

# Bit Market Services

Informazione Regolamentata n. 1597-18-2017	Data/Ora Ricezione 24 Febbraio 2017 16:22:06	MTA
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Societa' : CERVED INFORMATION SOLUTIONS

Identificativo : 85418

Informazione  
Regolamentata

Nome utilizzatore : CERVEDN04 - Sartor

Tipologia : IRED 02; IRAG 01; IROS 09

Data/Ora Ricezione : 24 Febbraio 2017 16:22:06

Data/Ora Inizio : 24 Febbraio 2017 16:37:07

Diffusione presunta

Oggetto : Cerved Information Solutions S.p.A. - The Board of Directors examines and approves the consolidated financial statements as of 31 December 2016

*Testo del comunicato*

Vedi allegato.

## **PRESS RELEASE**

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### **CERVED INFORMATION SOLUTIONS: THE BOARD OF DIRECTORS EXAMINES AND APPROVES THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2016**

#### **GROWTH IN REVENUES, ADJUSTED EBITDA, ADJUSTED NET INCOME AND OPERATING CASH FLOW**

#### **DIVIDEND PROPOSAL OF EURO 0.247 PER SHARE (EURO 48.2 MILLION)**

- **Revenues: Euro 377.0 million, +6.6% compared to Euro 353.5 million in 2015;**
- **Adjusted EBITDA<sup>1)</sup>: Euro 180 million, +5.4% compared to Euro 170.8 million in 2015, resulting in an EBITDA margin of 47.8%;**
- **Adjusted Net Income: Euro 92.0 million, +34.2% compared to Euro 68.5 million in 2015;**
- **Operating Cash Flow<sup>2)</sup>: Euro 144.0 million, +5.8% compared to Euro 136.1 million in 2015;**
- **Consolidated Net Financial Position: Euro 523.4 million as of 31 December 2016, equating to 2.9x last twelve month EBITDA.**

1) Adjusted EBITDA excludes the impact of the Performance Share Plan 2019-2021.

2) Adjusted Net Income excludes non-recurring income and expenses, amortisation of capitalized financing fees, amortisation of the Purchase Price Allocation and non-recurring income taxes.

3) Based on Adjusted EBITDA.

**San Donato Milanese, 24 February 2017** – The Board of Directors of Cerved Information Solutions S.p.A. (MTA: CERV) – parent holding company of the Cerved Group, the largest information provider and credit servicer in Italy – today examined and approved the Consolidated Financial Statements as of 31 December 2016.

Marco Nespolo, Chief Executive Officer of the Group, commented:

*“2016 was a rich year in terms of changes and achievements, with the completion of our process of transformation into a true public company and the appointment of a new Board of Directors, and with financial results which rewarded our efforts and are aligned with our ambitions in the medium and long term.”*

*“The continuous focus on growth, both organic and via acquisitions, has permitted us to grow Revenues by +6.6%, Adjusted EBITDA by +5.4% and Adjusted Net Income by +34.2%. Also cash flow generation was strong, with Operating Cash Flow growing +5.8% which resulted in the ratio between net financial debt and Adjusted EBITDA falling to 2.9x.”*

*“The Board of Directors has proposed to distribute total dividends of Euro 48.2 million which represents an increase of +7.4% compared to last year.”*

*“In conclusion, I consider that the results achieved by the Group are positive, and together with the entire management team we remain focused on pursuing the success story for the Group, its employees and shareholders. Within the context of the presentation of our Q1 2017 results we'll provide the markets with an update on our guidance for the medium term.”*

## Analysis of Consolidated Revenues

In 2016 the Group's revenues increased by 6.6%, reaching Euro 377.0 million compared to Euro 353.5 million in 2015 (+4.1% on an organic basis).

The Credit Information division grew by 2.8% thanks to the positive contribution of both segments. The Corporate segment grew by 4.5% compared to 2015, showing positive signals in terms of sales and consumption, promoting the development of new opportunities and services for corporate clients. The Financial Institutions segment grew by 1.0% confirming the positive performance of previous quarters, thanks mainly to the demand for appraisals in the real estate segment, which more than offset the minor decrease in business information products and services.

The Credit Management division grew by 13.0% reflecting solid performance in the segments related to banking NPLs (credit workout, legal services and asset remarketing), despite the lack of relevant transactions in the market. The receivables-based segment for corporate and utilities clients was negatively affected by the contraction of revenues in the first half of the year, despite a return to growth in the second half, thanks to the launch of several projects aimed at reducing costs and improving processes in order to exploit synergies with the corporate sales force.

The Marketing Solutions division grew by 52.7% in 2016, thanks to the positive impact of the sales force revamp together with synergies deriving from cross-selling activities with the Corporate segment, in addition to the positive contribution of ClickAdv S.r.l. which was consolidated from the second quarter of 2016.

<b>Consolidated Revenues</b> <i>in millions of Euro</i>	<b>Full Year</b> <b>2016</b>	<b>Full Year</b> <b>2015</b>	<b>% Growth</b>
Credit Information - Corporates <sup>1)</sup>	148.1	141.7	4.5%
Credit Information - Financial Institutions	126.6	125.4	1.0%
Credit Information	274.7	267.1	2.8%
Credit Management <sup>2)</sup>	84.7	75.0	13.0%
Marketing Solutions <sup>3)</sup>	21.1	13.8	52.7%
Intra-segment revenues	(3.6)	(2.5)	
<b>Consolidated Revenues</b>	<b>377.0</b>	<b>353.5</b>	<b>6.6%</b>

1) Major1 e Fox&Parker consolidated from August and September 2016 respectively

2) San Giacomo Gestione Crediti SpA consolidated from April 2015

3) ClickAdv Srl consolidated from April 2016

## Analysis of Consolidated Quarterly Revenues

With respect to the fourth quarter of 2016, total revenues grew by 8.7% compared to the fourth quarter of 2015 (+5.5% on an organic basis).

The Credit Information division grew by 3.2%, which includes an increase of 6.0% in the corporate segment, a minor benefit from the consolidation of Major 1 and the business information branch of Fox&Parker, and a marginal contraction of 0.1% in the financial institutions segment. The Credit Management division grew by 15.6%, while the Marketing Solutions division grew by 63.1%, thanks also to the consolidation of ClickAdv S.r.l..

<b>Quarterly Revenues</b> <i>in millions of Euro</i>	<b>Fourth Quarter</b> <b>2016</b>	<b>Fourth Quarter</b> <b>2015</b>	<b>% Growth</b>
Credit Information - Corporates <sup>1)</sup>	41.7	39.4	6.0%
Credit Information - Financial Institutions	32.6	32.7	(0.1%)
Credit Information	74.3	72.0	3.2%
Credit Management	25.1	21.7	15.6%
Marketing Solutions <sup>2)</sup>	7.6	4.7	63.1%
Intra-segment revenues	(0.9)	(0.7)	
<b>Consolidated Revenues</b>	<b>106.1</b>	<b>97.6</b>	<b>8.7%</b>

1) Major1 e Fox&Parker consolidated from August and September 2016 respectively

2) ClickAdv Srl consolidated from April 2016

### Analysis of Consolidated Adjusted EBITDA and Consolidated Operating Results

The 2016 Consolidated Adjusted EBITDA of Euro 180.0 million represents growth of 5.4% with respect to 2015 (+3.9% on an organic basis). The Adjusted EBITDA margin of the Group was 47.8%, slightly lower than the prior year. This result excludes costs related to the attribution of grants for the long term incentive plan *Performance Share Plan 2019-2021* for Euro 0.7 million. The Consolidated EBITDA, which includes such costs, was Euro 179.3 million, representing growth of 5.0% with respect to the fiscal year 2015, with a Group EBITDA margin of 47.6%.

The Credit Information division reached an Adjusted EBITDA margin of 53.7%, slightly lower than the 54.4% which was achieved in 2015. The Credit Management division increased its Adjusted EBITDA margin from 26.0% to 28.8%, also benefiting from revenue mix and an improvement in collection rates related to the servicing of non-performing loans. The Marketing Solutions division reached an Adjusted EBITDA margin of 38.6%, lower than the 42.7% in 2015, due to the consolidation of ClickAdv S.r.l. from the second quarter of 2016.

<b>Consolidated Adjusted EBITDA</b> <i>in millions of Euro</i>	<b>Full Year</b> <b>2016</b>	<b>Full Year</b> <b>2015</b>	<b>% Growth</b>
Credit Information <sup>1)</sup>	147.5	145.4	1.4%
Credit Management <sup>2)</sup>	24.4	19.5	25.1%
Marketing Solutions <sup>3)</sup>	8.2	5.9	38.0%
<b>Adjusted EBITDA</b>	<b>180.0</b>	<b>170.8</b>	<b>5.4%</b>
Adjusted EBITDA Margin	47.8%	48.3%	

1) Major1 e Fox&Parker consolidated from August and September 2016 respectively

2) San Giacomo Gestione Crediti SpA consolidated from April 2015

3) ClickAdv Srl consolidated from April 2016

Operating expenses grew from Euro 182.9 million in 2015 to Euro 197.1 million in 2016, an increase of Euro 14.2 million, as follows:

- The cost of raw materials and other materials decreased by Euro 0.9 million, mainly due to the lower costs related to the remarketing business within the Credit Management division;
- Costs for services grew by Euro 6.0 million due to increased business volumes, in particular the Credit Management division, partially offset by a decrease of Euro 0.7 million in information services costs thanks to efficiency gains (total information services costs declined from Euro 28.1 million in 2015 to Euro 27.5 million in 2016);

- Personnel costs grew by Euro 10.2 million, reflecting additional staff hired in the course of the year, together with the impact of acquisitions closed during the course of 2015 and 2016;
- Accruals to provisions for risks and impairment of receivables declined by Euro 1.3 million, reflecting improved business conditions and assertive actions to enforce compliance with sales terms.

Depreciation and amortization grew by Euro 3.8 million and such increase reflects the complete ramp-up of the Purchase Price Allocation of San Giacomo Gestione Crediti for Euro 0.7 million, the Purchase Price Allocation of ClickAdv S.r.l. for Euro 0.9 million, and the higher amortization of costs for software development for Euro 1.2 million. The amortization related to the database was substantially in line with the prior year (Euro 11.6 million).

Non-recurring items increased by Euro 2.8 million, reaching Euro 6.5 million, and refer mainly to the incentives for early retirement paid to employees for Euro 3.2 million and the costs related to the recent acquisitions for Euro 1.6 million.

Financial expenses decreased by Euro 23.6 million, mainly due to the lower average interest rate, which fell from 7.1% paid on the outstanding bonds in 2015 to 2.4% on the new “Forward Start” financing drawn in January 2016.

Non-recurring financial expenses decreased to Euro 0.5 million as of 31 December 2016, compared to Euro 52.0 million in 2015. The year 2015 included non-recurring expenses related to the “Forward Start” transaction, the writedown of the fair value of instruments connected to the ECIS transaction with Experian, and the adjustment of the fair value of put & call options attributed to the minority shareholders of Cerved Credit Management Group S.r.l..

Income Taxes were Euro 22.4 million and increased mainly due to the higher taxable profit. Non-recurring income taxes of Euro 4.5 million include the adjustment of the estimated tax liability related to the leveraged buyout transaction in 2009.

<b>Consolidated Operating Results</b> <i>in millions of Euro</i>	<b>Full Year</b> <b>2016</b>	<b>Full Year</b> <b>2015</b>	<b>% Growth</b>
Revenues	377.0	353.5	6.6%
Operating Income & Expenses	(196.9)	(182.7)	7.8%
EBITDA Adjusted	180.0	170.8	5.4%
Operating profit before non-recurring items	101.3	96.6	4.9%
Operating profit	94.8	92.8	2.2%
Net Income	48.7	3.6	n.m.
Adjusted Net Income	92.0	68.5	34.2%

With respect to Consolidated Net Income, in 2016 the result was a profit of Euro 48.7 million, a significant improvement compared to Euro 3.6 million of 2015.

Adjusted Net Income – which excludes non-recurring income and expenses, amortisation of capitalised financing fees, amortisation of the Purchase Price Allocation and non-recurring income taxes – reached Euro 92.0 million, an increase of 34.2% compared to Euro 68.5 million in 2015.

### **Analysis of Consolidated Quarterly Adjusted EBITDA**

In the fourth quarter of 2016 the Group's Adjusted EBITDA stood at Euro 52.7 million, representing growth of 4.0% compared to 2015. The Group's Adjusted EBITDA margin was 49.7%, lower than the 51.9% of the fourth quarter in 2015. The Consolidated EBITDA, which includes the impact of the Performance Share Plan 2019-2021, was Euro 52.4 million, thus growth of 3.3% with respect to the fourth quarter of 2015 and a Group EBITDA margin of 49.4%.

In the same period, the Adjusted EBITDA generated by the Credit Information division increased by 0.3% compared to 2015, while the Adjusted EBITDA of the Credit Management and Marketing Solutions divisions grew by 16.7% and 31.6%, respectively.

<b>Quarterly Adjusted EBITDA</b> <i>in millions of Euro</i>	<b>Fourth Quarter</b> <b>2016</b>	<b>Fourth Quarter</b> <b>2015</b>	<b>% Growth</b>
Credit Information <sup>1)</sup>	41.6	41.5	0.3%
Credit Management	7.7	6.6	16.7%
Marketing Solutions <sup>2)</sup>	3.4	2.6	31.6%
<b>Adjusted EBITDA</b>	<b>52.7</b>	<b>50.7</b>	<b>4.0%</b>
Adjusted EBITDA Margin	49.7%	51.9%	

1) Major1 e Fox&Parker consolidated from August and September 2016 respectively

2) San Giacomo Gestione Crediti SpA consolidated from April 2015

### Analysis of Consolidated Net Financial Position and Net Commercial Working Capital

As of 31 December 2016 the Net Financial Position of the Group was Euro 523.4 million, compared to Euro 568.6 million as of 30 June 2016 and Euro 499.6 million as of 31 December 2015, the latter adjusted to exclude the non-recurring impact of the Forward Start transaction. The ratio of Net Financial Position to last twelve month EBITDA was 2.9x as of 31 December 2016, despite the cash outflow of approximately Euro 35 million related to the Forward Start refinancing transaction in January 2016 and the payment of dividends of approximately Euro 45 million on 11 May 2016.

<b>Consolidated Net Financial Position</b> <i>in millions of Euro</i>	<b>As of 31 December</b> <b>2016</b>	<b>As of 30 June</b> <b>2016</b>	<b>As of 31 December</b> <b>2015<sup>1)</sup></b>
Net Financial Position	523.4	568.6	499.6
LTM Adjusted EBITDA Multiple <sup>2)</sup>	2.9x	3.2x	2.9x

1) Excluding the non-recurring impact of the Forward Start Transaction

2) Adjusted to include the EBITDA of the M&A transactions in the 12 months before the selected period

The Net Commercial Working Capital increased to Euro 40.9 million as of 31 December 2016 from Euro 37.8 million of the prior year. More in detail:

- The increase in Trade Receivables of Euro 15.1 million is mainly driven by the growth of the Credit Management division and the interesting growth of sales in the last quarter;
- The increase in Trade Payables of Euro 8.6 million is due to the higher operating costs and the liabilities related to investments in the new headquarter;
- The increase in Deferred Revenues of Euro 3.2 million, net of associated commercial costs, is related to the increasing consumption of prepaid services invoiced in the previous year.

<b>Consolidated Net Commercial Working Capital</b> <i>in millions of Euro</i>	<b>As of 31 December</b> <b>2016</b>	<b>As of 31 December</b> <b>2015</b>	<b>% Growth</b>
Trade Receivables	154.9	139.8	10.8%
Inventories	1.7	2.0	(12.3%)
Trade Payables	(38.5)	(30.0)	28.6%
Deferred Revenues	(77.3)	(74.0)	4.3%
<b>Consolidated Net Commercial Working Capital</b>	<b>40.9</b>	<b>37.8</b>	<b>8.2%</b>

## Analysis of Consolidated Operating Cash Flow

In 2016 the Operating Cash Flow grew by 5.8%, from Euro 136.1 million to Euro 144.0 million, mainly due to the increase in EBITDA and lower absorption from changes in other assets and liabilities, despite higher investments and an increased investment in working capital in the Credit Management division. The Operating Cash Flow excludes investments related to the new headquarter, which amount to a total of Euro 4.8 million.

<b>Consolidated Operating Cash Flow</b> <i>in millions of Euro</i>	<b>Full Year</b> <b>2016</b>	<b>Full Year</b> <b>2015</b>	<b>% Growth</b>
EBITDA	180.0	170.8	5.4%
Investments	(33.5)	(31.6)	5.9%
Change in Working Capital	(4.6)	3.0	n.m.
Change in other Asset/Liabilities	2.0	(6.0)	n.m.
<b>Consolidated Operating Cash Flow</b>	<b>144.0</b>	<b>136.1</b>	<b>5.8%</b>

## Financial statements of the parent company Cerved Information Solutions S.p.A.

The Board of Directors also approved the Financial Statements of the parent company Cerved Information Solutions S.p.A., the holding company of the Cerved Group.

In fiscal year 2016 Cerved Information Solutions S.p.A. reported Revenues of Euro 3.1 million, chiefly related to the recharge of costs to the subsidiary Cerved Group S.p.A. for its activities as top holding company. Costs are mainly related to Personnel Expenses for Euro 5.0 million and Cost of Services for Euro 1.0 million. Cerved Information Solutions S.p.A. generated Net Income of Euro 42.5 million, thanks also to the dividends received from the subsidiary Cerved Group S.p.A. for Euro 45.0 million. The balance sheet of Cerved Information Solutions S.p.A. reported Shareholder's Equity of Euro 584.6 million and a Net Financial Position with Euro 1.7 million of net cash.

## Significant events after the end of the fiscal year

Following the end of the year, the Company highlights that:

- On January 13, 2017, the Board of Directors of Cerved Information Solutions S.p.A. resolved to transfer its registered offices to Via dell'Unione Europea n. 6A/6B, in San Donato Milanese. The transfer of the registered offices – resolved in light of the continuous increase of the group's workforce, as an effect of the combination of organic growth and recent acquisitions – is effective from February 6, 2017 and will allow Cerved to improve its organizational efficiency;
- On February 7, 2017, the subsidiary Cerved Credit Management Group S.r.l. signed with Barclays Bank PLC a letter of intent to assign, on an exclusive basis to Cerved Group, the coordination of the servicing activities related to the mortgage portfolio of approximately Euro 12 billion starting from Q3 2017. The transaction will allow Cerved Group to strengthen its position also in the management of performing loans.

## Business outlook

With respect to the business outlook for 2017, and similarly to 2016, the Group foresees a scenario of increasing Revenues and EBITDA, with a contribution from all business divisions (Credit Information, Credit Management and Marketing Solutions), in addition to a further integration of processes and efficiency gains, with the aim of improving margins and the generation of operating cash flows.

### **Proposal for the Net Income distribution and Share Premium Reserve distribution**

The Board of Directors has resolved to propose to the Shareholders' Meeting the distribution of the Euro 42.5 million Net Income as ordinary dividend for Euro 42.5 million, equal to Euro 0.218 per ordinary share, and to allocate to Retained Earnings the remaining balance.

The Board of Directors has also resolved to distribute, as extraordinary dividend (and jointly with the ordinary dividend, the "Dividend"), part of the share premium reserve for Euro 5.7 million, equal to Euro 0.029 per ordinary share. It is clarified that such dividend is not extraordinary if referred to the dividend policy of the Company and it has to be considered coherent with the distribution occurred in 2015 and 2016.

The Dividend will be payable on the 4<sup>th</sup> of May 2017, with coupon tender date on 2<sup>th</sup> of May 2017, and record date on 3<sup>rd</sup> of May 2017.

### **Other resolutions**

The Board of Directors of Cerved Information Solutions S.p.A. has also, *inter alia*, resolved to summon the Ordinary Shareholders' Meeting on 13 April 2016 in single call, entrusting the Chairman of the Board of Directors and the Chief Executive Officer, severally, to carry out all the activities required to convene the meeting in compliance with the company's bylaws and applicable legislation and regulation.

Additionally, the Board of Directors of Cerved Information Solutions S.p.A. resolved to propose to the Shareholders' Meeting of next 13 April 2017 the authorization to purchase and dispose treasury shares, in compliance with applicable law, having previously revoked the authorization resolved on 29 April 2016, pursuant to Art. 2357 of the Italian Civil Code, Art. 132 of Legislative Decree No. 58 of 24 February 1998 and Art. 144-*bis* of the Issuers' Regulations adopted by Consob with Resolution No. 11971 of 14 May 1999, as subsequently amended.

The proposal aims at authorizing the Board of Directors to purchase ordinary shares of the Company, in one or more *tranches*, up to a maximum of 5% of the Company's shares and for a period of 18 months from the date of the Shareholders' Meeting resolution. The assumptions underlying this proposal and the main objectives that the Board of Directors intends to achieve are the following:

- to support the liquidity of the shares of the Company in order to foster regular negotiations of the shares;
- to establish an "inventory of treasury shares" which could be used as consideration for extraordinary transactions, as well as to provide the shareholders with an additional tool to monetize their investment, possibly integrating and/or replacing the dividend distribution policy;
- to fulfill obligations arising from programs that require distribution of shares to Directors, employees and associates of the Company and its subsidiaries;
- to fulfill obligations arising from debt instruments convertible into equity instruments.

The purchase price of the shares will be determined, each time, based on the modality selected to execute the transaction and in accordance with legislative and regulatory requirements, at a price per share that may not be lower or higher by more than 10%, respectively, compared to the closing stock market price of the Company's stock for the trading session preceding each buy transaction; sales of treasury shares may be executed at a price that shall not be lower than 10% the average of the closing prices recorded on the Online Stock Exchange during the five days preceding the sale.

As at the date of this notice, the Company does not own, either directly or indirectly, any treasury share. For further details, please refer to the Report of the Board of Directors that will be made available to the public in accordance with terms and conditions provided by applicable law.





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According to paragraph 2 of article 154-bis of the Consolidated Finance Law, the Executive appointed to draft corporate accounts, Mr. Giovanni Sartor, stated that the accounting information herein contained tallies with the company's documentary evidence, ledgers and accounts.

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*Cerved Group is a leading information provider in Italy and one of the major credit rating agencies in Europe. It offers the most comprehensive range of products and services used by more than 30 thousand companies and financial institutions to assess the solvency and creditworthiness of its stakeholders, manage credit risk in all its phases, and accurately define marketing strategies. Furthermore, through Cerved Credit Management, Cerved is a leading independent player in offering solutions for the evaluation and management of credit exposures.*

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**CONSOLIDATED RECLASSIFIED INCOME STATEMENT**

<i>(in millions of Euros)</i>	<b>As of December 31 2016</b>	<b>As of December 31 2015</b>
<b>Revenues</b>	<b>377.0</b>	<b>353.5</b>
Other Income	0.1	0.2
Cost of raw materials and other materials	(7.4)	(8.3)
Cost of services	(84.9)	(78.9)
Personnel costs	(91.7)	(81.5)
Other operating costs	(8.6)	(8.5)
Impairment of receivables and other accruals	(4.5)	(5.7)
Total operating costs	(197.1)	(182.9)
<b>Adjusted EBITDA</b>	<b>180.0</b>	<b>170.8</b>
Performance Share Plan	(0.7)	-
<b>EBITDA</b>	<b>179.3</b>	<b>170.8</b>
Depreciation and amortization	(78.0)	(74.2)
<b>Operating profit before non recurring items</b>	<b>101.3</b>	<b>96.6</b>
Non recurring items	(6.5)	(3.8)
<b>Operating profit</b>	<b>94.8</b>	<b>92.8</b>
Financial income	0.8	1.1
Financial charges	(19.5)	(43.2)
Non recurring financial charges	(0.5)	(52.4)
Income tax expense	(22.4)	5.3
Non recurring Income tax expense	(4.5)	-
<b>Net Income</b>	<b>48.7</b>	<b>3.6</b>

**Notes:**

*Adjusted EBITDA excludes the impact of Performance Share Plan 2019-2021.*

*EBITDA corresponds to the operating profit before depreciation, amortisation and non-recurring items.*

*For further details on the financials of the Group, please refer to the Annual Report of Cerved Information Solutions SpA as of December 31, 2016.*

**CONSOLIDATED RECLASSIFIED BALANCE SHEET**

<i>(in millions of Euros)</i>	<b>As of December 31 2016</b>	<b>As of December 31 2015</b>
Intangible assets	423.7	459.7
Goodwill	732.5	718.8
Tangible assets	19.8	16.4
Financial assets	8.7	8.3
<b>Fixed assets</b>	<b>1,184.7</b>	<b>1,203.1</b>
Inventories	1.7	2.0
Trade receivables	154.9	139.8
Trade payables	(38.5)	(30.0)
Deferred revenues	(77.3)	(74.0)
<b>Net working capital</b>	<b>40.9</b>	<b>37.8</b>
Other receivables	7.7	7.6
Other payables	(53.9)	(32.2)
Net corporate income tax items	0.3	(1.0)
Employees Leaving Indemnity	(13.1)	(12.5)
Provisions	(7.3)	(8.5)
Deferred taxes (1)	(91.9)	(88.7)
<b>Net Invested Capital</b>	<b>1,067.4</b>	<b>1,105.6</b>
IFRS Net Debt (2)	523.4	536.8
Group Equity	543.9	568.8
<b>Total Sources</b>	<b>1,067.4</b>	<b>1,105.6</b>

**Notes:**

*For further details on the financials of the Group, please refer to the Annual Report of Cerved Information Solutions SpA as of December 31, 2016.*

*(1): Non cash item*

*(2): Net of capitalized financing fees*

**CONSOLIDATED CASH FLOW STATEMENT**

<i>(in millions of Euros)</i>	<b>As of December 31 2016</b>	<b>As of December 31 2015</b>
<b>EBITDA Adjusted</b>	<b>180.0</b>	<b>170.8</b>
Net Capex	(33.5)	(31.6)
<b>EBITDA Adjusted-Capex</b>	<b>146.5</b>	<b>139.1</b>
<i>as % of EBITDA</i>	81%	81%
Cash change in Net Working Capital	(4.6)	3.0
Change in other assets / liabilities	2.0	(6.0)
<b>Operating Cash Flow</b>	<b>144.0</b>	<b>136.1</b>
Interests paid	(29.2)	(40.3)
Cash taxes	(27.3)	(40.2)
Non recurring items (1)	(8.8)	(3.2)
<b>Cash Flow (before debt and equity movements)</b>	<b>78.7</b>	<b>52.3</b>
Dividends	(44.4)	(40.1)
Acquisitions / deferred payments / earnout (2)	(27.9)	(23.5)
Other	-	(1.1)
Refinancing	(35.5)	-
<b>Net Cash Flow of the Period</b>	<b>(29.1)</b>	<b>(12.3)</b>

**Notes:**

*For further details on the financials of the Group, please refer to the Annual Report of Cerved Information Solutions SpA as of December 31, 2016.*

*(1): Includes €2.2m cash outflow for the new headquarters as of 31 December 2016*

*(2): Includes cash contributed by acquired companies*

**CONSOLIDATED NET FINANCIAL POSITION**

<i>(in millions of Euros)</i>	As of December 31 2016	As of December 31 2015
A. Cash	0.0	0.0
B. Cash equivalent	48.5	50.7
C. Trading securities	-	-
<b>D. Liquidity (A)+(B)+(C)</b>	<b>48.5</b>	<b>50.7</b>
E. Current Financial Receivables	-	-
F. Current Bank debt	(0.2)	(0.7)
G. Current portion of non-current debt	(11.4)	(569.3)
H. Other current financial liabilities	(2.6)	(1.5)
<b>I. Current Financial Debt (F)+(G)+(H)</b>	<b>(14.2)</b>	<b>(571.6)</b>
<b>J. Net Current Financial Indebtedness (D)+(E)+(I)</b>	<b>34.3</b>	<b>(520.8)</b>
K. Non-current Bank loans	(556.8)	(16.0)
L. Bond Issued	-	-
M. Other non current loans	(0.9)	-
<b>N. Non-current Financial Indebtedness (K)+(L)+(M)</b>	<b>(557.7)</b>	<b>(16.0)</b>
<b>O. Net Financial Indebtedness (J)+(N)</b>	<b>(523.4)</b>	<b>(536.8)</b>

Notes:

For further details on the financials of the Group, please refer to the Annual Report of Cerved Information Solutions SpA as of December 31, 2016.

**INCOME STATEMENT - CERVED INFORMATION SOLUTIONS SPA**

<i>(in millions of Euros)</i>	As of December 31 2016	As of December 31 2015
<b>Revenues</b>	<b>3.1</b>	<b>2.8</b>
Other Income	-	-
Cost of raw materials and other materials	(0.0)	(0.0)
Cost of services	(1.0)	(0.9)
Personnel costs	(5.0)	(3.7)
Other operating costs	(0.4)	(0.5)
Depreciation and amortization	(0.1)	(0.0)
<b>Operating profit</b>	<b>(3.4)</b>	<b>(2.4)</b>
Financial income	45.0	40.3
Financial charges	(0.0)	(0.0)
<b>Profit before taxes</b>	<b>41.6</b>	<b>37.9</b>
Income tax expense	0.9	0.5
<b>Net Income</b>	<b>42.5</b>	<b>38.3</b>

**Notes:**

*For further details on the financials of the Group, please refer to the Annual Report of Cerved Information Solutions SpA as of December 31, 2016.*

**BALANCE SHEET - CERVED INFORMATION SOLUTIONS SPA**

<i>(in millions of Euros)</i>	As of December 31 2016	As of December 31 2015
Property, plant and equipment	0.2	0.2
Intangible assets	0.0	-
Investments in associates	583.0	582.6
Deferred tax assets	1.0	1.5
<b>Non-current assets</b>	<b>584.3</b>	<b>584.3</b>
Trade receivables	0.3	0.1
Tax receivables	0.0	0.7
Other receivables	1.6	2.5
Other current assets	0.0	0.0
Cash and cash equivalents	1.7	30.7
<b>Current assets</b>	<b>3.7</b>	<b>34.0</b>
<b>Total assets</b>	<b>588.0</b>	<b>618.3</b>
Share capital	50.5	50.5
Statutory reserve	10.1	10.1
Additional paid-in-capital	480.9	487.5
Other reserves	0.7	(0.0)
Net profit	42.5	38.3
<b>Shareholders' equity</b>	<b>584.6</b>	<b>586.4</b>
Employee benefits	0.4	0.4
<b>Non-current liabilities</b>	<b>0.4</b>	<b>0.4</b>
Short-term borrowings	0.0	28.5
Trade payables	0.5	0.7
Current tax payables	0.9	0.1
Other tax payables	0.1	0.1
Other liabilities	1.4	2.1
<b>Current liabilities</b>	<b>2.9</b>	<b>31.6</b>
<b>Total liabilities</b>	<b>3.3</b>	<b>31.9</b>
<b>Total liabilities and Shareholders' equity</b>	<b>588.0</b>	<b>618.3</b>

**CASH FLOW STATEMENT - CERVED INFORMATION SOLUTIONS SPA**

<i>(in millions of Euros)</i>	<b>As of December 31 2016</b>	<b>As of December 31 2015</b>
Profit before taxes	41.6	37.9
Depreciation and amortization	0.1	0.0
Costs for Performance Share Plan	0.2	-
Net financial income	(45.0)	(40.2)
<b>Cash flow from operating activities before changes in working capital</b>	<b>(3.0)</b>	<b>(2.3)</b>
Change in operating working capital	(0.5)	(0.2)
Change in other working capital items	3.1	2.5
Change in provisions	(0.0)	-
<b>Cash flow from changes in working capital</b>	<b>2.6</b>	<b>2.4</b>
Income taxes paid	-	-
<b>Cash flow from/(used in) operating activities</b>	<b>2.6</b>	<b>2.4</b>
Additions to property, plant and equipment	(0.1)	(0.1)
Financial income	0.0	0.0
Dividends received	45.0	40.3
<b>Cash flow from/(used in) investing activities</b>	<b>44.9</b>	<b>40.2</b>
Dividends paid	(44.9)	(40.0)
Change in short-term financial debt	(28.5)	28.5
Interest paid	-	(0.0)
<b>Cash flow from/(used in) financing activities</b>	<b>(73.4)</b>	<b>(11.5)</b>
<b>Net change in cash and cash equivalents</b>	<b>(29.0)</b>	<b>28.7</b>
Cash and cash equivalents at the beginning of the period	30.7	2.0
Cash and cash equivalents at the end of the period	1.7	30.7
<b>Differenza</b>	<b>(29.0)</b>	<b>28.7</b>

**Note:**

*For further details on the financials of the Group, please refer to the Annual Report of Cerved Information Solutions SpA as of December 31, 2016.*



Fine Comunicato n.1597-18

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