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at 31 December 2016

Testo del comunicato

Vedi allegato.



TECNOINVESTIMENTI

PRESS RELEASE

The Board of Directors approves the results at 31 December 2016

- **Group adjusted net profit: €15.9 million (+35.5%)**

€ millions, for the year ended 31/12	2016	2015	Δ%
Revenue	€147.3	€126.4	16.5%
EBITDA¹	€29.7	€25.5	16.8%
EBIT	€18.1	€16.8	8.0%
Group net profit²	€12.1	€11.0	9.4%
- <i>per share³</i>	0.32	0.35	-7.4%
Group adjusted net profit⁴	€15.9	€11.8	35.5%
Net financial debt	€71.2	€48.5	46.6%
Shareholders' equity	€130.4	€77.2	68.9%

DIVIDEND PROPOSED FOR THE SHAREHOLDERS' MEETING OF 27 APRIL:

- **€4,047 thousand, OR €0.0875 PER SHARE**
- **DIVIDEND INCREASED BY 60% COMPARED WITH 2015**
- **33% PAYOUT RATIO**

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Rome, 21 March 2017. The Board of Directors of Tecnoinvestimenti S.p.A., meeting under the chairmanship of Enrico Salza, approved the Draft Financial Statements at 31 December 2016, presented by the Chief Executive Officer Pier Andrea Chevallard, which will be submitted for approval to the shareholders on 27 April 2017 in Milan.

"The Group is consolidating and progressing, expanding its operations into highly promising areas. The dividend distribution, which we are recommending to the Shareholders' Meeting has increased by 60%, is an indication of the Group's excellent health," noted Chairman Salza.

"The year 2016 represents a pivotal moment that deeply changed the Group, opening a path towards further growth in 2017 and beyond, driven also by projects that we are currently working on," added Chief Executive Officer Pier Andrea Chevallard.

¹ EBITDA are a benchmark used by management to monitor and assess the Group's operating performance, on its own and in comparison with its peers, even though the measurement criteria applied by the Group could differ from those adopted by other companies. EBITDA is computed as the profit (loss) for the period before income taxes, net financial charges, depreciation and amortization, accruals to provisions and impairment losses.

² Net of minority interest in net profit.

³ As a result of the capital raise completed in August 2016 the share capital increased to 46,256,120 shares, up from 31,700,000 shares. The weighted average number of shares outstanding was 37,466,769 in 2016 and 31,700,000 in 2015, both data used for the computation of the respective earnings per share.

⁴ The adjusted net profit excludes nonrecurring components and the amortization of the intangible assets recognized upon the allocation of the price paid for business combinations, net of tax effect.



TECNOINVESTIMENTI

CONSOLIDATED ECONOMIC RESULTS OF THE GROUP

The Group ended 2016 with **Revenue of €147.325 thousand, EBITDA of €29.740 thousand, EBIT of €18,140 thousand** and a **Net profit of €12,120 thousand**. These results also reflect the performance of two important companies that were acquired during the year: the Co.Mark Group, consolidated as of 1 April 2016, and the Visura Group, consolidated as of 1 July 2016. The **Adjusted net profit**, which excludes nonrecurring components and the amortization of the intangible assets recognized upon the allocation of the price paid for business combinations, net of tax effect, thereby providing a clearer picture of the Group's operating performance, amounted to **€15,917 thousand**, for an increase of 35.5% compared with the amount earned in 2015 (**€11.750 thousand**).

At 31 December 2016, the Group's **Net financial position** or **NFP** (also called Net Financial Debt) totaled **€71,186 thousand** and reflects the impact of the acquisition of the Co.Mark and Visura groups.

The Board of Directors of Tecnoinvestimenti S.p.A., in view of the Group's solid performance in 2016 and its growth prospects for 2017, recommended that the Shareholders' Meeting scheduled for 27 April 2017 in Milan distribute a **dividend of €4,047 thousand**, equal to **€0.0875 per share**, for a **Payout ratio of 33.4%**.

Group Adjusted Net Profit

The table below explains the method applied to compute the Group adjusted net profit (inclusive of minority interest), used to present the Group's operating performance, net of nonrecurring events and the amortization of the intangible assets recognized in connection with business combinations. This indicator reflects the Group's economic performance, net of nonrecurring factors that are not directly attributable to the activities and operation of its core business, thus allowing a more homogeneous analysis of the Group's performance in the periods under comparison.

€ '000	2016	2015	Δ	Δ %
Net profit for the year	12,120	11,069	1,051	9.5%
Other revenue – gain from the Ribes S.p.A. court decision	-405	-2,295	1,890	
Nonrecurring service costs – STAR listing costs	942	-	942	
Nonrecurring service costs – incidental costs of the acquisitions of Co.Mark/Visura groups	436	-	436	
Nonrecurring personnel costs – restructuring and early retirement incentives	-	163	-163	
Nonrecurring write-downs of fixed assets	-	214	-214	
Amortization of intangibles recognized upon cost allocation (PPA)	4,373	2,932	1,441	
Tax effect	-1,549	-333	-1,216	
Adjusted profit (loss) for the year	15,917	11,750	4,167	35.5%



TECNOINVESTIMENTI

OPERATING ACTIVITIES BY BUSINESS SEGMENTS

The table that follows shows the growth dynamics by business segment, listing the respective revenue and EBITDA and providing a comparison with the previous year:

Condensed income statement by operating segment (in thousands of euros)	Digital Trust		Credit Information & Management		Sales & Marketing Solution		Other segments (Holding company costs)		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Segment revenue	59,278	47,070	75,043	79,105	13,053	-	617	634	147,991	126,810
Intercompany revenue	60	5	181	27	-	-	426	339	667	371
Revenue from external customers	59,218	47,065	74,863	79,078	13,053	-	191	296	147,325	126,439
EBITDA	14,938	10,939	14,219	16,954	5,242	-	(4,658)	(2,442)	29,740	25,452
EBITDA margin	25.2%	23.2%	19.0%	21.4%	40.2%	-	-	-	20.2%	20.1%

The table below, which was prepared with the aim of providing a clearer presentation of the Group's performance, shows pro forma data at December 31, 2016 from an income statement, up to the EBITDA line, that include the results of the Co.Mark Group and the Visura Group as if they had been acquired on 1 January 2016 and excluding all nonrecurring components.

Pro forma condensed income statement by operating segment net of nonrecurring components (in thousands of euros)	Digital Trust		Credit Information & Management		Sales & Marketing Solutions		Other (Holding company costs)		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue from external customers	68,307	62,344	74,458	79,195	17,587	15,251	191	295	160,543	157,085
EBITDA	17,751	16,101	13,814	14,709	6,810	4,613	-3,280	-2,441	35,095	32,982
EBITDA %	26.0%	25.8%	18.6%	18.6%	38.7%	30.2%	n.a.	n.a.	21.9%	21.0%

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GROUP

The increase in total non-current assets/liabilities compared with 31 December 2015 is mainly attributable to the acquisition of the Co.Mark and Visura groups, which is reflected in the Intangible assets and goodwill line item: for the Co.Mark Group due to the recognition of the goodwill generated by the acquisition (amounting to €46,663 thousand) and of the intangible assets resulting from the purchase price allocation for the excess cost paid, net of the amortization recognized (€2,963 thousand); for the Visura Group (consolidated as of July 2016) due to the recognition of goodwill amounting to €30,217 thousand. The excess cost paid for the Visura Group acquisition was provisionally allocated to goodwill, as all of the information needed for an accurate allocation of the price paid were still not available.



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Shareholders' equity increased by €53,178 thousand, due to the capital raise undertaken in connection with the listing on the STAR segment of the Italian Telematic Stock Exchange (MTA) this past August in the amount of €49,491 thousand, net of costs recognized as a deduction from additional paid-in capital for €951 thousand. Other changes that occurred during the reporting period include a dividend distribution totaling €3,849 thousand, the net profit for the period of €12,120 thousand and the adjustment to the carrying value of the put options for minority interests amounting to €4,427 thousand.

Group Net Financial Debt

In 2016, **net financial debt** grew to **€71,186 thousand**, up from €48,545 thousand, mainly due to the effect of the acquisition of the Co.Mark and Visura groups. Please note that the balance of €71,186 thousand includes liabilities of **€69.715 thousand** for the **put options and earnout provisions** related to the acquisition of minority interests in subsidiaries.

BUSINESS OUTLOOK

In 2017, the Group will continue to pursue its operating activities, bolstered by the contributions that the recently completed nonrecurring transactions will provide and the realization of the positive effects generated by cross selling activities and programs to streamline the organization and increase the efficiency of the procurement process implemented internally by the three Business Units.

RESULTS OF TECNOINVESTIMENTI S.P.A.

Tecnoinvestimenti S.p.A. functions as the group's Parent Company and does not undertake any operational business activities, but supplies services primarily to its subsidiaries. In 2016, Tecnoinvestimenti's revenue amounted to €617 thousand, while Operating costs totaled €4,840 thousand. EBITDA was negative by €4,223 thousand. Financial income, which consisted mainly of dividends from subsidiaries, amounted to €10,134 thousand. After financial charges of €1,524 thousand and negative income taxes of €1,613 thousand, the Net profit amounted to €5,931 thousand.

2016 Dividend

The Board of Directors of Tecnoinvestimenti S.p.A., in view of the Group's outstanding performance in 2016 and its growth prospects for 2017, recommended that the Shareholders' Meeting scheduled for 27 April 2017 in Milan distribute a dividend of **€4,047 thousand, equal to €0.0875 per share**, for a **Payout ratio of 33.4%**.

The dividend paid by Tecnoinvestimenti for the 2015 reporting year amounted to €2,536 thousand, or €0.08 per share, for a payout ratio of 22.9%.

SHAREHOLDERS' MEETING

Tecnoinvestimenti's Board of Directors resolved to convene an Ordinary Shareholders' Meeting for 27 April 2017 at the Company's offices at Via Meravigli, 7 in Milan, to adopt resolutions regarding



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the approval the 2016 statutory financial statements and of the motion of the Board of Directors regarding the appropriation of the net profit and the issuance of a consultative opinion concerning the Compensation Report.

The Notice of Shareholders' Meeting and the corresponding supporting documents, including the draft statutory financial statements, the consolidated financial statements (together with the respective reports of the Independent Auditors and the Board of Statutory Auditors), will be made available to the public within the deadlines and in the manner required pursuant to law, inclusive on the Company website.

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Pursuant to Article 154 bis, Section 2, of the Italian Uniform Financial Code, Nicola Di Liello, the Corporate Accounting Documents Officer, hereby declares that the accounting disclosures provided in this press release are consistent with the data in the supporting documents and in the Company's books of accounts and other accounting records.

THE TECNOINVESTIMENTI GROUP

The Tecnoinvestimenti Group reported revenue of **€147.3 million**, EBITDA of **€29.7 million** and a net profit of **€12.1 million** in 2016. The **adjusted net profit**, which does not include nonrecurring components and the amortization recognized in connection with business combinations, amounted to **€15.9 million**. Tecnoinvestimenti is listed on the STAR segment of the Milan Stock Exchange. The Group is one of Italy's top operators in its three areas of business: Digital Trust, Credit Information & Management and Sales & Marketing Solutions. The Digital Trust Business Unit, through the companies InfoCert and Visura, provides products and services for document digitalization, electronic billing, certified email and digital signature. InfoCert is a European Certification Authority and one of four Identity Trust Providers accredited in Italy. The Credit Information & Management Business Unit, which includes the companies Ribes and Assicom and their subsidiaries, offers decision-making support services such as Chamber of Commerce and real estate information, aggregate reports, summary ratings, decision-making models, real estate appraisals and valuations, with special emphasis on the supply and assessment of credit and collection services. The Sales & Marketing Solutions Business Unit, through the company Co.Mark, offers solutions and tools to help small and medium-sized companies expand internationally.

Website: www.tecnoinvestimenti.it; Stock ticker: TECN; ISIN Code IT0005037210

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Schedules with the Income Statement, Statement of Financial Position and Statement of Cash Flows are annexed to this press release.



TECNOINVESTIMENTI

Consolidated Income Statement

A schedule showing the 2016 reclassified consolidated income statement is provided below:

for the year ended 31 December

	2016	%	2015	%	Δ	Δ %
(€ '000)						
Revenue	147,325	100%	126,439	100%	20,886	16.5%
Total operating costs	117,584	79.8%	100,988	79.9%	16,596	16.4%
Raw material costs	6,105	4.1%	7,000	5.5%	-895	-12.8%
Service costs	61,804	42.0%	56,385	44.6%	5,419	9.6%
Personnel costs	48,153	32.7%	36,832	29.1%	11,321	30.7%
Other operating costs	1,522	1.03%	771	0.6%	751	97.4%
EBITDA	29,740	20.2%	25,452	20.1%	4,288	16.8%
Depreciation, amortization, impairment losses and accruals to provisions	11,601	7.9%	8,662	6.9%	2,939	33.9%
EBIT	18,140	12.3%	16,790	13.3%	1,350	8.0%
Financial income	727	0.5%	206	0.2%	521	252.7%
Financial charges	1,767	1.2%	1,303	1.0%	464	35.6%
Pro rata interest in the result of investee companies carried at equity	13	0.0%	51	0.0%	-38	-75.5%
Income taxes	4,992	3.4%	4,675	3.7%	317	6.8%
Consolidated net profit	12,120	8.2%	11,069	8.8%	1,051	9.5%
Net profit for the period attributable to:						
owners of the Parent	12,062		11,024			
non-controlling interests	58		45			



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Statement of profit/(loss) and other components of the consolidated statement of comprehensive income

	<i>for the year ended 31 December</i>	
€ '000	2016	2015
Revenue	147,325	126,439
- amount with related parties	1,043	968
- amount from nonrecurring transactions	405	2,295
Raw material costs	6,105	7,000
Service costs	61,804	56,385
- amount with related parties	1,067	536
- amount from nonrecurring transactions	1,378	0
Personnel costs	48,153	36,832
- amount from nonrecurring transactions	0	163
Other operating costs	1,522	771
- amount with related parties	67	0
Depreciation and amortization	10,106	7,613
Accruals to provisions	466	47
Impairment losses	1,029	1,002
- amount from nonrecurring transactions	0	214
Total costs	129,185	109,650
EBIT	18,140	16,790
Financial income	727	206
Financial charges	1,767	1,303
- amount with related parties	243	0
Net financial charges	-1,041	-1,097
Pro rata interest in the result of investee companies carried at equity, net of tax effect	13	51
PROFIT BEFORE TAXES	17,111	15,744
Income taxes	4,992	4,675
- amount from nonrecurring transactions	-132	866
RESULT FROM CONTINUING OPERATIONS	12,120	11,069
Result from discontinued operations	0	0
CONSOLIDATED NET PROFIT FOR THE PERIOD	12,120	11,069



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CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GROUP

€ '000	31/12/2016	31/12/2015
ASSETS		
Property, plant and equipment	7,050	5,813
Intangible assets and goodwill	199,225	120,790
Equity investments carried at equity	2,471	2,458
Equity investments carried at cost or fair value	11	18
Other financial assets, excluding financial derivatives	2,898	19
Deferred tax assets	2,898	2,239
Trade and other receivables	351	2,251
NON-CURRENT ASSETS	214,904	133,589
Inventories	1,001	424
Other financial assets, excluding financial derivatives	6,352	3,359
Current tax assets	3,659	1,919
- <i>amount with related parties</i>	2,083	1,420
Trade and other receivables	50,948	43,974
- <i>amount with related parties</i>	237	449
Cash and cash equivalents	60,431	19,316
Assets held for sale	199	0
CURRENT ASSETS	122,590	68,992
TOTAL ASSETS	337,493	202,581
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	46,256	31,700
Reserves	83,985	45,398
<i>Shareholders' equity attributable to owners of the Parent</i>	130,241	77,098
Shareholders' equity attributable to non-controlling interests	131	96
TOTAL SHAREHOLDERS' EQUITY	130,372	77,194
LIABILITIES		
Provisions	1,279	1,200
Employee benefits	6,186	5,143
Financial liabilities, excluding financial derivatives	100,839	60,128
- <i>amount with related parties</i>	25,000	0
Financial derivatives	228	176
Deferred tax liabilities	8,292	7,829
Trade and other payables	5	0
Deferred revenue and income	546	75
NON-CURRENT LIABILITIES	117,374	74,551
Provisions	265	0
Employee benefits	182	0
Financial liabilities, excluding financial derivatives	36,902	10,916
- <i>amount with related parties</i>	156	0
Trade and other payables	33,185	28,991
- <i>amount with related parties</i>	188	103
Deferred revenue and income	17,732	9,565
- <i>amount with related parties</i>	0	5
Current tax liabilities	1,481	1,364
- <i>amount with related parties</i>	608	805
CURRENT LIABILITIES	89,747	50,836
TOTAL LIABILITIES	207,122	125,387
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	337,493	202,581



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Group Net Financial Debt

The table below shows a breakdown of the Group's net financial debt at 31 December 2016 and a comparison with the same position at 31 December 2015:

€ '000

	31/12/2016	31/12/2015	Change	%
A Cash	60,377	19,262	41,115	213%
B Cash equivalents	54	54	0	1%
D Liquid assets (A+B)	60,431	19,316	41,115	213%
E Current financial receivables	6,352	3,359	2,994	89%
F Current bank debt	-2,813	-3,215	402	-13%
G Current portion of non-current debt	-7,302	-6,329	-973	15%
H Other current financial debt	-26,788	-1,372	-25,415	1852%
I Current financial debt (F+G+H)	-36,902	-10,916	-25,986	238%
J Net current financial debt (D+E+I)	29,881	11,759	18,123	154%
K Non-current bank debt	-22,869	-27,624	4,755	-17%
L Other non-current financial debt	-78,198	-32,680	-45,518	139%
M Non-current financial debt (K+L)	-101,067	-60,304	-40,763	68%
N Net financial debt (J+M) (*)	-71,186	-48,545	-22,640	47%
O Other non-current financial assets	2,898	19	2,878	14888%
P Total net financial debt (N+O)	-68,288	-48,526	-19,762	41%

(*) Net financial debt computed in accordance with the provisions of Consob Communication No. 6064293 of 28 July 2006 and consistent with the ESMA/2013/319 Recommendation.



TECNOINVESTIMENTI

Consolidated Statement of Cash Flows

€ '000	<i>for the year ended 31 December</i>	
	2016	2015
<i>Cash flow from operating activities</i>		
Profit for the period	12,120	11,069
Restatements for:		
- Depreciation of property, plant and equipment	2,496	1,686
- Amortization of intangible assets	7,610	5,927
- Write-downs (Revaluations)	1,029	788
- Accruals to provisions	466	47
- Impairment losses on intangible assets and goodwill	0	214
- Net financial charges	1,041	1,097
- <i>amount with related parties</i>	243	0
- Pro rata interest in the result of investee companies carried at equity	-13	-51
- Income taxes	4,992	4,675
Changes in:		
- Inventories	-372	142
- Trade and other receivables	1,940	-4,066
- <i>amount with related parties</i>	212	-385
- Trade and other payables	-2,318	-278
- <i>amount with related parties</i>	85	53
- Provisions and employee benefits	-971	-360
- Deferred revenue and income, including government grants	1,241	1,342
<i>Cash and cash equivalents generated by operating activities</i>	29,259	22,230
Interest paid	-1,108	-938
- <i>amount with related parties</i>	-87	0
Income taxes paid	-9,222	-7,655
<i>Net cash and cash equivalents generated by operating activities</i>	18,930	13,638
<i>Cash flow from (used in) investing activities</i>		
Interest collected	91	245
Proceeds from the sale of financial assets	0	6,070
Investments in unconsolidated investee companies	0	-625
Additions to property, plant and equipment	-2,882	-1,654
Additions to intangible assets	-2,863	-4,187
Change in scope of consolidation, net of acquired cash	-36,893	-2,786
<i>Cash and cash equivalents absorbed by investing activities</i>	-42,547	-2,936
<i>Cash flow from (used in) financing activities</i>		
Assumption of financial liabilities	29,300	1,590
- <i>amount with related parties</i>	25,000	0
Redemption of financial liabilities	-10,002	-2,721
Payment of indebtedness under finance leases	-99	-97
Capital increases by subsidiaries	1,175	0
Earnout payment to selling Ribes shareholders	0	-1,500
Tecnoinvestimenti's capital increase, net of costs recognized in equity	48,179	0
Dividends paid	-3,820	-3,486
<i>Cash and cash equivalents generated/(absorbed) by financing activities</i>	64,732	-6,214
Net increase (decrease) in cash and cash equivalents	41,115	4,488
Cash and cash equivalents at 1 January	19,316	14,828
<i>Cash and cash equivalents at 31 December</i>	60,431	19,316

Fine Comunicato n.20053-7

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