Think, Solve, Execute

Interim Financial Report
at 30 June 2017

(TRANSLATION FROM ITALIAN ORIGINAL WHICH REMAINS THE DEFINITIVE VERSION)

Table of contents

Interim Management Report at 30 June 2017

Half-year Condensed Consolidated Financial Statements at 30 June 2017

Interim Management Report at 30 June 2017

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

- **Carlo Achermann**	*Chairman*
- **Stefano Achermann**	*Chief Executive Officer*
- **Claudio Berretti**	*Director*
- **Anna Lambiase**	*Director*
- **Cristina Spagna**	*Independent Director*
- **Paola Tagliavini**	*Independent Director*
- **Davide Dattoli**	*Independent Director*
- **Gianluca Antonio Ferrari**	*Independent Director*
- **Alberto Mocchi**	*Independent Director*

The Board of Directors was appointed by the Shareholders' Meeting of 27 April 2017 for 3 years, with term of office expiring on approval of the financial statements at 31 December 2019. Board Director Alberto Mocchi was co-opted pursuant to art. 2386 of the Italian Civil Code on 19 July following the resignation of Board Director Umberto Quilici.

Board of Statutory Auditors

- **Giuseppe Leoni**	*Chairman*
- **Rosita Natta**	*Standing Auditor*
- **Stefano De Angelis**	*Standing Auditor*
- **Roberta Pirola**	*Alternate Auditor*
- **Biones Ferrari**	*Alternate Auditor*

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of 23 April 2015 for 3 years, with term of office expiring on approval of the financial statements at 31 December 2017.

Control and Risk Committee

- **Paola Tagliavini**	*Independent Chairman*
- **Alberto Mocchi**	*Independent Member*
- **Gianluca Antonio Ferrari**	*Independent Member*

The Control and Risk Committee was appointed by Board of Directors' resolution on 27 April 2017 for 3 years, expiring on approval of the financial statements at 31 December 2019.

Remuneration and Appointments Committee

- **Cristina Spagna**	*Independent Chairman*
- **Claudio Berretti**	*Member*
- **Davide Dattoli**	*Independent Member*

The appointment of the Remuneration and Appointments Committee was renewed by Board of Directors' resolution on 27 April 2017 for 3 years, expiring on approval of the financial statements at 31 December 2019.

Auditing Firm

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

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

2. Summary income statement and statement of financial position

(amounts in EUR millions)

Key profitability indicators

	1H 2017	1H 2016
Value of production	63.0	66.2
EBITDA	8.3	8.0
EBIT	5.2	5.2
Profit (loss) before tax	4.6	4.3
Net profit (loss)	2.5	2.6

Key equity and financial indicators

	30.06.2017	31.12.2016
Shareholders' Equity	51.5	51.0
Net Invested Capital	69.6	52.7
Net Operating Working Capital (NOWC)	21.9	10.5
Net Financial Position	(18.0)	(1.6)

Value of production by operating segment

	1H 2017	1H 2016
Business Consulting	47.7	50.0
ICT Solutions	13.9	14.4
ICT Professional Services	1.3	1.8
Other	0.1	0.0
TOTAL	**63.0**	**66.2**

Value of production by customer type

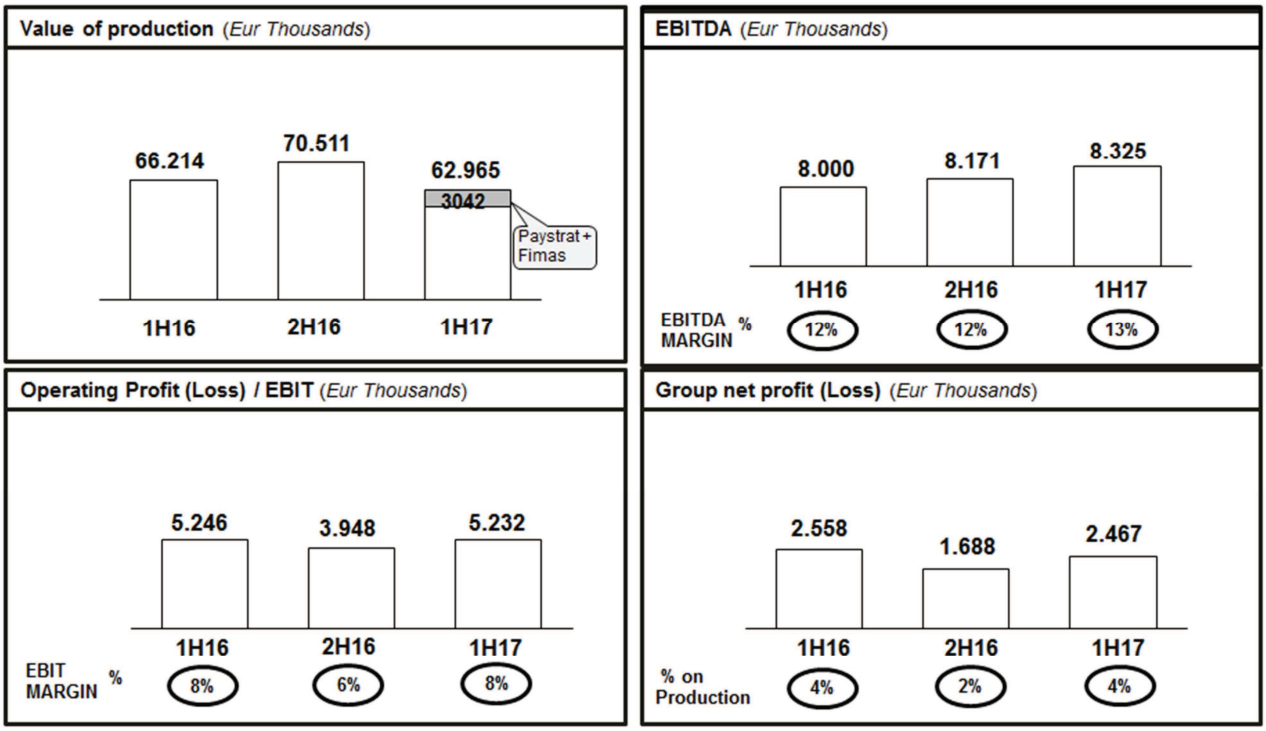
	1H 2017	1H 2016
Banks	50.6	55.5
Insurance	6.6	6.4
Industry	4.6	4.2
Public Administration	1.1	0.1
Other	0.1	0.0
TOTAL	**63.0**	**66.2**

Value of production by geographic area

	1H 2017	1H 2016
Italy	37.6	39.8
DACH Region (Germany, Austria, Switzerland)	16.1	14.1
U.K.	7.5	10.6
Other	1.8	1.7
TOTAL	**63.0**	**66.2**

Group Headcount

	30.06.2017	31.12.2016
Senior managers	104	99
Middle managers	116	123
White-collar staff	856	845
Blue collar	2	2
Apprentices	21	16
TOTAL	**1,099**	**1,085**



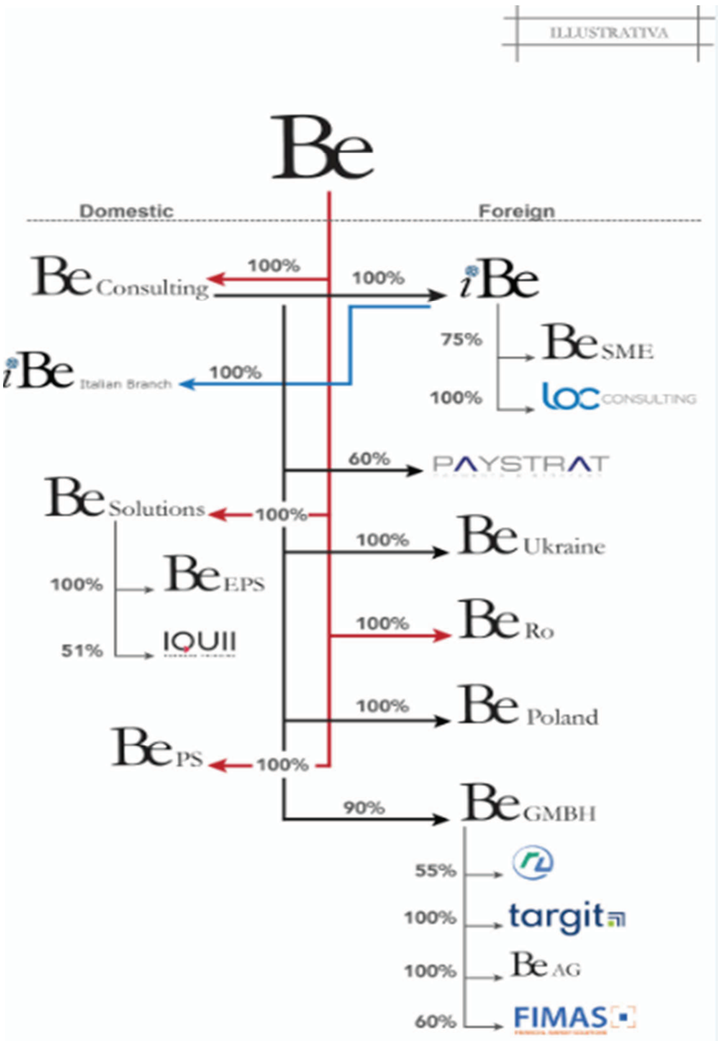
3. Group Structure and Shareholders

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 more than 1,100 employees and branches in Italy, Germany, United Kingdom, Switzerland, Austria, Poland, the Ukraine, Spain and Romania, in the first half of 2017 the Group recorded total revenues of Euro 63.0 million.

Be Think, Solve, Execute S.p.A. (**Be S.p.A.** for short), 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 organisation at 30 June 2017:

• Tamburi Investment Partners S.p.A.	23.41%
• iFuture Power in Action S.r.l.	10.02%
• BNY Mellon Service Kapitalanlage GmbH	10.00%
• Achermann Stefano	5.76%
• Other Shareholders	50,81%



At 30 June 2017, 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
Tamburi Investment Partners S.p.A.	Italian	31,582,225	23.41
iFuture Power in Action S.r.l.	Italian	13,519,265	10.02
BNY Mellon Service Kapitalanlage GmbH	German	13,489,700	10.00
Stefano Achermann	Italian	7,771,132	5.76
Float		**68,534,950**	**50.81**
Total		**134,897,272**	**100.00**

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	587 employees at 30 June 2017.
Core business	Banking, Insurance.
Segment revenue at 30 June 2017	Euro 47.7 million.
Operating units	Rome, Milan, London, Kiev, Warsaw, Munich, Vienna, Zurich, Madrid and Frankfurt.

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 holds 100% of Be Consulting S.p.A.'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 S.p.A. has held

100% of the company's share capital. In 2014, the company changed its name from the previous Bluerock Consulting Ltd.

- **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.
- **LOC Consulting Ltd.** A company whose registered office is in London, specialised in consulting services for the management of complex transformation programmes in the financial and public sectors in the UK. iBe TSE Limited holds 100% of the company's share capital.
- **Be Ukraine LLC.** Established in Kiev in December 2012, it performs consulting and development activities for core banking systems and in the areas of accounting and bank reporting. Since the second quarter of 2017, Be Consulting S.p.A. has held 100% of the company's share capital.
- **Be Poland Think, Solve and Execute, sp zo.o.** Established in Warsaw in January 2013, since the second quarter of 2017, Be Consulting S.p.A. has held 100% of the company's share capital.
- **Be Think, Solve Execute GmbH (formerly Targit GmbH).** A company based in Munich, it specialises in ICT consulting services, primarily on the German, Austrian and Swiss markets, operating through its two wholly owned subsidiaries, Targit GmbH Wien based in Vienna and Be TSE Switzerland AG based in Zurich. At 30 June 2017, Be Consulting S.p.A controlled the Group with a 90.00% interest.
- **R&L AG.** A company whose registered office is close to Munich 55% of which is owned by Be Think, Solve Execute GmbH, specialised in Consulting and IT solutions in the Payments sector and specifically as regards SWIFT.
- **FIMAS GmbH.** A company based in Frankfurt, 60% of which is held by Be Think, Solve Execute GmbH, specialised in consulting services and IT for asset managers, Stock Markets, CSD, clearing houses and custodian banks.
- **Payments and Business Advisors S.L.** (tradename **Paystrat**). A company based in Madrid, 60% of which is held by Be Consulting S.p.A., specialised in advisory services for operators in the payments industry, in areas such as digital wallets, loyalty and market intelligence.

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	348 employees at 30 June 2017.
Core Businesses	Banking, Insurance, Energy and Public Administration.
Segment revenue at 30 June 2017	Euro 13.9 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.** 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.
- **Iquii S.r.l.** established in 2011, it specialises in the development of web and mobile applications, in the design of wearables and in the management of the Internet of Things; in addition, it has significant expertise in managing social media, integrated marketing and digital PR.

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	117 employees at 30 June 2017.
Core Businesses	Banking, Industry and Public Administration.
Segment revenue at 30 June 2017	Euro 1.3 million.
Operating units	Rome, Milan, Turin.

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 the first half of 2017

Important resolutions of the Shareholders' Meeting

On 27 April 2017, the Shareholders' Meeting of Be, met in an ordinary and extraordinary session, on second call, and resolved on the following: consolidated income statement and statement of financial position results of the Parent Company Be S.p.A. at 31 December 2016, allocation of the profit for 2016, report on remuneration pursuant to article 123-ter of Italian Legislative Decree no. 58 of 24 February 1998, appointment of the new Board of Directors, purchase and allocation of own shares, amendment of Article 2 of the Articles of Association.

Events important to business development

In February, Be expanded its portfolio of services and its presence in Germany through the acquisition of 60% of the share capital of FIMAS GmbH, “consulting boutique” based in Frankfurt, which specialises in consulting and IT services for asset managers, Stock Exchanges, CSD, clearing houses and custodian banks. The acquisition of FIMAS was concluded through Targit GmbH, a subsidiary company that already operates in Germany. The purchase price for 60% of the share capital was set as Euro 1.24 million. The agreement envisages an option to acquire the remaining 40% in two later stages: 30% by May 2021 and 10% by May 2024.

Also in February, Be acquired 60% of Paystrat, a consulting company based in Madrid, which specialises in advisory services for operators in the payments industry, in areas such as digital wallets, loyalty and market intelligence. The acquisition of Paystrat was concluded through Be Consulting S.p.A., the Be Group company that specialises in business consulting. The purchase price for 60% of share capital was set at Euro 180,000; the agreement envisages an option to acquire the remaining 40% in two later stages: 20% by 2021 and 20% by 2025.

In April, Be increased its shareholding in its German subsidiary Targit GmbH to 90%, changing its name to Be TSE GmbH: the transaction took place through the purchase of a further 23.33% from Rudiger Borsutzki, the current CEO and one of the company’s founders. The price paid for 23.33% of the share capital was set as Euro 1.4 million. The agreement envisages an option for Be to purchase the remaining portion of 10% in 2022.

In April-May, Be Consulting S.p.A. acquired - from several foreign subsidiaries - the shareholdings held by its subsidiary iBe Ltd: 66.67% of Be TSE GmbH (in April), 95% of Be Ukraine Think Solve Execute Llc (in April) and 93% of Be Poland Think Solve Execute (in May), as well as the residual shareholdings held by third parties, corresponding to 7%, bringing its investment in the company to 100%.

6. Group economic performance

The following table illustrates the Be Group income statement for the first half of 2017 compared with the same period of the previous year, both originating from half-year condensed consolidated financial statements prepared according to IAS/IFRS.

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 & Amortisation (EBITDA) - an indicator not envisaged by the IFRS (Communication CERS/05-178b).

The Consolidated Income Statement is shown below, restated at 30 June 2017, and is compared with the corresponding period of the previous year.

Restated Consolidated Income Statement

Amounts in EUR thousands	1H 2017	1H 2016	Δ	Δ (%)
Operating revenue	61,608	65,558	(3,950)	(6.0%)
Other operating revenue and income	1,357	656	701	106.9%
Value of production	**62,965**	**66,214**	**(3,249)**	**(4.9%)**
Cost of raw materials and consumables	(127)	(124)	(3)	2.4%
Cost of services and use of third-party assets	(23,462)	(29,498)	6,036	(20.5%)
Personnel costs	(32,261)	(29,265)	(2,996)	10.2%
Other costs	(738)	(503)	(235)	46.7%
Internal capitalisations	1,948	1,176	772	65.6%
Gross Operating Margin (EBITDA)	**8,325**	**8,000**	**325**	**4.1%**
Amortisation/depreciation	(2,992)	(2,602)	(390)	15.0%
Write-downs and provisions	(101)	(152)	51	(33.6%)
Operating Profit (Loss) (EBIT)	**5,232**	**5,246**	**(14)**	**(0.3%)**
Net financial income and expense	(659)	(942)	283	(30.0%)
Profit (loss) before tax from continuing operations	**4,573**	**4,304**	**269**	**6.3%**
Taxes	(1,713)	(1,440)	(273)	19.0%
Net profit (loss) from continuing operations	**2,860**	**2,864**	**(4)**	**(0.1%)**
Net profit (loss) from discontinued operations	0	0	0	n.a.
Consolidated net profit (loss) including minority interests	**2,860**	**2,864**	**(4)**	**(0.1%)**
Net profit (loss) attributable to minority interests	393	306	87	28.4%
Group net profit (loss)	**2,467**	**2,558**	**(91)**	**(3.6%)**

The Value of Production amounted to Euro 63.0 million compared to Euro 66.2 million at 30 June 2016, down 4.9%.

Operating revenue was Euro 61.6 million, down 6.0% compared to 30 June 2016 (Euro 65.6 million).

The operating revenue recorded by foreign subsidiaries, which represents 40.8% of the Group's operating revenue, amounted to Euro 25.1 million, down 4.1% in absolute value compared to the first half of 2016 (Euro 26.2 million, corresponding to 40.0% of the Group's operating revenue).

At 30 June 2017, operating costs decreased by around Euro 3.6 million compared to the first half of the previous year (-6.1%). In particular:

- service costs decreased by around Euro 6.0 million (-20.5%);
- personnel costs increased by around Euro 3.0 million (+10.2%);
- the capitalisation of costs, mainly related to personnel working on projects to develop in-house software platforms, amounted to Euro 1.9 million (+65.6%).

The gross operating margin (EBITDA) was Euro 8.3 million, up 4.1% compared to 30 June 2016 (Euro 8.0 million). The EBITDA Margin stood at 13.2%, up slightly compared to the first half of 2016 (12.1%).

Amortisation and depreciation totalled Euro 3.0 million, whilst allocations and write-downs amounted to Euro 0.1 million.

Operating profit (loss) (EBIT) was Euro 5.2 million, substantially in line with 30 June 2016 (Euro 5.2 million). The EBIT Margin stood at 8.3%, down up on the 7.9% at 30 June 2016.

Profit before tax from continuing operations was Euro 4.6 million, up 6.3% compared to Euro 4.3 million recorded at 30 June 2016; tax for the first half of 2017 totalled Euro 1.7 million, compared to Euro 1.4 million for the first half of 2016.

Net profit was Euro 2.5 million, slightly down by 3.6% compared to Euro 2.6 million at 30 June 2016.

At 30 June 2017, discontinued operations had no impact on the income statement, therefore the costs and revenue recognised in the restated consolidated income statement refer solely to "continuing operations".

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

Value of Production by operating segment

Amounts in EUR millions	**1H 2017**	**%**	**1H 2016**	**%**	**Δ (%)**
Business Consulting	47.7	75.7%	50.0	75.5%	(4.6%)
ICT Solutions	13.9	22.1%	14.4	21.8%	(3.5%)
ICT Professional Services	1.3	2.1%	1.8	2.7%	(27.8%)
Other	0.1	0.1%	0.0	0.0%	n.a.
TOTAL	**63.0**	**100.0%**	**66.2**	**100.0%**	**(4.9%)**

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

- in the Consulting segment, the slight fall in the value of production (4.6%) recorded in the first half of 2017 against the first half of 2016 is due to the fall in activities on large projects;
- ICT activities overall recorded a value of production down by 6.2% compared to the first half of 2016 due to the slow resumption of activities from the first half.

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

Value of Production by customer type

Amounts in EUR millions	**1H 2017**	**%**	**1H 2016**	**%**	**Δ (%)**
Banks	50.6	80.3%	55.5	83.8%	(8.8%)
Insurance	6.6	10.5%	6.4	9.7%	3.1%
Industry	4.6	7.3%	4.2	6.4%	9.5%
Public Administration	1.1	1.7%	0.1	0.2%	n.a.
Other	0.1	0.2%	0.0	0.0%	n.a.
TOTAL	**63.0**	**100.0%**	**66.2**	**100.0%**	**(4.9%)**

Value of Production by geographic area

Amounts in EUR millions	**1H 2017**	**%**	**1H 2016**	**%**	**Δ (%)**
Italy	37.6	59.7%	39.8	60.1%	(5.5%)
DACH Region (Germany, Austria, Switzerland)	16.1	25.6%	14.1	21.3%	14.2%
U.K.	7.5	11.9%	10.6	16.0%	(29.2%)
Other	1.8	2.9%	1.7	2.6%	5.9%
TOTAL	**63.0**	**100.0%**	**66.2**	**100.0%**	**(4.9%)**

7. Breakdown of Group equity and financial positions

A summary consolidated statement of financial position at 30 June 2017 is shown below, compared to the same statement at 31 December 2016.

Restated Statement of Financial Position

Amounts in EUR thousands	**30.06.2017**	**31.12.2016**	**Δ**
Non-current assets	86,158	81,888	4,270
Current assets	36,166	27,167	8,999
Non-current liabilities	(21,072)	(23,376)	2,304
Current liabilities	(31,692)	(33,013)	1,321
Net Invested Capital	**69,560**	**52,666**	**16,894**
SHAREHOLDERS' EQUITY	**51,556**	**51,060**	**496**
Net Financial Position	**18,004**	**1,606**	**16,398**

Non-current assets are represented by goodwill (Euro 59.8 million), recognised at the time of business combinations, intangible assets (Euro 18.3 million) mostly relating to software, technical fixed assets (Euro 2.1 million), deferred tax assets (Euro 4.4 million) and receivables and other non-current assets and shareholdings in other companies (Euro 1.6 million).

Current assets recorded a rise of Euro 9.0 million compared to 31 December 2016, due mainly to the increase in trade receivables for Euro 9.1 million and the net negative impact of Euro 0.1 million resulting from the fall in tax receivables and inventories and to the increase of other assets and receivables.

Non-current liabilities mostly refer to payables for post-employment benefits (TFR) of Euro 6.1 million, deferred tax liabilities of Euro 6.3 million and provisions for risks and charges of Euro 1.0 million, as well as other liabilities of Euro 7.7 million, mainly relating to discounted payables for the remaining share of the purchase price of several consolidated companies to be paid to minority or former shareholders.

Current liabilities - mostly comprised of trade payables of Euro 10.1 million and other liabilities, including advances and payables for indirect taxes totalling Euro 21.5 million - recorded an overall reduction of Euro 1.3 million.

Consolidated shareholders' equity was Euro 51.6 million, compared to Euro 51.1 million at 31 December 2016.

Amounts in EUR thousands	**30.06.2017**	**31.12.2016**	**Δ**
Inventories	16	39	(23)
Trade receivables	32,059	22,935	9,124
Trade payables	(10,130)	(12,477)	2,347
Net Operating Working Capital (NOWC)	**21,945**	**10,497**	**11,448**
Other short-term receivables	4,091	4,193	(102)
Other short-term liabilities	(21,562)	(20,536)	(1,026)
Net Working Capital (NWC)	**4,474**	**(5,846)**	**10,320**

Net financial indebtedness at 30 June 2017 was Euro 18.0 million, marking an increase of around Euro 16.4 million with respect to 31 December 2016 (Euro 1.6 million).

Note that the cash flow generation is affected by a certain degree of seasonality as regards the outlay necessary to advance activities in progress, the billing cycle and related collections, which traditionally leads to arranging cash outflows in advance during the first half of the year whereas collections are focused in the final quarter of the year.

	Amounts in EUR thousands	30.06.2017	31.12.2016	Δ	Δ (%)
	Cash and cash equivalents at bank	19,506	33,109	(13,603)	(41.1%)
A	**Cash and cash equivalents**	**19,506**	**33,109**	**(13,603)**	**(41.1%)**
B	**Current financial receivables**	**814**	**192**	**622**	**n.a.**
	Current bank payables	(5,462)	(5,184)	(278)	5.4%
	Current share of medium/long-term indebtedness	(16,438)	(14,063)	(2,375)	16.9%
	Other current financial payables	(34)	(17)	(17)	100.0%
C	**Current financial indebtedness**	**(21,934)**	**(19,264)**	**(2,670)**	**13.9%**
D	**Net current financial indebtedness (A+B+C)**	**(1,614)**	**14,037**	**(15,651)**	**n.a.**
	Non-current bank payables	16,326	(15,610)	(716)	4.6%
	Other non-current financial payables	(64)	(33)	(31)	93.9%
E	**Net non-current financial indebtedness**	**(16,390)**	**(15,643)**	**(747)**	**4.8%**
F	**Net financial position (D+E)**	**(18,004)**	**(1,606)**	**16,398**	**n.a.**

With regard to items in the table on the consolidated net financial position, in addition to cash and cash equivalents of Euro 19.5 million, we also draw attention to:

- financial receivables amounting to Euro 0.8 million resulting from receivables due from factoring companies on receivables assigned up to 30 June 2017, the disbursement of which took place after that date, from receivables for accrued interest on factoring paid but not relating to 30 June 2017 and from financial receivables for a foreign exchange transaction, debited in June, but settled at the beginning of July;
- current payables to banks at 30 June 2017 amounting to around Euro 21.9 million, relating to:
  - current bank payables of Euro 5.5 million (Euro 5.2 million at 31 December 2016), mainly represented by:
    a) Euro 2.4 million in short-term credit facilities classed as "advances to suppliers";
    b) Euro 3.0 million relating to the use of the short-term loan granted by Monte dei Paschi di Siena to the Parent Company, repayable from July 2017, with last instalment due March 2018;
  - around Euro 16.4 million as the current portion of loans received.
- non-current financial payables of Euro 16.3 million referred mainly to payables to banks for unsecured medium/long-term loans due beyond 12 months;
- other payables refer mainly to finance lease contracts.

8. Transactions with related parties

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 Half-year Condensed Consolidated 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.

9. Other disclosures and Corporate Governance

9.1 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 2017-2019 Business Plan. This Plan, updated for the three-year period 2017-2019 for the purpose of Impairment Testing (hereinafter 2017-2019 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 2017-2019 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 2017-2019 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 30 June 2017 because of the incapacity to generate sufficient cash flows to satisfy those forecast and envisaged in the 2017-2019 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 summoned 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.

- **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 of 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. In view of the events associated with the United Kingdom's process of exiting from the European Union ("Brexit"), the Group could be exposed to potential risks, at present not quantifiable or foreseeable, linked amongst other things to a write-down of its assets held in GBP. Management has implemented appropriate monitoring activities in order to react quickly to any negative effects.

9.2 Development activities: investment

The Group's 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 regarded developing the Group-owned technological platforms; in particular, in the first half of 2017, investments totalling Euro 1.9 million were made, mostly regarding the development and upgrade of the technological platforms if the insurance division by Be Solutions, the platform for the management of document processes by Be Eps, the platforms specialised in various areas of the banking industry by the Targit Group, as well as the development of the internal company IT system commissioned to Be Professional.

10. Events after 30 June 2017 and business outlook

In July, the subsidiary R&L AG renewed its contract with the German Central Bank to sustain the project to develop the payment infrastructure in Germany and Europe. The objective of the new project to is provide and further develop a payments platform that guarantees secure payment transactions - retail and wholesale - at domestic level, in Europe and internationally. The new contract is worth Euro 1 million and will last two years- During the previous assignment with Bundesbank, R&L had already designed a part of the new infrastructure, and was selected again to support its development towards higher quality standards, in accordance with the requirements of the Central Bank.

In view of the results recorded by the Group in the first half of the year, it is reasonable to envisage a scenario in which the services to financial and insurance entities will become better established and consolidated, and in more general terms, the new targets for 2017-2019 already announced to the market on 15 September 2016 are also confirmed.

Milan, 2 August 2017

/signed/ Stefano Achermann

The Board of Directors
Chief Executive Officer

Half-year Condensed Consolidated Financial Statements at 30 June 2017

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		**30.06.2017**	**31.12.2016**
NON-CURRENT ASSETS			
Property, plant and equipment	*1*	2,065	1,968
Goodwill	*2*	59,769	55,645
Intangible assets	*3*	18,328	17,678
Equity investments in other companies	*4*	352	300
Loans and other non-current assets	*5*	1,275	1,179
Deferred tax assets	*6*	4,369	5,118
Total non-current assets		**86,158**	**81,888**
CURRENT ASSETS			
Inventories	*7*	16	39
Trade receivables	*8*	32,059	22,935
Other assets and receivables	*9*	3,645	3,401
Direct tax receivables	*10*	446	792
Financial receivables and other current financial assets	*11*	814	192
Cash and cash equivalents	*12*	19,506	33,109
Total current assets		**56,486**	**60,468**
Total discontinued operations		**0**	**0**
TOTAL ASSETS		**142,644**	**142,356**
SHAREHOLDERS' EQUITY			
Share capital		27,109	27,109
Reserves		21,491	19,219
Net profit (loss) attributable to owners of the Parent Company		2,467	4,246
Group Shareholders' equity		**51,067**	**50,574**
Minority interests:			
Capital and reserves		96	165
Net profit (loss) attributable to minority interests		393	321
Minority interests		**489**	**486**
TOTAL SHAREHOLDERS' EQUITY	*13*	**51,556**	**51,060**
NON-CURRENT LIABILITIES			
Financial payables and other non-current financial liabilities	*14*	16,390	15,643
Provision for non-current risks	*19*	992	1,122
Post-employment benefits (TFR)	*16*	6,087	6,114
Deferred taxes	*17*	6,285	6,074
Other non-current liabilities	*18*	7,708	10,066
Total Non-current liabilities		**37,462**	**39,019**
CURRENT LIABILITIES			
Financial payables and other current financial liabilities	*15*	21,934	19,264
Trade payables	*20*	10,130	12,477
Provision for current risks	*19*	31	32
Tax payables	*21*	774	920
Other liabilities and payables	*22*	20,757	19,584
Total Current liabilities		**53,626**	**52,277**
Total discontinued operations		**0**	**0**
TOTAL LIABILITIES		**91,088**	**91,296**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**142,644**	**142,356**

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***	**1H 2017**	**1H 2016**
Operating revenue	*23*	61,608	65,558
Other revenues and income	*24*	1,357	656
Total revenues		**62,965**	**66,214**
Raw materials and consumables	*25*	(127)	(124)
Service costs	*26*	(23,462)	(29,498)
Personnel costs	*27*	(32,261)	(29,265)
Other operating costs	*28*	(738)	(503)
Cost of internal work capitalised	*29*	1,948	1,176
Amortization, depreciation and write-downs:			
Depreciation of property, plant and equipment	*30*	(305)	(273)
Amortisation of intangible assets	*30*	(2,687)	(2,329)
Allocations to provisions	*31*	(101)	(152)
Total Operating costs		**(57,733)**	**(60,968)**
Operating profit/(loss)		**5,232**	**5,246**
Financial income		25	153
Financial expense		(684)	(1,095)
Total Financial income/expense	***32***	**(659)**	**(942)**
PROFIT (LOSS) BEFORE INCOME TAXES		**4,573**	**4,304**
Current income taxes	*33*	(795)	(971)
Deferred tax assets and liabilities	*33*	(918)	(469)
Total Income taxes		**(1,713)**	**(1,440)**
Net profit (loss) from continuing operations		**2,860**	**2,864**
Net profit (loss) from discontinued operations		**0**	**0**
Net profit (loss)		**2,860**	**2,864**
Net profit (loss) attributable to minority interests	*13*	**393**	**306**
Net profit (loss) attributable to owners of the Parent Company		**2,467**	**2,558**
Earnings (loss) per share:			
Basic earnings per share (Euro)	*34*	**0.02**	**0.02**
Diluted earnings per share (Euro)	*34*	**0.02**	**0.02**

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	**1H 2017**	**1H 2016**
Net profit (loss)	**2,860**	**2,864**
Items not subject to reclassification in the income statement:		
Actuarial gains (losses) on employee benefits	239	(621)
Tax effect on actuarial gains (losses)	(66)	171
Items subject to reclassification in the income statement		
when certain conditions are met:		
Gains (losses) on cash flow hedges	20	(25)
Translation gains (losses)	(210)	(528)
Other items of comprehensive income	**(17)**	**(1,003)**
Net comprehensive profit (loss)	**2,843**	**1,861**
Attributable to:		
Owners of the Parent Company	2,444	1,546
Minority interests	399	315

Consolidated Statement of Cash Flows

Amounts in EUR thousands	*Notes*	1H 2017	1H 2016
Net profit (loss)		2,860	2,864
Amortisation and depreciation	*30*	2,992	2,602
Non-monetary changes in post-employment benefits (TFR)		558	501
Net financial expense in the income statement	*31*	718	990
Taxes for the period	*32*	795	971
Deferred tax assets and liabilities	*33*	918	469
Losses on current assets and provisions	*31*	101	152
Increase in internal work capitalised	*29*	(1,948)	(1,176)
Other non-monetary changes		26	(18)
Exchange rate conversion differences		(20)	672
Cash flow from operating activities		**6,999**	**8,027**
Change in inventories	*6*	23	1
Change in trade receivables	*7*	(8,534)	(7,403)
Change in trade payables	*20*	(2,572)	(1,809)
Use of bad debt provisions	*19*	(232)	(342)
Other changes in current assets and liabilities		(5,496)	(2,019)
Taxes for the period paid		(98)	0
Post-employment benefits paid	*16*	(346)	(428)
Other changes in non-current assets and liabilities		(121)	(287)
Change in net working capital		**(17,375)**	**(12,287)**
Cash flow from (used in) operating activities		**(10,376)**	**(4,260)**
(Purchase) of property, plant and equipment net of disposals	*1*	(300)	(884)
(Purchase) of intangible assets net of disposals	*3*	(1,439)	(35)
Cash flow from business combinations net of cash acquired		(427)	(1,984)
Cash flow from (used in) investing activities		**(2,166)**	**(2,903)**
Change in current financial assets	*11*	(622)	(606)
Change in current financial liabilities	*15*	2,666	(1,021)
Change in non-current financial assets		0	0
Financial expense paid		(655)	(895)
Change in non-current financial liabilities	*14*	747	1,951
Cash paid for purchase of share pertaining to third parties		(852)	0
Distribution of dividends paid to Group shareholders	*13*	(1,996)	(1,500)
Distribution of dividends paid to minority interests	*13*	(350)	(333)
Cash flow from (used in) financing activities		**(1,062)**	**(2,404)**
Cash flow from (used in) discontinued operations		**0**	**0**
Cash and cash equivalents		**(13,603)**	**(9,567)**
Net cash and cash equivalents - opening balance	*12*	33,109	19,626
Net cash and cash equivalents - closing balance	*12*	19,506	10,059
Net increase (decrease) in cash and cash equivalents		**(13,603)**	**(9,567)**

Statement of Changes in Consolidated Shareholders' Equity

Amounts in EUR thousands	Share Capital	Reserves and retained earnings	Profit (loss) for the year	Group Shareholders ' equity	Minority interests	Total
SHAREHOLDERS' EQUITY AT 31.12.2015	**27,109**	**17,864**	**3,455**	**48,428**	**784**	**49,212**
Net profit (loss)			2,558	2,558	306	2,864
Other items of comprehensive income		(1,012)	0	(1,012)	9	(1,003)
Group net comprehensive profit (loss)		**(1,012)**	**2,558**	**1,546**	**315**	**1,861**
Allocation of prior year profit (loss)		3,455	(3,455)	0		0
Dividend distribution		(1,500)		(1,500)	(333)	(1,833)
SHAREHOLDERS' EQUITY AT 30.06.2016	**27,109**	**18,807**	**2,558**	**48,474**	**765**	**49,239**

Amounts in EUR thousands	Share Capital	Reserves and retained earnings	Profit (loss) for the year	Group Shareholders ' equity	Minority interests	Total
SHAREHOLDERS' EQUITY AT 31.12.2016	**27,109**	**19,219**	**4,246**	**50,574**	**486**	**51,060**
Net profit (loss)			2,467	2,467	393	2,860
Other items of comprehensive income		(24)		(24)	6	(18)
Group net comprehensive profit (loss)		**(24)**	**2,467**	**2,444**	**399**	**2,843**
Allocation of prior year profit (loss)		4,246	(4,246)	0		0
Dividend distribution		(1,996)		(1,996)	(350)	(2,346)
Impact of acquiring shareholdings		46		46	(46)	0
SHAREHOLDERS' EQUITY AT 30.06.2017	**27,109**	**21,491**	**2,467**	**51,067**	**489**	**51,556**

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 1,100 employees and branches in Italy, Germany, United Kingdom, Switzerland, Austria, Poland, the Ukraine, Spain and Romania, in the first half of 2017 the Group recorded total revenues of Euro 63.0 million.

Be Think, Solve, Execute S.p.A. (**Be S.p.A.** for short), 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 Half-Year Condensed Consolidated Financial Statements at 30 June 2017 were approved for publication by the Parent Company Board of Directors on 2 August 2017.

2. Measurement criteria and accounting standards

2.1. Presentation criteria

The Half-Year Condensed Consolidated Financial Statements at 30 June 2017 (also referred to as the "Half-year Consolidated Financial Statements") were prepared in application of art. 154-ter of the Consolidated Law on Finance and in accordance with IAS 34 - Interim Financial Reporting. Therefore, they do not include all information required for annual financial statements and must be read together with the financial statements prepared at 31 December 2016.

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 period and classified among operating, investing and 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 2.8 "Segment reporting".

The Half-year Condensed Consolidated 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.

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 2.3 "Disclosure on going concern assumptions".

As no new IFRS accounting standards, amendment or interpretations are expected to take effect from 1 January 2017, the accounting principles adopted are the same as for the previous year and therefore reference should be made to the Annual Consolidated Financial Statements at 31 December 2016.

The following are IFRS and IFRIC accounting standards, 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 at 30 June 2017:

- IFRS 15 - Revenue from Contracts with Customers;
- final version of IFRS 9 - Financial Instruments;

The following are IFRS and IFRIC accounting standards, amendments and interpretations not yet endorsed by the European Union at 30 June 2017:

- IFRS 16 - Leases;
- IFRS 17 - Insurance Contracts;
- document entitled "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts".
- amendment to IAS 12 "Recognition of Deferred Tax Assets for Unrealised Losses";
- amendment to IAS 7 "Disclosure Initiative";
- amendment to IFRS 2 "Classification and measurement of share-based payment transactions";
- document entitled "Annual Improvements to IFRSs: 2014-2016 Cycle";
- IFRIC 22 interpretation "Foreign Currency Transactions and Advance Consideration";
- amendment to IAS 40 "Transfers of Investment Property";
- interpretation document IFRIC 23 – Uncertainty over Income Tax Treatments;
- amendment to IFRS 10 and IAS 28 – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture;

Note that the directors believe that the application of IFRS 16 could have a significant impact on the recognition of lease contracts and on the relative disclosure contained in the Group's consolidated financial statements, while the same directors do not expect the application of IFRS 15 and IFRS 9 to have a significant impact on the amounts recognised and on the relative disclosure made in the Group's consolidated financial statements, respectively, as illustrated in the Annual Consolidated Financial Statements at 31.12.2016. However, a reasonable estimate cannot be provided until the Group has completed a detailed analysis of its contracts with customers.

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, in measuring property, plant and equipment and intangible assets, in 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.

For further information on the main accounting estimates, reference should be made to the Consolidated Financial Statements at 31 December 2016.

2.3. Disclosure on going concern assumptions

The 2017-2019 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 the paragraph 10 "Events after 30 June 2017 and business outlook" in the Management Report, the Directors consider going concern assumptions to be appropriate in preparing the Half-year Condensed 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.

2.4. 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 equity investments in companies included in the scope of consolidation is provided below, as required by Consob Communication no. 6064293 of 28 July 2006:

Company name	Registered office	Share Capital Capital	Currency	Parent Company	% interest	Minority interests
Be S.p.A.	Rome	27,109,165	EUR			
Be Consulting S.p.A.	Rome	120,000	EUR	Be S.p.A.	100%	0%
Be Professional Service S.p.A.	Rome	351,900	EUR	Be S.p.A.	100%	0%
Be Solutions S.p.A.	Rome	7,548,441	EUR	Be S.p.A.	100%	0%
Be Think Solve Execute RO S.r.l.	Bucharest	22,000	RON	Be S.p.A.	100%	0%
Be Enterprise Process Solutions S.p.A.	Rome	500,000	EUR	Be Solutions S.p.A.	100%	0%
Iquii Srl	Rome	10,000	EUR	Be Solutions S.p.A.	51%	49%
iBe Think Solve Execute Ltd	London	1,691,898	GBP	Be Consulting S.p.A.	100%	0%
Be TSE GmbH	Munich	92,033	EUR	Be Consulting S.p.A.	90%	10%
Be Ukraine LLC	Kiev	20,116	UAH	Be Consulting S.p.A.	100%	0%
Be Poland Think, Solve and Execute sp z.o.o	Warsaw	1,000.000	PLN	Be Consulting S.p.A.	100%	0%
Payments and Business Advisors S.l.	Madrid	3,000	EUR	Be Consulting S.p.A.	60%	40%
LOC Consulting Ltd	London	200,900	GBP	iBe Think Solve Execute Ltd	100%	0%
Be Sport, Media & Entertainment Ltd	London	318,774	GBP	iBe Think Solve Execute Ltd	75%	25%
R&L AG	Munich	1,882,000	EUR	Be Think, Solve Execute GmbH	55%	45%
FIMAS GmbH	Frankfurt	25,000	EUR	Be Think, Solve Execute GmbH	60%	40%
Targit GmbH	Vienna	35,000	EUR	Be Think, Solve Execute GmbH	100%	0%
Be TSE Switzerland AG	Zurich	100,000	CHF	Be Think, Solve Execute GmbH	100%	0%

Compared to 31 December 2016, the scope of consolidation has been altered by the following events:

- acquisition of FIMAS GmbH, through the subsidiary Be TSE GmbH (formerly Targit GmbH);
- acquisition of Payments and Business Advisors S.L., through the subsidiary Be Consulting S.p.A.;
- in April, Be Consulting S.p.A. acquired the 66.67% shareholding in Be TSE GmbH owned by its subsidiary iBe Ltd and later increased its shareholding to 90% by purchasing a further 23.33% from Rudiger Borsutzki; the agreement envisages an option to purchase the remaining 10% share in 2022;
- in April, Be Consulting S.p.A. also acquired the 95% shareholding in Be Ukraine Think Solve Execute Llc from its subsidiary iBe Ltd, bringing its investment in the company to 100%;
- in May, Be Consulting S.p.A. also acquired the 93% shareholding in Be Poland Think Solve Execute from its subsidiary iBe Ltd, as well as the residual shareholdings held by third parties, corresponding to 7%, bringing its investment in the company to 100%;
- in January 2017, the liquidation of the subsidiary A&B S.p.A. 100% owned by the Parent Company Be S.p.A. was completed. This company provided services for local public administration and has been inactive since 31 December 2016.

2.5. 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 period. 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.

2.6. 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.

Exchange rates

Currency	2017 average	30.06.2017	2016 average	30.06.2016
British Pound (GBP)	0.8602	0.87933	0.7784	0.8265
Polish Zloty (PNL)	4.2683	4.22590	4.3684	4.4362
Ukrainian Hryvnia (UAH)	28.9676	29.7437	28.392	27.5638
Romanian Leu (RON)	4.5366	4.5523	4.4957	4.5234
Swiss Franc (CHF)	1.0765	1.0930	1.0960	1.0867

2.7. Business combinations in the reporting period

As described previously, in the first half of 2017 the Be Group acquired 60% of Fimas GmbH, through the subsidiary Be TSE GmbH and 60% of Payments and Business Advisors S.L., through the subsidiary Be Consulting S.p.A., confirming its consolidation strategy for the European market.

- With regard to the 60% acquisition of FIMAS GmbH, the Company paid Euro 0.6 million at the time of closing. The reference values for the transaction were as follows:

Reference amount for acquisition of Fimas GmbH

Amounts in EUR thousands	Book value of the business acquired	Fair value adjustments	Fair Value
Intangible assets	94		94
Trade receivables	545		545
Equity investments	35		35
Other assets and receivables	195		195
Cash and cash equivalents	250		250
Deferred taxes	(63)		(63)
Trade payables	(154)		(154)
Other liabilities and payables	(435)		(435)
NET TOTAL OF ASSETS ACQUIRED	**467**	**0**	**467**
GOODWILL			**2,439**
ACQUISITION PRICE			**2,906**
broken down as follows, (amounts include discounting as at the acquisition date):			
2017 fee			(619)
Extended fee discounted including earn-out			(2,287)
CASH FLOW FROM THE ACQUISITION			
Payment already made			(619)
Cash and cash equivalents acquired			250
NET CASH FLOWS			**(369)**

The purchase price for 60% of the share capital was set as Euro 1,238 thousand, half of which to be paid at the time of closing, corresponding to Euro 619 thousand, and the other half by 31 January 2018, plus any cash balance, which has been calculated as Euro 211 thousand (corresponding to a discounted value on the acquisition date of Euro 208 thousand). The agreement also envisages an option to acquire the remaining 40% in two later stages: 30% by May 2021 and 10% by May 2024.

More specifically, the put&call option envisages:

- an earn-out for the first 30% based on the average results recorded by the subsidiary in FYs 2017-2020. The above-mentioned earn-out was calculated on the basis of currently available estimates of Euro 1,127 thousand (corresponding to a discounted amount at the acquisition date of Euro 989 thousand);
- an earn-out for the last 10% based on the average results recorded by the subsidiary in FYs 2021-2023. The above-mentioned earn-out was calculated on the basis of currently available estimates of Euro 609 thousand (corresponding to a discounted amount at the acquisition date of Euro 489 thousand).

The transaction was accounted for using the purchase cost method with effect from the date of acquisition of control. The gain of Euro 2,439 thousand generated by the acquisition was provisionally allocated to goodwill, in accordance with IFRS 3.45 and 3.46, pending a more in-depth assessment of the assets acquired.

In the period between the date of acquisition of control by the Be Group and the closing date of the consolidated financial statements at 30 June 2017, the company achieved a total revenue of Euro 2,718 thousand and a profit before tax of Euro 268 thousand.

- With regard to the 60% acquisition of Payments and Business Advisors S.L., the Company paid Euro 0.2 million at the time of closing. The reference values for the transaction were as follows:

Reference amounts for acquisition of Payments and Business Advisors S.L.

Amounts in EUR thousands	Book value of the business acquired	Fair value adjustments	Fair Value
Property, plant and equipment	11		11
Trade receivables	45		45
Equity investments	17		17
Other assets and receivables	7		7
Cash and cash equivalents	146		146
Trade payables	(71)		(71)
Other liabilities and payables	(9)		(9)
Tax payables	(43)		(43)
NET TOTAL OF ASSETS ACQUIRED	**103**	**0**	**103**
GOODWILL			**1,829**
ACQUISITION PRICE			**1,931**
broken down as follows, (amounts include discounting as at the acquisition date):			
2017 fee			(203)
Extended fee discounted including earn-out			(1,728)
CASH FLOW FROM THE ACQUISITION			
Payment already made			(203)
Cash and cash equivalents acquired			146
NET CASH FLOWS			**(57)**

Note that the agreement between the parties envisages an option to acquire the remaining 40% in two later stages: 20% by May 2021 and the other 20% by May 2025.

More specifically, the put&call option envisages:

- an earn-out for the first 20% based on any positive results recorded by the subsidiary in FYs 2019 and 2020. The above-mentioned earn-out was calculated on the basis of currently available estimates of Euro 1,007 thousand (corresponding to a discounted amount at the acquisition date of Euro 895 thousand);
- an earn-out for the second 20% based on any positive results achieved by the subsidiary in FYs 2023 and 2024. The above-mentioned earn-out was calculated on the basis of currently available estimates of Euro 1,069 thousand (corresponding to a discounted amount at the acquisition date of Euro 833 thousand).

The transaction was accounted for using the purchase cost method with effect from the date of acquisition of control. The gain of Euro 1,829 thousand generated by the acquisition was provisionally allocated to goodwill, in accordance with IFRS 3.45 and 3.46, pending a more in-depth assessment of the assets acquired.

In the period between the date of acquisition of control by the Be Group and the closing date of the consolidated financial statements at 30 June 2017, the company achieved a total revenue of Euro 324 thousand and a profit before tax of Euro 12 thousand.

2.8. Segment reporting

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

- **Business Consulting**

  Business Unit active in the business consulting sector. This business unit operates through Be Consulting Think, Project & Plan S.p.A., iBe Solve Execute Ltd, Be Ukraine Think, Solve, Execute S.A., Be Poland Think, Solve, Execute Sp.zo.o., Be Think, Solve Execute GmbH**,** Targit GmbH, Be TSE Switzerland AG, Be Sport, Media & Entertainment Ltd, Loc Consulting Ltd, R&L AG, Fimas GmbH and Payments and Business Advisors S.L.

- **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 S.p.A. and Be Think Solve Execute RO S.r.l. and Iquii 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 position of the Group for the first half of 2017, compared with that of the first half of 2016, is reported below, separating continuing operations from discontinued operations.

The operating segment values illustrated are gross of intercompany transactions with the other Group companies from different segments, whilst the value of production by operating segment and by customer type indicated in the Management Report is shown net of all intercompany transactions between Group companies.

At present, the Group does not believe that a segment analysis by geographic area is relevant for its reporting purposes, even though in the first half of 2017 the operating revenue reported by foreign subsidiaries amounted to Euro 25.1 million, equal to 40.8% of total operating revenue.

Breakdown by operating segment 1 January 2017 – 30 June 2017

	Consulting	IT Services	Professional Services	Corporate and other	Disposals	Infra-segment consolidation adjustments	Minority interests	Total
Operating revenue	46,863	14,542	3,829	2,233		(5,859)		61,608
Other revenues	1,179	1,076	192	475		(1,565)		1,357
Value of production	48,042	15,618	4,020	2,708		(7,424)		62,965
Operating Profit (Loss) (EBIT)	6,192	535	(512)	(983)				5,232
Net financial expense	(428)	(323)	(43)	4,155		(4,020)		(659)
Net profit (loss)	4,064	(114)	(431)	3,296		(3,955)	(393)	2,467

Breakdown by operating segment 1 January 2016-30 June 2016

	Consulting	IT Services	Professional Services	Corporate and other	Disposals	Infra-segment consolidation adjustments	Minority interests	Total
Operating revenue	49,763	14,684	4,438	2,144		(5,471)		65,558
Other revenues	576	494	148	373		(935)		656
Value of production	50,339	15,178	4,586	2,517		(6,406)		66,214
Operating Profit (Loss) (EBIT)	6,799	(191)	(89)	(1,272)				5,246
Net financial expense	(337)	(363)	(53)	2,952		(3,141)		(942)
Net profit (loss)	4,444	(597)	(214)	2,347		(3,115)	(306)	2,558

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

Note 1.
Property, plant and equipment

At 30 June 2017, property, plant and equipment recorded a balance of Euro 2,065 thousand, net of cumulative depreciation, compared to Euro 1,968 thousand at 31 December 2016.

Change in historical cost

	Historical cost 31.12.2016	Increases	Decreases	Business combinations	Reclassifications	Exchange gains/losses	Historical cost 30.06.2017
Plant and machinery	10,521	1			(16)	(4)	10,502
Fixtures and fittings, tools and other equipment	2,738						2,738
Other assets	23,349	363	(41)	115	94	9	23,889
Assets under development and advances	128	19			(125)		22
TOTAL	**36,736**	**383**	**(41)**	**115**	**(47)**	**5**	**37,151**

Change in accumulated amortisation

	Accumulated amortisation 31.12.2016	Amortisation/ depreciation	Decreases	Business combinations	Reclassifications	Exchange gains/losses	Accumulated amortisation 30.06.2017
Plant and machinery	10,409	18			(3)	(4)	10,420
Fixtures, fittings, tools and other equipment	2,738						2,738
Other assets	21,621	287	(21)	11	19	11	21,928
TOTAL	**34,768**	**305**	**(21)**	**11**	**16**	**7**	**35,086**

Net book value

	Net value 31.12.2016	Net value 30.06.2017
Plant and machinery	112	82
Fixtures and fittings, tools and other equipment	0	0
Other assets	1,728	1,961
Assets under development and advances	128	22
TOTAL	**1,968**	**2,065**

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;
- passenger cars;
- ordinary office furniture and machines;

- electronic office machines;
- leasehold improvements.

The increase in other assets during the period mainly refers to the purchase of furniture and fittings by Be Consulting Ibe, Be Professional and Be Solutions for office modernisation, in addition to electronic machines by Be Professional. The decreases refer to the disposal of obsolete assets during the first half of the year.

Note 2.
Goodwill

Goodwill stood at Euro 59,769 thousand at 30 June 2017. The cash generating units (CGUs) were identified for impairment testing purposes based on the Group's organisation and consistent with the former IFRS 8 reporting structure described in the paragraph 2.8 "Segment reporting".

The breakdown is as follows:

Goodwill

	Balance as at 31.12.2016	Increases	Decreases	Exchange gains/losses	Balance as at 30.06.2017
Cash generating unit (CGU)					
Business Consulting	26,834	4,267		(144)	30,957
ICT Services	28,064				28,064
ICT Professional Services	748				748
Total	**55,645**	4,267		(144)	**59,769**

The increase in goodwill of Euro 4,267 thousand refers to the acquisitions made during the half year, namely 60% of Fimas GmbH, through the subsidiary Be TSE GmbH and 60% of Payments and Business Advisors S.L., through the subsidiary Be Consulting S.p.A.

When preparing this Interim Financial Report, Company Management verified the continued reliability of the forecasts for revenue, investments and operating costs contained in the 2017-2019 Plan used to estimate value in use at 31 December 2016, in order to determine the recoverable amount of goodwill of the various cash generating units. The Directors then confirmed that the book value of goodwill recognised at 30 June 2017 is sustainable.

The analysis conducted, which takes into account the market environment, showed no signs of impairment and allows confirmation of the assumptions made in formulating the plans. For further information and a description of the impairment test procedure, reference should be made to the Notes to the "Annual Financial Report at 31 December 2016".

Note 3.
Intangible assets

At 30 June 2017, intangible assets recorded a balance of Euro 18,328 thousand, net of cumulative amortisation, compared to Euro 17,678 thousand at 31 December 2016.

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

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

Change in historical cost

	Historical cost 31.12.2017	Increases	Decreases	Reclassifications	Business combinations	Exchange gains/losses	Historical cost at 30.06.2017
Development costs	1,156		(208)	(250)			698
Rights, patents and intellectual property	219		(219)	0			0
Concessions, licences and trademarks	8,950		(3,390)	(28)			5,532
Assets under development and advances	2,163	1,772	(324)	(343)			3,268
Other (including proprietary SW)	42,403	2,003	(5,248)	291		(76)	39,373
TOTAL	**54,891**	**3,775**	**(9,389)**	**(330)**	**0**	**(76)**	**48,871**

Change in accumulated amortisation

	Accumulated amortisation 31.12.2016	Amortisation/Write-downs	Decreases	Reclassifications	Exchange gains/losses	Accumulated amortisation 30.06.2017
Development costs	946	67	(208)	(250)		555
Rights, patents and intellectual property	219		(219)			0
Concessions, licences and trademarks	8,849	32	(3,390)	(28)		5,463
Other (including proprietary SW)	27,199	2,588	(5,221)	(15)	(26)	24,525
TOTAL	**37,213**	**2,687**	**(9,038)**	**(293)**	**(26)**	**30,543**

Net book value

	Net value 31.12.2016	Net value 30.06.2017
Development costs	210	143
Rights, patents and intellectual property	0	0
Concessions, licences and trademarks	101	69
Assets under development and advances	2,163	3,268
Other (including proprietary SW)	15,204	14,848
TOTAL	**17,678**	**18,328**

At 30 June 2017, the increases in assets under development mainly refer to the development of the following ICT platforms: “Universo Sirius” by Be Solutions relating to the management of Life and Non-Life insurance portfolios of Euro 861 thousand, “Archivia” by Be Eps for the management of document processes of Euro 167 thousand, as well as Euro 352 thousand for the development of an internal corporate ICT system commissioned to Be Professional, and the platforms owned by Be Think, Solve Execute GmbH, specialised in various areas of the banking industry, totalling Euro 450 thousand.

Other intangible assets recorded during the half year include the payment of the contractual consideration linked to the long-term presence in the company of management, corresponding to Euro 1.4 million.

Note 4.
Equity investments in other companies

Equity investments in other companies refer to:

- the investment in Talent Garden S.p.A., an Italian start-up, which operates in the sector of co-working and spaces for innovation. The transaction took place in July 2016 through Be Solutions, which purchased 3,750 shares, corresponding to 2.34% of share capital, against a payment of Euro 300 thousand;
- equity investments in other companies of Euro 52 thousand.

Equity investments in other companies

	Balance at 30.06.2017	Of which business combinations	Balance at 31.12.2016
Equity investments in other companies	352	52	300
TOTAL	**352**	**52**	**300**

Note 5.
Loans and other non-current assets

Loans and other non-current assets refer mainly to guarantee deposits paid for Euro 325 thousand and advances paid to employees in past years to be recovered on termination of their employment contracts for Euro 73 thousand.

Other non-current assets, amounting to Euro 671 thousand, refer to an amount of Euro 556 thousand 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 163 thousand at 30 June 2017 and mainly refer to costs incurred during the period, but relating to the period after that at 30 June 2017 by Be Solutions relating to the increase of the rent payable for 2017-2019 for the Milan head office in via dei Valtorta, as well as accessory costs incurred by Be Consulting S.p.A. relating to the signature of a lease agreements for the head office in Piazza Affari.

Other assets and receivables

	Balance at 30.06.2017	Balance at 31.12.2016
Guarantee deposits	325	332
Receivables from employees due beyond 12 months	73	76
Receivables from social security and welfare organisations	43	43
Other non-current receivables	671	571
Non-current prepaid expenses	163	157
TOTAL	**1,275**	**1,179**

Note 6.
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 tax rates in force from 1 January 2017 (IRES 24% and IRAP 3.9%-4.26%). In fact, as established by the 2016 Italian Stability Law (paragraph 61, article 1, Italian Law no. 208 of 12.12.2015), the IRES tax rate has been reduced, from 1 January 2017, to 24% instead of 27.5%. This circumstance also required an adjustment of deferred tax assets.

Deferred tax assets

	Balance at 31.12.2016	Allocation	Utilisation	Other changes	Exchange difference	Balance at 30.06.2017
Deferred tax assets	5,118	44	(726)	(71)	4	4,369
TOTAL	**5,118**	**44**	**(726)**	**(71)**	**4**	**4,369**

Note 7.
Inventories

Inventories refer mainly to the inventories of consumables of Be Eps for Euro 16 thousand.

Inventories

	Balance at 30.06.2017	Of which business combinations	Balance at 31.12.2016
Inventories	16		39
TOTAL	**16**	**0**	**39**

Note 8.
Trade receivables

Trade receivables arise from goods and services produced and provided by the Group but not yet collected at 30 June 2017.

Trade receivables

	Balance at 30.06.2017	Of which business combinations	Balance at 31.12.2016
Receivables due from customers	33,877	590	25,050
Bad debt provision for receivables due from customers	(1,818)		(2,115)
TOTAL	**32,059**	**590**	**22,935**

The amount allocated in the financial statements is considered fair coverage of the credit risk; the 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 30.06.2017	Balance at 31.12.2016
Opening balance	2,115	1,456
Provisions		663
Utilisation	(297)	(4)
TOTAL	**1,818**	**2,115**

The breakdown of receivables is shown below, by due date, net of invoices/credit notes to be issued for Euro 18,427 thousand and before the bad debt provision of Euro 1,818 thousand.

	Due	0-30 days	31-60 days	61-90 days	91-180 days	Over 180 days	Total
Receivables due from customers	7,569	1,865	585	289	1,288	3,854	15,450
Bad debt provision						(1,818)	(1,818)
TOTAL	**7,569**	**1,865**	**585**	**289**	**1,288**	**2,036**	**13,632**

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.

Note 9.
Other assets and receivables

Other assets and receivables at 30 June 2017 amount to Euro 3,645 and break down as follows:

Other assets and receivables

	Balance at 30.06.2017	Of which business combinations	Balance at 31.12.2016
Advances to suppliers for services	133		59
Receivables due from social security organisations	653		1,496
Receivables due from employees	177		149
VAT credits and other indirect taxes	1,031		401
Accrued income and prepaid expenses	1,373	203	966
Other receivables	278		330
TOTAL	**3,645**	**203**	**3,401**

Advances to suppliers refer to payments on account mainly to suppliers of services provided to Group companies.

Receivables due from social security organisations refer mainly to the receivable due to Be Eps for the recovery of costs for welfare support systems and due to Be Consulting for the recovery of social security contributions paid in excess in prior years.

Prepaid expenses amount to Euro 1,237 thousand and include the portions of costs incurred during the period but due in the period following that ending 30 June 2017, relating to support and maintenance fees, rents, insurance premiums and lease instalments.

Note 10.
Direct tax receivables

Tax receivables for direct taxes primarily include amounts due from Italian Tax Authorities for IRAP and IRES, as well as other tax receivables due to iBe Ltd.

Tax receivables

	Balance at 30.06.2017	Balance at 31.12.2016
Tax receivables	227	562
Other tax receivables	219	230
TOTAL	**446**	**792**

Note 11.
Financial receivables and other current financial assets

Financial receivables amounting to Euro 814 thousand refer to receivables due from factoring companies on assignments made up to 30 June 2017, but settled after that date, totalling around Euro 486 thousand, to receivables for accrued interest on factoring paid but not related to the first half of 2017 totalling around Euro 78 thousand and to financial receivables for an foreign exchange transaction which was deducted in June, but was settled in the first few days of July, corresponding to Euro 250 thousand.

Financial receivables and other current financial assets

	Balance at 30.06.2017	Balance at 31.12.2016
Other financial receivables	814	192
TOTAL	**814**	**192**

Note 12.
Cash and cash equivalents

The balance represents cash held in current accounts at banks and post offices, and to a residual extent to cash on hand at 30 June 2017.

The balance at the end of June was Euro 19,506 thousand compared to Euro 33,109 thousand at 31 December 2016.

Note that the Be Group has adopted a national and international cash pooling system with the banks in order to optimise financial resources at Group level.

Cash and cash equivalents

	Balance at 30.06.2017	Of which business combinations	Balance at 31.12.2016
Bank and postal deposits	19,486	395	33,083
Cash at bank and in hand	20		26
TOTAL	**19,506**	**395**	**33,109**

Note 13.
Shareholders' Equity

At 30 June 2017, the Parent Company's fully paid-up share capital totalled Euro 27,109 thousand, divided into 134,897,272 ordinary shares.

On 27 April 2017, the Shareholders' Meeting approved the Financial Statements at 31 December 2016 of Be S.p.A., resolving to allocate Euro 12,867.44 of the Euro 257,348.77 profit for the year to the Legal Reserve and the remainder of Euro 244,481.33 to Profit carried forward, and to distribute a gross dividend totalling Euro 1,996,479.63, amounting to Euro 0.0148 per share, drawing on the Profit carried forward for Euro 244,481.33 and the Extraordinary reserve for the remaining 1,751,998.30.

The payment date of the dividend was 24 May 2017 - coupon no. 7 date of 22 May 2017 and record date of 23 May 2017.

Consolidated equity reserves at 30 June 2017 amount to Euro 21,491 thousand and include the following:

- Share Premium Reserve of the Parent Company for Euro 15,168 thousand;
- Legal Reserve of the Parent Company for Euro 389 thousand;
- Other Reserves of the Parent Company for Euro 2,520 thousand;
- IAS Reserves (FTA and IAS 19R) for Euro 246 thousand;
- other positive Consolidation Reserves for Euro 3,168 thousand.

Stock option plans

The company has no stock option plans.

Treasury shares

At 30 December 2017, the company holds no treasury shares. Note that, on 27 April 2017, an ordinary and extraordinary session of the Shareholders' Meeting of Be, was held, on second call, resolving, among other things, to approve, on the proposal of the Board of Directors, the plan to purchase and sell the Company's ordinary shares, in more than one tranche, on a rotational basis, up to the maximum number permitted by law (at present represented by a number of shares not exceeding 20% of share capital), to be determined also in accordance with the legal and regulatory provisions in force at the time and the share capital in hand at the time of each purchase. The duration of the purchase plan has been set as 18 months from the date of approval of the Shareholders' Meeting.

Minority interests

Minority interests amount to Euro 489 thousand, compared to Euro 486 thousand at 31 December 2016.

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

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	% minority interest	Local currency	Total assets	Total Shareholders' Equity	Net Revenue	Group net profit (loss)	Total dividends distributed
R&L AG	45.00%	EUR	2,463	2,057	2,156	489	0
Fimas GmbH	40.00%	EUR	1,327	734	2,718	268	0
Be TSE Gmbh	10.00%	EUR	8,951	4,400	7,119	141	350
Be Sport, Media & Entertainment Ltd	25.00%	GBP	377	(671)	0	(181)	0
Payments and Business Advisors S.L.	40.00%	EUR	244	114	324	12	0
Iquii Srl	49.00%	EUR	792	212	748	44	0

Net Financial Position

The net financial position at 30 June 2017 was Euro 18,004 thousand compared to Euro 1,606 thousand at 31 December 2016. Note that the cash flow generation is affected by a certain degree of seasonality as regards the outlay necessary to advance activities in progress, the billing cycle and related collections, which traditionally leads to arranging cash outflows in advance in the first half of the year whereas collections are focused in the final quarter of the year.

The breakdown of this item is provided below. For comments on individual items, please refer to the contents of notes 11 and 12 above and notes 14 and 15.

Consolidated net financial position

	Amounts in EUR thousands	30.06.2017	31.12.2016	Δ	Δ (%)
	Cash and cash equivalents at bank	19,506	33,109	(13,603)	(41.1%)
A	**Cash and cash equivalents**	**19,506**	**33,109**	**(13,603)**	**(41.1%)**
B	**Current financial receivables**	**814**	**192**	**622**	**n.a.**
	Current bank payables	(5,462)	(5,184)	(278)	5.4%
	Current share of medium/long-term indebtedness	(16,438)	(14,063)	(2,375)	16.9%
	Other current financial payables	(34)	(17)	(17)	100.0%
C	**Current financial indebtedness**	**(21,934)**	**(19,264)**	**(2,670)**	**13.9%**
D	**Net current financial indebtedness (A+B+C)**	**(1,614)**	**14,037**	**(15,651)**	**n.a.**
	Non-current bank payables	16,326	(15,610)	(716)	4.6%
	Other non-current financial payables	(64)	(33)	(31)	93.9%
E	**Net non-current financial indebtedness**	**(16,390)**	**(15,643)**	**(747)**	**4.8%**
F	**Net financial position (D+E)**	**(18,004)**	**(1,606)**	**16,398**	**n.a.**

Note 14.
Financial payables and other non-current financial liabilities

Non-current financial payables of Euro 16,390 thousand refer mainly to payables to banks for unsecured medium/long-term loans due beyond 12 months.

Non-current financial payables

	Balance at 30.06.2017	Balance at 31.12.2016
Non-current financial payables	16,390	15,643
TOTAL	**16,390**	**15,643**

The medium and long term loans outstanding at 30 June 2017 and relative maturities were as follows:

M/L term loans outstanding at 30 June 2017

Bank	Maturity	Balance as at 30.06.2017	<1 year	>1<2 years	>2<3 years	>3<4 years	>4 years
Banca Popolare di Milano 1	2020	4,181	1,402	1,435	1,344	0	0
Banca Popolare di Milano 2	2019	1,764	1,003	761	0	0	0
Banca Popolare di Milano 3	2021	418	99	100	101	102	17
Banca Popolare di Milano 4	2021	2,782	713	722	731	616	0
Banca Nazionale del Lavoro	2019	1,750	1,000	750	0	0	0
Banca Popolare dell'Emilia Romagna	2020	3,430	988	1,001	1,015	426	0
Unicredit 1	2021	5,418	1,176	1,192	1,208	1,224	618
Banca Intesa San Paolo	2019	1,875	833	833	209	0	0
Banca Intesa San Paolo 2	2020	2,500	833	833	834	0	0
Banca Nazionale del Lavoro 2	2018	1,250	1,000	250	0	0	0
Unicredit Factoring	2018	7,385	7,385	0	0	0	0
Caixa Bank	2018	7	6	1	0	0	0
TOTAL LOANS		**32,760**	**16,438**	**7,878**	**5,442**	**2,368**	**635**

During the first half of 2017 the Group stipulated the following new loans:

- in March, Be Consulting stipulated a new 18-month floating rate loan with Banca Nazionale del Lavoro of Euro 1,500 thousand, with quarterly instalments. The residual debt at 30 June 2017 was Euro 1,250 thousand, Euro 250 thousand of which is long-term;
- in April, the Parent Company stipulated a second 4-year floating rate loan with Banca Popolare di Milano of Euro 2,900 thousand, with an amortisation plan that envisages monthly instalments at the end of each month. The aforementioned BPM loan, in line with the others already signed with his bank, envisages a commitment by the Group to ensure that the NFP-EBITDA ratio does not exceed 3.5 and the NFP-Equity ratio does not exceed 1, with covenants that will be checked each year on the basis of the Group' Annual Consolidated Financial Statements. The residual debt at 30 June 2017 was Euro 2,782 thousand, Euro 2,069 thousand of which is long-term;
- in May, the Parent Company stipulated a new 36-month floating rate loan with Intesa San Paolo of Euro 2,500 thousand, with quarterly instalments, to support the Group's investment plan which is in progress. The residual debt at 30 June 2017 was Euro 2,500 thousand, Euro 1,667 thousand of which is long-term;
- instead, as regards the advance credit line agreement with Unicredit Factoring against the Gold Agreement, in June 2017, a further drawdown totalling Euro 2,000 thousand was conceded. The

residual debt at 30 June 2017 was around Euro 7,385 thousand (Euro 7,061 thousand at 31 December 2016), following the repayment of around Euro 1,676 thousand in the first half of 2017.

With regard to existing loans at 31 December 2016, that are still active as at 30 June 2017, note that the total repayments for the first half of 2017 envisaged by the amortisation plan, were around Euro 3,223 thousand. Furthermore, following the purchase of Payments and Business Advisors S.L., a further loan amounting to around Euro 7 thousand at 30 June 2017 was acquired.

Lastly note that the fair value of the above loans is essentially in line with their book value. Long-term financial payables include the negative impact of the application of the amortising cost and of the fair value of the IRS contract to hedge an increase of the interest rate on the BPM loan granted in 2015, for a total of Euro 4 thousand.

As regards the first half of 2017, all covenants on the existing loans, illustrated above, were respected. The lending terms 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.

Note that other non-current financial payables refer mainly to the long-term share of finance lease contracts.

Note 15.
Financial payables and other current financial liabilities

Current payables to banks at 30 June 2017 totalled around Euro 21,934 thousand (Euro 19,264 thousand at 31 December 2016) and relate mainly to:

- current bank payables for Euro 5,462 thousand, of which:
  - Euro 2,423 thousand in short-term credit facilities classed as “advances on invoices” for around Euro 203 thousand, “current account overdrafts” for around Euro 328 thousand and “advances to suppliers” for around Euro 1,892 thousand;
  - Euro 3,000 thousand refers to the short-term loan granted by Monte dei Paschi di Siena to the Parent Company in the first half of 2017 to be repaid in full by March 2018. During the first half of 2017, no repayments were made on this loan, as the first principal instalment is envisaged in July and the residual debt as at 30 June 2017 was therefore Euro 3.000 thousand;
  - Euro 39 thousand relating to interest expense accrued but not yet paid at 30 June 2017.
- the current portion of loans received of Euro 16,438 thousand;
- Euro 34 thousand referring to other current financial payables, including the short-term portion of finance lease payables of around Euro 18 thousand, and the credit cards in the names of the various companies for the remainder.

Financial payables and other current financial liabilities

	Balance at 30.06.2017	Balance at 31.12.2016
Current financial payables	21,934	19,264
TOTAL	**21,934**	**19,264**

Note 16.
Employee benefits

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. Changes in Post-employment benefits (TFR) regard allocations to provisions made during the period by Group companies, to the portions of TFR paid following the resignation of some employees as well as advances and the adjustment of the Provision in accordance with IAS/IFRS standards.

Post-employment benefits (TFR)

	Balance at 31.12.2016	Of which business combinations	Increases - Allocation	Decreases - Utilisation	Balance at 30.06.2017
Post-employment benefits (TFR)	6,114		473	(500)	6,087
TOTAL	**6,114**	**0**	**473**	**(500)**	**6,087**

The actuarial assumptions used for the purposes of the adjustment of the TFR provision according to IAS/IFRS standards are illustrated below.

Main Actuarial Assumptions	
Annual discount rate	1.67%
Annual inflation rate	1.50%
Annual rate increase in post-employment benefits	2.63%
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.	167	167	168	169	165	163	171
Be Professional S.p.A.	661	659	664	671	652	647	677
Be Consulting S.p.A.	2,293	2,261	2,331	2,360	2,229	2,216	2,375
IQII S.r.l.	52	51	53	54	51	50	54
Be Enterprise S.p.A.	1,667	1,663	1,672	1,689	1,646	1,633	1,702
Be Solutions S.p.A.	747	745	749	757	737	731	763

* 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	9.7
Be Professional S.p.A.	0	9.6
Be Consulting S.p.A.	762	21.9
IQII S.r.l.	57	23.0
Be Enterprise S.p.A.	0	9.0
Be Solutions S.p.A.	0	9.2

* 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.

Note 17.
Deferred taxes

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 tax rates in force on 1 January 2017 (IRES 24%, IRAP 3.9%-4.82%). In fact, from 1 January 2017, the IRES tax rate has been set as 24% instead of 27.50%, as established by the 2016 Italian Stability Law (paragraph 61, article 1, Italian Law 208 of 12.12.2015) as already illustrated in Note 6.

Deferred taxes

	Balance at 31.12.2016	Business combinations	Increases	Utilisations	Other changes	Exchange difference	Balance at 30.06.2017
Deferred taxes	6,074	63	271	(98)	(16)	(9)	6,285
TOTAL	**6,074**	**63**	**271**	**(98)**	**(16)**	**(9)**	**6,285**

Note 18.
Other non-current liabilities

This item mostly regards Euro 627 thousand relating to the residual portion of the discounted price for the future acquisition of minority interests in Be TSE GmbH, Euro 803 thousand relating to the residual portion of the discounted price for the future acquisition of minority interests in R&L AG, Euro 1,175 thousand relating to the residual portion of the price payable to former shareholders of Loc Consulting Ltd, Euro 1,211 thousand relating to the residual portion of the discounted price payable to the former shareholders of Iquii S.r.l.., Euro 1,753 thousand relating to the residual portion of the discounted price payable to the former shareholders of Payments and Business Advisors S.L., and Euro 1,500 thousand relating to the residual portion of the discounted price payable to the former shareholders of Fimas.

Other non-current liabilities

	Balance at 30.06.2017	Balance at 31.12.2016
Other non-current liabilities	7,708	10,066
TOTAL	**7,708**	**10,066**

Note 19.
Provision for current and non-current risks

At 30 June 2017, provisions for risks and charges refer to the following:

- provisions for pending disputes with employees for Euro 141 thousand, of which Euro 41 thousand relating to the Parent Company, Euro 100 thousand to the subsidiary Be Professional. The utilisation of provisions during the period relate to the Parent Company and the subsidiaries Be Professional and Be Consulting, 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, mostly related to the Parent Company of Euro 451 thousand and to Be Solutions of Euro 150 thousand, in addition to the allocation to provisions of Euro 257 thousand for the possible payment of an emolument to the director of iBe on achievement of the three-year objectives envisaged.

The table below shows the changes that occurred in the period in question:

Current and non-current provisions

	Balance at 31.12.2016	Exchange gains/losses	Increases	Decreases	Balance at 30.06.2017
Provision for risks - penalties	32		1	(2)	31
Provision for personnel risks	264		100	(223)	141
Other provisions for risks and charges	858	(7)			851
TOTAL	**1,154**	**(7)**	**101**	**(225)**	**1,023**

Note 20.
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 and lease instalments.

Trade payables

	Balance at 30.06.2017	Of which business combinations	Balance at 31.12.2016
Trade payables	10,130	225	12,477
TOTAL	**10,130**	**225**	**12,477**

Note 21.
Tax Payables

The balance at 30 June 2017 relates to residual tax payables and to the allocation of the portion for 2017 of IRES and IRAP, in addition to the income tax of foreign companies, classified under other tax payables.

Tax payables

	Balance at 30.06.2017	Of which business combinations	Balance at 31.12.2016
IRES tax payables	29		55
IRAP tax payables	60		18
Other tax payables	685	43	847
TOTAL	**774**	**43**	**920**

Note 22.
Other liabilities and payables

Other liabilities and payables totalled Euro 20,757 thousand at 30 June 2017, as shown below:

Other liabilities and payables

	Balance at 30.06.2017	Of which business combinations	Balance at 31.12.2016
Social security and welfare payables	1,645		2,783
Payables to employees	5,038		3,593
Payables for VAT and withholding tax	3,663		7,162
Accrued expenses and deferred income	1,678		1,912
Other payables	8,733	444	4,134
TOTAL	**20,757**	**444**	**19,584**

Social security and welfare payables amounting to Euro 1,645 thousand relate to contributions payable by the company. Payables to employees include amounts due for additional months' salaries accrued at 30 June 2017 and for leave and permitted absences accrued but not used. Accrued expenses and deferred income, amounting to Euro 1,678 thousand mainly refer to deferred revenue receivable on invoices collectible in the reporting period subsequent to 30 June 2017. Other payables, totalling Euro 8,733 thousand, mainly refer, for Euro 5,000 thousand, to the guarantee deposit received in relation to the signature of a Master Agreement, advances from customers and payments on account on multi-year contracts, together with outstanding payables on exit incentives already established during the period and to the amount due to directors (of which Euro 1,340 thousand refers to the Parent Company). This item also includes Euro 820 thousand relating to the short-term consideration for the acquisition of a minority shareholding in Fimas GmbH, Euro 136 thousand relating to the short-term portion of the residual price for the acquisition of a minority shareholding in R&L AG, and Euro 30 thousand relating to the short-term portion of the residual price for the acquisition of minority interests in Loc Consulting Ltd.

4. Breakdown of the main items of the Income Statement

Note 23.
Operating revenue

Revenue accrued during the reporting period was from activities, projects and services performed on behalf of Group customers and amounts to Euro 61,608 thousand, compared to Euro 65,558 thousand last year.

If we compare with last year, the first half of this year recorded a decrease of Euro 3,950 thousand in revenue from sales and services, of which Euro 873 thousand relate to the portion of revenue originating from foreign companies. Note that the revenue from the top two customers accounts for 43% of operating revenue.

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

Operating revenue

	H1 2017	H1 2016
Operating revenue	61,608	65,558
TOTAL	**61,608**	**65,558**

Note 24.
Other revenues and income

The Group's other revenue and income totalled Euro 1,357 thousand at 30 June 2017, compared to Euro 656 thousand at 30 June 2016.

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.

Other revenues and income

	H1 2017	H1 2016
Other revenues and income	1,357	656
TOTAL	**1,357**	**656**

Note 25.
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 for resale as part of the services provided to customers.

Cost of raw materials and consumables

	H1 2017	H1 2016
Change in inventories of raw materials and consumables	23	1
Purchase of raw materials and consumables	104	123
TOTAL	**127**	**124**

Note 26.
Service costs

Service costs include all costs incurred for services received from professionals and businesses. They also include the fees paid to Directors.

Service costs

	H1 2017	H1 2016
Service costs	23,462	29,498
TOTAL	**23,462**	**29,498**

Service costs break down as follows:

Service costs

	H1 2017	H1 2016
Transport	21	45
Outsourced and consulting services	15,117	20,320
Remuneration of directors and statutory auditors	1,166	1,338
Marketing costs	1,424	1,516
Cleaning, surveillance and other general services	424	404
Maintenance and support services	144	161
Utilities and telephone charges	638	690
Consulting - administrative services	1,425	1,418
Other services (chargebacks, commissions, etc.)	623	977
Bank and factoring charges	314	378
Insurance	102	121
Rental and leasing	2,064	2,129
TOTAL	**23,462**	**29,498**

Note that outsourced and consulting services include the costs of services received from technical and ICT professionals used by the Group to provide its own services to customers.

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.

Note 27.
Personnel costs

The figure shown represents the total personnel-related cost incurred by the Group in the first half of 2017.

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 pay-related contributions envisaged by law; Post-employment benefits relate to the provision accrued during the first half of the year (in this regard see also Note 15 "Employee benefits"), while Other personnel 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 luncheon vouchers.

Personnel costs

	H1 2017	H1 2016
Wages and salaries	23,474	21,660
Social security contributions	5,796	5,487
Post-employment benefits	1,456	1,376
Other personnel costs	1,535	742
TOTAL	**32,261**	**29,265**

The number of employees at 30 June 2017, broken down by category, is illustrated in the following table:

Description	No. in current period
Senior managers	104
Middle managers	116
White-collar staff	856
Blue collar	2
Apprentices	21
Total	**1,099**

Note 28.
Other operating costs

This item includes all costs of a residual nature, other than those recognised under items that have already been commented upon. Specifically, the item includes contingent liabilities for Euro 339 thousand mainly referring to undeclared contingent assets relating to this half of the year and other operating costs for Euro 165 thousand referring to membership fees, fines, penalties on services provided and indirect taxes for Euro 234 thousand.

Other operating costs

	H1 2017	H1 2016
Other operating costs	738	503
TOTAL	**738**	**503**

Note 29.
Cost of internal work capitalised

Capitalised costs for internal work 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.

Cost of internal work capitalised

	H1 2017	H1 2016
Cost of internal work capitalised	1,948	1,176
TOTAL	**1,948**	**1,176**

Note 30.
Amortisation and depreciation

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 and depreciation

	H1 2017	H1 2016
Depreciation of property, plant and equipment	305	273
Amortisation of intangible assets	2,687	2,329
TOTAL	**2,992**	**2,602**

Note 31.
Allocations to provisions

Allocations to provisions for risks concern Be Professional for disputes with employees. A more complete description can be found in Note 19 and paragraph 5.1 "Potential liabilities and disputes pending".

Allocations to provisions

	H1 2017	H1 2016
Allocation to other provisions for future risks and charges	101	152
TOTAL	**101**	**152**

Note 32.
Financial income and expense

Financial income and expense can be broken down as follows:

Financial income and expense

	H1 2017	H1 2016
Financial income	25	153
Financial expense	(634)	(696)
Gains (Losses) on foreign currency transactions	(50)	(399)
TOTAL	**(659)**	**(942)**

Financial income is largely represented by bank interest income, whilst 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.

Note 33.
Current and deferred taxes

Current taxes relating to the period include Euro 285 thousand for IRAP tax and IRES tax plus the income tax for foreign affiliates for a total of Euro 510 thousand.

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

	H1 2017	H1 2016
Current taxes	795	971
Deferred tax assets and liabilities	918	469
TOTAL	**1,713**	**1,440**

Note 34.
Earnings per share

The basic earnings per share are 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

	H1 2017	H1 2016
Profit (loss) from continuing operations pertaining to owners of the Company	2,467	2,558
Profit (loss) from discontinued operations pertaining to owners of the Company	0	0
Profit (loss) attributable to owners of the Parent Company	2,467	2,558
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 0.02	EUR 0.02
Diluted earnings per share	EUR 0.02	EUR 0.02

5. Other disclosures

5.1. Potential liabilities and disputes pending

The "Be" Group is involved in certain legal proceedings with various 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 1.0 million, considered sufficient to cover liabilities that could arise from these disputes.

5.2. Non-recurring income and charges

In the period under analysis, the Be Group did not recognise any non-recurring income or charges pursuant to Consob Resolution no. 15519 of 27 July 2006.

5.3. Transactions with related parties

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). Note that the Be's Board of Directors has approved a new version of the procedure for transactions with the Company's related parties. The Procedure was changed in order to reflect some changes made by Consob to the Regulation for Related Party Transactions (approved on 22 March 2017) in order to align domestic legislation with that envisaged by the "Market Abuse Regulation".

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.

The Be Group's related parties with which economic and equity transactions were recognised at 30 June 2017 are: T.I.P. Tamburi Investment Partners S.p.A. and IR Top S.r.l.

With regard to Messrs Stefano Achermann and Carlo Achermann and the companies controlled by them - Carma Consulting S.r.l., iFuture S.r.l. and Innishboffin S.r.l. - the economic transactions that took place in the period substantially refer only to fees paid for the positions of Executive and

Company Director of Group companies and, like remuneration for other members of the Board of Directors and Board of Statutory Auditors, are not included in the following tables.

No significant transactions were performed in the first half of 2017.

The figures at 30 June 2017 for related party transactions are shown below.

Receivables and payables with related parties at 30 June 2017

	Receivables			Payables		
	Trade and other receivables	Other receivables	*Financial receivables*	Trade and other payables	*Other payables*	*Financial payables*
Related Parties						
IR Top				6		
T.I.P. S.p.A.				33		
Total Related Parties	**0**	**0**	**0**	**39**	**0**	**0**

Receivables and payables with related parties at 31 December 2016

	Receivables			Payables		
	Trade and other receivables	Other Receivab les	*Financial receivables*	Trade and other payables	*Other payables*	*Financial payables*
Related Parties						
IR Top				20		
T.I.P. S.p.A.	6			37		
Total Related Parties	**6**	**0**	**0**	**57**	**0**	**0**

Revenue and costs with related parties in the first half of 2017

	Revenues			Costs		
	Revenues	Other revenue	*Financial income*	Services	*Others costs*	*Financial expense*
Related Parties						
IR Top				17		
T.I.P. S.p.A.				37		
C. Achermann				19		
Total Related Parties	**0**	**0**	**0**	**73**	**0**	**0**

Revenue and costs with related parties in the first half of 2016

	Revenues			Costs		
	Revenues	Other revenue	*Financial income*	Services	*Others costs*	*Financial expense*
Related Parties						
IR Top				22		
T.I.P. S.p.A.				37		
C. Achermann				20		
Total Related Parties	**0**	**0**	**0**	**79**	**0**	**0**

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	**30.06.2017**	**Absolute value**	**%**	**31.12.2016**	**Absolute value**	**%**
Trade receivables	32,059	0	0%	22,935	6	0%
Other assets and receivables	3,645	0	0%	3,401	0	0%
Cash and cash equivalents	19,506	0	0%	33,109	0	0%
Financial payables and other liabilities	66,789	0	0%	64,557	0	0%
Trade payables	10,130	39	0%	12,477	57	0%
INCOME STATEMENT	**1H 2017**	**Absolute value**	**%**	**1H 2016**	**Absolute value**	**%**
Operating revenue	61,608	0	0%	65,558	0	0%
Service and other costs	24,200	73	0%	30,001	79	0%
Net financial expense	659	0	0%	942	0	0%

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	30.06.2017	Of which related parties	31.12.2016	Of which related parties
NON-CURRENT ASSETS				
Property, plant and equipment	2,065		1,968	
Goodwill	59,769		55,645	
Intangible assets	18,328		17,678	
Equity investments in other companies	352		300	
Loans and other non-current assets	1,275		1,179	
Deferred tax assets	4,369		5,118	
Total non-current assets	**86,158**		**81,888**	
CURRENT ASSETS				
Inventories	16		39	
Trade receivables	32,059		22,935	6
Other assets and receivables	3,645		3,401	
Direct tax receivables	446		792	
Financial receivables and other current financial assets	814		192	
Cash and cash equivalents	19,506		33,109	
Total current assets	**56,486**		**60,468**	**6**
Total discontinued operations	**0**		**0**	
TOTAL ASSETS	**142,644**		**142,356**	**6**
SHAREHOLDERS' EQUITY				
Share capital	27,109		27,109	
Reserves	21,491		19,219	
Net profit (loss) attributable to owners of the Parent Company	2,467		4,246	
Group Shareholders' equity	**51,067**		**50,574**	
Minority interests:				
Capital and reserves	96		165	
Net profit (loss) attributable to minority interests	393		321	
Minority interests	**489**		**486**	
TOTAL SHAREHOLDERS' EQUITY	**51,556**		**51,060**	
NON-CURRENT LIABILITIES				
Financial payables and other non-current financial liabilities	16,390		15,643	
Provisions for risks	992		1,122	
Post-employment benefits (TFR)	6,087		6,114	
Deferred taxes	6,285		6,074	
Other non-current liabilities	7,708		10,066	
Total Non-current liabilities	**37,462**		**39,019**	
CURRENT LIABILITIES				
Financial payables and other current financial liabilities	21,934		19,264	
Trade payables	10,130	39	12,477	57
Provision for current risks	31		32	
Tax payables	774		920	
Other liabilities and payables	20,757		19,584	
Total Current liabilities	**53,626**	**39**	**52,277**	**57**
Total discontinued operations	**0**		**0**	
TOTAL LIABILITIES	**91,088**	**39**	**91,296**	**57**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**142,644**	**39**	**142,356**	**57**

Consolidated Income Statement

Amounts in EUR thousands	1H 2017	*Of which related parties*	*Of which non-recurring income (charges)*	1H 2016	Of which related parties	Of which non-recurring income (charges)
Operating revenue	61,608			65,558	0	
Other revenues and income	1,357			656	0	
Total Operating revenue	**62,965**	**0**		**66,214**	**0**	**0**
Raw materials and consumables	(127)			(124)		
Service costs	(23,462)	(73)		(29,498)	(79)	
Personnel costs	(32,261)			(29,265)		(255)
Other operating costs	(738)			(503)		
Cost of internal work capitalised	1,948			1,176		
Amortization, depreciation and write-downs:						
Depreciation of property, plant and equipment	(305)			(273)		
Amortisation of intangible assets	(2,687)			(2,329)		
Allocations to provisions	(101)			(152)		
Total Operating costs	**(57,733)**	**(73)**		**(60,968)**	**(79)**	**(255)**
Operating profit/(loss)	**5,232**	**(73)**		**5,246**	**(79)**	**(255)**
Financial income	25			153		
Financial expense	(684)			(1,095)		
Total Financial income/expense	**(659)**	**0**		**(942)**	**0**	**0**
PROFIT (LOSS) BEFORE INCOME TAXES	**4,573**	**(73)**		**4,304**	**(79)**	**(255)**
Current income taxes	(795)			(971)		
Deferred tax assets and liabilities	(918)			(469)		
Total Income taxes	**(1,713)**	**0**		**(1,440)**	**0**	**0**
Net profit (loss) from continuing operations	**2,860**	**(73)**		**2,864**	**(79)**	**(255)**
Net profit (loss) from discontinued operations	**0**			**0**		
Net profit (loss)	**2,860**			**2,864**		
Net profit (loss) attributable to minority interests	**393**			**306**		
Net profit (loss) attributable to owners of the Parent Company	**2,467**			**2,558**		

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 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 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 Be TSE Switzerland AG.

  In view of the events associated with the United Kingdom's process of exiting from the European Union ("Brexit"), the Group could be exposed to potential risks, at present not quantifiable or foreseeable, linked amongst other things to a write-down of its assets held in GBP. Management has implemented appropriate monitoring activities in order to react quickly to any negative effects.

- **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 8 and paragraph 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.

  Note that, as mentioned in Note 23, the top two customers account for 43.0% of operating revenue. The maximum theoretical exposure to credit risk for the group at 30 June 2017 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 7 million, for a duration of 5 years. The tables included in the sections on current and non-current financial payables show the book value, by maturity, of the Company's and Group's financial instruments that are exposed to interest rate risk.

- **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 notes 14 and 15 "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 Notes 14 and 15, while with regard to trade payables, the amount due within the following year is shown on the financial statements.

According to the Management, the funds currently available, in addition to those that will be generated by operating and funding activities, including 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 the first half of 2017, the Group did not undertake any atypical or unusual transactions as defined in Consob Communication DEM/6064293.

6. Events after the reporting period at 30 June 2017

In July, the subsidiary R&L AG renewed its contract with the German Central Bank to sustain the project to develop the payment infrastructure in Germany and Europe. The objective of the new project to is provide and further develop a payments platform that guarantees secure payment transactions - retail and wholesale - at domestic level, in Europe and internationally. The new contract is worth Euro 1.0 million and will last two years- During the previous assignment with Bundesbank, R&L had already designed a part of the new infrastructure, and was selected again to support its development towards higher quality standards, in accordance with the requirements of the Central Bank.

Milan, 2 August 2017

/signed/ Stefano Achermann
The Board of Directors
Chief Executive Officer

Certification of the Half-year Condensed Consolidated Financial Statements pursuant to art. 81-ter, Consob Regulation no. 11971 of 14 May 1999, as amended and supplemented

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 adopted in the first half of 2017 when preparing the half-year condensed financial statements.

2. It is also confirmed that:

2.1. the half-year condensed financial statements:

a) were prepared in compliance with international accounting standards endorsed by the European Union pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the 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 interim management report contains a reliable analysis of references to significant events occurring in the first half of the year and their impact on the results of operations, as well as of the position of the issuer and its consolidated companies, together with a description of the main risks and uncertainties to which they are exposed.

Milan, 2 August 2017

/signed/ Manuela Mascarini

Executive in charge of preparing
the company's accounting documents

Manuela Mascarini

/signed/ Stefano Achermann

Chief Executive Officer

Stefano Achermann

Deloitte & Touche S.p.A.
Via Tortona, 25
20144 Milano
Italia

Tel: +39 02 83322111
Fax: +39 02 83322112
www.deloitte.it

RELAZIONE DI REVISIONE CONTABILE LIMITATA
SUL BILANCIO CONSOLIDATO SEMESTRALE ABBREVIATO

Agli Azionisti della
Be Think, Solve, Execute S.p.A.

Introduzione

Abbiamo svolto la revisione contabile limitata del bilancio consolidato semestrale abbreviato, costituito dalla situazione patrimoniale-finanziaria consolidata, dal conto economico consolidato, dal conto economico complessivo consolidato, dal rendiconto finanziario consolidato, dal prospetto delle variazioni del patrimonio netto consolidato e dalle relative note esplicative della Be Think, Solve, Execute S.p.A. e controllate ("Gruppo Be") al 30 giugno 2017. Gli Amministratori sono responsabili per la redazione del bilancio consolidato semestrale abbreviato in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea. E' nostra la responsabilità di esprimere una conclusione sul bilancio consolidato semestrale abbreviato sulla base della revisione contabile limitata svolta.

Portata della revisione contabile limitata

Il nostro lavoro è stato svolto secondo i criteri per la revisione contabile limitata raccomandati dalla Consob con Delibera n. 10867 del 31 luglio 1997. La revisione contabile limitata del bilancio consolidato semestrale abbreviato consiste nell'effettuare colloqui, prevalentemente con il personale della società responsabile degli aspetti finanziari e contabili, analisi di bilancio ed altre procedure di revisione contabile limitata. La portata di una revisione contabile limitata è sostanzialmente inferiore rispetto a quella di una revisione contabile completa svolta in conformità ai principi di revisione internazionali (ISA Italia) e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti significativi che potrebbero essere identificati con lo svolgimento di una revisione contabile completa. Pertanto, non esprimiamo un giudizio sul bilancio consolidato semestrale abbreviato.

Conclusioni

Sulla base della revisione contabile limitata svolta, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il bilancio consolidato semestrale abbreviato della del Gruppo Be al 30 giugno 2017 non sia stato redatto, in tutti gli aspetti significativi, in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea.

DELOITTE & TOUCHE S.p.A.

Stefano Marnati
Socio

Milano, 8 agosto 2017