value) is booked to the income statement in the year of said derecognition. The residual value of the asset, the useful life and the methods applied are reviewed annually and adjusted if necessary at the end of each year. The costs of any significant inspections are recognised in the book value of the plant or equipment as a replacement cost if recognition criteria are met.

## Impairment loss on assets

On the closing date of the annual financial statements, the Company assesses the existence of impairment losses on assets. In said case, or in cases in which annual impairment testing is required, Be S.p.A. estimates the recoverable amount. The recoverable amount is the higher between the fair value of an asset or cash flow generating unit net of sale costs, and its value in use, and is established by individual asset, unless said asset generates cash flows which are fully independent of those generated by other assets or groups of assets. If the book value of an asset is higher than its recoverable amount, said asset has suffered an impairment loss and is consequently written down to its recoverable amount. When establishing the value in use, estimated future cash flows are discounted from the present value at a discount rate which reflects market valuations on the temporary value of money and the specific risks of the asset. The impairment losses suffered by continuing operations are booked to the income statement under the cost category pertaining to the function of the asset that has suffered the impairment loss.

On the closing date of the annual financial statements, the Company also assesses whether the impairment loss previously recognised is still valid (or should be reduced) and a new recoverable amount is estimated. The value of an asset previously written down (with the exception of goodwill) may be restated only if there are changes in the estimates used to establish the recoverable amount of the asset after the last recognition of an impairment loss. In this case, the book value of the asset is brought to its recoverable amount, although the increased value must not exceed the book value that would have been determined, net of amortisation or depreciation, if no impairment loss had been recognised in previous years. Each reversal is recognised as income on the income statement, unless the asset is recognised at a revalued amount, the case in which the reversal is treated as a revaluation. After an impairment loss has been reversed, the amortisation or depreciation charges of the asset are adjusted in future periods, in order to share the changed book value, net of any residual value, on a straight-line basis over the remaining useful life.

## Equity investments in subsidiaries

Equity investments in subsidiaries are measured at cost, adjusted to take impairment losses into account following the appropriate tests. The original cost is restored if the reasons for the impairment cease to exist in future years. The purchase cost also includes any accessory charges.

## Financial assets

IAS 39 envisages the following types of financial instruments: 1) financial assets at fair value through profit or loss; 2) loans and receivables; 3) held-to-maturity investments; 4) available-for-sale financial assets.

Initially, all financial assets are recognised at their fair value, increased, in the case of assets other than those measured at fair value through profit or loss, by accessory charges. The Company establishes the classification of its financial assets after initial recognition and, where adequate and permitted, reviews said classification at the end of each financial year.

All purchases and sales of financial assets are recognised at the settlement date, namely at the date on which the Company commits to purchasing the asset. Standard purchases and sales mean all purchase and sale transactions of financial assets that envisage the delivery of the asset in the period generally envisaged by the regulations and practices of the market in which the exchange is made.

- *Financial assets at fair value through profit or loss*

  This category includes financial assets held for trading, namely all assets acquired to be sold in the short term. Derivatives are classified as financial assets held for trading unless they are designated as effective hedging instruments. Gains or losses on assets held for trading are booked to the income statement.

- *Loans and receivables*

  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not listed on an active market. These assets are recognised at amortised cost using the effective discounting method. The gains or losses are booked to the income statement when the loans or receivables are derecognised from the accounts or when impairment losses emerge, in addition to through the amortisation process.

- *Held-to-maturity investments*

  Financial assets that are not derivative instruments and are characterised by fixed or determinable payments or maturities are classified as “held-to-maturity investments” when the company intends and is able to maintain them in the portfolio until they mature. The financial assets that the company decided to hold in the portfolio for an indefinite period of time do not fall into this category. Other long-term held-to-maturity financial investments, such as bonds, are then measured at amortised cost. This cost is calculated as the value initially recognised less the repayment of the principal amount, plus or minus the amortisation accumulated using the effective interest rate of each and any difference between the value initially recognised and the amount on maturity.

This calculation includes all of the commission or points exchanged between the parties, which are an integral part of the effective interest rate, transaction costs and other premiums or discounts. For investments measured at amortised cost, the gains or losses are booked to the income statement when the investment is derecognised from the accounts or when impairment losses emerge, in addition to through the amortisation process.

- *Available-for-sale assets*

  Available-for-sale financial assets are those financial assets, excluding derivative instruments, which have been designated as such or are not classified in any of the other three previous categories. After initial recognition at cost, available-for-sale financial assets are measured at fair value and the gains or losses are recognised under a separate item of shareholders' equity until such time as they are derecognised from the accounts or until it has been ascertained that they have suffered an impairment loss; the gains or losses accumulated up until that time under shareholders' equity are then booked to the income statement.

  In the case of securities widely traded on regulated markets, the fair value is determined with reference to the stock market price recorded at the end of trading on the closing date of the financial year. For investments for which no active market exists, the fair value is determined using measurement techniques based on recent transaction prices between independent parties; the present market value of a substantially similar instrument; the analysis of discounted cash flows; pricing models of options.

## Trade receivables

Trade receivables are recognised at their fair value, identified from the face value and subsequently reduced by any impairment losses. Trade receivables which are not due within standard trading terms and which do not generate interest, are discounted.

## Cash and cash equivalents

Cash and cash equivalents include cash and demand and short-term deposits, in the latter case whose original maturity is three months or less, and are recognised at their face value.

## Treasury shares

Treasury shares that are repurchased are deducted from shareholders' equity. The purchase, sale, issue or cancellation or instruments representing share capital do not generate the recognition of any gain or loss in the income statement.

## Employee benefits

Short-term employee benefits, namely due within twelve months of the end of the year in which the employee has worked, are recorded as a cost and as a liability for an amount corresponding to the non-discounted amount that should be paid to the employees for his service. Instead, long-term benefits, such as those to be paid beyond twelve months from the end of the year in which the employee worked, are recognised as a liability for an amount corresponding to the current value of the benefits on the date of the financial statements.

Post-employment benefits reflect the amount accrued in favour of employees, in accordance with the law in force and collective labour agreements. The liabilities relating to defined benefit plans, net of any assets serving the plan, are determined on the basis of actuarial assumptions and are recognised on an accrual basis in accordance with the work performed required to obtain the benefits; these liabilities are measured by independent actuaries. From 1 January 2007, the nature of Provisions for post-employment benefits changed from "defined benefit plans" to "defined contribution plans". For IAS purposes, Provisions for post-employment benefits accrued as at 31 December 2006 continue to be considered a defined benefit plan. The accounting treatment of the amounts maturing from 1 January 2007 is therefore similar to that existing for payments of other types of contribution, both in the case of the supplementary pension plan option, and in the case in which it is paid into the Treasury Fund held by INPS.

As regards the liabilities relating to the defined benefit plan, the new IAS 19 envisages that all of the actuarial profits and losses accrued as at the date of the financial statements should be immediately recognised in the "Statement of Comprehensive Income" (Other Comprehensive Income, hereafter OCI).

Therefore, it is no longer possible to defer the same through the corridor method, or to recognise all actuarial profits and losses in the year in which they arise in the income statement. Consequently, for the recognition of actuarial profits/losses, the standard only permits the so-called OCI method.

## Provisions for risks and charges

Provisions for risks and charges regard costs and charges of a specific nature, whose existence is certain or likely, for which at the closing date of the reference period, the amount or contingency date has not been established. Provisions are recognised in the presence of a present obligation (legal or implicit) which originates from a past event, when an outlay of resources to meet the obligation is likely, and a reliable estimate of the amount of the obligation can be made.

Provisions are recognised at a value that represents the best estimate of the amount that the company should pay to extinguish the obligation or to transfer it to third parties on the closing date of the period.

If the effect of discounting is significant, the provisions are calculated by discounting the expected future cash flows at a pre-tax discount rate which reflects the present market valuation of the cost of money with relation to time. When the discounting is performed, the increase of the provision due to the passing of time is recognised as a financial charge.

## Trade and other payables

Trade payables and other payables are initially recognised at cost, namely at the fair value of the amount paid during the course of the transaction. Subsequently, payables that have a fixed due date are measured at amortised cost, using the effective interest rate method, while payables without a fixed due date are measured at cost.

Short-term payables, for which the accrual of interest has not be agreed, are measured at their original value. The fair value of long-term payables has been established by discounting future cash flows: the discount is recognised as a financial charge over the term of the payable until due.

## Financial liabilities

Financial liabilities are represented by financial payables and by financial liabilities related to derivative instruments. Financial liabilities other than derivative financial instruments, are initially recognised at fair value plus the costs of the transaction; subsequently they are measured at amortised cost, namely at the initial value, net of repayments of principal amounts already made, adjusted (up or down) on the basis of amortisation (using the effective interest rate method) by any differences between the initial value and the value when due.

### Grants

A Government grant is recognised when there is reasonable certainty that it will be received and all conditions relating to the same have been met. When grants related to income regard cost components, they are deducted from the costs to which they refer. In the event in which a grant relates to an asset, the fair value is recognised as a reduction of the value of the assets to which it refers, with a consequent reduction of amortisation or depreciation charges.

### Leases

Finance leases, which substantially transfer all of the risks and benefits relating to the ownership of the leased asset to the company, are capitalised from the start date of the lease at the fair value of the leased asset or, if lower, at the present value of instalments.

Instalments are split on a pro rata basis between a principal amount and an interest amount in order to apply a constant interest rate to the residual balance of the debt.

Financial expense is booked directly to the income statement.

Capitalised leased assets are amortised or depreciated over the shortest timeframe between the estimated useful life of the asset and the length of the lease agreement, if there is no reasonable certainty that the company will obtain ownership of the asset at the end of the agreement.

Operating lease instalments are recognised as costs in the income statement on a straight-line basis over the term of the agreement.

### Revenue

Revenue is recognised to the extent to which it is likely that the economic benefits will be consumed by the company and the relative amount can be reliably determined. The following specific recognition criteria must be applied to revenue before it may be booked to the income statement:

- Sale of assets: the revenue is recognised when the enterprise has transferred all of the significant risks and benefits related to the ownership of the asset to the buyer.
- Provision of services: the revenue generated by the provision of services is recognised in the income statement when the service is performed.
  In cases in which extensions are granted to the customer not at normal market conditions, without accruing interest, the amount that will be collected is discounted. The difference between the present value and the amount collected represents financial income and is recorded on an accrual basis.
- Interest: is recognised as financial income when the applicable interest income has been established (calculated using the effective interest method which is the rate that exactly discounts the expected future cash flows based on the expected life of the financial instrument at the net book value of the financial asset).
- Dividends: are recognised when the right of shareholders to receive payment arises.

## Costs of goods and services

In accordance with the accrual principle, the above costs contribute to reducing economic benefits, and take the form of cash outflows or the reduction of the value of an asset or the incurrence of a liability.

## Current and deferred taxes

Deferred tax assets and liabilities are calculated on the temporary differences arising on the date of the financial statements between the tax amounts taken as reference for assets and liabilities and the amounts shown in the financial statements.

Deferred tax liabilities are recognised against all taxable temporary differences, with the exception of:

- when the deferred tax liabilities originate from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and which, at the time of said transaction, does not impact the profit for the year calculated for financial statement purposes or the profit or loss calculated for tax purposes;
- with reference to taxable temporary differences associated to equity investments in subsidiaries, associates or joint ventures, if the reversal of the temporary differences may be checked and it is likely that it will arise in the foreseeable future.

Deferred tax assets are recognised against all deductible temporary differences to the extent that the existence of adequate future tax income is likely, which can render the use of the deductible temporary differences applicable, with the exception of the case in which:

- the deferred tax asset related to the deductible temporary differences originates from the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of said transaction, does not impact the profit for the year calculated for financial statement purposes or the profit or loss calculated for tax purposes;
- with regard to taxable temporary differences associated to equity investments in subsidiaries, associates or joint ventures, the deferred tax assets are recognised only to the extent to which it is likely that the deductible temporary differences will be paid again in the future or there is adequate taxable income against which the temporary differences may be used. The likelihood of recovering deferred tax assets is assessed with reference, in particular, to taxable income expected in subsequent years and to the tax strategies that the Group intends to adopt (for example, tax consolidation agreements).

The value of deferred tax assets to be reported in the financial statements is reviewed on the closing date of the financial statements.

Deferred tax assets that are not recognised are reviewed annually on the closing date of the financial statements.

Deferred tax assets and liabilities are measured on the basis of the tax rates that are expected to be applied to the year in which the assets are realised or the liabilities are extinguished, on the basis of rates that will be issued or substantially issued on the date of the financial statements.

Income taxes relating to items recognised directly under shareholders' equity are booked to shareholders' equity and not to the income statement.

Deferred tax assets and liabilities are offset, when there is a legal right to offset current tax assets against current tax liabilities and said deferred taxes are enforceable vis-à-vis the tax authority in question.

The Company ("consolidator") has again renewed the tax consolidation option with the subsidiary Be Consulting Think, Project & Plan S.p.A. for the three-year period 2014-2016.

Furthermore, the Company also has the tax consolidation option in place for the three-year period 2012-2014 with the following subsidiaries: Be Solutions Solve, Realize & Control S.p.A., Be Enterprise and Process Solutions S.p.A. (previously Alix Italia S.r.l.).

Lastly, for the three-year period 2013-2015, it renewed the tax consolidation option with Be Professional Services S.p.A. (previously Be Operations Execute, Manage & Perform S.p.A), To See S.r.l. and A&B S.p.A.

Economic, equity and financial transactions resulting from the application of tax consolidation are regulated by a "tax consolidation contract" which disciplines the legal relationships resulting from the national tax consolidation scheme.

On the basis of this agreement, against taxable income recorded and transferred to the Parent Company, the Subsidiary undertakes to recognise "tax adjustments" corresponding to the sum of the relative taxes due on the income transferred.

The payment of these "tax adjustments" is made, firstly by offsetting the tax credit transferred to the Parent Company, and for the remainder to the extent and within the term provided by law envisaged for the payment of the balance and of the advances relating to the income transferred. The "tax adjustments" relating to advances will be paid to the Parent Company by the Subsidiary, within the legal terms envisaged for the payment of the same, only for those actually paid and proportional to the income transferred with respect to the sum of the individual taxable incomes transferred to the Parent Company.

The Subsidiary also undertakes to transfer any tax credits or tax losses to the Parent Company.

## Foreign currency translation

The currency adopted for the financial statements is the Euro. Transactions in currencies other than the Euro are initially recognised at the exchange rate in force (against the functional currency) on the date of the transaction. Monetary assets and liabilities, denominated in currencies other than the Euro, are reconverted into the functional currency in force on the closing date of the financial statements. All exchange rate differences are recognised in the income statement. Non-monetary items measured at historical cost in currencies other than the Euro are converted by the exchange rates in force on the date of initial recognition of the transaction. Non-monetary items measured at fair value in currencies other than the Euro are converted by the exchange rates in force on the date said value was determined.

## Derecognition of financial assets and liabilities

*Financial assets*

A financial asset (or, where applicable, part of a financial asset or parts of a group of similar financial assets) is derecognised from the financial statements when:

- the rights to receive cash flows from the asset cease;
- the company retains the right to receive cash flows from the asset, but has undertaken a contractual obligation to pay them in their entirety and without delay to a third party;
- the company has transferred the right to receive cash flows from the asset and (a) has substantially transferred all of the risks and benefits of the ownership of the financial assets, or (b) has not substantially transferred, nor retained all of the risks and benefits of the asset, but has transferred the control of the same.

In cases in which the company has transferred the rights to receive cash flows from an asset and has not transferred or substantially retained all of the risks and benefits or has not lost control of the same, the asset is recognised in the financial statements of the company to the extent of its residual involvement in said asset. Residual involvement may take the form of a guarantee on the asset transferred, and in this case it is measured at the lower between the initial book value of the asset and the maximum value of the amount that the company could be bound to pay. During the year, the company did not transfer any loans or receivables.

*Financial liabilities*

A financial liability is derecognised from the financial statements when the obligation underlying the liability ceases, is cancelled or is fulfilled.

In cases in which an existing financial liability is replaced by another from the same lender, at substantially different conditions, or the conditions of an existing liability are substantially changed, said replacement or change is treated as the derecognition of the original liability and the recognition of a new liability, with any differences between the book values recorded in the income statement.

## Impairment loss on financial assets

On each closing date of the financial statements, the company assesses whether a financial asset or a group of financial assets have suffered any impairment loss.

## Assets measured at amortised cost

If there is objective evidence that a loan or receivable recognised at amortised cost has suffered an impairment loss, the amount of the loss is measured as the difference between the book value of the asset and the present value of the estimated future cash flows (excluding future losses on receivables not yet incurred) discounted at the original effective interest rate of the financial asset (namely at the effective interest rate calculated on the initial recognition date). The book value of the asset will be reduced both directly, and by the use of a provision. The amount of the loss is booked to the income statement.

The company first assesses the existence of objective evidence of impairment loss at individual level, for financial assets that are significant individually, and then at individual or collective level for the financial assets that are not. In the absence of objective evidence of impairment loss assessed individually, whether significant or not, said asset is included in a group of financial assets with similar credit risk characteristics and said group is impairment tested collectively. Assets assessed at individual level for which an impairment loss is found or continues to be found, are not included in a collective assessment.

If, in a subsequent year, the entity of the impairment loss decreases and said reduction may be objectively attributed to an event that occurred after the recognition of the impairment loss, the value previously reduced may be recovered. Any subsequent value recoveries are recognised in the income statement, to the extent to which the book value of the asset does not exceed the amortised cost at the date of the recovery.

## Financial assets recognised at cost

If there is objective evidence of impairment loss of an unlisted instrument representing equity, which is not recognised at fair value, because its fair value cannot be reliably measured, or of a derivative instrument which is related to said equity instrument and must be settled through the delivery of said instrument, the amount of the impairment loss is measured as the difference between the book value of the asset and the present value of expected future cash flows and is discounted at the current market rate of return for a similar financial asset.

## Available-for-sale financial assets

In the event of an impairment loss of an available-for-sale financial asset, a value corresponding to the difference between the cost of the asset (net of the repayment of the principal and of amortisation) and its present fair value is transferred from shareholders' equity to the income statement, net of any impairment losses previously recognised on the income statement. Value recoveries relating to equity instruments classified as available for sale are not recognised on the income statement. Value recoveries related to debt instruments are recognised on the income statement if the increase in the fair value of the instrument may be objectively attributed to an event that occurred after the loss was recognised on the income statement.

## Assets held for sale and liabilities associated to assets held for sale

Non-current assets (or groups of assets and liabilities) are classified as held for sale if they are available to be immediately sold in their present state, subject to the standard conditions of sale for that type of asset, and that the sale is highly likely.

These assets are measured:

- at the lower between the book value and the fair value, net of selling costs, recognising any impairment losses on the income statement, unless part of a business combination transaction, otherwise
- at the fair value, net of selling costs (without the option of recognising write-downs at the time of initial recognition), if part of a business combination transaction.
- In any event, the amortisation process is interrupted at the time of classification of the asset, as held for sale.

Assets and liabilities directly related to a group of assets held for sale are classified separately on the statement of financial position, (under "assets and liabilities held for disposal") as are the pertinent reserves of accumulated profits or losses, directly booked to shareholders' equity. The net profit (loss) of the transactions sold and held for disposal is indicated in a separate item on the income statement.

## Derivative financial instruments

If the company uses derivative financial instruments, such as currency forward contracts and interest rate swaps to hedge risks relating mostly to fluctuations in interest rates, these instruments are initially recognised at fair value at the date on which they were stipulated; subsequently, said fair value is periodically re-measured.

They are recognised as assets when the fair value is positive and as liabilities when it is negative.

Any profits or losses resulting from changes in the fair value of derivatives not suitable for hedge accounting are directly booked to the income statement for the year.

The fair value of the interest rate swaps is determined with reference to the market value of similar instruments.

As at 31 December 2014, the Company had a hedge swap in place after entering into a loan agreement with a term of five years, at a floating rate of interest.

### Dividends

Dividends are recognised when the right of shareholders to receive payment arises, which usually coincides with the date of the Annual Shareholders' Meeting which approves the distribution of the dividend.

## 2.5 Accounting Standards, IFRS and IFRIC amendments and interpretations endorsed by the European Union, whose application is not yet compulsory and for which the Group did not opt for early adoption as at 31 December 2014

- IFRS 10 - Consolidated Financial Statements, replacing the part of IAS 27 - Consolidated and Separate Financial Statements, referring to consolidated financial statements and replacing SIC-12 Consolidation - Special Purpose Entities. The previous IAS 27 was renamed "Separate Financial Statements" and only regulates the accounting of equity investments in separate financial statements. The main changes established by the new standard for consolidated financial statements are as follows:
  - IFRS 10 establishes that the only underlying basic principle for the consolidation of all types of entity is that of control. This change removes the inconsistency perceived between the previous IAS 27 (based on control) and SIC 12 (based on transfer of risks and benefits);
  - a more rigorous definition of control has been introduced with respect to the past, based on the simultaneous presence of the following three elements: (a) power over the acquired company; (b) exposure, or rights, to variable returns deriving from involvement in the company; (c) capacity to use the acquired power to influence the amount of such variable returns;
  - in order to assess whether an investor has control over the acquired company, IFRS 10 requires that an investor focuses on the activities that have a significant effect on his returns (concept of relevant activities);
  - IFRS 10 requires that, to assess the existence of control, only substantive rights are taken into consideration, i.e. those exercisable in practice when significant decisions have to be made regarding the acquired company;
  - IFRS 10 offers practical guidance to help assess whether or not control exists in complex situations, such as working control, potential voting rights, structured entities, situations in which it is important to establish whether a person with decision-making powers is acting as agent or as principal, etc. In general, the application of IFRS 10 calls for a significant degree of judgment on a certain number of application-related aspects. The standard is applicable retrospectively from 1 January 2014.

  **The adoption of this new standard has had no effect on the Financial Statements.**

- IFRS 12 – Disclosure of Interests in Other Entities, a new and complete standard on disclosures to be provided in the consolidated financial statements for all types of equity investment, including interests in subsidiaries, joint arrangements, associates, specific purpose entities and other non-consolidated vehicles. The standard is applicable retrospectively from 1 January 2014.

  **The adoption of this new standard has had no effect on the information provided in the Notes to the Financial Statements.**

- Amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities", with a view to clarifying the application of the criteria required to offset financial assets and financial liabilities in the financial statements (i.e. the entity currently has a legally enforceable right to offset the amounts reported and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously). The amendments are applicable retrospectively from 1 January 2014.

**The adoption of these amendments has had no effect on the Financial Statements.**

- Amendments to IAS 36 "Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets" These amendments aim to clarify that disclosures on the recoverable amount of assets (including goodwill) or of cash generating units subject to impairment testing, if their recoverable amount is based on fair value net of disposal costs, only refer to assets or cash generating units for which an impairment loss has been recognised or recovered during the financial year. In this case, an adequate disclosure must be provided on the level of the fair value hierarchy attributed to the recoverable amount and on the measurement techniques and assumptions used (if level 2 or 3). The changes are applicable retrospectively from 1 January 2014.

  **The adoption of these amendments has had no effect on the Financial Statements.**

- Amendments to IAS 39 "Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting". The amendments concern the introduction of a number of exceptions to the hedge accounting requirements defined in IAS 39 if an existing derivative is replaced with a new derivative in specific instances, where this replacement involves a central counterparty (CCP) following the introduction of a new law or regulation. The changes are applicable retrospectively from 1 January 2014.

  **The adoption of these amendments has had no effect on the Financial Statements.**

## 2.6 Accounting Standards, IFRS and IFRIC amendments and interpretations endorsed by the European Union, whose application is not yet compulsory and for which the Group did not opt for early adoption as at 31 December 2014

- On 20 May 2013 the interpretation IFRIC 21 – Levies was published, providing clarification on the recognition timing of a liability associated with a tax (other than income tax) levied by a government authority. The standard interpretation covers tax liabilities included in the scope of application of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets and tax liabilities on taxes for which the timing and amount are known. The interpretation is applicable retrospectively for years that start at the latest from 17 June 2014 or a later date.

  **The adoption of these amendments has had no effect on the Financial Statements.**

- On 12 December 2013, the IASB published a document entitled "Annual Improvements to IFRSs: 2010-2012 Cycle" which summarises the changes to several standards as part of the annual process to improve the same. The main changes regard:

  - IFRS 2 Share-based Payment – Definition of vesting condition. Changes have been made to the definitions of "vesting condition" and "market condition" and further definitions of "performance condition" and "service condition" have been added (previously included in the definition of "vesting condition");

  - IFRS 3 Business Combinations – Accounting for contingent consideration. The change clarifies that a contingent consideration within a business combination classified as a financial asset or liability must be re-measured at fair value at each accounting period closing date and the fair value changes must be recognised in the income statement or under components of the statement of comprehensive income in accordance with the requirements of IAS 39 (or IFRS 9);

  - IFRS 8 Operating Segments – Aggregation of operating segments. The changes require an entity to provide disclosure on assessments made by management in application of criteria for the aggregation of operating segments, including a description of the operating segments aggregated and of the economic indicators considered when deciding whether said operating segments had similar economic characteristics.

- IFRS 8 Operating Segments – Reconciliation of the total of the reportable segments' assets to the entity's assets. The changes clarify that the reconciliation of total assets of operating segments and the total assets as a whole of the entity must be presented only if the total assets of the operating segments are regularly reviewed by the highest decision-making level of the entity;
- IFRS 13 Fair Value Measurement – Short-term receivables and payables. The Basis for Conclusions for this standard have been amended with a view to clarifying that with the issue of IFRS 13, and the consequent changes to IAS 39 and IFRS 9, current trade receivables and payables can still be recognised in the accounts without recognising the effect of discounting, if the same is immaterial.
- IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets – Revaluation method: proportionate restatement of accumulated depreciation/amortisation. The changes have eliminated inconsistencies in the recognition of accumulated depreciation/amortisation when a tangible or intangible asset is revalued. The requirements envisaged by the changes clarify that the gross book value must be consistent with the revaluation of the book value of the asset and that accumulated depreciation/amortisation corresponds to the difference between the gross book value and the book value net of impairment losses recorded;
- IAS 24 Related Party Disclosures – Key management personnel. The change clarifies that if the services of executives with strategic responsibilities are provided by an entity (and not by a physical person), said entity is to be considered a related party in any event.

The changes are to be applied at the latest from years that start on 1 February 2015 or later.

**The adoption of these amendments has had no effect on the Financial Statements.**

- On 12 December 2013, the IASB published a document entitled "Annual Improvements to IFRSs: 2011-2013 Cycle" which summarises the changes to several standards as part of the annual process to improve the same. The main changes regard:

  - IFRS 3 Business Combinations – Scope exception for joint ventures. The change clarifies that paragraph 2(a) of IFRS 3 excludes all types of joint arrangements, as defined by IFRS 11 from the scope of application of IFRS 3;
  - IFRS 13 Fair Value Measurement – Scope of portfolio exception (par. 52). The change clarifies that the portfolio exception included in paragraph 52 of IFRS 13
  - applies to all contracts included in the scope of application of IAS 39 (or IFRS 9) regardless of whether they fulfil the definition of financial asset or liability provided by IAS 32;
  - IAS 40 Investment Property – Interrelationship between IFRS 3 and IAS 40. The change clarifies that IFRS 3 and IAS 40 do not mutually exclude one another and that, in order to establish if the acquisition of an investment property falls within the scope of application of IFRS 3 or of IAS 40, reference must be made respectively to the indications provided by IFRS 3 or by IAS 40.

  The changes are to be applied from years that start on 1 January 2015 or later.

  **The adoption of these amendments has had no effect on the Financial Statements.**

- On 21 November 2013, the IASB published the amendment to IAS 19 "Defined Benefit Plans: Employee Contributions", which proposes to include contributions (relating only to the service provided by the employee over the year) made by employees or by third parties in defined benefit plans to reduce the service cost of the year in which said contribution is paid. The need for this proposal arose with the introduction of the new IAS 19 (2011), where it is retained that said contributions are to be considered as part of a post-employment benefit, rather than a short-term benefit and, therefore, that said contribution should be spread over the years of service of the employee. The changes are to be applied at the latest from years that start on 1 February 2015 or later.

**The adoption of these amendments has had no effect on the Financial Statements.**

## 2.7 Accounting Standards, IFRS amendments and interpretations not yet endorsed by the European Union

At the reference date of these Group Consolidated Financial Statements, the competent bodies of the European Union have not yet completed the endorsement process required for adoption of the amendments and standards illustrated below.

- On 30 January 2014, the IASB published IFRS 14 Regulatory Deferral Accounts, which only allows those that adopt IFRS for the first time to continue to recognise amounts related to Rate Regulation Activities according to the previous accounting standards adopted.

  **As the Company is not a first-time adopter, said standard is not applicable.**

- On 12 May 2014 the IASB issued a number of amendments to IAS 16 Property, Plant and Equipment and to IAS 38 Intangible Assets – "Clarification of acceptable methods of depreciation and amortisation". The amendments to IAS 16 establish that depreciation criteria established on the basis of revenue are not appropriate, insofar as, according to the amendment, the revenue generated by an asset, which includes the use of an asset subject to depreciation, generally reflects factors other than just the consumption of the economic benefits of said asset. The changes to IAS 38 introduce a relative assumption, according to which amortisation criteria based on revenue is usually considered inappropriate for the same reasons established by the changes made to IAS 16. In the case of intangible assets, this assumption may also be superseded, but only in limited and specific circumstances.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the financial statements.**

- On 28 May 2014, the IASB published IFRS 15 – Revenue from Contracts with Customers which will replace standards IAS 18 – Revenue and IAS 11 – Construction Contracts, as well as interpretations IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers and SIC 31 – Revenues-Barter Transactions Involving Advertising Services. The standard establishes a new revenue recognition model, which will be applied to all contracts stipulated with customers, with the exception of those that fall within the scope of application of other IAS/IFRS standards such as leases, insurance contracts and financial instruments. The fundamental steps for the recognition of revenue according to the new model are:

  - identifying the contract with the customer;
  - identifying the performance obligations of the contract;
  - establishing the price;
  - allocating the price to the performance obligations of the contract;
  - the recognition criteria for revenue when the entity fulfils each performance obligation.

  The standard is applicable from 1 January 2017, although early adoption is permitted.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the financial statements.**

- On 24 July 2014, the IASB published the final version of IFRS 9 - Financial instruments. This document encompasses the results of the phases relating to Classification and measurement, Impairment, and Hedge Accounting, of the IASB project to replace IAS 39. The new standard, which replaces the previous versions of IFRS 9, must be applied to financial statements that start on 1 January 2018 or later. Following the financial crisis in 2008, on the request of the major financial and political institutions, the IASB launched the project to replace IFRS 9 and proceeded in phases. In 2009, the IASB published the first version of IFRS 9, which only regarded the Classification and measurement of financial assets; subsequently, in 2010, criteria relating to the classification and measurement of financial liabilities were published, as well as to derecognition (the latter topic was transposed, unaltered, from IAS 39). In 2013, IFRS 9 was amended to include the general hedge accounting model. Following the current publication, which also includes impairment, IFRS 9 is now considered complete with the exception of criteria for macro-hedging, for which the IASB has undertaken a separate project. The standard introduces the new criteria for the classification and measurement of financial assets and liabilities. In particular, for financial assets, the new standard uses a single approach based on the procedure adopted to manage financial instruments and on the characteristics of the contractual cash flows of the same financial assets in order to determine the measurement criterion, replacing the various rules envisaged by IAS 39.

- As regards financial liabilities instead, the main change made regards the accounting treatment of changes in the fair value of a financial liability designated as a financial liability measured at fair value through profit and loss, in the event in which these changes are due to a change in the credit rating of the issuer of the liability in question. According to the new standard, these changes must be recognised in "other comprehensive income" rather than the income statement. With regard to the impairment model, the new standard requires that the estimate of losses on loans is made on the basis of the expected losses model (and not on the incurred losses model) using supportable information that is available without undue cost or effort, and that includes historical, current and forecast information. The standard envisages that this impairment model should be applied to all financial instruments, namely to financial instruments measured at amortised cost, to those measured at fair value through other comprehensive income, lease receivables and trade receivables. Lastly, the standard introduces a new hedge accounting model with a view to improving on the requirements envisaged by the current IAS 39, which at times are considered too strict and not suitable to reflect the risk management policies of companies. The main new features of the document regard:

  - increase of the types of transactions eligible for hedge accounting, also including the risks of non-financial assets/liabilities to be managed in hedge accounting;
  - change in the way that forward contracts and options are recognised when included in a hedge accounting relationship in order to reduce the volatility of the income statement.
  - changes to the test of effectiveness by replacing the current procedures based on a parameter of 80-125% with the principle of "economic relationship" between the item hedged and the hedging instrument; furthermore, a retrospective assessment of the effectiveness of the hedging relationship will no longer be required;

  The greater flexibility of the new accounting rules is counterbalanced by requests for additional disclosures on the company's risk management activities.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the financial statements.**

- On 12 August 2014, the IASB published an amendment to IAS 27 - Equity Method in Separate Financial Statements. The document introduces the option for an entity to use the net equity method in separate financial statements to measure equity investments in subsidiaries, jointly-controlled entities and associates. Consequently, following the introduction of the amendment, an entity may recognise said equity investments in its separate financial statements either:

  - at cost; or
  - according to the provisions of IFRS 9 (or IAS 39); or
  - using the net equity method.

  The changes are applicable from 1 January 2016, although early adoption is permitted.

**At present, the directors are assessing the potential impact that the introduction of these changes would have on the financial statements.**

- On 25 September 2014, the IASB published a document entitled "Annual Improvements to IFRSs: 2012-2014 Cycle". The changes introduced by the document must be applied from years which start on 1 January 2016 or later.

  The document introduces changes to the following standards:

  - IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations. The change introduces specific guidelines for the standard in the case in which an entity reclassifies an asset (or a disposal group) from the held-for-sale category to the held-for-distribution category (or vice versa), or when the requirements for classifying an asset as held-for-distribution are no longer met. The changes establish that (i) said reclassifications should not be considered as a change to a sale or distribution plan and that the same classification and measurement criteria continue to be valid; (ii) assets that no longer meet the classification criteria envisaged for held-for-distribution should be treated in the same way as an asset that ceases to be classified as held-for-sale;
  - IFRS 7 – Financial Instruments: Disclosure. The changes regulate the introduction of further guidelines to clarify whether a servicing arrangement represents continuing involvement in an asset transferred for the purpose of disclosure with relation to the transferred assets. Furthermore, it is clarified that the disclosure of financial assets and liabilities is not usually expressly required for interim financial statements. However, said disclosure may be necessary to meet the requirements envisaged by IAS 34, if considered a significant disclosure;
  - IAS 19 – Employee Benefits. The document introduces changes to IAS 19 in order to clarify that the high quality corporate bonds used to determine the discount rate of post-employment benefits should be in the same currency as that used to pay the benefits. The changes specify that the scale of the high quality corporate bonds market to be considered is that of currency.
  - IAS 34 – Interim Financial Reporting. The document introduces changes in order to clarify the requirements to be met in the case in which the disclosure requested is included in the interim financial report, but not in the interim financial statements. The amendment specifies that this disclosure is to be included by means of a cross-reference from the interim financial statements to other parts of the interim financial report and that this document is available to readers of the financial statements in the same way and with the same timing of the interim financial statements.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the financial statements.**

- On 18 December 2014, the IASB published an amendment to IAS 1 – Disclosure Initiative. The objective of the changes is to provide clarifications on elements of disclosure that may be perceived as preventing the clear and intelligible preparation of the financial statements. The following changes have been made:

  - Materiality and aggregation: clarifies that a company should not obscure information by aggregating or disaggregating information and that materiality considerations apply to the financial statement schedules, notes and any specific disclosure requirements in IFRS. The disclosures requested specifically by IFRS must be provided if the information is material;
  - Statement of financial position and income statement: clarifies that the list of items specified by IAS 1 for these statements can be disaggregated and aggregated as relevant. Guidelines have also been provided on the presentation of subtotals in these statements;
  - Presentation of items of Other Comprehensive Income ("OCI"): clarifies that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as

single line items based on whether or not it will subsequently be reclassified to the income statement;

- Notes: clarifies that entities have flexibility when designing the structure of the notes and provides guidelines on how to determine a systematic order of the notes, for example:
    a) By giving significance to those that are more relevant to the understanding of the financial position (e.g. by grouping information on specific assets);
    b) Grouping items measured using the same criteria (e.g. assets measured at fair value);
    c) Following the order of the items presented in the statements.

The changes introduced by the document must be applied from years which start on 1 January 2016 or later.

**At present, the directors are assessing the potential impact that the introduction of these changes would have on the financial statements.**

- On 18 December 2014, the IASB published a document entitled “Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)”, containing amendments on topics that emerged following the application of the consolidation exception granted to investment entities. The changes introduced by the document must be applied from years which start on 1 January 2016 or later, early adoption is also permitted.

  **At present, the directors are assessing the potential impact that the introduction of these changes would have on the financial statements.**

# 3. Breakdown of the main items of the Statement of Financial Position

## Note 1.
## Property, plant and equipment

### Change in historical cost

| | Historical cost 2013 | Increases | Decreases | Reclassifications | Write-downs | Historical cost 2014 |
|---|---|---|---|---|---|---|
| Plant and equipment | 3,514 | 0 | 0 | 0 | 0 | 3,514 |
| Other assets | 297,221 | 14,696 | 0 | 0 | 0 | 311,917 |
| **TOTAL** | **300,735** | **14,696** | **0** | **0** | **0** | **315,431** |

### Change in accumulated depreciation

| | Accumulated depreciation 2013 | Depreciation | Decreases | Reclassifications | Write-downs | Accumulated depreciation 2014 |
|---|---|---|---|---|---|---|
| Accumulated depreciation plant and equipment | 3,514 | 0 | 0 | 0 | 0 | 3,514 |
| Accumulated depreciation other assets | 238,656 | 22,943 | 0 | 0 | 0 | 261,599 |
| **TOTAL** | **242,171** | **22,943** | **0** | **0** | **0** | **265,113** |

### Reconciliation of book value

| | Net value 2013 | Net value 2014 |
|---|---|---|
| Plant and equipment | 0 | 0 |
| Other assets | 58,564 | 50,318 |
| **TOTAL** | **58,564** | **50,318** |

The figure for the item other assets includes the following categories:

- ordinary office furniture and machines;
- electronic office machines;
- leased vehicles

Increases for the period relate to the purchase of a company car under a finance lease agreement.

## Note 2.
## Goodwill

### Goodwill

| | Balance at 31.12.2013 | Increases | Decreases | Impairment Loss | Balance at 31.12. 2014 |
|---|---|---|---|---|---|
| Goodwill | 10,170,000 | 0 | 0 | 0 | 10,170,000 |
| **TOTAL** | **10,170,000** | **0** | **0** | **0** | **10,170,000** |

Goodwill as at 31 December 2014 was Euro 10,170 thousand, unchanged with respect to last year.

## Impairment test

The company conducted annual impairment testing on the goodwill recognised in the financial statements in accordance with the provisions of IAS 36, Impairment of assets. The goodwill recognised as at 31 December 2014, after impairment testing, amounted to Euro 10,170 thousand. It relates to a residual part of the goodwill resulting from the acquisition of "CNI Informatica e Telematica S.p.A.", incorporated by the Company in 2002. Said goodwill, the original value of which was Euro 41,646 thousand, i) was written down over the course of the years by a total of Euro 13,646 thousand, ii) Euro 15 million of which was transferred to the subsidiary Be Enterprise S.p.A., following the transfer of the "DMO-BPO business division", iii) Euro 2,830 thousand of which was transferred to Be Solutions as part of the transfer of the "Security & Mobility" BU. The residual value of this goodwill - following the separation and subsequent reallocation of the original value as illustrated above, in line with the reorganisation of the CGUs made in previous years - was allocated to the Consulting CGU insofar as it represents the value of Be Consulting activities, which prior to the above-mentioned reorganisation were considered - just as those transferred to Be Solution - as the development and diversification of the core activities performed by the original BPO/DMO CGU. Therefore for the purpose of the financial statements, said goodwill was impairment tested together with the value of the equity investment in Be Consulting.

In 2014, based on the results of the impairment test and of the relative sensitivity analyses conducted, made with the assistance of an external consultant, the Directors decided not to make any further write-downs of goodwill.

The aim of the impairment test was to establish the recoverable amount of the Cash Generating Units ("CGU") that represent the Group's activities, by discounting cash flows ("DCF Analysis") as stated in the 2015-2017 Plan approved by the Company's Board of Directors on 18 February 2015. The plans of the individual CGUs considered to estimate their recoverable amount were prepared by management in accordance with the provisions of standard IAS 36, which, to determine the same, requires that the forecast of expected cash flows of activities must be estimated by making reference to their present conditions.

For the purpose of goodwill impairment testing, IAS 36 establishes that the recoverable amount of the CGUs must be compared with their net book value. The recoverable amount may be estimated by referring to two value categories: "value in use" and "fair value" less selling costs.

The company opted to estimate the recoverable amount on the basis of the value in use. This criterion entails calculating the recoverable amount of the CGU by discounting (pre-tax) cash flows at a (pre-tax) discount rate.

For further details on the impairment test conducted for the purpose of the consolidated financial statements, in which the goodwill recognised in these financial statements has been tested together with the "Consulting" CGU, please refer to the notes to the consolidated financial statements.

The Directors report that the recoverable amount of goodwill is sensitive to variances with respect to the basic assumptions used to prepare the 2015-2017 Plan, such as the revenue and profit (loss) expected to be recorded.

## Sensitivity to changes in assumptions

Due to the uncertainty relating to the occurrence of any future event, both in terms of whether said event will actually occur and in terms of the extent and timing of the same, the value in use of goodwill is particularly sensitive to potential changes in assumptions and, therefore, the value in use could be lower with respect to the results of the impairment test, if the following assumptions change:

- achievement of envisaged revenue. Achieving revenue targets, beyond the actions envisaged by management, is also related to market demand, to the renewal and/or award of tenders envisaged and to the successful development of other activities envisaged or in progress;
- achieving the normalised level of profitability and maintaining said level of profitability beyond the period of the 2015-2017 Business Plan; in particular, note that a significant portion of the value in use of goodwill is related to this assumption;

- discount rates: the discount rate used is based on external market parameters and therefore the fact that the current macroeconomic crisis could worsen, or that there may be a slowdown of the expected recovery also have to be taken into account as they could have a significant influence on the same, resulting in a change to those used herein.

For further details on sensitivity analyses, please refer to the content of the notes to the consolidated financial statements.

## Note 3.
## Intangible Assets

### Change in historical cost

| | Historical cost 2013 | Increases | Decreases | Reclassifications | Write-downs | Historical cost 2014 |
|---|---|---|---|---|---|---|
| Concessions, licences and trademarks | 58,783 | 10,702 | 0 | 0 | 0 | 69,485 |
| **TOTAL** | **58,783** | **10,702** | **0** | **0** | **0** | **69,485** |

### Change in accumulated amortisation

| | Accumulated amortisation 2013 | Amortisation | Decreases | Reclassifications | Write-downs | Accumulated amortisation 2014 |
|---|---|---|---|---|---|---|
| Accumulated amortisation concessions, licenses and trademarks | 19,592 | 23,160 | 0 | 0 | 0 | 42,753 |
| **TOTAL** | **19,593** | **23,160** | **0** | **0** | **0** | **42,753** |

### Reconciliation of book value

| | Net value 2013 | Net value 2014 |
|---|---|---|
| Concessions, licences and trademarks | 39,191 | 26,732 |
| **TOTAL** | **39,191** | **26,732** |

No significant changes were recorded in 2014.

## Note 4.
## Equity investments in subsidiaries

Equity investments in subsidiaries amount to Euro 38,361 thousand and are summarised in the following table.

**Equity investments in subsidiaries**

| | Balance at 31.12.2013 | Increases | Decreases | Write-downs | Balance at 31.12.2014 |
|---|---|---|---|---|---|
| A & B S.p.A. | 5,162,286 | 0 | 0 | 0 | 5,162,286 |
| Be Professional S.p.A. | 2,850,673 | 1,000,000 | 0 | 0 | 3,850,673 |
| Be Solutions S.p.A. | 22,965,600 | 0 | 0 | 0 | 22,965,600 |
| Be Consulting S.p.A. | 6,377,672 | 0 | 0 | 0 | 6,377,672 |
| Be Romania Srl | | 5,019 | 0 | 0 | 5,019 |
| **TOTAL** | **37,356,231** | **1,005,019** | **0** | **0** | **38,361,250** |

- **Be Professional Service S.p.A.**

  By means of a resolution passed by the company's Shareholders' Meeting on 18 December 2013, the company changed its name from Be Operations Execute, Manage & Perform S.p.A. to Be Professional Service S.p.A. ("Be Professional" for short).

  As at 31 December 2014, the Parent Company held 100.00% of the share capital of Be Professional S.p.A and over the course of 2014, Be S.p.A. paid the total sum of Euro 1,000,000 to increase the shareholders' equity of the same.

  Note that as at 31 December 2012, Be S.p.A. held 66.67% of the Company's share capital and on 31 July 2013, Be S.p.A. finalised the acquisition of a first stake corresponding to 25% of the Company's share capital and on 11 December 2013, finalised the acquisition of a further stake of 8.33% of the share capital.

- **Be Consulting Think, Project & Plan S.p.A.**

  Be Consulting S.p.A. is a company incorporated in Italy at the end of 2007, with registered offices in Rome, and a share capital of Euro 120,000 of which Be S.p.A. holds 100% as at 31 December 2014.

  Be Consulting S.p.A. operates in the sphere of management consulting and reorganisation, mostly addressed to the world of finance. Be Consulting S.p.A aims to serve the largest public and private sector companies in Italy in the Financial Institution, Telecom and Utilities markets.

  Note that, in February 2012, 50% of the shares of Be Consulting were pledged as a guarantee to BNL BNP Paribas for a loan granted to the Parent Company of Euro 4 million and used substantially by Be Consulting to pay the purchase price of iBe TSE Ltd (previously Bluerock Consulting Ltd).

- **Be Solutions Solve, Realize & Control S.p.A.**

  Incorporated in Italy with a Share Capital of Euro 7,548,441, 100% of which is held by Be S.p.A., this company operates in the sphere of Information Technology.

  Note that, at the time of the acquisition of Be Solutions S.p.A (previously Universo Servizi S.p.A.), on 5 March 2008, the 7,548,441 shares of the company held by Be S.p.A. were pledged to the seller, Intesa Sanpaolo, to guarantee the obligation to pay the remaining amount. The pledge was dissolved on 11 September 2013.

- **A&B S.p.A.**

  A&B S.p.A., a company incorporated in Italy, with registered offices in Rome. 95% of the company's share capital, corresponding to Euro 2,583,000, is held by Be S.p.A.. This company provided services to Local Authorities; this "business division" was sold in 2009. Following the foreclosure and sale of the property located in Genoa, the company is currently engaged in collecting the remaining trade receivables related to the services it provided to the Local Authorities.

- **Be Think Solve Execute Ro S.r.l**

  Be Think Solve Execute Ro S.r.l., a company incorporated in Romania, with registered offices in Bucharest. Be S.p.A. holds 100% of the share capital, corresponding to RON 22,000.00 (equivalent to Euro 5,000) broken down into 2,200 shares with a face value of RON 10 each, wholly held by Be S.p.A..

The table below summarises the equity investments held:

| Company | Registered office | Share Capital | Shareholders' Equity as at 31.12.2014 | Profit (loss) for the year at 31.12.2014 | Interest held | Value attributed to financial statements 31.12.2014 | Shareholders' Equity pro rata difference and value attributed to the financial statements |
|---|---|---|---|---|---|---|---|
| Be Professional Service S.p.A. | Rome | 351,900 | 304,344 | (1,017,396) | 100% | 3,850,673 | 3,546,329 |
| Be Consulting S.p.A. | Rome | 120,000 | 7,327,347 | 4,891,738 | 100% | 6,377,672 | (949,675) |
| Be Solutions S.p.A. | Rome | 7,548,441 | 8,513,892 | 510,866 | 100% | 22,965,600 | 14,451,708 |
| A&B S.p.A. | Rome | 2,583,000 | 5,326,900 | 68,407 | 95% | 5,162,286 | 101,731 |
| Be Romania | Bucharest | 4,908 | 72,327 | 68,006 | 100% | 5,019 | (67,308) |

The differences between the book value of the equity investment and the share of shareholders' equity pertaining to the Parent Company are due to goodwill and/or assets recorded at the time of acquisition.

Note that the value of the equity investments recognised in the financial statements of the Parent Company have been impairment tested in accordance with the provisions of IAS 36.

More specifically, the estimates were conducted:

- by estimating the value in use of the individual equity investments based on the unlevered discounted cash flow, namely by first establishing the enterprise value and then by subtracting the net financial position of each subholding calculated on a subconsolidated base from said value;
- by discounting the unlevered after-tax cash flows relating to each subholding, as a function of the relative weighted average cost of capital (WACC) and in particular the after-tax discount rate used for the equity investment in Be Professional Services was 9.73%, for Be Solutions, 9.93% and for Be Consulting, 9.65%;
- by separately assessing the flows that show different risk profiles;
- by comparing the value in use calculated in this way with the book value of the operating equity investments recognised in the separate financial statements of the Parent Company as at 31 December 2014;
- and by conducting a sensitivity analysis on the value in use with regard to changes in the underlying assumptions.

With regard to the sensitivity analyses relating to the Impairment test on the equity investments, note that the after-tax discount rates that render the book value of the equity investments equal to their value in use are respectively:

- 15.72% with regard to the equity investment in Be Solutions;
- 10.10% with regard to the equity investment in Be Professional;
- With regard to the equity investment in Be Consulting, the value in use of the equity investment was significantly higher than the book value. Therefore, the disclosure of the breakeven WACC is not significant.

For the sale of completeness, the value in use was also calculated at consolidated level, in order to verify the solidity of the values in relation to the Group's entire net invested capital. The result of this was a value in use higher than the book value of the net invested capital.

## Note 5.
## Equity investments in other companies

The table below summarises the equity investments held in other companies:

**Equity investments in other companies**

| | Balance at 31.12.2014 | Balance at 31.12.2013 | Registered office | Interest held (%) |
|---|---|---|---|---|
| Age Consulting | 0 | 8,000 | Rome | 10% |
| Irias | 0 | 200 | Brindisi | 19% |
| **TOTAL** | 0 | 8,200 | | |

Note that in 2013, the Parent Company acquired 10% of the Share Capital of Age Consulting Srl, which operates in the field of Information Technology.

Following the purchase, Be S.p.A. was granted a Call option on a further stake corresponding in total to 41% of share capital. Note that in 2014, Be S.p.A. resolved upon the failure to exercise the Call option and therefore reallocated 50% of each share held to PRC Consulting and Mr. Rinaldi.

## Note 6.
## Receivables and other non-current assets

**Other non-current receivables**

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Receivables from employees due beyond 12 months | 0 | 2,957 |
| Other non-current receivables | 556,222 | 556,222 |
| Non-current prepaid expenses | 9,518 | 17,169 |
| **TOTAL** | **565,740** | **576,348** |

Receivables and other non-current assets are formed by the payable for penalties received from Bassilichi in 2009 amounting to Euro 556 thousand, entirely contested by the Company, for which a dispute is underway, and against which a payable for the same amount has been recognised under liabilities. For further details, please refer to note 18.

The decrease with respect to the previous year of around Euro 10 thousand is mainly due to the fall in prepaid expenses, such as advances paid for costs in the previous year that relate, however, to the year under analysis.

## Note 7.
## Deferred tax assets

**Deferred tax assets**

| | Balance at 31.12.2013 | Allocation | Utilisation | Balance at 31.12.2014 |
|---|---|---|---|---|
| Deferred tax assets | 4,853,032 | 0 | 0 | 4,853,032 |
| **TOTAL** | **4,853,032** | **0** | **0** | **4,853,032** |

Deferred tax assets refer to previous tax losses that are expected to be recovered against future taxable income. More specifically, the recoverability of deferred tax assets is based on the taxable income forecast for the period relating to the 2015-2017 Plan.

Deferred tax assets were calculated using the IRES rate in force in 2014 of 27.5%.

Please refer to Note 17 "Current and deferred taxes" for further details.

## Note 8.
## Trade receivables

### Trade receivables

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Receivables due from customers | 700,398 | 713,109 |
| Bad debt provision for receivables due from customers | (35,335) | (43,905) |
| Receivables due from Group Companies | 3,462,138 | 3,959,542 |
| **TOTAL** | **4,127,201** | **4,628,746** |

Trade receivables amount to:

- Euro 3,462 thousand due from Group companies, mainly relating to management fees;
- Euro 700 thousand from transactions relating to goods or services produced or provided by the company in Italy, which include a receivable of Euro 665 thousand related to Bassilichi, see note 5.1.

The amount recognised in the financial statements is shown net of the bad debt provision of Euro 35 thousand, allocated in order to adjust the face value of receivables to their presumed recoverable amount.

The changes in the bad debt provision are illustrated below:

### Bad debt provision

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Opening balance | 43,905 | 305,081 |
| Allocations | 0 | 0 |
| Utilisation | (8,570) | (261,176) |
| **TOTAL** | **35,335** | **43,905** |

During the year, Euro 9 thousand of the bad debt provision was used for receivables that were considered no longer recoverable.

Comments on the way in which credit risk is managed are contained in paragraph 5.5.

## Note 9.
## Other assets and receivables

### Other assets and receivables

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Advances to suppliers for services | 28,988 | 69,510 |
| Receivables due from social security organisations | 5,813 | 14 |
| Receivables due from employees | 0 | 20,780 |
| VAT credits and other indirect taxes | 13,704 | 159,274 |
| Accrued income and prepaid expenses | 30,861 | 38,344 |
| Other receivables | 6,659 | 3,029 |
| Other receivables due from Group companies | 5,204,923 | 2,554,358 |
| Other receivables due from subsidiaries within 12 months | 0 | 217,113 |
| **TOTAL** | **5,290,948** | **3,062,422** |

Advances to suppliers refer to payments on account paid to suppliers of services provided to the Company.

The tax credit of around Euro 14 thousand refers to VAT credit.

The item Other receivables due from Group companies represents the receivable due from subsidiaries under the tax consolidation scheme.

## Note 10.
## Tax receivables

### Tax receivables

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| IRAP tax receivables | 102,635 | 106,068 |
| Other tax receivables | 0 | 2,206 |
| **TOTAL** | **102,635** | **108,274** |

Tax receivables primarily include amounts due to the Company from tax authorities for IRAP.

## Note 11.
## Financial receivables and other current financial assets

### Financial receivables and other current financial assets

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Financial receivables due from Group Companies | 17,537,969 | 13,511,911 |
| **TOTAL** | **17,537,969** | **13,511,911** |

This item is entirely comprised by receivables due from subsidiaries amounting to Euro 17,538 thousand relating to the centralised treasury activities of the Parent Company.

## Note 12.
## Cash and cash equivalents

**Cash and cash equivalents**

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Bank and post office deposits | 3,022,462 | 4,166,814 |
| Cash on hand | 469 | 830 |
| **TOTAL** | **3,022,931** | **4,167,644** |

The balance represents cash held in current accounts at banks and post offices, and cash on hand at 31 December 2014.

## Note 13.
## Shareholders' equity

### Share Capital and Reserves

At 31 December 2014 Be S.p.A.'s fully paid-up share capital totalled Euro 27,109,165, divided into 134,897,272 ordinary shares with no face value. Be S.p.A.'s shares are traded in the Segment for High Requirement Shares (STAR) of the Electronic Share Market (MTA) organised and managed by Borsa Italiana.

Note that in 2013, the share capital increase entailed the full subscription of the 65,719,176 newly-issued ordinary shares, at a placement price of Euro 0.19 for each new share, of which Euro 0.10 to be allocated to Share Capital, with a total counter value of Euro 12,486,643.44, of which Euro 6,571,917.60 to Share Capital and Euro 5,914,725.84 to the Share Premium Reserve.

Reserves amount to Euro 17,249 and are comprised by:

- the "legal reserve" of Euro 138 thousand, which is Euro 51 thousand higher following the allocation of the profit from 2013;
- the "extraordinary reserve" of Euro 2,656 thousand, which is Euro 973 thousand higher following the allocation of the profit from 2013;
- the residual "share premium reserve" of Euro 15,168 thousand which did not change in 2014. This reserve, which originally amounted to Euro 28,450 thousand, following the share capital increase in 2009 of Euro 24,169 thousand and the share capital increase in 2008 of Euro 4,281 thousand, was used to partially cover losses carried forward of Euro 19,191 thousand, as per the resolution of the Shareholders' Meeting to approve the 2010 Financial Statements; in 2013, this reserve increased by Euro 5,915 thousand following the above-cited share capital increase;
- other negative reserves of Euro 715 thousand for expenses directly recognised under shareholders' equity, relating to costs for share capital increases of Euro 606 thousand and the derivative on the BNL BNP Paribas loan of Euro 50 thousand and the impact of post-employment benefits under IAS 19 of Euro 59 thousand.

With reference to the derivative on the loan, last year the company conducted the effectiveness test required by paragraph 88 of IAS 39, however, the result of the same was negative. Therefore the hedging relationship was terminated prospectively, resulting in a transfer of the reserve of around Euro 24 thousand to the income statement during 2014.

At 31 December 2014, relevant shareholdings in direct or indirect capital, according to disclosures made pursuant to art. 120 of the "Consolidated Law on Finance" (TUF) and in relation to notices received in accordance with internal dealing regulations - were as follows:

| Direct shareholder | Nationality | No. of shares | % Ordinary capital |
|---|---|---|---|
| Data Holding 2007 S.r.l. | Italian | 45,101,490 | 33.43 |
| - *Imi Investimenti* | *Italian* | *27,910,342* | 20.69 |
| - *Intesa Sanpaolo* | *Italian* | *29,918* | 0.02 |
| - *Cassa di Risparmio del Veneto* | *Italian* | *2,400* | 0.00 |
| - *Cassa di Risparmio di Forlì e della Romagna* | *Italian* | *200* | 0.00 |
| Intesa Sanpaolo Group | Italian | 27,942,860 | 20.71 |
| Stefano Achermann | Italian | 7,771,132 | 5.76 |
| Carlo Achermann | Italian | 3,993,108 | 2.96 |
| Float | | 50,088,682 | 37.14 |
| **Total** | **Italian** | **134,897,272** | **100.00** |

Data Holding 2007 S.r.l., with a 33.43% interest in the share capital, exercises working control over the Issuer pursuant to art. 93 of the Consolidated Law on Finance.

Items of Shareholders' Equity are classified according to origin, possibility of utilisation, possibility of distribution and utilisation in the last three years:

| Nature/Description | Amount | Possibility of utilisation (*) | Share available | Utilisation in past three years to cover losses | Utilisation in past three years for other reasons |
|---|---|---|---|---|---|
| Share capital | 27,109,165 | | | | |
| Share premium reserve | 15,168,147 | A,B | 15,168,147 | | |
| Revaluation reserve | 0 | A,B | | | |
| Legal reserve | 139,776 | A,B | 139,776 | | |
| Extraordinary reserve | 2,655,744 | A,B,C | 2,655,744 | | |
| Other reserves | (714,947) | | | | |
| Total | 44,357,885 | | 17,963,667 | | |
| Non-allocatable share | | | 15,307,923 | | |
| Residual allocatable share | | | 2,655,744 | | |

*Key:* ***A:*** *for share capital increase* ***B:*** *to cover losses* ***C:*** *for distribution to shareholders*

## Stock option plans

The company has no stock option plans.

## Treasury shares

At 31 December 2014 the company holds no treasury shares.

## Note 14.

## Financial payables and other non-current financial liabilities

**Financial payables and other non-current liabilities**

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Non-current-financial payables to banks | 3,780,802 | 6,135,399 |
| Financial payables to other Related Parties | 1,687,500 | 3,060,000 |
| **TOTAL** | **5,468,302** | **9,195,399** |

Non-current-financial payables to banks at 31 December refers to non-current bank loans.

Financial payables to other related parties refers to the non-current bank loan granted by Intesa Sanpaolo and amounts to Euro 1,688 thousand.

The table below shows the breakdown of financial payables due to Banks existing at 31 December 2014 by maturity, the "short-term" potion of which, to be repaid within 12 months, amounts to Euro 3,150 thousand, while the "medium/long-term" portion, to be repaid between 2016 and 2018, is Euro 5,501 thousand (amounts in EUR thousands):

| Bank | Maturity | Balance at 31.12.2014 | <1 year | >1<2 years | >2<3 years | >3<4 years | >4 years |
|---|---|---|---|---|---|---|---|
| Intesa Sanpaolo | 2017 | 2,813 | 1,125 | 1,125 | 563 | 0 | 0 |
| BNL BNP Paribas | 2017 | 2,250 | 1,000 | 1,000 | 250 | 0 | 0 |
| Unicredit | 2018 | 3,588 | 1,025 | 1,025 | 1,025 | 513 | 0 |
| **TOTAL LOANS** | | **8,651** | **3,150** | **3,150** | **1,838** | **513** | **0** |

With regard to existing loans, note that:

- the Intesa Sanpaolo loan envisages a commitment by the Company to ensure that the following financial covenants are respected, checked annually on consolidated data: (i) a NFP to EBITDA ratio not exceeding 3.5 in 2012, and not exceeding 3 in subsequent years until the loan expires and (ii) a NFP to EQUITY ratio not exceeding 1 for the entire duration of the loan. If the Company does not fulfil these commitments, Intesa Sanpaolo has the right to terminate the loan agreement;
- the BNL BNP Paribas loan envisages a pledge on the shares of Be Consulting, held by Be Think, Solve, Execute, with a total face value of Euro 60,000.00, corresponding to 50% of Be Consulting's share capital, as the main security for the loan. With regard to this loan, a swap contract has been set in place to hedge the risk of a rise in interest rates;
- the Unicredit loan envisages that for the entire duration of the same, the NFP to EBITDA ratio must be lower than 3.6, to be calculated on figures consolidated annually and six-monthly.

As regards 2014, all covenants on existing loans were respected. The lending terms, particularly the spread, represent terms negotiated at different times and which mirror the loan duration, any guarantees given, market conditions and the Group's credit rating at the date of signing.

Also note that the fair value of the above loans is essentially in line with their book value.

Long-term financial payables include the positive impact of the application of the amortising cost of Euro 33 thousand.

## Note 15.

## Provisions for future risks and charges

Provisions for risks and charges recorded the following changes during the year:

**Current provisions**

| | Balance at 31.12.2013 | Reclassification | Increases | Decreases | Balance at 31.12.2014 |
|---|---|---|---|---|---|
| Provision for personnel risks | 359,250 | 0 | 87,000 | (178,653) | 267,597 |
| Other provisions for risks and charges | 447,900 | 0 | 315,000 | (1,877) | 761,023 |
| **TOTAL** | **807,150** | **0** | **402,000** | **(180,530)** | **1,028,620** |

Other provisions for risks and charges relate to disputes in progress with customers and suppliers, Euro 761 thousand of which refers to:

- the dispute between KS Italia and Be Solutions, for which a provision of Euro 440 thousand has been set in place by the Parent Company;
- the dispute between Be S.p.A. and Consob, for which a provision of Euro 15 thousand has been set in place;
- the allocation to provisions of the variable component of pay, which relates to directors, disbursed if the objectives established in the 2015-2017 Business Plan are achieved.

The utilisation of other provisions for risks and charges of Euro 2 thousand refers to the ruling against the Company in the dispute with Elsag Selex, in which the Company was ordered to pay.

The utilisation relating to the provision for personnel risks of Euro 180 thousand regards settlements made with employees during the year.

## Note 16.

## Employee benefits

**Post-employment benefits (TFR)**

| | Balance at 31.12.2013 | Increases - Allocation | Decreases - Utilisation | Balance at 31.12.2014 |
|---|---|---|---|---|
| Post-employment benefits (TFR) | 87,357 | 69,418 | (33,148) | 123,627 |
| **TOTAL** | **87,357** | **69,418** | **(33,148)** | **123,627** |

The increase of Post-employment benefits (TFR) of Euro 69 thousand is due to:

- the effect of discounting for IAS 19R 2013 purposes of Euro 7 thousand;
- the effect of discounting for IAS 19R 2014 purposes of Euro 8 thousand;
- the increase due to allocations of Euro 2 thousand;
- the payable for Post-employment benefits (TFR) relating to personnel transferred from other group companies of Euro 53 thousand.

The utilisation of Post-employment benefits (TFR), corresponding to Euro 33 thousand relates to leaving settlements paid to employees.

The liability recognised in the financial statements breaks down as follows:

| | Balance at 31.12.2014 |
|---|---|
| Present value of the obligation | 109,935 |
| Actuarial (loss)/profit recognised under other comprehensive income | 13,692 |
| Liability recognised in the financial statements | 123,627 |

The cost relating to the liability breaks down as follows:

| | FY 2014 |
|---|---|
| Interest expense | 3,078 |
| Reductions and redemptions | 0 |
| Social security cost of past services | 0 |

The assumptions used to determine the Post-Employment Benefit obligation were:

| Main Actuarial Assumptions | Percentage |
|---|---|
| Annual discounting rate | 1.49% |
| Annual inflation rate | 2.00% |
| Annual rate increase in post-employment benefits | 3.00% |
| Annual increase in remuneration | 1.00% |
| Frequency of benefit advances/no. of years' service | 2.00% |
| No. of years' service/annual turnover rate: up to 10 years | 4.00% |
| No. of years' service/annual turnover rate: from 10 to 30 years | 4.00% |
| No. of years' service/annual turnover rate: over 30 years | 6.00% |

The additional information required by IAS 19, as amended, is shown below:

## Changes in assumptions

| Turnover rate | | Inflation rate | | Discounting rate | |
|---|---|---|---|---|---|
| +1% | -1% | +1/4% | -1/4% | +1/4% | -1/4% |
| **123,139** | **124,167** | **125,064** | **122,212** | **121,362** | **125,962** |

Indication of the contribution to the next year and the average financial duration of the obligation for defined benefit plans:

| Company | Service Cost | Duration of the plan |
|---|---|---|
| Be S.p.A. | 0 | 8 |

* The service cost is zero, in application of the approach adopted by the Company with an average of at least 50 employees over the course of 2006.

The average number of employees in 2014, broken down by category, is illustrated in the following table:

**Description**

| | Average number previous year | Average number current year |
|---|---|---|
| Executives | 5 | 4 |
| Middle Managers | 3 | 5 |
| White collar | 18 | 18 |
| Apprentices | 1 | 0 |
| Blue collar | 0 | 2 |
| **Total** | **27** | **29** |

## Note 17.

## Deferred tax liabilities

### Deferred tax liabilities

| | Balance at 31.12.2013 | Increases | Decreases | Other changes in Shareholders' Equity | Balance at 31.12.2014 |
|---|---|---|---|---|---|
| Deferred tax liabilities | 2,063,624 | 339,153 | (240) | (3,765) | 2,398,772 |
| **TOTAL** | **2,063,624** | **339,153** | **(240)** | **(3,765)** | **2,398,772** |

The nature of deferred tax liabilities is broken down in the table below:

| **Breakdown of deferred tax liabilities** | 2013 | | 2014 | |
|---|---|---|---|---|
| *Euro/1000* | Temporary difference | Tax | Temporary difference | Tax |
| Post-employment benefits (TFR) | 7 | 1 | (7) | (2) |
| Goodwill | 6,379 | 2,062 | 7,428 | 2,401 |
| **TOTAL** | **6,386** | **2,063** | **7,421** | **2,399** |

As reported in the section on taxes in these notes to the financial statements, the decrease results from temporary differences between the amount recognised in the financial statements for post-employment benefits and the relative amount for tax purposes.

The increase, on the other hand, results from the difference between the goodwill recognised in the separate financial statements and the amount for tax purposes, as this item, in application of IAS/IFRS standards, is not amortised in the separate financial statements, while, for tax purposes, it is deducted at a rate of 1/18 per year. Deferred tax liabilities are calculated using the rates that are in force in 2014, IRES 27.5% and IRAP 4.82% (rate for the Lazio region) and 3.90% (rate for the Umbria and Lombardy regions).

## Note 18.

## Other non-current liabilities

### Other non-current liabilities

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Other non-current liabilities | 556,222 | 556,222 |
| **TOTAL** | **556,222** | **556,222** |

Other non-current liabilities, unchanged compared to 31 December 2013, amounted to Euro 556 thousand and refer to the payable for penalties received from Bassilichi in 2009, which the Company has fully disputed, and for which a receivable for the same amount has been recognised, see note 6.

## Note 19.

## Financial payables and other current financial liabilities

**Current financial payables**

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Financial payables to banks | 4,005,751 | 8,715,272 |
| Financial payables to Group Companies | 17,254,244 | 7,882,557 |
| Financial payables to other Related Parties | 1,578,380 | 495,000 |
| Other financial payables | 51,019 | 262,664 |
| **TOTAL** | **22,889,395** | **17,355,493** |

Current payables to banks are comprised by Euro 2,025 thousand representing the short-term portion of loans with a medium/long-term maturity, Euro 1,199 thousand by accounts payable to suppliers, and the remainder, corresponding to Euro 782 thousand to current account overdrafts and drawdowns on advances on invoices.

Financial payables to other Group companies amounts to Euro 17,254 thousand.

The objective of intercompany financial payables is to optimise treasury management at group level, and refers to cash-pooling arrangements and reciprocal financial accounts.

Current payables to related parties, which at 31 December 2014 amounted to Euro 1,578 thousand, refers to financing facilities with Intesa Sanpaolo, and breaks down as follows:

- Euro 1,125 thousand represents the short-term portion of the loan with a medium/long term;
- Euro 106 thousand represents current account overdrafts with the related party;
- Euro 100 thousand represents accounts payable to suppliers;
- Euro 247 thousand is the last instalment to be paid to Banca Sanpaolo in 2015 for the acquisition of the equity interest in Be Professional SpA.

Other financial payables of Euro 51 thousand include both the instalments to pay to Sava Finanziamento for the lease of the Fiat 500 car purchased in 2014 of Euro 9 thousand, as well as the interest expense accrued at 31 December 2014 of Euro 42 thousand.

### Net financial position

The net financial position at 31 December 2014 was Euro 7,797 thousand, and showed an improvement of Euro 1,075 thousand with respect to last year, mainly due to a decrease in the long-term net financial position of Euro 3,727 thousand, against an increase of Euro 2,653 thousand in current indebtedness.

In accordance with Consob Communication no. 6064293 of 28 July 2006, the net financial position at 31 December 2014 was as follows:

**Net financial position Be Spa**

| | | 31.12.2014 | 31.12.2013 | Δ | Δ(%) |
|---|---|---|---|---|---|
| | Cash and cash equivalents at bank | 3,022,931 | 4,167,644 | (1,144,712) | (27.5%) |
| **A** | **Cash and cash equivalents** | **3,022,931** | **4,167,644** | **(1,144,712)** | **(27.5%)** |
| **B** | **Current financial receivables** | **17,537,969** | **13,511,911** | **4,026,058** | **29.8%** |
| | Current bank payables | (2,192,817) | (5,765,215) | 3,572,398 | (62.0%) |
| | Current share of medium/long-term indebtedness | (3,185,751) | (3,034,720) | (151,030) | 5.0% |
| | Other current financial payables | (17,510,827) | (8,555,557) | (8,955,270) | n.a. |
| **C** | **Current financial indebtedness** | **(22,889,395)** | **(17,355,493)** | **(5,533,902)** | **31.9%** |
| **D** | **Net current financial indebtedness (A+B+C)** | **(2,328,494)** | **324,062** | **(2,652,556)** | **n.a** |
| | Non-current bank payables | (5,468,302) | (8,947,899) | 3,479,597 | (38.9%) |
| | Other non-current financial payables | 0 | (247,500) | 247,500 | (100.0%) |
| **E** | **Net non-current financial indebtedness** | **(5,468,302)** | **(9,195,399)** | **3,727,097** | **(40.5%)** |
| **G** | **Net financial position (D+E+F)** | **(7,796,796)** | **(8,871,337)** | **1,074,540** | **(12.1%)** |

Net financial indebtedness at 31 December 2014 was Euro 7,797 thousand, and includes:

- Euro 3,023 thousand in cash and cash equivalents at bank;
- Euro 17,538 thousand in receivables from receivables, relating to centralised treasury activities;
- Euro 5,378 thousand in current payables to the banking system, of which Euro 2,193 thousand for drawdowns of credit facilities and Euro 3,186 thousand relating to the portion of existing medium to long-term loans maturing in the following year;
- Euro 17,511 thousand in payables to subsidiaries, of which Euro 12,304 thousand relating to centralised treasury activities and Euro 4,950 thousand to the loan from the subsidiary A&B S.p.A, with the remainder of Euro 247 thousand related to current payables to related parties for company acquisitions;
- approximately Euro 5,468 thousand relating to the portion of loans maturing beyond the following year.

## Note 20.

## Trade Payables

**Trade payables**

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Trade payables | 537,583 | 985,657 |
| Payables to Group Companies | 885,985 | 473,519 |
| Payables to other Related Parties | 87,656 | 93,450 |
| **TOTAL** | **1,511,224** | **1,552,626** |

Trade payables arise from the purchase of goods or services in Italy with payment due within 12 months. These amounts refer essentially to the services and equipment supplied, as well as to lease instalments and maintenance charges.

## Note 21.

## Tax payables

**Tax payables**

| | Balance at 31.12.2014 | Balance at 31.12. 2013 |
|---|---|---|
| IRAP tax payables | 0 | 2,844 |
| IRES tax payables | 155,828 | 44,401 |
| **TOTAL** | **155,828** | **47,245** |

The Company's debt towards the Tax Authorities for current taxes relating to IRES is Euro 156 thousand.

## Note 22.

## Other liabilities and payables

**Other liabilities and payables**

| | Balance at 31.12.2014 | Balance at 31.12.2013 |
|---|---|---|
| Social security and welfare payables | 103,389 | 196,483 |
| Payables to employees | 175,004 | 105,695 |
| Payables for VAT and withholding tax | 62,688 | 104,990 |
| Accrued expenses and deferred income | 8,833 | 884 |
| Other payables | 1,002,389 | 630,117 |
| Other payables to Group Companies | 2,079,223 | 1,389,232 |
| **TOTAL** | **3,431,526** | **2,427,400** |

Payables to social security and national insurance institutions fell compared to the previous year due to the payment of instalments relating to redundancy contributions.

Payables to employees include amounts due to employees for the accrued portion of the fourteenth month's salary, leave and permitted absences accrued but not used.

Other payables mainly relates to amounts due to the Directors of Euro 859 thousand and payables for disputes settled of Euro 143 thousand, substantially relating to payables for agreements reached with some employees.

Other payables to Group Companies of Euro 2,079 thousand regard indemnities relating to Group tax consolidation.

# 4. Breakdown of the main items of the Income Statement

## Note 23.

## Operating revenue

**Operating revenue**

| | FY 2014 | FY 2013 |
|---|---|---|
| Revenue from Group Companies | 3,890,000 | 3,695,500 |
| **TOTAL** | **3,890,000** | **3,695,500** |

Operating revenue is substantially represented by charges to subsidiaries for management services rendered at central level (management fees) and royalties on the Be trademark.

## Note 24.

## Other operating revenue and income

**Other operating revenue and income**

| | FY 2014 | FY 2013 |
|---|---|---|
| Other operating revenue and income | 34,258 | 348,432 |
| Other revenue from Group Companies | 158,834 | 855,605 |
| **TOTAL** | **193,093** | **1,204,037** |

Other operating revenue and income in 2014 mainly include:

- Euro 159 thousand in expenses incurred by the parent company and recharged to subsidiaries;
- Euro 25 thousand in contingent assets;
- Euro 5 thousand in reimbursements of personnel expenses;
- Euro 4 thousand in other income.

## Note 25.

## Raw materials and consumables

**Cost of raw materials and consumables**

| | FY 2014 | FY 2013 |
|---|---|---|
| Purchase of raw materials and consumables | 2,641 | 1,444 |
| **TOTAL** | **2,641** | **1,444** |

This item mainly contains costs related to the purchase of consumables.

## Note 26.

## Service costs

### Service costs

| | FY 2014 | FY 2013 |
|---|---|---|
| Transport | 0 | 3,136 |
| Outsourced and consulting services | 65,092 | 17,299 |
| Remuneration of directors and statutory auditors | 1,351,973 | 2,064,766 |
| Marketing costs | 49,462 | 38,843 |
| Cleaning, surveillance and other general services | 242,491 | 203,871 |
| Maintenance and support services | 2,377 | 5,646 |
| Utilities and telephone charges | 24,979 | 32,218 |
| Consulting - administrative services | 838,612 | 869,315 |
| Other services (chargebacks, commissions, etc.) | 115,713 | 110,765 |
| Bank and factoring charges | 165,217 | 109,868 |
| Insurance | 49,870 | 53,629 |
| Rental and leasing | 78,503 | 74,324 |
| Cost of services provided by Subsidiaries | 942,644 | 812,840 |
| Cost of services provided by other Related Parties | 189,058 | 110,692 |
| **TOTAL** | **4,115,991** | **4,507,212** |

These represent all costs incurred for services received from enterprises or professionals. They also include the fees paid to Directors based on the resolutions of the Shareholders' Meeting detailed in note 5.8.

The cost of services provided by Group companies, totalling Euro 943 thousand, relate to services of Euro 760 thousand and rental and leasing costs of Euro 183 thousand.

Consulting includes the costs incurred by the Company for legal and administrative assistance provided by external consultants engaged over the year.

Rental and leasing includes the costs incurred by the Company for the use of registered securities and properties it does not own, based on signed lease and rental agreements.

## Note 27.

## Personnel costs

### Personnel costs

| | FY 2014 | FY 2013 |
|---|---|---|
| Wages and salaries | 1,391,181 | 1,375,626 |
| Social security charges | 442,621 | 438,885 |
| Post-employment benefits | 88,140 | 89,631 |
| Other personnel costs | 55,623 | 378,986 |
| **TOTAL** | **1,977,565** | **2,283,128** |

The amount indicated represents the total cost incurred for employees, including accessory charges, the allocation to Post-employment benefits (TFR) accrued and of that accrued and paid over the year, as well as accruals of the 14th month's salary, holiday leave and paid absence not taken.

## Note 28.

## Other operating costs

### Other operating costs

| | FY 2014 | FY 2013 |
|---|---|---|
| Other operating expense | 212,752 | 933,778 |
| Other expense from Group Companies | 154 | 1,008 |
| **TOTAL** | **212,906** | **934,786** |

This item includes all costs of a residual nature, other than those recognised elsewhere in the financial statements. More specifically, it includes contingent liabilities and ordinary costs that cannot be deducted from taxes, Chamber of Commerce fees, fines, penalties on services provided and operating activities performed and indirect taxes and duties.

## Note 29.

## Amortisation, depreciation and write-downs

### Amortisation, depreciation and write-downs

| | FY 2014 | FY 2013 |
|---|---|---|
| Depreciation of property, plant and equipment | 22,943 | 21,514 |
| Amortisation of intangible assets | 23,160 | 19,592 |
| **TOTAL** | **46,103** | **41,106** |

Amortisation and depreciation are calculated according to the deterioration of assets and recognised as a reduction of the value of the individual assets.

## Note 30.

## Allocations to provisions

### Allocations to provisions

| | FY 2014 | FY 2013 |
|---|---|---|
| Allocation to provision for risks - personnel | 87,000 | 407,524 |
| Allocation to other provisions for future risks and charges | 315,000 | 0 |
| **TOTAL** | **402,000** | **407,524** |

Allocations in 2014 referred both to disputes with employees and to future charges to be incurred.

The item also includes the allocation made during the year for the relevant share of any bonus that will be paid to Directors if the objectives envisaged in the three-year plan are reached.

## Note 31.

## Financial income, Financial expense, Write-down of equity investments and shares

### Financial income and expense

| | FY 2014 | FY 2013 |
|---|---|---|
| Financial income | 4,524,548 | 4,828,314 |
| Financial expense | (1,030,688) | (1,357,486) |
| Revaluation (Write-down) of financial assets | (8,200) | (732,000) |
| Gains (Losses) on foreign currency transactions | (18) | (126) |
| **TOTAL** | **3,485,642** | **2,738,702** |

### Breakdown of financial interest and income

| | FY 2014 | FY 2013 |
|---|---|---|
| Interest income from current bank accounts | 260 | 888 |
| Other financial income | 0 | 23,402 |
| Financial income and Dividends from Group Companies | 4,522,945 | 4,804,024 |
| Financial income from other Related Parties | 1,343 | 0 |
| **TOTAL** | **4,524,548** | **4,828,314** |

### Breakdown of financial interest and expense

| | FY 2014 | FY 2013 |
|---|---|---|
| Interest expense on current bank accounts | 149,197 | 350,192 |
| Interest expense on factoring and advances on invoices | 87,117 | 54,821 |
| Interest expense on loans | 443,572 | 779,628 |
| Other financial expense | 14,302 | 8,384 |
| Financial expense from Group Companies | 107,990 | 121,126 |
| Financial expense from Other Related Parties | 228,510 | 43,335 |
| **TOTAL** | **1,030,688** | **1,357,486** |

The financial income from group companies refers to dividends distributed by subsidiaries in 2014 of Euro 3,500 thousand and interest income from subsidiaries of Euro 1,023 thousand.

## Note 32.

## Current and deferred taxes

### Current and deferred taxes

| | FY 2014 | FY 2013 |
|---|---|---|
| Current taxes | (1,714,740) | 1,683,014 |
| Deferred tax assets and liabilities | 338,913 | (121,644) |
| **TOTAL** | **(1,375,827)** | **1,561,370** |

Current taxes in 2014 refers to credit for IRES pertinent to the Parent Company resulting from the adjustments related to the Tax Consolidation scheme of Euro 1,715 thousand. The company and its subsidiaries have jointly adopted the national tax consolidation regime pursuant to Article 117 et seq. of the Consolidated Income Tax Act (TUIR).

Deferred taxes in 2014 refers to the recognition of deferred taxes of Euro 339 thousand.

The table below illustrates the reconciliation of the theoretical tax burden resulting from the financial statements and the theoretical tax burden:

## Reconciliation of theoretical tax burden resulting from the financial statements and theoretical IRES tax burden

*(amounts in EUR thousand)*

| Description | Amount | Taxes |
|---|---|---|
| Profit (Loss) before tax | 812 | |
| **Theoretical tax burden (%)** | **27.5%** | **223** |
| *Temporary differences taxable in future years:* | | |
| Amortisation of goodwill | (1,324) | |
| **Temporary differences taxable in future years:** | **(1,324)** | **(364)** |
| *Temporary differences deductible in future years:* | | |
| Services not completed at 31.12.2014 | 918 | |
| Non-deductible allocations | 402 | |
| Allocation to Post-employment benefits (TFR) IAS | 0 | |
| **Temporary differences deductible in future years:** | **1,320** | **363** |
| *Reversal of temporary differences from previous years:* | | |
| Services not completed at 31.12.2013 | (471) | |
| Utilisation of provisions for risks | (180) | |
| Utilisation of taxed bad debt provision | (9) | |
| Amortisation of share capital increase expense | (28) | |
| **Reversal of temporary differences from previous years:** | **(688)** | **(189)** |
| *Differences that will not be reversed in future years* | | |
| Wholly or partially non-deductible costs | 502 | |
| Permanent decreases | (3,546) | |
| **Differences that will not be reversed in future years** | **(3,044)** | **(837)** |
| **- Taxable income** | **(2,924)** | **(804)** |
| **Indemnity for tax losses** | | **(1,836)** |
| **Charge for transferring interest expense** | | **121** |
| **Current IRES on income for the year** | | **(1,715)** |

## Reconciliation of theoretical tax burden resulting from the financial statements and theoretical (IRAP) tax burden

*(amounts in EUR thousand)*

| Description | Amount | Taxes |
|---|---|---|
| Operating Profit (loss) (EBIT) | (2,674) | |
| Change in IRAP | 106 | |
| **Difference between aggregated value and cost of production** | **(2,568)** | |
| Costs not relevant for IRAP purposes | 2,359 | |
| Deductible personnel costs | (1,021) | |
| | **(1,230)** | |
| **- Theoretical tax burden (%)** | **4.14%** | **(51)** |
| *Reversal of temporary differences from previous years:* | | |
| Increases | 893 | |
| Decreases | (1,330) | |
| **Reversal of temporary differences from previous years:** | **(437)** | **(18)** |
| **- Taxable income for IRAP purposes** | **(1,667)** | |
| **Current IRAP on income for the year** | | **(69)** |

The following table shows losses recognised, broken down by year incurred:

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | Total |
|---|---|---|---|---|---|---|---|
| Be S.p.A. | 91 | 10,369 | 9,172 | 1,331 | 720 | 1,436 | 23,119 |
| **TOTAL** | **91** | **10,369** | **9,172** | **1,331** | **720** | **1,436** | **23,119** |

The nature of deferred tax assets is broken down in the table below:

| | FY 2013 | | FY 2014 | |
|---|---|---|---|---|
| | **Temporary difference** | **Tax** | **Temporary difference** | **Tax** |
| Previous tax losses | 17,647 | 4,853 | 17,647 | 4,853 |
| **TOTAL** | **17,647** | **4,853** | 17,647 | 4,853 |

Although the expected results of the 2015-2017 Plan meet the requirement for the recognition of further deferred tax assets, the Parent Company adopted a prudential approach and did not recognised deferred tax assets on tax losses amounting to Euro 5,472 thousand.

Furthermore, note that in 2014, 80% of the taxable income accrued under the tax consolidation scheme, amounting to Euro 1,287 thousand, was offset by using a part of previous tax losses recognised under the consolidation scheme in 2006.

# 5. Other disclosures

## 5.1. Potential liabilities and disputes pending

Be Think, Solve, Execute S.p.A. is involved in certain legal proceedings before various judicial authorities brought by third parties, and in labour law disputes relating to dismissals challenged by Company employees. Also on the basis of opinions expressed by its legal advisors, Be has allocated provisions for risks totalling Euro 735 thousand, considered sufficient to cover liabilities that could arise from these disputes.

With regard to the dispute with Bassilichi (formerly Saped Servizi S.p.A.), relating to trade receivables due to the company but disputed by the former, note that at this stage of proceedings, there are reasonable grounds that the arguments submitted by Be S.p.A. will be accepted.

Note that on 3 March 2014, Consob sent two separate notices to Be S.p.A.; for further information, please refer to the Notes to the Consolidated Financial Statements.

## 5.2. Commitments

At 31 December 2014, the company has guarantees made to third parties to guaranteed property rental contracts, or to meet the requirements of public tenders totalling Euro 1.03 million, in the interests of subsidiaries.

## 5.3. Non-recurring Income and Charges

This year and last year, the Company did not recognise any non-recurring income or charges pursuant to Consob Resolution no. 15519 of 27 July 2006.

## 5.4. Related Party Transactions

The Company's Board of Directors adopted new "Regulations on Related Parties" on 1 March 2014, replacing those previously approved on 12 March 2010.

For further details, this document is published on the Company web site (www.be-tse.it).

Be S.p.A.'s related parties at 31 December 2014 were all of its subsidiaries and the parties listed below: Data Holding 2007 S.r.l., a shareholder of Be S.p.A with an equity investment of 33.43%; Tamburi Investment Partners S.p.A., a shareholder of Data Holding 2007 S.r.l..; Intesa Sanpaolo Group; Ir Top S.r.l; C. Achermann and S. Achermann, and the company controlled by the same ("iFuture S.r.l").

The Statement on the following page illustrates the figures at 31 December 2014 for related party transactions.

### Receivables and payables with related parties at 31 December 2014

| | Receivables | | | Payables | | |
|---|---|---|---|---|---|---|
| | **Trade and other receivables** | **Other receivables** | **Financial receivables** | **Trade and other payables** | **Other payables** | **Financial payables** |
| Be Professional S.p.A. | 142,260 | - | 2,646,182 | 234,424 | 1,379,169 | - |
| Be Consulting S.p.A. | 2,106,443 | 3,834,443 | - | 542,113 | - | 10,623,901 |
| Be Solutions S.p.A. | 840,520 | 944,316 | - | 109,448 | - | 624,183 |
| A&B S.p.A. | - | 300,903 | - | - | - | 5,413,452 |
| Be EPS S.p.A. | 372,000 | - | 12,060,287 | - | 700,054 | - |
| To see S.r.l | 697 | 125,260 | - | - | - | 592,708 |
| i Be Think Solve Execute Ltd-Italian Branch | 218 | - | 2,831,500 | - | - | - |
| **Total Group Companies** | **3,462,138** | **5,204,922** | **17,537,969** | **885,985** | **2,079,223** | **17,254,244** |
| Tamburi Investment Partners S.p.A | - | - | - | 36,750 | - | - |
| S. Achermann | - | - | - | - | - | - |
| C. Achermann | - | - | - | - | - | - |
| Data Holding S.r.l | - | - | - | - | - | - |
| Intesa Sanpaolo Group | - | - | 1,751,286 | 19,417 | - | 3,265,880 |
| Ir Top S.r.l. | - | - | - | 31,489 | - | - |
| **Total Other Related Parties** | **-** | **-** | **1,751,286** | **87,656** | **-** | **3,265,880** |
| **TOTAL** | **3,462,138** | **5,204,922** | **19,289,255** | **973,641** | **2,079,223** | **20,520,124** |

## Be SpA Receivables and payables with related parties at 31 December 2013

| | *Receivables* | | | *Payables* | | |
|---|---|---|---|---|---|---|
| | **Trade and other receivables** | **Other receivables** | **Financial receivables** | **Trade and other payables** | **Other payables** | **Financial payables** |
| Be Professional S.p.A. | 534,251 | 217,113 | - | 126,311 | 1,001,139 | 433,127 |
| Be Consulting S.p.A. | 2,085,341 | 1,840,991 | - | 175,381 | - | 2,112,736 |
| Be Solutions S.p.A. | 1,340,000 | 438,117 | 4,365,341 | 171,827 | - | - |
| A&B S.p.A. | - | 275,249 | - | | - | 5,336,693 |
| Be EPS S.p.A. | - | - | 8,278,422 | | 253,856 | - |
| To see S.r.l | - | - | 868,148 | | 134,236 | - |
| **Total Group Companies** | **3,959,592** | **2,771,470** | **13,511,911** | **473,519** | **1,389,231** | **7,882,556** |
| Tamburi Investment Partners S.p.A | - | - | - | 73,200 | - | - |
| S. Achermann | - | - | - | | - | - |
| C. Achermann | - | - | - | | - | - |
| Data Holding S.r.l | - | - | - | | - | - |
| Intesa Sanpaolo Group | - | - | 4,008,774 | 20,250 | - | 4,823,160 |
| **Total other Related Parties** | **-** | **-** | **4,008,774** | **93,450** | **-** | **4,823,160** |
| **TOTAL** | **3,959,542** | **2,771,470** | **17,520,685** | **566,969** | **1,389,231** | **12,705,716** |

## Revenue and costs with related parties FY 2014

| | *Revenue* | | | *Costs* | | |
|---|---|---|---|---|---|---|
| | **Revenue** | **Other revenue** | **Financial income** | **Services** | **Other costs** | **Financial expense** |
| Be Professional S.p.A. | 130,000 | 16,598 | 42,306 | 237,941 | - | 10,408 |
| Be Consulting S.p.A. | 2,102,000 | 9,457 | 105,248 | 546,332 | - | 1,633 |
| Be Solutions S.p.A. | 1,286,000 | 9,272 | 163,861 | 110,974 | - | 497 |
| A&B S.p.A. | - | - | - | - | - | 94,562 |
| Be EPS S.p.A. | 372,000 | 121,406 | 640,379 | 46,336 | - | 147 |
| To see S.r.l | - | 1,372 | 35,609 | - | - | 26 |
| i Be TSE Ltd | - | 729 | 35,541 | - | - | 718 |
| **Total Group Companies** | **3,890,000** | **158,834** | **1,022,944** | **941,583** | **-** | **107,991** |
| Tamburi Investment Partners S.p.A | - | - | - | 73,200 | - | - |
| S. Achermann | - | - | - | - | - | - |
| C. Achermann | - | - | - | - | - | - |
| Data Holding S.r.l | - | - | - | - | - | - |
| Intesa Sanpaolo Group | - | - | 1,344 | 27,726 | 154 | 228,510 |
| Ir Top S.r.l. | - | - | - | 88,131 | - | - |
| **Total Other Related Parties** | **-** | **-** | **1,344** | **189,057** | **154** | **228,510** |
| **TOTAL** | **3,890,000** | **158,834** | **1,024,289** | **1,130,640** | **154** | **336,500** |

**Revenue and costs with related parties FY 2013**

| | Revenue | | | Costs | | |
|---|---|---|---|---|---|---|
| | Revenue | Other revenue | Financial income | Services | Other costs | Financial expense |
| Be Professional S.p.A. | 564,000 | 25,954 | 436,068 | 383,427 | - | 225 |
| Be Consulting S.p.A. | 1,545,500 | 748,616 | 3,811,054 | 237,951 | 1,008 | 5,538 |
| Be Solutions S.p.A. | 1,586,000 | 14,158 | 502,234 | 181,730 | - | 3,266 |
| A&B S.p.A. | - | | - | 6,541 | - | 112,097 |
| Be EPS S.p.A. | - | | - | 3,191 | - | - |
| To see S.r.l | - | | 54,667 | - | - | - |
| i Be TSE Ltd | - | | - | - | - | - |
| **Total Group Companies** | **3,695,500** | **788,728** | **4,804,023** | **812,840** | **1,008** | **121,126** |
| Tamburi Investment Partners S.p.A | - | - | - | 73,200 | - | - |
| S. Achermann | - | - | - | - | - | 3,452 |
| C. Achermann | - | - | - | - | - | 575 |
| Data Holding S.r.l | - | - | - | - | - | 23,444 |
| Intesa Sanpaolo Group | - | - | 609 | 37,492 | - | 425,875 |
| **Total Related Parties** | **-** | **-** | **609** | **110,692** | **-** | **453,346** |
| **TOTAL** | **3,695,500** | **788,728** | **4,804,632** | **923,532** | **1,008** | **574,472** |

Intercompany transactions serve to optimise mutual synergies and achieve economies of scale. The amounts are aligned with arm's length values and refer solely to trade or financial relations as the individual companies each have extensive independence with regard to decisions of an administrative and operational nature.

More specifically, the Company's trade payables and financial receivables due to or from subsidiaries refer mainly to cash pooling transactions. The Company applies the ECB rates to positive balances of subsidiaries, while it applies the weighted average of that used by the banks on negative balances, as envisaged by the contracts signed.

In 2014, the Parent Company had a Management Fee contract with its subsidiaries regarding services for centralised functions relating to: the corporate area and group coordination, treasury, auditing, tax assistance and planning, services provided by the Parent Company to its subsidiaries.

The balances relating to the Intesa Sanpaolo Group refer to financial facilities, such as current accounts, the balance of the price paid for the purchase of Be Professional S.p.A of Euro 248 thousand, the loan granted in 2012 of Euro 4,500 thousand, which as at December 2014 was recognised as Euro 2,813 thousand.

With regard to the associated companies Tamburi Investment Partners S.p.A and Ir Top Srl, the amount of payables mainly relates to the payable for the 2014 balance of invoices to be received.

In 2014, no economic or financial transactions took place with Data Holding Srl.

With regard to Mssrs Stefano and Carlo Achermann and the companies controlled by the same, the economic transactions that took place in 2014 refer to fees paid for the position of Company Directors and are not included in this section (please see section 5.6 - Directors' fees).

Pursuant to Consob Communication DEM/6064293 of 28 July 2006, the impact of related party transactions is illustrated below in table format (amounts in EUR thousands):

| STATEMENT OF FINANCIAL POSITION | **Balance at 31.12.2014** | **Absolute value** | % | **Balance at 31.12.2013** | **Absolute value** | % |
|---|---|---|---|---|---|---|
| Trade receivables | 4,127 | *3,462* | 84% | 4,629 | *3,960* | 86% |
| Other assets and receivables | 5,291 | *5,205* | 98% | 3,062 | *2,771* | 90% |
| Financial receivables and other current financial assets | 17,538 | *17,538* | 100% | 13,512 | *13,512* | 100% |
| Cash and cash equivalents | 3,023 | *1,751* | 58% | 4,168 | *4,009* | 96% |
| Financial payables and other financial liabilities | 28,358 | *20,520* | 72% | 44,465 | *11,963* | 27% |
| Trade payables | 1,511 | *974* | 64% | 1,553 | *567* | 37% |
| Other liabilities and payables | 3,432 | *2,079* | 61% | 2,427 | *1,389* | 57% |
| INCOME STATEMENT | **FY 2014** | **Absolute value** | % | **FY 2013** | **Absolute value** | % |
| Revenue | 3,890 | *3,890* | 100% | 3,695 | *3,695* | 100% |
| Other operating revenue | 193 | *159* | 82% | 1,204 | *789* | 66% |
| Raw materials and consumables | 0 | *0* | 0% | 1 | *0* | 0% |
| Service costs | 4,116 | *1,131* | 27% | 4,507 | *924* | 21% |
| Other operating costs | 213 | *0* | 0% | 935 | *1* | 0% |
| Net financial expense | 3,494 | *688* | 20% | 2,739 | *4,230* | 154% |

The statement of financial position and the income statement below indicate related parties, in accordance with Consob Resolution no. 15519 of 27 July 2006.

## Statement of Financial Position

| *Amounts in EUR* | 31.12.2014 | of which related parties | 31.12.2013 | of which related parties |
|---|---|---|---|---|
| *NON-CURRENT ASSETS* | | | | |
| Property, plant and equipment | 50,318 | | 58,564 | |
| Goodwill | 10,170,000 | | 10,170,000 | |
| Intangible assets | 26,732 | | 39,191 | |
| Equity investments in subsidiaries | 38,361,250 | | 37,356,231 | |
| Equity investments in other companies | 0 | | 8,200 | |
| Loans and other non-current assets | 565,740 | | 576,348 | |
| Deferred tax assets | 4,853,032 | | 4,853,032 | |
| **Total Non-current assets** | **54,027,072** | **0** | **53,061,567** | **0** |
| *CURRENT ASSETS* | | | | |
| Inventories | 0 | | 0 | |
| Trade receivables | 4,127,201 | 3,462,138 | 4,628,746 | 3,959,542 |
| Other assets and receivables | 5,290,947 | 5,204,922 | 3,062,422 | 2,771,471 |
| Direct tax receivables | 102,635 | | 108,273 | |
| Financial receivables and other current financial assets | 17,537,969 | 17,537,969 | 13,511,911 | 13,511,911 |
| Cash and cash equivalents | 3,022,931 | 1,751,286 | 4,167,644 | 4,008,774 |
| **Total Current assets** | **30,081,683** | **27,956,315** | **25,478,996** | **24,251,698** |
| **Total discontinued operations** | **0** | **0** | **0** | **0** |
| **TOTAL ASSETS** | **84,108,756** | **0** | **78,540,563** | **0** |
| *SHAREHOLDERS' EQUITY* | | | | |
| Share capital | 27,109,165 | | 27,109,165 | |
| Reserves | 17,248,720 | | 16,314,475 | |
| Net profit (loss) | 2,187,355 | | 1,024,407 | |
| **Total Shareholders' Equity** | **46,545,240** | | **44,448,047** | |
| **TOTAL SHAREHOLDERS' EQUITY** | **46,545,240** | **0** | **44,448,047** | **0** |
| *NON-CURRENT LIABILITIES* | | | | |
| Financial payables and other non-current financial liabilities | 5,468,302 | 1,687,500 | 9,195,399 | 3,060,000 |
| Provisions for future risks and charges | 1,028,620 | | 807,150 | |
| Post-employment benefits (TFR) | 123,627 | | 87,357 | |
| Deferred tax liabilities | 2,398,772 | | 2,063,624 | |
| Other non-current liabilities | 556,222 | | 556,222 | |
| **Total Non-current liabilities** | **9,575,543** | **1,687,500** | **12,709,752** | **3,060,000** |
| *CURRENT LIABILITIES* | | | | |
| Financial payables and other current financial liabilities | 22,889,395 | 18,832,624 | 17,355,493 | 9,645,716 |
| Trade payables | 1,511,224 | 973,641 | 1,552,626 | 566,969 |
| Tax payables | 155,828 | | 47,245 | |
| Other liabilities and payables | 3,431,526 | 2,079,223 | 2,427,400 | 1,389,232 |
| **Total Current liabilities** | **27,987,972** | **21,885,488** | **21,382,764** | **11,601,917** |
| **Total Discontinued operations** | **0** | **0** | **0** | **0** |
| **TOTAL LIABILITIES** | **37,563,515** | **23,572,988** | **34,092,516** | **14,661,917** |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | **84,108,756** | **0** | **78,540,563** | **0** |

# Income Statement

| *Amounts in EUR* | 2014 | of which related parties | 2013 | of which related parties |
|---|---|---|---|---|
| Operating revenue | 3,890,000 | 3,890,000 | 3,695,500 | 3,695,500 |
| Other operating revenue and income | 193,093 | 158,834 | 1,204,037 | 788,728 |
| **Total Operating revenue** | **4,083,093** | **4,048,834** | **4,899,537** | **4,484,228** |
| Raw materials and consumables | (2,641) | | (1,444) | |
| Service costs | (4,115,991) | (1,130,640) | (4,507,212) | (923,532) |
| Personnel costs | (1,977,565) | | (2,283,128) | |
| Other operating costs | (212,906) | (154) | (934,786) | (1,008) |
| *Amortisation, depreciation and write-downs:* | | | | |
| Depreciation of property, plant and equipment | (22,943) | | (21,514) | |
| Amortisation of intangible assets | (23,160) | | (19,592) | |
| Allocations to provisions | (402,000) | | (407,524) | |
| **Total Operating costs** | **(6,757,206)** | **(1,130,795)** | **(8,175,201)** | **(924,540)** |
| **Operating Profit (loss) (EBIT)** | **(2,674,113)** | **2,918,040** | **(3,275,664)** | **3,559,688** |
| Financial income | 4,524,548 | 1,024,289 | 4,828,314 | 4,804,633 |
| Financial expense | (1,030,706) | (336,500) | (1,357,613) | (574,472) |
| Write-down of financial assets | (8,200) | | (732,000) | |
| **Total financial income/expense** | **3,485,642** | **687,788** | **2,738,702** | **4,230,161** |
| **Profit (loss) before tax** | **811,528** | **3,605,828** | **(536,963)** | **7,789,849** |
| Current income taxes | 1,714,740 | | 1,683,014 | |
| Deferred tax assets and liabilities | (338,913) | | (121,644) | |
| **Total income taxes** | **1,375,827** | **0** | **1,561,370** | **0** |
| **Net profit (loss) from continuing operations** | **2,187,355** | **3,605,828** | **1,024,407** | **7,789,849** |
| **Net profit (loss) from discontinued operations** | **0** | **0** | **0** | **0** |
| **Net profit (loss)** | **2,187,355** | **0** | **1,024,407** | **0** |

# Statement of Cash Flows

| *Amounts in EUR* | 2014 | of which related parties | 2013 | of which related parties |
|---|---|---|---|---|
| Net profit (loss) | 2,187,355 | | 1,024,407 | |
| Amortisation, depreciation and write-downs | 46,103 | | 41,107 | |
| Non-monetary changes in post-employment benefits (TFR) | 55,727 | | 123,815 | |
| Net financial expense in the income statement | 1,030,706 | (687,788) | 1,357,613 | 574,472 |
| Taxes for the year | (1,714,740) | | (1,683,014) | |
| Deferred tax assets and liabilities | 338,913 | | 121,644 | |
| Losses on current assets and provisions | 410,200 | | 1,139,524 | |
| Increase in internal work capitalised | 0 | | 0 | |
| Other non-monetary changes | 23,765 | | (8) | |
| Non-monetary income from business combinations | 0 | | 0 | |
| Income from P.P.A. | 0 | | 0 | |
| **Cash flow from operating activities** | **2,378,029** | **(687,788)** | **2,125,087** | **574,472** |
| Change in inventories | | | | |
| Change in trade receivables | 501,546 | (497,404) | 269,470 | (260,250) |
| Change in trade payables | (41,402) | 406,672 | (586,959) | (322,352) |
| Use of bad debt provisions | (180,530) | | (1,567,647) | |
| Other changes in current assets and liabilities | 628,503 | | 670,291 | |
| Change in post-employment benefits (TFR) | (127,942) | | 0 | |
| Taxes for the year paid | 0 | | 0 | |
| Post-employment benefits paid | (33,148) | | (177,409) | |
| Other changes in non-current assets and liabilities | 10,608 | (1,743,461) | 22,530 | (655,083) |
| **Change in net working capital** | **757,635** | **(1,834,193)** | **(1,369,724)** | **(1,237,685)** |
| **Cash flow from (used in) operating activities** | **3,135,664** | **(2,521,981)** | **755,364** | **(663,213)** |
| (Purchase) of property, plant and equipment net of disposals | (14,696) | | 442 | |
| (Purchase) of intangible assets net of disposals | (10,702) | | (41,783) | |
| Cash paid for purchase of share pertaining to third parties | (5,019) | | (247,500) | |
| **Cash flow from (used in) investing activities** | **(30,417)** | | **(288,841)** | |
| Change in current financial assets | (4,026,058) | (1,768,570) | 2,383,074 | (1,540,908) |
| Change in current financial liabilities | 4,576,629 | 8,939,528 | 1,071,485 | 3,102,609 |
| Change in non-current financial assets/liabilities | (3,727,097) | (1,125,000) | (3,638,754) | (5,827,500) |
| Financial expense paid | (1,073,433) | (335,156) | (1,222,769) | (574,472) |
| **Cash flow from (used in) financing activities** | **(4,249,959)** | **5,710,802** | **3,549,653** | **(4,840,271)** |
| **Cash flow from (used in) discontinued operations** | **0** | | **0** | |
| **Cash and cash equivalents** | **(1,144,712)** | | **4,016,176** | |
| Net cash and cash equivalents - opening balance | 4,167,644 | 4,008,774 | 151,468 | 111,260 |
| Net cash and cash equivalents - closing balance | 3,022,931 | 1,751,286 | 4,167,644 | 4,008,774 |
| **Net increase (decrease) in cash and cash equivalents** | **(1,144,712)** | | **4,016,176** | |

## 5.5. Management of financial risk: objectives and criteria

The Company's main financial instruments, other than derivatives, include bank loans, demand and short-term bank deposits. The main objective of these instruments is to fund the Company's operations. The Company has various financial instruments, such as trade payables and receivables, resulting from its operations.

- ### Risk of change in price of raw materials

The Company is not exposed to the risk of fluctuations in raw materials prices.

- ### Credit risk

Given the nature of its customers (banks and the public administration), credit risk mainly relates to delays in collecting receivables from Public Administration customers and to any disputes (see note 5.1 and 5.2) regarding the operations previously performed by the Parent Company. In this regard, the Company carefully considers the use of all instruments, including any legal action, to ensure the prompt collection of receivables from Public Administration customers.

- ### Interest rate risk

As the Company's financial payables are owed to the banking system in Euro at a floating interest rate, the Company does not believe that its exposure to any rise in interest rates may increase future financial expense.

The tables included in the sections on current and non-current financial receivables show the book value, by maturity, of the Company's financial instruments that are exposed to interest rate risk.

A hypothetical sudden unexpected 1% change in the interest rate applicable to existing loans at 31 December 2014 would result in a pre-tax expense of Euro 79 thousand per year.

## 5.6. Positions deriving from atypical or unusual transactions

In 2014, Be Think, Solve, Execute S.p.A. did not undertake any atypical or unusual transactions as defined in Consob Communication DEM/6064293.

## 5.7. Fees due to the external auditing firm Deloitte & Touche S.p.A. and to its network pursuant to art. 149-duodecies of the Issuers' Regulation

| Type | Fee |
|---|---|
| Auditing services | 102,717 |
| **Total fees** | **102,717** |

## 5.8. Fee due to directors and statutory auditors of Be S.p.A.

| Name and Surname | Position in Be S.p.A. | Term in office | End of term in office | Fixed fees | Fees for committee attendance | Var. non-equity fees | Total |
|---|---|---|---|---|---|---|---|
| | | | | | | *Bonus and other incentives* | |
| Adriano Seymandi | Chairman | 01/01/2014 - 11/06/2014 | Approval of financial statements at 31/12/2015 | 68,700 | | | 68,700 |
| Antonio Taverna | Chairman | 12/06/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 55,300 | | | 55,300 |
| Stefano Achermann | Chief Executive Officer | 01/01/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 743,600 (1) | | 551,000 | 1,294,700 |
| Carlo Achermann | Executive Directc | 01/01/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 373,100 (2) | | 101,000 | 473,600 |
| Claudio Berretti | Non-Executive Director | 01/01/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 16,800 | | | 16,800 |
| Bernardo Attolico | Non-Executive Director | 01/01/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 16,800 | | | 16,800 |
| Umberto Quilici | Non-Executive Director Independent Consultant | 01/01/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 16,800 | 7,700 (3) | | 24,600 |
| Cristina Spagna | Non-Executive Director Independent Consultant | 12/06/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 11,000 | 5,600 (4) | | 16,600 |
| Giovanni Linari | Non-Executive Director Independent Consultant | 01/01/2014 - 11/06/2014 | Approval of financial statements at 31/12/2015 | 5,800 | 2,200 (4) | | 8,000 |
| Anna Zattoni | Non-Executive Director Independent Consultant | 01/01/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 16,800 | | | 16,800 |
| Anna Lambiase | Non-Executive Director | 12/06/2014 - 31/12/2014 | Approval of financial statements at 31/12/2016 | 11,000 | | | 11,000 |
| Nadia Moauro | Non-Executive Director | 01/01/2014 - 11/06/2014 | Approval of financial statements at 31/12/2015 | 5,800 | | | 5,800 |
| Stefano De Angelis | Chairman Board of Statutory Auditors | 01/01/2012 - 31/12/2014 | Approval of financial statements at 31/12/2014 | 23,400 | | | 23,400 |
| Andrea Mariani | Standing Auditor | 01/01/2012 - 31/12/2014 | Approval of financial statements at 31/12/2014 | 15,600 | | | 15,600 |
| Daniele Girelli | Standing Auditor | 01/01/2012 - 31/12/2014 | Approval of financial statements at 31/12/2014 | 15,600 | | | 15,600 |

*Note that, where not indicated, fees from subsidiaries of Be S.p.A. are not received, namely the same are paid back, insofar as they are absorbed in fees allocated pursuant to art. 2389, paragraph 3 of the Italian Civil Code.*

*Also note that the fees received by Mssrs Stefano Achermann and Carlo Achermann from Be S.p.A are entirely paid back to iFuture Power in Action S.r.l.*

*The breakdown of the fees paid to individual directors is shown below:*
*(1) Gross remuneration for the position of Chief Executive Officer of which Euro 433.2 for the position of Chief Executive Officer and General Manager of subsidiaries*
*(2) Gross remuneration for the position of Director of which Euro 236.8 for the position of Chairman of subsidiaries*

*(3) Additional remuneration for the position of Chairman of the Control and Risk Committee*
*(4) Additional remuneration for the position of Chairman of the Appointments and Remuneration Committee*

# 6. Events after the reporting period at 31 December 2014

In January 2015, the company signed a Memorandum of Understanding with one of the largest European Banking Groups, for the award of an ICT Consulting service agreement with a counter value of Euro 73 million in the three-year period 2015-2017. The agreement regards the provision of management consulting services and the development of applications in all countries in which the Group operates and opens up opportunities for further collaboration over the three-year period. The parties have undertaken to transform the arrangement into a service agreement by 1 March 2015. On 13 February 2015, the parties signed an addendum to the Memorandum of Understanding, which, leaving intact all matters not supplemented or amended by the Addendum, extended the commitment to sign the service agreement to 2 April 2015.

## Statement of equity investments of directors, statutory auditors and general managers

| Name and Surname | Position | Company | No. of shares held at 31.12.2013 | No. of shares purchased | No. of shares sold | No. of shares held at 31.12.2014 |
|---|---|---|---|---|---|---|
| Adriano Seymandi | Chairman | Be S.p.A. | 526,300 | | - | 526,300 |
| Antonio Taverna | Chairman | Be S.p.A. | | | | |
| Stefano Achermann | Chief Executive Officer | Be S.p.A. | 7,771,132 | | - | 7,771,132 |
| Carlo Achermann | Executive Director | Be S.p.A. | 4,314,108 | | 321,000 | 3,993,108 |
| Claudio Berretti | Non-Executive Director | Be S.p.A. | - | - | - | - |
| Bernardo Attolico | Non-Executive Director | Be S.p.A. | - | - | - | - |
| Anna Lambiase | Non-Executive Director | Be S.p.A. | - | - | - | - |
| Cristina Spagna | Non-Executive Director<br>Independent Director | Be S.p.A. | - | - | - | - |
| Umberto Quilici (1) | Non-Executive Director<br>Independent Director | Be S.p.A. | 500,000 | - | - | 500,000 |
| Giovanni Linari (2) | Non-Executive Director<br>Independent Director | Be S.p.A. | 16,575 | 68,501 | - | 85,076 |
| Anna Zattoni | Non-Executive Director<br>Independent Director | Be S.p.A. | - | - | - | - |
| Nadia Moauro (2) | Non-Executive Director | Be S.p.A. | - | - | - | - |
| Stefano De Angelis | Chairman<br>Board of Statutory Auditors | Be S.p.A. | - | - | - | - |
| Andrea Mariani | Standing Auditor | Be S.p.A. | - | - | - | - |
| Daniele Girelli | Standing Auditor | Be S.p.A. | - | - | - | - |

*(1) Held by spouse Mrs Croce Casalena Paola.*
*(2) Directors no longer in office at 11 June 2014*

Milan, 11 March 2015

/signed/ Stefano Achermann
For the Board of Directors
Chief Executive Officer
Stefano Achermann

# Certification of 2014 Financial Statements pursuant to art. 81-ter, Consob Regulation no. 11971 of 14 May 1999, as amended

**1**. Having considered the provisions of art. 154-*bis*, paragraphs 3 and 4, Italian Legislative Decree no. 58 of 24 February 1998, the undersigned, Stefano Achermann and Manuela Mascarini, respectively "Chief Executive Officer" and "Executive in charge of preparing the company's accounting documents" of "Be Think, Solve, Execute S.p.A.", hereby confirm:

- the adequacy in relation to the business characteristics, and
- the effective application of administrative accounting procedures to prepare the 2014 financial statements at 31 December 2014.

**2.** It is also confirmed that:

**2.1** the financial statements:

a) were prepared in compliance with international accounting standards endorsed by the European Community pursuant to (EC) Regulation 1606/2002 of the European Parliament and Council dated 19 July 2002;
b) correspond with the accounting entries and records;
c) provide a true and fair view of the equity, economic and financial position of the issuer;

**2.2** The management report contains a reliable analysis of the performance and the results of operations, as well as of the position of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

Milan, 11 March 2015

/signed/ Manuela Mascarini

Executive in charge of preparing
the company's accounting documents

*Manuela Mascarini*

/signed/ Stefano Achermann

Chief Executive Officer

*Stefano Achermann*

## Be Think, Solve, Execute SpA

Sede Sociale: Roma – Viale dell'Esperanto, 71
Capitale Sociale: Euro 27.109.164,85 i.v.
Iscrizione al Registro delle Imprese di Roma e codice fiscale n. 01483450209

**Relazione del Collegio Sindacale all'assemblea degli azionisti ai sensi dell'art. 153 del D.Lgs 58/98 e dell'art. 2429 del Codice Civile.**

Signori Azionisti,

il Collegio sindacale, nominato dall'Assemblea degli azionisti del 10 maggio 2012, ha verificato al momento dell'accettazione dell'incarico e successivamente nel corso dell'incarico stesso la sussistenza dei requisiti previsti dall'art. 2397 del codice civile e l'insussistenza di cause di decadenza e ineleggibilità previste dal codice civile e dal D.Lgs. 58/98 ("TUF").

I componenti del Collegio sindacale hanno attestato di aver ottemperato agli obblighi di comunicazione in materia di limiti al cumulo degli incarichi assumibili presso altre società. In particolare ai sensi dell'art. 144 *quinquesdecies* del Regolamento Emittenti, approvato dalla Consob con deliberazione 11971/99 e successive modificazioni ed integrazioni, gli incarichi di amministrazione e controllo ricoperti dai componenti del Collegio sindacale presso le società di cui al Titolo V, Libro V, Capi V, VI e VII del codice civile, alla data di emissione della presente relazione sono pubblicati dalla CONSOB e resi disponibili nel sito internet della stessa CONSOB nei limiti di quanto previsto dall'art. 144 *quaterdecies* del Regolamento Emittenti.

Il Collegio sindacale dà atto di avere trasmesso a Consob, in data 30 aprile 2014, in ossequio alla comunicazione Consob n. 6031329 del 7 aprile 2006, la "Scheda riepilogativa dell'attività di controllo".

Nel corso dell'esercizio chiuso al 31 dicembre 2014, il Collegio sindacale ha svolto l'attività di vigilanza demandata all'organo di controllo, ai sensi dell'art. 149 del D.lgs. 58/98 ("TUF"), secondo i Principi di comportamento del Collegio Sindacale nelle società di capitali con azioni quotate nei mercati regolamentati redatti a cura del Consiglio Nazionale dei Dottori Commercialisti e dal Consiglio Nazionale dei Ragionieri e Periti Commerciali e le raccomandazioni e comunicazioni impartite dalla CONSOB.

Nella redazione della presente relazione si è tenuto conto altresì delle comunicazioni CONSOB n. 1025564 del 6 aprile 2001, n. 3021582 del 4 aprile 2003 e n. 6031329 del 7 aprile 2006, aventi ad oggetto il contenuto delle relazioni dei Collegi sindacali delle società con azioni quotate in borsa alle Assemblee degli Azionisti.

Per lo svolgimento delle funzioni di vigilanza il Collegio sindacale ha acquisito le necessarie informazioni sia attraverso incontri con i responsabili delle competenti strutture aziendali, incluse quelle di controllo, sia mediante la assidua partecipazione alle riunioni del Consiglio di amministrazione e dei Comitati istituiti all'interno del medesimo organo di amministrazione.

In relazione all'esercizio dell'attività istituzionale di propria competenza il Collegio sindacale dà atto e attesta di avere:

- partecipato nel corso dell'esercizio a tutte le riunioni dell'Assemblea e del Consiglio di amministrazione nonché, per il tramite del proprio Presidente o di almeno un sindaco da quest'ultimo designato, alle riunioni del Comitato per il controllo e rischi e del Comitato per le nomine e la remunerazione, ottenendo, nel rispetto delle disposizioni di legge e di statuto, esaurienti informazioni sull'attività svolta e sulle operazioni di maggior rilievo effettuate dalla Be Think, Solve, Execute S.p.a. (di seguito "Be S.p.a.") e dalle proprie controllate, verificando che tutte le delibere assunte fossero rispondenti all'interesse della Società e supportate da idonea documentazione e da eventuali pareri di esperti quando necessario;

- acquisito le informazioni necessarie per svolgere l'attività di competenza sull'osservanza della legge e dello statuto, sul rispetto dei principi di corretta amministrazione nonché sulla funzionalità e sull'adeguatezza della struttura organizzativa della Società e dei sistemi di controllo interno ed amministrativo-contabile, mediante approfondimenti diretti, raccolta di elementi ed informazioni dai responsabili delle principali funzioni aziendali nonché dalla Società incaricata della revisione legale dei conti Deloitte & Touche S.p.a.;
- svolto i dovuti accertamenti sull'adeguatezza delle disposizioni impartite dalla Be S.p.a. alle società controllate, in riferimento sia ai flussi necessari per la redazione del Bilancio e dei resoconti intermedi, sia al rispetto dell'art. 114, comma 2 del TUF;
- verificato l'osservanza delle norme di legge e regolamentari riguardanti il processo di formazione, l'impostazione e gli schemi del bilancio d'esercizio e del bilancio consolidato del 2014 nonché la conformità alle leggi ed ai regolamenti vigenti e la coerenza con le deliberazioni adottate dal Consiglio di amministrazione delle Relazioni sulla gestione relative ai medesimi bilanci;
- effettuato l'attività di vigilanza secondo le previsioni dell'art. 19 del D.Lgs. n. 39/2010, che attribuisce al Collegio il ruolo di "Comitato per il controllo interno e la revisione contabile", verificando in particolare l'adeguatezza, sotto il profilo metodologico, del processo di *impairment test* cui è stato sottoposto l'avviamento nonché acquisendo nelle proprie riunioni i risultati delle verifiche svolte dalla Società di revisione legale dei conti sulla regolare tenuta della contabilità sociale e sulla corretta rilevazione dei fatti di gestione nelle scritture contabili;

- ricevuto dalla Deloitte & Touche S.p.a., ai sensi dell'art. 19, 3° comma, del D.Lgs. n. 39/2010, la relazione illustrativa delle "questioni fondamentali" emerse in sede di revisione legale e delle eventuali "carenze significative" rilevate nel sistema di controllo interno in relazione al processo di informativa finanziaria, nella quale non sono esposte criticità meritevoli di segnalazione;
- ricevuto dalla Deloitte & Touche s.p.a., ai sensi dell'art. 17, 9° comma, lettera a) del D.Lgs. n. 39/2010, la conferma della sua indipendenza nonché la comunicazione di assenza di servizi non di revisione forniti alla Società dalla stessa o da entità appartenenti alla sua rete;
- ricevuto regolare informativa sull'attività svolta dall'Organismo di vigilanza previsto dal Modello di Organizzazione adottato da Be S.p.a. ai sensi del D.Lgs. n. 231/2001;
- monitorato le modalità di attuazione delle regole di governo societario previste dalla attuale versione del Codice di autodisciplina delle società quotate promosso da Borsa Italiana S.p.a. così come adottato dalla Società;
- vigilato sulla conformità della procedura interna ai principi indicati nel regolamento approvato dalla CONSOB in materia di operazioni con parti correlate con delibera n. 17221 del 12 marzo 2010 e successive modifiche, nonché sulla sua osservanza ai sensi dell'art. 4, comma 6 del medesimo regolamento;
- preso atto infine, sulla base delle dichiarazioni rilasciate dai singoli amministratori e delle valutazioni espresse dal Consiglio di amministrazione, che i criteri e le procedure adottati dal Consiglio di amministrazione medesimo per valutare l'indipendenza dei propri membri sono stati applicati correttamente.

Nell'esercizio non sono emersi fatti significativi tali da richiederne la segnalazione, né si è manifestata la necessità di formulare proposte in ordine al bilancio ed alle altre materie di competenza del Collegio sindacale.

Premesso quanto sopra, vengono di seguito fornite le specifiche informazioni richieste dalla comunicazione Consob n. 1025564 del 6 aprile 2001 e successive integrazioni, secondo l'ordine di esposizione contenuto in detta comunicazione.

1. <u>Operazioni di maggior rilievo</u>

Il Collegio sindacale ha acquisito dagli Amministratori, con periodicità almeno trimestrale, adeguate informazioni sull'attività complessivamente svolta dalla Società, nei vari settori in cui essa ha operato, anche attraverso imprese controllate, e sulle operazioni di maggior rilievo economico, finanziario e patrimoniale. Dette operazioni di maggior rilievo sono riportate nelle note di commento al bilancio d'esercizio di Be S.p.a. ed al bilancio consolidato del Gruppo Be, nonché nella Relazione sulla gestione dell'anno 2014 e non si ravvisa l'opportunità di dover integrare tale informativa.

Il Collegio sindacale ha accertato la conformità alla legge, allo statuto sociale e ai principi di corretta amministrazione delle suddette operazioni, assicurandosi che le medesime non fossero manifestamente imprudenti o azzardate, in potenziale conflitto d'interessi, in contrasto con le delibere assunte dall'Assemblea degli Azionisti o tali da compromettere l'integrità del patrimonio aziendale.

2. <u>Operazioni atipiche e/o inusuali</u>

Il Collegio sindacale non ha riscontrato, nel corso dell'esercizio 2014, operazioni atipiche e/o inusuali effettuate con terzi e con parti correlate (ivi comprese le società del Gruppo).

Le operazioni infragruppo e con parti correlate, aventi natura sia finanziaria, che commerciale, sono rientrate nella normale gestione, sono state concluse a normali condizioni di mercato ed il Collegio sindacale le ha valutate congrue e rispondenti all'interesse della Società, dopo aver ricevuto adeguata informativa al riguardo da parte del Consiglio di Amministrazione.

A far data dal 1° gennaio 2011 la società ha adottato il "Regolamento sulle Parti correlate" in attuazione delle delibere Consob in materia ed il monitoraggio delle operazioni poste in essere con parti correlate è stato affidato al Comitato di Controllo interno e rischi; al riguardo il Collegio sindacale ha vigilato sulla conformità delle procedure adottate dalla Società ai principi indicati dalla Consob, oltre che sulla loro osservanza.

La procedura interna in materia di operazioni con parti correlate è stata da ultimo modificata in data 1 luglio 2014.

3. Informazioni rese dagli Amministratori in ordine alle operazioni di cui al precedente paragrafo 2

Tenuto conto delle dimensione e della struttura della Società e del Gruppo Be, stante l'inesistenza di operazioni atipiche e/o inusuali, il Collegio sindacale ritiene che l'informativa riguardante le operazioni della Società con parti correlate e infragruppo, evidenziata nelle note di commento al bilancio d'esercizio di Be S.p.a. ed al bilancio consolidato di Gruppo sia da considerarsi adeguata.

4. Relazioni sul bilancio d'esercizio e consolidato della società di revisione

La società di revisione Deloitte & Touche S.p.a. ha rilasciato, in data 31 marzo 2015, le relazioni sul bilancio d'esercizio e consolidato, ai sensi dell'art. 14 del D. Lgs. N. 39 del 27 gennaio 2010, nelle quali si attesta che il bilancio d'esercizio di Be S.p.a. ed il bilancio consolidato del Gruppo Be al 31 dicembre 2014 sono conformi ai Principi contabili Internazionali (IFRS) adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. N. 38/2005, sono redatti con chiarezza e rappresentano in modo veritiero e corretto la situazione patrimoniale e finanziaria, il risultato economico ed i flussi di cassa della Società e del Gruppo per l'esercizio chiuso a tale data.

Il Collegio sindacale ha esaminato detti documenti non riscontrando rilievi in merito alla qualità ed alla completezza delle informazioni.

La società di revisione esprime inoltre giudizi di coerenza delle relazioni sulla gestione e le informazioni di cui all'art. 123-bis del TUF presentate nella relazione sul governo societario e gli assetti proprietari con il bilancio d'esercizio e con il bilancio consolidato.

5. <u>Denunce ex art. 2408 del Codice Civile</u>

Nel corso dell'esercizio non sono pervenute al Collegio sindacale denunce ex art. 2408 del Codice Civile.

6. <u>Esposti</u>

Allo stesso modo, nel corso dell'esercizio non sono stati ricevuti esposti.

7. <u>Eventuali ulteriori incarichi conferiti alla Società di revisione</u>

Alla società di revisione Deloitte & Touche S.p.a. e/o a soggetti appartenenti al suo network non sono stati assegnati ulteriori incarichi diversi dalla revisione legale della Società e delle controllate del Gruppo Be.

8. <u>Eventuali ulteriori incarichi conferiti a soggetti legati alla Società di revisione da rapporti continuativi.</u>

Nel corso dell'esercizio 2014 non sono stati, altresì, assegnati incarichi a soggetti legati alla Società di revisione Deloitte & Touche S.p.a. da rapporti continuativi.

E' stata, quindi, accertata l'assenza di aspetti critici in materia di indipendenza della società di revisione. In proposito si segnala che il collegio sindacale ha ricevuto dalla Società di revisione, in data 30 marzo 2015, la "conferma annuale dell'indipendenza" in conformità alle previsioni di cui all'art. 17, 9°comma , lett a) del D. Lgs. 39/2010.

9. <u>Pareri</u>

Nel corso dell'esercizio 2014, sono stati rilasciati i pareri richiesti dalla legge e dallo statuto sociale. In particolare il Collegio sindacale ha espresso, ai sensi dell'art. 2389, 3° comma, del Codice Civile, due pareri favorevoli alle proposte (formulate dal Comitato per la remunerazione) di attribuzione dei compensi da riconoscersi agli Amministratori investiti di particolari cariche.

Fatta eccezione per quanto precede, il Collegio sindacale non ha rilasciato, nel corso dell'esercizio 2014, ulteriori pareri obbligatori a norma di legge.

10. Numero delle riunioni degli organi societari.

Nel corso dell'esercizio 2014 si sono tenute 12 riunioni del Consiglio di Amministrazione, alle quali il Collegio sindacale ha sempre partecipato.

Il Comitato di controllo e rischi si è riunito 8 volte; il Comitato per le nomine e la remunerazione si è riunito 4 volte.

Nel corso del 2014 si sono tenute 13 riunioni del Collegio sindacale in alcune delle quali ha partecipato anche la società di revisione al fine di scambiare le informazioni rilevanti per l'espletamento delle rispettive funzioni ai sensi dell'art. 150, terzo comma, del TUF.

Si segnala, inoltre, che il Collegio sindacale ha assistito alle riunioni del Comitato di controllo e rischi e del Comitato per le nomine e la remunerazione mediante la partecipazione del proprio Presidente e/o di almeno un altro Sindaco da questi designato.

Almeno un componente del Collegio sindacale ha sempre partecipato alle Assemblee degli azionisti e ciò è avvenuto anche nelle riunioni assembleari del 29 aprile 2014 e del 12 giugno 2014; in particolare quest'ultima riunione si è tenuta sia in sede straordinaria, per modificare l'art. 15 dello Statuto sociale onde dotare la Società di regole di nomina dell'organo amministrativo più semplici ed elastiche, eliminando qualsiasi dubbio interpretativo sulla possibilità per l'Assemblea di determinare il numero dei consiglieri prima dell'elezione degli stessi, sia in sede ordinaria, per la nomina di un nuovo

Consiglio di Amministrazione in sostituzione del precedente dimissionario proprio in vista della modifica statutaria proposta.

Il Collegio sindacale inoltre ha avuto rapporti con gli organi di controllo delle società controllate ai sensi dell'art. 151 del TUF, anche mediante una riunione congiunta con gli stessi.

11. Corretta amministrazione.

Il Collegio sindacale ha acquisito conoscenza e vigilato, per quanto di propria competenza, sul rispetto dei principi di corretta amministrazione attraverso la costante partecipazione alle riunioni del Consiglio di amministrazione, tramite la raccolta di informazioni fornite dal management aziendale, tramite incontri con il preposto al controllo interno e con il dirigente preposto alla redazione dei documenti contabili societari.

Il Collegio sindacale ritiene che gli strumenti di "*governance*" adottati dalla Società, tenuto conto delle dimensioni della medesima, rappresentino un valido presidio al rispetto dei principi di corretta amministrazione nella prassi operativa. In particolare riguardo alle scelte di gestione assunte dagli Amministratori il Collegio sindacale ha vigilato sulla conformità alla legge e allo statuto sociale di dette scelte ed ha verificato che le relative delibere fossero adeguatamente supportate da analisi ed informazioni riguardanti la congruità economico-finanziaria delle operazioni e la rispondenza delle medesime all'interesse della Società.

12. Struttura organizzativa.

Il Collegio sindacale ha vigilato sull'adeguatezza della struttura organizzativa della Società, mediante raccolta di informazioni dalle strutture preposte, incontri con i responsabili delle funzioni e con i responsabili delle revisione interna ed esterna e, in proposito, non ha osservazioni di rilievo da formulare.

13. Adeguatezza del sistema di controllo interno.

Il Collegio sindacale ha vigilato sul sistema di controllo interno della Società, valutandone l'adeguatezza, anche mediante incontri con il soggetto responsabile del controllo interno e la partecipazione alle riunioni del Comitato di controllo e rischi. In particolare il Collegio sindacale si è costantemente interfacciato con il responsabile della predetta funzione al fine di valutare il piano di audit e le sue risultanze riguardo sia alla analisi delle verifiche che dei relativi follow-up.

La Società, con effetto dal 1 ottobre 2014, ha riorganizzato il proprio sistema di controlli interni e di gestione dei rischi, dietro proposta del competente Comitato, nominando un nuovo soggetto responsabile del Controllo interno, al fine di promuovere uno sviluppo ed un rafforzamento della funzione.

La Società ha regolarmente provveduto alla nomina del Dirigente preposto alla redazione di documenti contabili societari, ai sensi dell'art. 154-bis del TUF. Il Collegio sindacale ha altresì esaminato le relazioni periodiche e quella annuale rilasciate dalla funzione e non sono emersi dati ed informazioni rilevanti che debbano essere evidenziati nella presente relazione.

Nell'ambito di verifica dell'adeguatezza del sistema di controllo interno rispetto al D.Lgs. n. 231/2001, che disciplina la responsabilità degli enti per illeciti amministrativi dipendenti da reati, il Collegio sindacale rileva che la Be S.p.a. ha adottato un Modello Organizzativo volto a prevenire la commissione dei reati che possono determinare una responsabilità della Società. Il Modello Organizzativo è soggetto a revisioni periodiche sia per tener conto dell'esperienza operativa, sia per tener conto delle variazioni normative che prevedono l'estensione ad ulteriori fattispecie penali quali reati-presupposto. Uno specifico organismo (l'"Organismo di Vigilanza") vigila sul funzionamento e sull'osservanza del Modello Organizzativo e ne riferisce al Consiglio di Amministrazione, al Comitato di controllo e rischi e al Collegio sindacale.

Con riferimento al Modello Organizzativo il Collegio sindacale ha preso atto che nessuna situazione di rischio è stata segnalata relativamente all'esercizio 2014.

14. Adeguatezza del sistema amministrativo-contabile

Il Collegio sindacale ha valutato e vigilato sull'adeguatezza del sistema amministrativo-contabile della Società e sulla sua capacità a rappresentare correttamente i fatti di gestione, mediante osservazioni dirette, raccolta di informazioni dal management della Società, esame ed analisi delle risultanze dell'attività svolta da Deloitte & Touche S.p.a..

Il Dirigente preposto, nel corso dei periodici incontri intervenuti con il Collegio sindacale, non ha segnalato significative carenze nei processi operativi e di controllo che possano inficiare il giudizio di adeguatezza delle procedure amministrativo-contabili.

Il Collegio sindacale ha preso atto delle attestazioni senza rilievi rilasciate dall'Amministratore delegato e dal Dirigente preposto alla redazione dei documenti contabili societari di Be S.p.a. in merito all'adeguatezza e all'effettiva applicazione delle procedure contabili ed amministrative per la formazione del bilancio individuale della Società e del bilancio consolidato del Gruppo Be nel corso dell'esercizio 2014.

15. Disposizioni impartite alle società controllate

Il Collegio sindacale non ha osservazioni da formulare sull'adeguatezza delle disposizioni impartite alle società controllate, ai sensi dell'art. 114, 2° comma, del TUF, affinché queste ultime forniscano i flussi informativi necessari per adempiere gli obblighi di comunicazione previsti *ex lege*. Si ritiene, quindi, che la Società sia stata posta in grado di adempiere tempestivamente agli obblighi di comunicazione dei fatti rilevanti del Gruppo.

Dai rapporti intercorsi con i corrispondenti collegi sindacali delle società controllate non sono emerse criticità significativamente rilevanti e meritevoli di segnalazione.

16. Eventuali aspetti rilevanti emersi nel corso delle riunioni con la società di revisione.

Il Collegio sindacale ha incontrato periodicamente la società di revisione, nell'ambito dello scambio di informazioni previsto dall'art. 150, 3° comma, del TUF.

In occasione dei predetti incontri i revisori non hanno comunicato alcun fatto, anomalia, criticità o omissione che comporti segnalazione da parte del Collegio sindacale nella presente relazione.

17. Adesione della società al Codice di autodisciplina delle società quotate.

La Società ha adottato il Codice di autodisciplina per le società quotate, applicandone le relative norme ed indicando le eventuali difformità nella Relazione sul Governo societario e gli assetti proprietari.

Sono istituiti e funzionanti il Comitato di controllo e rischi, il Comitato per le nomine e la remunerazione e l'Organismo di Vigilanza previsto nell'ambito del Modello Organizzativo di cui al D. Lgs. n. 231/2001.

Il Comitato di controllo e rischi ed il Comitato per le nomine e la remunerazione sono composti ciascuno da 3 amministratori non esecutivi, di cui 2 indipendenti.

Il Consiglio di amministrazione della Società in carica alla chiusura dell'esercizio 2014 è composto da n. 9 membri, di cui 6 amministratori non esecutivi, 3 dei quali qualificati come indipendenti dal Consiglio stesso sulla base delle rispettive dichiarazioni.

La Società si è adeguata alle disposizioni in materia di *market abuse* e di trattamento delle informazioni *market sensitive*.

Il Collegio ha proceduto alla verifica dei requisiti di indipendenza degli Amministratori e dei componenti del Collegio sindacale ai sensi dei criteri applicativi numeri 3.C.5 e 8.C.1 del Codice di Autodisciplina. Al riguardo il Collegio ha preso atto della attestazione rilasciata dal Sindaco Daniele Girelli, sin dal momento della candidatura, in ordine alla insussistenza del solo requisito di cui al criterio 3.C.1 punto e) del Codice di Autodisciplina, e tenuto conto degli elevati profili professionali del sopramenzionato Sindaco, ha riconosciuto per l'effetto la sostanziale sussistenza dei requisiti di indipendenza in capo a tutti i propri componenti.
Si rinvia alla Relazione sul Governo societario e gli assetti proprietari di Be S.p.a. predisposta dal Consiglio di Amministrazione ai sensi dell'art. 123-bis del TUF per ulteriori approfondimenti sulla *corporate governance* della Società, rispetto alla quale il Collegio sindacale esprime una valutazione positiva.

18. Valutazioni conclusive.

Il Collegio sindacale, nell'ambito dell'attività di vigilanza e controllo svolta nel corso dell'esercizio 2014, come sopra descritta, non ha rilevato omissioni, fatti censurabili, operazioni imprudenti, o gravi irregolarità né sono emersi altri fatti significativi da menzionare nella Relazione all'Assemblea o da segnalare agli organi di vigilanza.
Non si rende necessario effettuare ulteriori menzioni nella presente relazione, ai sensi dell'art. 153, 1°comma, del TUF.

19. Proposte all'assemblea.

Il Collegio sindacale non ha alcuna proposta autonoma da presentare all'Assemblea, ai sensi dell'art. 153, 2° comma, del TUF.
Il Collegio sindacale, preso atto del bilancio d'esercizio e del bilancio consolidato di Be S.p.A. al 31 dicembre 2014, alla luce delle considerazioni effettuate e per gli aspetti di propria competenza, ritiene che i sopramenzionati bilanci e la documentazione sottoposti dall'Organo Amministrativo

all'Assemblea siano idonei a rappresentare in modo compiuto la realtà aziendale della Società alla data di chiusura dell'esercizio, secondo corrette norme di legge, e non ha obiezioni da formulare, ai sensi dell'art. 153 del TUF, in merito al bilancio d'esercizio al 31 dicembre 2014 e alle proposte di deliberazione presentate dal Consiglio di Amministrazione in merito alla destinazione dell'utile di esercizio.

Con l'Assemblea convocata per l'approvazione del bilancio relativo all'esercizio 2014 viene a scadenza il mandato conferito al Collegio sindacale dall'Assemblea del 10 maggio 2012; il Collegio sindacale invita pertanto i Signori azionisti a provvedere in merito.

Roma, 31 marzo 2015

Il Collegio sindacale

Stefano De Angelis (Presidente)

Daniele Girelli (Sindaco effettivo)

Andrea Mariani (Sindaco effettivo)

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# RELAZIONE DELLA SOCIETÀ DI REVISIONE AI SENSI DEGLI ARTT. 14 E 16 DEL D. LGS. 27.1.2010, N. 39

**Agli Azionisti della**
**BE THINK, SOLVE, EXECUTE S.p.A.**

1. Abbiamo svolto la revisione contabile del bilancio d'esercizio, costituito dalla situazione patrimoniale-finanziaria, dal conto economico, dal conto economico complessivo, dal prospetto delle variazioni del patrimonio netto, dal rendiconto finanziario e dalle relative note esplicative, della Be Think, Solve, Execute S.p.A. chiuso al 31 dicembre 2014. La responsabilità della redazione del bilancio in conformità agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D.Lgs. N. 38/2005 compete agli amministratori della Be Think, Solve, Execute S.p.A.. E' nostra la responsabilità del giudizio professionale espresso sul bilancio e basato sulla revisione contabile.

2. Il nostro esame è stato condotto secondo i principi e i criteri per la revisione contabile raccomandati dalla CONSOB. In conformità ai predetti principi e criteri, la revisione è stata pianificata e svolta al fine di acquisire ogni elemento necessario per accertare se il bilancio d'esercizio sia viziato da errori significativi e se risulti, nel suo complesso, attendibile. Il procedimento di revisione comprende l'esame, sulla base di verifiche a campione, degli elementi probativi a supporto dei saldi e delle informazioni contenuti nel bilancio di esercizio, nonché la valutazione dell'adeguatezza e della correttezza dei criteri contabili utilizzati e della ragionevolezza delle stime effettuate dagli amministratori. Riteniamo che il lavoro svolto fornisca una ragionevole base per l'espressione del nostro giudizio professionale.

   Per il giudizio relativo al bilancio d'esercizio dell'esercizio precedente, i cui dati sono presentati ai fini comparativi, si fa riferimento alla relazione da noi emessa in data 7 aprile 2014.

3. A nostro giudizio, il bilancio d'esercizio della Be Think, Solve, Execute S.p.A. al 31 dicembre 2014 è conforme agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D.Lgs. n. 38/2005; esso pertanto è redatto con chiarezza e rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria, il risultato economico ed i flussi di cassa della Be Think, Solve, Execute S.p.A. per l'esercizio chiuso a tale data.

4. La responsabilità della redazione della relazione sulla gestione e della relazione sul governo societario e gli assetti proprietari in conformità a quanto previsto dalle norme di legge e dai regolamenti compete agli amministratori della Be Think, Solve, Execute S.p.A.. E' di nostra competenza l'espressione del giudizio sulla coerenza della relazione sulla gestione e delle informazioni di cui al comma 1, lettere c), d), f), l), m) e al comma 2, lettera b) dell'art. 123-bis del D.Lgs. 58/98, presentate nella relazione sul governo societario e gli assetti proprietari, con il bilancio d'esercizio, come richiesto dalla legge. A tal fine, abbiamo svolto le procedure indicate dal principio di revisione 001 emanato dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili e raccomandato dalla Consob. A nostro giudizio la relazione sulla gestione e le informazioni di cui al comma 1, lettere c), d), f), l), m) e al comma 2, lettera b) dell'art. 123-bis del D.Lgs. 58/98 presentate nella relazione sul governo societario e gli assetti proprietari sono coerenti con il bilancio d'esercizio della Be Think, Solve, Execute S.p.A. al 31 dicembre 2014.

DELOITTE & TOUCHE S.p.A.

Stefano Marnati
Socio

Milano, 31 marzo 2015