

**INTERIM  
REPORT  
ON OPERATIONS  
AT 30 SEPTEMBER  
2017**



**TECNOINVESTIMENTI**



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## COMPANY DATA and COMPOSITION OF THE CORPORATE GOVERNANCE BODIES

Parent Company's registered office  
Tecnoinvestimenti S.p.A.  
Piazza Sallustio 9  
00187 Rome Italy

Statutory Information about the Parent Company  
Share capital resolved € 47,207,120 - subscribed and paid-up € 46,573,120  
Rome Company Register No. RM 1247386  
Tax ID and VAT No. 10654631000  
Institutional Website [www.tecnoinvestimenti.it](http://www.tecnoinvestimenti.it)

### Corporate governance bodies currently in office

#### Board of Directors

Enrico Salza	Chairman
Pier Andrea Chevallard	Managing Director
Aldo Pia	Director
Alessandro Potestà	Director
Laura Benedetto	Director (independent)
Elisa Corgi	Director (independent)
Gian Paolo Coscia	Director (independent)
Giada Grandi	Director (independent)
Ivanhoe Lo Bello	Director (independent)

#### Control, Risks and Related Parties Committee

Giada Grandi	Chairman
Elisa Corgi	
Alessandro Potestà	

#### Compensation Committee

Gian Paolo Coscia	Chairman
Laura Benedetto	
Aldo Pia	

#### Board of Statutory Auditors

Riccardo Ranalli	Chairman
Gianfranco Chinellato	Standing Auditor
Domenica Serra	Standing Auditor
Alberto Sodini	Alternate Auditor
Laura Raselli	Alternate Auditor

#### Independent Auditors

KPMG S.p.A.

#### Manager responsible for the preparation of the Company's accounting documents

Nicola Di Liello

#### Registered and operating office

Piazza Sallustio 9 - 00187 Rome

#### Operating Office

Via Principi d'Acaia, 12 - 10143 Turin  
Via Meravigli, 7 – 20123 Milan

# INTERIM REPORT ON OPERATIONS

## GROUP ACTIVITIES

The Tecnoinvestimenti Group supplies a wide range of Digital Trust, Credit Information & Management and Sales & Marketing Solutions services in Italy and, to a lesser extent, abroad. The Group has developed rapidly in the last few years, as a result of both organic growth and acquisitions targeted at expanding the portfolio of products/services and extending the offering to market sectors considered strategic, through the creation of a third Business Unit and strengthening of the two BUs already in the Group's scope of consolidation.

The Group operates through three Business Units:

1. The Digital Trust Business Unit offers the market IT solutions for digital identity and dematerialisation of processes according to applicable regulations (including the new European regulations eIDAS) and customer and sector compliance standards, through various products and services such as certified e-mail, electronic storage, digital signature, e-invoicing, Telematic Trust Solutions and Enterprise Content Management Solutions. The Group performs Digital Trust activities through the InfoCert and Visura Groups.

For the purpose of carrying out specific activities such as provider or manager of certified e-mail, electronic storage and Digital Signature services, InfoCert is qualified as a Certification Authority and accredited by the AgID (Italian Digital Agency of the Italian Government). The ability to provide said IT solutions is reserved for entities that meet certain legal requirements, in terms of both assets and organic and technological infrastructure. InfoCert has also been accredited by AgID as an Identity Trust Provider, i.e. Digital Identity manager that can issue digital identities to citizens and businesses, thereby managing user authentications to ensure maximum security.

Visura and its subsidiary Lextel are active in the Digital Trust market, primarily through the sale of Telematic Trust Solutions, product resale services such as certified e-mail, digital signature and e-invoicing services provided in turn by InfoCert; they also offer electronic services and manage around a database of 450 thousand customers, including professionals, professional practices, public administrations, professional associations and companies; through ISI, the Visura Group also offers products and services in the IT sector for professional associations such as electronic document generation, CAF Facile (transmission of income tax declaration using 730 and ISEE forms), on-line registered mail.

Sixtema S.p.A., 80%-owned by InfoCert from April 2017, provides IT and management services to companies, authorities, associations and institutions, focusing on the world of the Federation of Italian Artisans and Craftsmen in particular. It has its own data centre, in Modena, through which it provides its own software services in ASP and/or SaaS mode. In addition, as service provider, it provides an integrated technological infrastructure service. Its offering is composed of software solutions for the fulfilment of all tax and employment legislation obligations and of the various regulations in general.

2. The Credit Information & Management Business Unit, provides standardized and value-added services primarily designed to provide support for credit disbursement, assessment and collection processes, in both the banking sector and in the industrial sector.

Within the Credit Information & Management segment the Group operates through the companies Ribes, RE Valuta, Assicom and its subsidiary Creditreform Assicom Ticino.

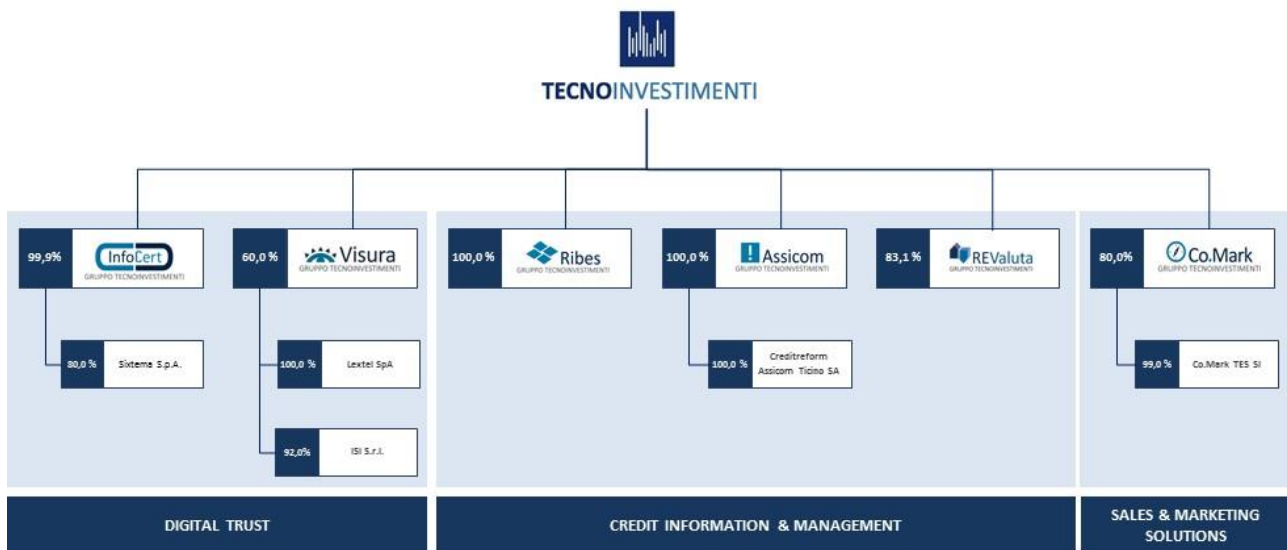
Ribes offers a complete range of information services to support decision-making processes for the granting, assessment and collection of credit. Assicom offers credit management and business information services, through a business model characterised by the integration of services, with the aim of supporting SMEs at every stage of the credit management process. Assicom also controls

Creditreform Assicom Ticino, a company belonging to the Creditreform network, an international organisation operating in the business information and credit recovery sector.

RE Valuta creates and provides assessment services regarding the actual value of real estate collateral during the granting of bank loans.

- The Sales & Marketing Solutions Business Unit provides value-added services, mainly to support small and medium enterprises or networks of businesses wishing to expand internationally, find new customers and develop commercial opportunities in Italy and abroad. The Group has had a presence in Italy in Sales & Marketing Solutions with Co.Mark S.p.A. since 2016, and in the Spanish market with its Spanish subsidiary Co.Mark TES. The Co.Mark Group provides its services primarily through its team of TES® (Temporary Export Specialist®), that provide linguistic, strategic and commercial expertise needed to start export activities in foreign markets. Through acceptance of the offer of the Sales & Marketing Solutions BU, corporate customers can benefit from strategic support in terms of method, tools and expertise to create effective foreign commercial networks that produce concrete results in the short term.

The chart that follows outlines the structure of the Tecnoinvestimenti Group, including controlling interests held, at 30 September 2017.



## KEY EVENTS OF THE PERIOD

An overview of the key events that occurred in the first nine months of 2017 is provided as follows:

1. On 28 March 2017, the Board of Directors of Tecnoinvestimenti approved a resolution to exercise the purchase options to purchase the minorities of the two subsidiaries Ribes and Assicom which operate in the Credit Information & Management Strategic Business Unit (SBU), thereby obtaining full control of them.  
The decision allows Tecnoinvestimenti to promote the integration of the two companies with a view to tackling increasing competition and grasping the opportunities offered by the market, both in the corporate and financial sectors. The purchase option on the 12.5% of the minorities of Ribes was exercised in the first contractual window, while the purchase of the 32.5% stake in Assicom, held by Quaranta Holding and Capitoloundici was carried out partially ahead of time with respect to the contractual agreements. Those agreements made provision for the exercising of the options in two tranches, the first at the time of approval of the 2016 financial statements and the second on approval of the 2017 financial statements.
2. As a result of the resolution of the Board of Directors, a contract was signed on 28 March 2017 for the acquisition of the minorities of Assicom held by the shareholders Capitoloundici S.p.A. (10%) and Quaranta Holding S.r.l. (22.5%) for a total of € 27,976 thousand.
3. On 3 April 2017, the shareholders' meeting of Ribes S.p.A. approved the distribution of an extraordinary dividend in kind to the shareholders Tecnoinvestimenti S.p.A. and Coesa S.p.A, equal to 95% of the share capital of RE Valuta S.p.A., for a nominal share of € 190,000, in proportion to the shareholding held in Ribes S.p.A.. As a result of this distribution, Tecnoinvestimenti S.p.A. holds a stake in RE Valuta S.p.A. amounting to a nominal € 166,250 (83.125%) and Coesa S.p.A. also holds a stake in RE Valuta S.p.A. for a nominal € 23,750 (11.875%). There are Put & Call option rights on Coesa S.p.A.'s shares (in RE Valuta) which can be exercised after approval of RE Valuta's 2018 or 2019 financial statements.
4. On 13 April 2017, InfoCert S.p.A. signed the purchase contract, obtaining 80% of Sixtema S.p.A., (with respect to the previous stake of 35%), an ICT company specialising in the production of software for the SME sector. The transaction allowed the acquisition of 45% of Sixtema's share capital, based on a fixed component, amounting to € 2,150 thousand paid at the closing date (20 April 2017), and a variable component, which will be an amount between a minimum of € 250 thousand and a maximum amount of € 1,750 thousand, to be paid following the approval of Sixtema's 2018 financial statements. Put & Call options were stipulated for the remaining 20% still held by the minority shareholders, which can be exercised in a single transaction following the approval of the 2018 financial statements.
5. The acquisition of the remaining 12.5% of Ribes S.p.A. was formalised on 13 April 2017, by exercising the purchase option for it. The financial outlay totalled € 7 million.
6. On 27 April 2017, the companies Tecnoinvestimenti S.p.A., Ribes S.p.A. and Assicom S.p.A. signed a debt refinancing agreement with Cariparma and Friuladria for the residual amount still outstanding at 31 March 2017, amounting to € 27.5 million, split between Tecnoinvestimenti (€ 18.3 million) and the subsidiaries Ribes S.p.A. (€ 6.5 million) and Assicom S.p.A. (€ 2.7 million), with a significant benefit in terms of reduced financial expenses, which will be realised over the next few years. The main terms of the contract are as follows:
  - a. Term loan facility replacing the previous one for a total of € 30 million, expiring on 30 June 2023 (Tecnoinvestimenti for € 20.8 million to Cariparma, Ribes for € 6.5 million to Cariparma and Assicom for € 2.7 million to Friuladria), repaid in six-monthly instalments at 6-month

- Euribor plus 130 basis points; starting from the date of approval of Tecnoinvestimenti Group's Consolidated Financial Statements at 31 December 2017, the margin applicable from the interest period subsequent to the date of approval of the aforementioned Consolidated Financial Statements will be determined on the basis of the Debt Cover Ratio, hereinafter "DCR" (ratio between Net Financial Position ("NFP") and EBITDA), as follows:  $DCR \geq 3$  Margin 145 basis points;  $DCR < 3$  and  $\geq 1$  Margin 130 basis points;  $DCR < 1$  margin 115 basis points
- b. An additional Capex facility available on request, not drawn down at 30 June 2017, for €15 million at 6-month Euribor plus 160 basis points, expiring on 30 June 2023; starting from the date of approval of the Tecnoinvestimenti Group's Consolidated Financial Statements at 31 December 2017, the margin applicable from the interest period subsequent to the date of approval of the aforementioned Consolidated Financial Statements will be determined on the basis of the Debt Cover Ratio, hereinafter "DCR" (ratio between NFP and EBITDA), as follows:  $DCR \geq 3$  Margin 175 basis points;  $DCR < 3$  and  $\geq 1$  Margin 160 basis points;  $DCR < 1$  margin 145 basis points
  - c. Modification of covenants calculated on the Tecnoinvestimenti Group's Consolidated Financial Statements, with half-yearly cadence on a pro-forma basis taking account of extraordinary transactions. Tecnoinvestimenti S.p.A. is committed, from 30 June 2017 and for each reference half, to respect the following limits: maximum DCR threshold of 3.5 and NFP/Equity ratio of 2.0.
  - d. Elimination of guarantees that secured the pool financing, specifically the pledge of Ribes and InfoCert shares.
7. A centralised Group treasury management system (cash pooling) was established on 1 July 2017, overseen by the Parent Company Tecnoinvestimenti S.p.A.. The Group companies participating in the cash pooling are Assicom S.p.A., Co.Mark S.p.A., InfoCert S.p.A., ISI S.r.l., Lextel S.p.A., RE Valuta S.p.A., Ribes S.p.A. and Visura S.p.A..
  8. On 6 July 2017, Tecnoinvestimenti S.p.A. concluded the purchase of an additional 10% in the subsidiary Co.Mark S.p.A. which operates in the Sales & Marketing Solutions segment, for a total amount of € 6,655 million, following the exercising of the first Put option by minority shareholders according to the timing contractually agreed. The original contract for the acquisition of the 70% stake required the remaining 30%, held by the founding shareholders, to be subject to Put & Call option rights exercisable in three annual instalments of 10% each, at a price calculated by applying a variable multiple on annual EBITDA based on the growth rates registered. Tecnoinvestimenti's stake in Co.Mark S.p.A. rose to 80%.
  9. On 25 July 2017, the merger of Ribes in Assicom was approved, which will spawn Assicom Ribes S.p.A.. The merger, planned for 2018, was accelerated following the purchase, between March and April 2017, by the Parent Company Tecnoinvestimenti, of the minority interests of the two companies operating in the Credit Information & Management Strategic Business Unit (SBU). The planned merger between Assicom and Ribes is based on the objective of Tecnoinvestimenti S.p.A., now the sole shareholder of both companies, to establish a single operator, managed organically and therefore capable of adopting a dynamic approach to the reference market, thereby strengthening its medium-term competitive positioning. The revenue and cost synergies will allow the company to gradually invest in expanding the information database and extending the product range, in all markets in which it operates (financial, corporate SMEs and professionals), in Credit Information services and Credit Management services.
  10. On 22 September 2017, Tecnoinvestimenti S.p.A. received from Cedacri S.p.A. - shareholder that, based on the information publicly available, held a 4.95% stake in Tecnoinvestimenti S.p.A. - a



request to exercise the first tranche of warrants held by the latter, up to a maximum of 317,000 warrants, corresponding to 317,000 new ordinary shares of Tecnoinvestimenti S.p.A. at a subscription price of € 3.40. At the same time as the request, Cedacri S.p.A. paid an amount of € 1,077,800, recognised under equity reserves. The exercising of the first tranche is the result of the satisfaction of the conditions set forth in art. 3 of the Regulation of the “Warrant Tecnoinvestimenti 2016-2019”.

## GROUP ECONOMIC RESULTS

The Group closed the first nine months at 30 September 2017 with revenues of € 127,097 thousand, an increase of € 24,040 thousand (+23.3%) over the same period of the previous year. EBITDA<sup>1</sup> amounted to € 29,511 thousand, an increase of € 9,967 thousand or 51.0% compared to the same period of the previous year. Operating Profit amounted to € 20,658 thousand and the Net Result to € 14,319 thousand, which represent increases of 82.2% and 108.4%, respectively.

The following table shows the economic results for the first nine months of 2017 compared to the same period of 2016:

<b>Summary economic data (€ '000s)</b>	<b>30/09/2017<sup>2</sup></b>	<b>%</b>	<b>30/09/2016<sup>3</sup></b>	<b>%</b>	<b>Change</b>	<b>Change %</b>
Revenues	127,097	100.0%	103,057	100.0%	24,040	23.3%
EBITDA <sup>1</sup>	29,511	23.2%	19,544	19.0%	9,967	51.0%
Operating result	20,658	16.3%	11,338	11.0%	9,321	82.2%
Net Result	14,319	11.3%	6,870	6.7%	7,450	108.4%

The table below shows the economic results net of non-recurring items:

<b>Income Statement net of non-recurring items (€ '000s)</b>	<b>30/09/2017<sup>2</sup></b>	<b>%</b>	<b>30/09/2016<sup>3</sup></b>	<b>%</b>	<b>Change</b>	<b>Change %</b>
Revenues	120,868	100.0%	103,057	100.0%	17,811	17.3%
EBITDA <sup>1</sup>	25,046	20.7%	20,899	20.3%	4,147	19.8%
Operating result	16,193	13.4%	12,693	12.3%	3,500	27.6%
Net Result	10,247	8.5%	7,972	7.7%	2,275	28.5%

1 EBITDA is a benchmark used by Group management to monitor and assess the Group's operating performance. EBITDA is calculated as the profit (loss) for the year before income taxes, net financial expenses, gains or losses on investments, depreciation and amortisation, accruals to provisions and impairment losses.

2 The results for the first nine months of 2017 include the effect of the acquisitions performed in 2016 and in the first nine months of 2017 (the Co.Mark Group consolidated on 1 April 2016, the Visura Group consolidated on 1 July 2016 and Sixtema S.p.A. consolidated on 1 April 2017); the results for the first nine months of 2016 only include the second and third quarter results of the Co.Mark Group and the third quarter results of the Visura Group.

3 The results for the first nine months ended 30 September 2016 were restated in relation to the completion, on 31 December 2016, of the business combination accounting of the acquisitions of Co.Mark (on 24 March 2016), Datafin and Eco-Mind App Factory (acquired at the end of 2015) and the completion, on 30 June 2017, of the business combination accounting of the acquisition of Visura (on 20 July 2016).

At 30 September 2017, income of € 6,228 thousand was recorded, with the associated expenses totalling €387 thousand, as a result of the ruling of 24 January 2017 of the Bologna Court of Appeal, which ordered the Land Registry Office, now the Italian Revenue Agency, to pay compensation to Ribes S.p.A. for damages caused by anti-competitive behaviour (pursuant to note 25 of the Condensed Interim Consolidated Financial Statements at 30 June 2017). Although the terms are still pending for any appeal at the Court of Cassation by the Italian Revenue Agency, as a result of the collection of the amount due, which occurred on 24 October 2017, the economic benefit has been deemed virtually certain and, therefore, the income was already recognised at 30 September 2017. The income and expenses, net of the tax effect, were considered non-recurring items.

During the first nine months ended 30 September 2017, additional non-recurring charges were incurred for a total of € 1,376 thousand and non-recurring financial income of € 107 thousand. The first relate, for € 996 thousand, to expenses to evaluate potential corporate targets and, for € 380 thousand, to costs connected with the exit of the previous Managing Director of Assicom, following the acquisition of 100% of the company; non-recurring income derives from the fair value measurement of 35% of the interest in Sixtema held before the acquisition of a further 45% in April 2017. Net of the tax effect, the Group Net Result adjusted for non-recurring items would have been € 10,247 thousand, accounting for 8.5% of revenues. In the first nine months of 2016, non-recurring charges were € 1,355 thousand (relating to costs incurred for the acquisitions of the Co.Mark and Visura Groups and costs for the listing on the STAR segment of Borsa Italiana, which was realised in August 2016).

The Adjusted Net Result for the first nine months of 2017 amounted to € 12,631 thousand, marking an increase of € 2,337 thousand over the same period of 2016 (+22.7%). The method of construction of the Adjusted Net Result for the period is shown below, used to present the Group's operating performance, net of non-recurring items and the amortisation of intangible assets which arose at the time of allocation of the price paid in the business combinations (net of the tax effect). This indicator reflects the Group's economic performance, net of non-recurring factors not strictly related to the activities and management of the "core business".

<b>Abbreviated Consolidated Income Statement</b> <i>(€ '000s)</i>	<b>30/09/2017</b>	<b>30/09/2016<sup>4</sup></b>	<b>Change</b>	<b>Change %</b>
<b>Net Result</b>	<b>14,319</b>	<b>6,870</b>	<b>7,450</b>	<b>108.4%</b>
Non-recurring revenues	-6,228	-	-6,228	
Non-recurring costs of services	1,337	1,355	-18	
Non-recurring personnel costs	380	-	380	
Other non-recurring operating costs	46	-	46	
Amortisation of intangible assets that emerged at the time of allocation	3,340	3,397	-57	
Non-recurring financial income	-107	-	-107	
Tax effect	-455	-1,327	872	
<b>Adjusted Net Result</b>	<b>12,631</b>	<b>10,295</b>	<b>2,337</b>	<b>22.7%</b>

4 The results for the first nine months ended 30 September 2016 were restated in relation to the completion, on 31 December 2016, of the business combination accounting of the acquisitions of Co.Mark (on 24 March 2016), Datafin and Eco-Mind App Factory (acquired at the end of 2015) and the completion, on 30 June 2017, of the accounting business combination of the acquisition of Visura (on 20 July 2016).

The table below provides details of the income statement at 30 September 2017 (including the non-recurring items and the amortisation of intangible assets which arose at the time of allocation of the price paid in the business combinations), compared with the first nine months of 2016:

Consolidated Income Statement (€ '000s)	30/09/2017	%	30/09/2016 <sup>5</sup>	%	Change	%
<b>Revenues</b>	<b>127,097</b>	<b>100.0%</b>	<b>103,057</b>	<b>100.0%</b>	<b>24,040</b>	<b>23.3%</b>
<b>Total Operating Costs</b>	<b>97,585</b>	<b>76.8%</b>	<b>83,513</b>	<b>81.0%</b>	<b>14,072</b>	<b>16.9%</b>
Costs of raw materials	3,966	3.1%	4,527	4.4%	-561	-12.4%
Costs of services	48,793	38.4%	43,751	42.5%	5,041	11.5%
Personnel costs	43,511	34.2%	34,186	33.2%	9,325	27.3%
Other operating costs	1,316	1.0%	1,048	1.0%	268	25.6%
<b>EBITDA</b>	<b>29,511</b>	<b>23.2%</b>	<b>19,544</b>	<b>19.0%</b>	<b>9,967</b>	<b>51.0%</b>
Depreciation, amortisation, provisions and impairment	8,853	7.0%	8,207	8.0%	647	7.9%
<b>Operating Profit</b>	<b>20,658</b>	<b>16.3%</b>	<b>11,338</b>	<b>11.0%</b>	<b>9,321</b>	<b>82.2%</b>
Financial income	287	0.2%	62	0.1%	225	365.1%
Financial expenses	1,426	1.1%	1,154	1.1%	272	23.6%
Result of equity-accounted investments	2	0.0%	-32	0.0%	34	-107.7%
Income taxes	5,202	4.1%	3,344	3.2%	1,858	55.6%
<b>Net Result</b>	<b>14,319</b>	<b>11.3%</b>	<b>6,870</b>	<b>6.7%</b>	<b>7,450</b>	<b>108.4%</b>

**Revenues** rose from € 103,057 thousand in the first nine months of 2016 to € 127,097 thousand in 2017, growth of 23.3%, equal to € 24,040 thousand. Net of non-recurring income relating to the Ribes compensation, mentioned previously, revenues recorded an increase of 17.3%, mainly due to the expansion of the scope of consolidation with respect to the first nine months of 2016, more specifically, the line-by-line consolidation of Sixtema S.p.A. from 1 April 2017, of the Visura Group from 1 July 2016 and the Co. Mark Group from 1 April 2016.

**Operating costs** rose from € 83,513 thousand in the first nine months of 2016 to € 97,585 thousand in 2017, an increase of 16.9%, equal to € 14,072 thousand. Net of non-recurring items, the increase would have been 16.6%. The variation is due largely, as reported in the revenues section, to the expansion in the scope of consolidation. The percentage increase in operating costs was lower than the increase in revenues, which caused an overall improvement in profit margins.

The item **Depreciation, amortisation, provisions and impairment**, totalling € 8,853 thousand, with an increase of € 647 thousand (+7.9%), was composed of:

- Depreciation of property, plant and equipment of € 2,046 thousand, an increase of € 261 thousand over the first nine months of 2016;
- Amortisation of intangible assets of € 5,850 thousand, an increase of € 211 thousand over the same period of 2016; The amortisation of intangible assets that arose at the time of allocation of the excess cost paid in the business combinations amounted to € 3,340 thousand (€ 3,397 thousand in the first nine months of 2016).
- Write-downs of trade receivables for € 958 thousand, growth of € 174 thousand compared to 2016.

<sup>5</sup> The results for the first nine months ended 30 September 2016 were restated in relation to the completion, on 31 December 2016, of the business combination accounting of the acquisitions of Co.Mark (on 24 March 2016), Datafin and Eco-Mind App Factory (acquired at the end of 2015) and the completion, on 30 June 2017, of the business combination accounting of the acquisition of Visura (on 20 July 2016).

**Net financial expenses** at 30 September 2017 equalled € 1,139 thousand, compared to € 1,092 thousand in the first nine months of 2016, marking an increase of € 47 thousand. The most significant changes are attributable to non-recurring income of € 107 thousand resulting from the fair value measurement of 35% of the interest in Sixtema held before the acquisition of a further 45%, and the incremental expenses deriving from the loan from the controlling shareholder Tecno Holding, disbursed in two tranches in 2016 and fully outstanding at June 2017.

**Income taxes**, calculated on the basis of the tax rates applicable to the reporting year under current tax laws, amounted to € 5,202 thousand, compared to € 3,344 thousand in the same period of the previous year. The tax rate amounted to 26.6%, a reduction of 6.1 basis points compared to 2016. The reduction was influenced by the exemption from taxes of the portion of damages resulting from the Ribes compensation amounting to € 2,785 thousand. The reduction in the IRES (corporate income tax) rate from 27.5% to 24% in the current year should also be noted.

## Results by business segments

The results of the “Business Segments” are measured by analysing Revenue and EBITDA performance, defined as profit for the period before depreciation and amortisation, accruals to provisions, impairment losses, financial income and expense, gains or losses from investments and taxes.

In particular, management believes that EBITDA provides a good indication of performance as it is not influenced by tax regulations and amortisation policies.

The growth trends by business segment are shown in the table below, which reports the revenues and EBITDA of the first nine months of 2017, compared with the same period of the previous year:

Abbreviated Income Statement by Business Segment	30/09/2017	EBITDA % 30/09/2017	30/09/2016	EBITDA % 30/09/2016	Change	Change %		
						Total	Organic	Scope
<b>Revenues</b>								
Digital Trust	56,569		39,280		17,289	44.0%	5.7%	38.3%
Credit Information & Management	57,842		55,145		2,697	4.9%	5.1%	-0.2%
Sales & Marketing Solutions	12,685		8,495		4,189	49.3%	-5.6%	54.9%
Other (Holding Company)	1		137		-136	-99.1%	-99.1%	0.0%
<b>Revenues</b>	<b>127,097</b>		<b>103,057</b>		<b>24,040</b>	<b>23.3%</b>	<b>4.3%</b>	<b>19.0%</b>
<b>EBITDA</b>								
Digital Trust	13,290	23.5%	9,490	24.2%	3,800	40.0%	1.6%	38.4%
Credit Information & Management	15,538	26.9%	10,318	18.7%	5,220	50.6%	50.6%	0.0%
Sales & Marketing Solutions	4,742	37.4%	3,434	40.4%	1,308	38.1%	-13.6%	51.7%
Other (Holding Company Costs)	-4,059	n.a.	-3,698	n.a.	-361	-9.8%	-9.8%	0.0%
<b>EBITDA</b>	<b>29,511</b>	<b>23.2%</b>	<b>19,544</b>	<b>19.0%</b>	<b>9,967</b>	<b>51.0%</b>	<b>23.3%</b>	<b>27.7%</b>

The following table shows the economic results by business segments, net of non-recurring items:

Abbreviated Income Statement by Business Segment net of non-recurring items	30/09/2017	EBITDA % 30/09/2017	30/09/2016	EBITDA % 30/09/2016	Change	Change %		
						Total	Organic	Scope
<b>Revenues</b>								
Digital Trust	56,569		39,280		17,289	44.0%	5.7%	38.3%
Credit Information & Management	51,613		55,145		-3,531	-6.4%	-6.2%	-0.2%
Sales & Marketing Solutions	12,685		8,495		4,189	49.3%	-5.6%	54.9%
Other (Holding Company)	1		137		-136	-99.1%	-99.1%	0.0%
<b>Revenues</b>	<b>120,868</b>		<b>103,057</b>		<b>17,811</b>	<b>17.3%</b>	<b>-1.7%</b>	<b>19.0%</b>
<b>EBITDA</b>								
Digital Trust	13,290	23.5%	9,490	24.2%	3,800	40.0%	1.6%	38.4%
Credit Information & Management	10,251	19.9%	10,318	18.7%	-67	-0.6%	-0.6%	0.0%
Sales & Marketing Solutions	4,742	37.4%	3,434	40.4%	1,308	38.1%	-13.6%	51.7%
Other (Holding Company Costs)	-3,237	n.a.	-2,342	n.a.	-895	-38.2%	-38.2%	0.0%
<b>EBITDA</b>	<b>25,046</b>	<b>20.7%</b>	<b>20,899</b>	<b>20.3%</b>	<b>4,147</b>	<b>19.8%</b>	<b>-6.1%</b>	<b>25.9%</b>

The following section is a commentary of the results, net of non-recurring items, of the individual business segments.

### Digital Trust

Revenues from the Digital Trust segment amounted to € 56,569 thousand at 30 September 2017, an increase of € 17,289 thousand over the same period of the previous year (+44.0%), of which 5.7% organic growth and 38.3% due to the contribution of the Visura Group in the first two quarters of 2017 and of the company Sixtema S.p.A. in the second and third quarters of 2017.

The segment EBITDA amounted to € 13,290 thousand for the first nine months of 2017; the increase compared to the first nine months of 2016 was 40.0%. Organic growth contributed 1.6% while the additional contribution of the Visura Group and Sixtema S.p.A. in the periods mentioned above was 38.4%. In percentage terms, the EBITDA margin (incidence of EBITDA on revenues) stood at 23.5% for the first nine months of 2017. The reduction compared to the EBITDA margin for the first nine months of 2016 is due to the consolidation of Sixtema from 1 April 2017, which presented lower profit margins than the operations of the rest of the Digital Trust segment.

The trends already reported in the Half-Year Report for the year are confirmed, with the segment's operating results continuing to provide evidence of an encouraging growth trend. The higher turnover volumes are attributable to an across-the-board increase reported for virtually all of the company's products and services, both in the Mass market (website) and the Solutions market (Large Customers area). The growth in the solutions market reflects InfoCert's increasing ability to operate in the marketplace not just as a Certification Authority, but also as a promoter of innovative solutions to support the processes of its corporate customers. The business trend, both in terms of revenues and orders to be executed, is especially positive for the TOP ("Trusted Onboarding Platform") product, in respect of which InfoCert is also registering significant growth from abroad.

The results achieved are attributable not only to aspects described above, but are the result of industrial and commercial synergies developed between the two Groups (InfoCert and Visura) and aimed at directing the Digital Trust offering at Trade Associations and professionals. A fresh stimulus to growth, particularly coming from the world of the national federation of artisans, is being achieved through the integration of Sixtema S.p.A.

### ***Credit Information & Management***

In the Credit Information & Management segment, revenues amounted to € 51,613 thousand in the first nine months of 2017, recording a decrease equal to € 3,531 thousand or -6.4% versus the € 55,145 thousand recorded in the first nine months of 2016. The decrease is attributable to an organic contraction of 6.2%.

In terms of profit margins, EBITDA recorded a decrease of € 67 thousand compared to the same period of the previous year, amounting to € 10,251 thousand. Despite the decline in revenues, the Business Unit, thanks to a careful cost control policy and the industrial synergies achieved, managed to increase its EBITDA margin from 18.7% in 2016 to 19.9% in the current period, limiting the percentage reduction with respect to the same period of the previous year to 0.6%.

The difficulties recorded by the Credit Information & Management area in the first nine months of 2017 are primarily attributable to the market trends characterised by static demand, the consolidation of the main players, achieved in particular via external growth policies, and the entry into the competitive arena of operators that employ highly aggressive pricing policies. In light of these elements and with the objective of favouring a process of growth of the Credit Information area, the Group's management launched a project for the merger of the companies Assicom S.p.A. and Ribes S.p.A., which will be completed by the end of the year. The plan for the development of the entire area will be facilitated by the merger process, which will make it possible to rationalise costs, and by important projects to invest in the corporate databases, which will allow the latter to be expanded and promote the development of an offering more capable of meeting the competitive challenges of the market.

### ***Sales & Marketing Solutions***

The Sales & Marketing Solutions segment was created in March 2016 thanks to the acquisition of the Co.Mark Group. The economic results of the segment were therefore consolidated in Tecnoinvestimenti Group's results from 1 April 2016.

Revenues in the segment in the first nine months of 2017 amounted to € 12,685 thousand, up by € 4,189 thousand compared to the same period of the previous year (+49.3). Segment EBITDA increased by € 1,308 thousand (+38.1) to € 4,742 thousand.

With the same 2016 scope of consolidation, revenues declined by 5.6% and EBITDA by 13.6%. This decrease was due to the delay in the trend of signing new contracts, as a result of the deferment of the publication of the decree for the "internationalisation vouchers", only published by the Ministry of Economic Development at the end of September 2017. The market expectation of said economic contribution to the outright grant caused the postponement in the signing of the new contracts. The companies concerned may benefit from it starting from November, with encouraging expectations of an increase in revenues for Co.Mark S.p.A. in the next months. The fall in variable costs only partially offset the reduction in the revenues recorded; in 2016, the company was structured so as to support growing revenue volumes which it is believed, nonetheless, will be achieved in the coming months. The development of the activities of the subsidiary Co.Mark TES S.L. continued, which recorded growing profit margins.

## GROUP BALANCE SHEET AND FINANCIAL POSITION

The Group's Balance Sheet position at 30 September 2017 compared with 31 December 2016, is reported as follows:

€ '000s

	30/09/2017	% of net invested capital/Total sources	31/12/2016	% of net invested capital/Total sources	Change	Change %
Intangible assets and goodwill	198,033	101.3%	200,690	99.8%	-2,657	-1.3%
Property, plant and equipment	8,555	4.4%	7,050	3.5%	1,505	21.4%
Other net non-current assets and liabilities	-16,376	-8.4%	-9,686	-4.8%	-6,690	69.1%
<b>Total non-current assets/liabilities</b>	<b>190,213</b>	<b>97.3%</b>	<b>198,054</b>	<b>98.5%</b>	<b>-7,841</b>	<b>-4.0%</b>
Inventories	967	0.5%	1,001	0.5%	-34	-3.4%
Trade and other receivables *	60,122	30.7%	51,084	25.4%	9,038	17.7%
Current tax assets	920	0.5%	3,659	1.8%	-2,739	-74.8%
Assets held for sale	199	0.1%	199	0.1%	0	0.0%
Trade and other payables and deferred revenue and income	-52,838	-27.0%	-50,917	-25.3%	-1,921	3.8%
Current employee benefits	-210	-0.1%	-182	-0.1%	-29	15.7%
Current tax liabilities	-3,650	-1.9%	-1,481	-0.7%	-2,168	146.4%
Current provisions for risks and charges	-157	-0.1%	-265	-0.1%	108	-40.7%
<b>Net working capital</b>	<b>5,353</b>	<b>2.7%</b>	<b>3,097</b>	<b>1.5%</b>	<b>2,255</b>	<b>72.8%</b>
<b>Total loans - net invested capital</b>	<b>195,565</b>	<b>100.0%</b>	<b>201,151</b>	<b>100.0%</b>	<b>-5,586</b>	<b>-2.8%</b>
Equity	133,931	68.5%	129,921	64.6%	4,010	3.1%
Net financial debt	61,634	31.5%	71,230	35.4%	-9,596	-13.5%
<b>Total sources</b>	<b>195,565</b>	<b>100.0%</b>	<b>201,151</b>	<b>100.0%</b>	<b>-5,585</b>	<b>-2.8%</b>

\* The item Trade and other receivables includes non-current receivables from customers

The breakdown of *Other net non-current assets and liabilities* is provided below:

€ '000s

Other net non-current assets and liabilities	30/09/2017	31/12/2016	Change	Change %
Equity-accounted investments	12	2,471	-2,459	-99.5%
Equity investments recognised at cost or fair value	17	11	6	58.9%
Other financial assets excluding derivative fin. instruments	517	2,898	-2,381	-82.2%
Derivative financial instruments	61	0	61	100.0%
Deferred tax assets	2,846	2,898	-52	-1.8%
Other receivables	287	210	77	36.5%
<b>Non-current assets</b>	<b>3,740</b>	<b>8,488</b>	<b>-4,748</b>	<b>-55.9%</b>
Provisions	-1,357	-1,279	-78	6.1%
Deferred tax liabilities	-9,415	-10,163	747	-7.4%
Employee benefits	-8,553	-6,186	-2,368	38.3%
Deferred revenue and income	-790	-546	-244	44.6%
<b>Non-current liabilities</b>	<b>-20,116</b>	<b>-18,174</b>	<b>-1,942</b>	<b>10.7%</b>
<b>Other net non-current assets and liabilities</b>	<b>-16,376</b>	<b>-9,686</b>	<b>-6,690</b>	<b>69.1%</b>

The significant changes which impacted the Group's balance sheet and financial position relate to the acquisition of 45% of Sixtema S.p.A. in the month of April, thanks to which InfoCert S.p.A. acquired control of the company based on the previous 35% already owned. The investment was thereby fully consolidated, reducing the item Equity-accounted investments. In addition, worthy of note is the reclassification to Other current financial assets of Visura Group's investment contracts, booked for around € 2,300 thousand at 31 December 2016 under Other non-current financial assets, as a result of the resolution of the Board of Directors which decided to unwind them before their scheduled maturities.

Net working capital increased by € 2,255 thousand, mainly due to the increase in the item Trade and other receivables, which included the receivable (€ 6,228 thousand), due from the Italian Revenue Agency resulting from the ruling of the Bologna Court of Appeal which ordered the payment of compensation for damages for anti-competitive behaviour, collected on 24 October, net of the change in current tax assets/liabilities.

Equity increased by € 4,010 thousand. The change is mainly due to the payment of dividends totalling € 6,977 thousand, the negative adjustment of Put options on the minority interests for € 4,187 thousand, the payment to the share capital increase account of € 1,078 thousand by Cedacri for the exercising of Warrants (as described in note 9 of the significant events in the period) and the profit accrued at 30 September 2017 totalling € 14,319 thousand.

Please consult the Statement of changes in equity for an overview of all changes.

## Group Net Financial Indebtedness

The table below provides details of the Group's net financial debt at 30 September 2017 compared with the same position at 31 December 2016:

€ '000s	30/09/2017	31/12/2016	Change	%
A Cash	33,158	60,377	-27,219	-45%
B Cash and cash equivalents	37	54	-17	-31%
<b>D Liquidity (A+B)</b>	<b>33,195</b>	<b>60,431</b>	<b>-27,236</b>	<b>-45%</b>
E Current financial receivables	5,390	6,352	-963	-15%
F Current bank payables	-598	-2,812	2,214	-79%
G Current portion of non-current debt	-5,517	-7,303	1,786	-24%
H Other current financial payables	-12,750	-26,832	14,083	-52%
<b>I Current financial debt (F+G+H)</b>	<b>-18,865</b>	<b>-36,947</b>	<b>18,082</b>	<b>-49%</b>
<b>J Net current financial position (D+E+I)</b>	<b>19,720</b>	<b>29,836</b>	<b>-10,116</b>	<b>-34%</b>
K Non-current bank payables	-24,729	-22,869	-1,860	8%
L Other non-current financial debt	-56,625	-78,198	21,573	-28%
<b>M Non-current financial position (K+L)</b>	<b>-81,354</b>	<b>-101,067</b>	<b>19,713</b>	<b>-20%</b>
<b>N Net financial position (indebtedness) (J+M) (*)</b>	<b>-61,634</b>	<b>-71,230</b>	<b>9,596</b>	<b>-13%</b>
O Other non-current financial assets	578	2,898	-2,320	-80%
<b>P Total net financial position (indebtedness) (N+O)</b>	<b>-61,056</b>	<b>-68,333</b>	<b>7,276</b>	<b>-11%</b>

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

Net financial debt decreased by € 9,596 thousand, down from € 71,230 thousand at 31 December 2016 to € 61,634 thousand at 30 September 2017. The amount of net financial debt at 30 September 2017 includes €



34,227 thousand in payables for the acquisition of minority interests of subsidiaries, of which € 30,172 thousand for Put & Call options and € 4,055 thousand for contingent considerations.

In particular, the following should be noted:

1. The decrease of € 27,236 thousand in liquidity is attributable to:
  - a. the liquidity generated by operations totalling € 24,117 thousand;
  - b. the liquidity generated by investment activities totalling € 1,727 thousand. This increase in liquidity is attributable mainly to the disposal of investment contracts held by InfoCert S.p.A. which expired on 1 April 2017 and the acquisition of an additional stake of 45% in Sixtema S.p.A., which generated net cash of € 1,124 thousand (based on the difference between the price paid and the cash acquired).
  - c. liquidity absorbed by financing activities for € 53,081 thousand, mainly as a result of the acquisition of minorities of Assicom, Ribes and 10% of Co.Mark for € 41,728 thousand. Dividends of € 6,977 thousand were also paid out.
2. Current financial receivables fell by € 963 thousand. The amount is primarily the combined effect of the expiry of InfoCert's investment contracts, booked for € 3,405 thousand at 31 December 2016, and the reclassification of Visura/ISI's investment contracts from non-current financial assets for an amount of € 2,300 thousand at 30 September 2017.
3. The decrease in current financial debt is attributable to the exercising of the Put options of Assicom (10% owned by Capitoloundici), Ribes (12.5% owned by Coesa) and Co.Mark (10%), booked for a total of € 21,867 thousand at 31 December 2016. At the same time, the Put option on Co.Mark, exercisable in First Half 2018 for an amount of € 7,646 thousand and the Earn-out of Eco-Mind App Factory totalling € 234 thousand, also exercisable by 30 June 2018, were reclassified from non-current financial assets.
4. Non-current bank payables rose due to the refinancing of the residual debt outstanding at 31 March 2017 which allowed the Group, as indicated in point 6 of the key events of the period, to extend the maturity to 30 June 2023.
5. Other non-current financial payables fell by a total of € 21,573 thousand, due to:
  - a. the early exercising of the Quaranta Holding put option on the 22.5% stake in Assicom exercisable in 2018, booked for € 17,992 thousand at 31 December 2016;
  - b. reclassification to current financial payables of the Co.Mark put option exercisable in 2018 for a further 10%, booked for € 7,216 thousand at 31 December 2016;
  - c. reclassification of the deferred consideration to Co.Mark shareholders for the acquisition of the company totalling € 1,400 thousand, expiring in First Half 2018;
  - d. new put options for the acquisitions of the residual capital of RE Valuta and Sixtema totalling € 2,721 thousand;
  - e. contingent consideration connected with the acquisition of control of Sixtema for € 1,198 thousand; and
  - f. the booking of a non-current financial liability linked to a finance lease of Sixtema for € 548 thousand.

## KEY EVENTS SUBSEQUENT TO THE END OF THE THIRD QUARTER OF 2017

1. On 11 October, Tecnoinvestimenti S.p.A. announced the new composition of the share capital as a result of the execution of the resolution of the company's Board of Directors of 11 October 2017, resulting from the exercising of the right to convert a portion of the "2016-2019 Tecnoinvestimenti Warrants" held by Cedacri S.p.A.. Following the aforementioned resolution, the new share capital of the company, fully subscribed and paid-up, therefore came to € 46,573,120, divided into 46,573,120 ordinary shares with no stated nominal value.
2. On 24 October, Ribes S.p.A. collected € 6,228 thousand as a result of the payment by the Italian Revenue Agency, which complied with enforceable judgment no. 188/2017 published on 24 January, which sanctioned the payment of damages by the Land Registry Office to Ribes S.p.A.. The proceedings were brought by Ribes S.p.A. before the Bologna Court of Appeal by means of writ of summons notified on 2 July 2009. By means of said deed, the conduct engaged in by the Land Registry Office (now the Italian Revenue Agency) in breach of market competition regulations was challenged and, therefore, compensation for damages incurred by Ribes S.p.A. was sought. This behaviour engaged in by the defendant related to the application of Law Decree no. 262/2006 which, in fact, prevented Ribes S.p.A. from using its database unless it paid significantly higher tariffs. By means of judgment no. 188/2017 published on 24 January, the Bologna Court of Appeal ordered the Land Registry Office to pay compensation for damages to Ribes S.p.A. in the amount of € 2,785 thousand, and € 3,397 thousand for loss of profits plus legal interest from the date of the decision to full settlement. Although the terms are still pending for any appeal at the Court of Cassation by the Italian Revenue Agency, as a result of the collection of the amount due, the economic benefit has been deemed virtually certain and, therefore, the income was already recognised at 30 September 2017.
3. On 7 November, Tecnoinvestimenti S.p.A. signed the agreement for the acquisition of 70% of the share capital of Warrant Group S.r.l., a leading company in advisory services for companies on subsidised finance transactions. The group headed up by Warrant Group offers integrated subsidised finance advisory services to companies that invest in research and development activities.

Warrant Group closed 2016 with turnover of roughly € 21 million and EBITDA of € 6.3 million. The total consideration for the acquisition takes into consideration the forecast of turnover of more than € 30 million at the close of 2017, with a more than proportional increase in EBITDA and a Net Financial Position (NFP) of zero.

The total consideration for the 70% stake in Warrant Group was established at a maximum of € 33.9 million and will be paid as follows:

- € 25.7 million at closing;
- a maximum of € 2.9 million within 30 days of approval of Warrant Group's 2017 financial statements, if compliant with the provisions;
- € 5.3 million split into instalments over 5 years.

The remaining 30% of share capital will be subject to Put & Call options, to be paid on approval of the 2018 and 2019 financial statements respectively. These amounts will be subject to verification of achievement of the agreed objectives relating to Warrant Group's EBITDA.

Tecnoinvestimenti intends to finance the acquisition by using a medium-term bank credit line of between € 15 million and € 20 million; obtaining this loan is also a conditions precedent for the closing of the acquisition.

## OUTLOOK

During the last quarter of 2017, the Group will continue its operations in line with the first nine months of the year.

In particular, the Credit Information & Management segment should benefit from the effects of the reorganisation process underway which, as communicated on 25 July 2017, will culminate in the merger between Ribes and Assicom before the end of the year. The merger responds to the need to bolster the Group's market position in the Credit Information & Management segment, as well strengthen the financial solidity and profit-generating capacity of the companies being merged, in order to support more effectively the development programmes of the respective companies.

The merger will also develop and optimise the operating and management synergies between the two companies, ensure better creation of value for the Tecnoinvestimenti Group and, potentially, further the acceleration of investments in databases and thereby the development of innovative products. In fact, the synergies stemming from the merger will allow a gradual increase in the EBITDA margin of the combined entity by more than 3 percentage points by the end of 2018.

Ribes S.p.A. will finalise its investment in completion of the proprietary database by the final quarter of 2017, which will allow the Group to expand the offering of services and improve the marginal contribution of the sales of different business information services offered, particularly by Assicom and Ribes.

In the Digital Trust area, the final quarter of 2017 can expect to see a trend in line with that recorded in the last three-year period.

The Sales & Marketing Solutions segment is expected to develop in the last quarter of 2017, in line with the trend recorded in the first part of the year. Therefore, in the last quarter, thanks to encouraging order levels, improvements are forecast in terms of revenue and profit margins.

In addition, thanks to the entry of Warrant Group to the Group's scope of consolidation, Tecnoinvestimenti has taken another step forward in its strategy to build a platform of integrated high value-added services. The acquisition will also make it possible develop important synergies through the coordinated commercial development of activities on a significantly broader customer base. In this regard, the "Finance & Marketing Services" Business Unit was created, which will incorporate not only Warrant Group but the Co.Mark Group too, with a total estimated customer base of more than 5,000 companies predominantly in the SME sector. Also considering the integration of Assicom and Ribes (Business Unit Credit Information & Management), the Tecnoinvestimenti Group intends to exploit the potential synergies in terms of cross-selling on an estimated customer base of more than 12,000 SMEs.

## INTERIM REPORT PREPARATION CRITERIA

The Group's Interim Report on Operations at 30 September 2017 was prepared in accordance with art. 154-ter, paragraph 5 of the Consolidated Finance Act. This Interim Report on Operations was approved and authorised for publication by the Board of Directors of Tecnoinvestimenti S.p.A. at its meeting on 14 November 2017.

This Group's Interim Report on Operations at 30 September 2017 was not audited.

The Interim Report on Operations is prepared on the basis of the recognition and measurement criteria set forth in the International Financial Reporting Standards (IFRS) adopted by the European Union. The accounting standards adopted for the preparation of this Interim Report on Operations are the same as those

adopted for the drafting of the Group's annual Consolidated Financial Statements for the year ended 31 December 2016.

## SCOPE OF CONSOLIDATION

The list of companies consolidated on a line-by-line basis or with the equity method at 30 September 2017 is shown in the following table:

Company	Registered office	at 30 September 2017					
		Share capital		% ownership	Through	% contribution to the Group	Consolidation method
		Amount (€ '000s)	Currency				
Tecnoinvestimenti S.p.A. (Parent Company)	Rome	46,256	Euro	n.a.	n.a.	n.a.	n.a.
InfoCert S.p.A.	Rome	17,705	Euro	99.99%	-	99.99%	Line-by-line
Ribes S.p.A.	Milan	241	Euro	100.00%	-	100.00%	Line-by-line
Assicom S.p.A.	Buja (UD)	3,000	Euro	100.00%	-	100.00%	Line-by-line
Co.MarK S.p.A.	Milan	150	Euro	80.00%	-	100.00%	Line-by-line
Visura S.p.A.	Rome	1,000	Euro	60.00%	-	100.00%	Line-by-line
RE Valuta S.p.A.	Milan	200	Euro	83.13%	-	95.00%	Line-by-line
Creditreform Assicom Ticino S.A.	Switzerland	100	CHF	100.00%	Assicom S.p.A.	100.00%	Line-by-line
Co.Mark TES S.L.	Spain	36	Euro	99.00%	Co.MarK S.p.A.	99.00%	Line-by-line
Lextel S.p.A.	Rome	2,500	Euro	100.00%	Visura S.p.A.	100.00%	Line-by-line
Isi Sviluppo Informatico S.r.l.	Parma	31	Euro	92.00%	Visura S.p.A.	92.00%	Line-by-line
Sixtema S.p.A.	Rome	6,180	Euro	80.00%	InfoCert S.p.A.	100.00%	Line-by-line
Etuitus S.r.l.	Salerno	50	Euro	24.00%	InfoCert S.p.A.	24.00%	Equity

The percentage of ownership indicated in the table refers to the actual shares held by the Group at the reporting date. The contribution percentage is based on the contribution to the Group's equity provided by the individual companies upon the recognition of the additional ownership interests in the consolidated companies resulting from accounting for the put options granted to minority shareholders for the interests they still held.

14 November 2017

Pier Andrea Chevallard

## **FINANCIAL STATEMENTS**

**30 September 2017**

**Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows**

## Consolidated Statement of Financial Position

€ '000s	30/09/2017	31/12/2016 <sup>6</sup>
<b>ASSETS</b>		
Property, plant and equipment	8,555	7,050
Intangible assets and goodwill	198,033	200,690
Equity-accounted investments	12	2,471
Equity investments recognised at cost or fair value	17	11
Other financial assets, excluding derivative financial instruments	517	2,898
Derivative financial instruments	61	0
Deferred tax assets	2,846	2,898
Trade and other receivables	616	351
<b>NON-CURRENT ASSETS</b>	<b>210,657</b>	<b>216,368</b>
Inventories	967	1,001
Other financial assets, excluding derivative financial instruments	5,390	6,352
Current tax assets	920	3,659
- of which vs related parties	918	2,083
Trade and other receivables	59,793	50,948
- of which vs related parties	130	237
Cash and cash equivalents	33,195	60,431
Assets held for sale	199	199
<b>CURRENT ASSETS</b>	<b>100,464</b>	<b>122,590</b>
<b>TOTAL ASSETS</b>	<b>311,121</b>	<b>338,958</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	46,256	46,256
Reserves	87,475	83,478
<i>Total Group equity</i>	<i>133,731</i>	<i>129,734</i>
<i>Minority interests</i>	<i>200</i>	<i>187</i>
<b>TOTAL EQUITY</b>	<b>133,931</b>	<b>129,921</b>
<b>LIABILITIES</b>		
Provisions	1,357	1,279
Employee benefits	8,553	6,186
Financial liabilities, excluding derivative financial instruments	81,094	100,839
- of which vs related parties	25,000	25,000
Derivative financial instruments	260	228
Deferred tax liabilities	9,415	10,163
Trade and other payables	0	5
Deferred revenue and income	790	546
<b>NON-CURRENT LIABILITIES</b>	<b>101,470</b>	<b>119,245</b>
Provisions	157	265
Employee benefits	210	182
Financial liabilities, excluding derivative financial instruments	18,865	36,947
- of which vs related parties	126	156
Trade and other payables	33,235	33,185
- of which vs related parties	174	188
Deferred revenue and income	19,603	17,732
Current tax liabilities	3,650	1,481
- of which vs related parties	1,373	608
<b>CURRENT LIABILITIES</b>	<b>75,720</b>	<b>89,792</b>
<b>TOTAL LIABILITIES</b>	<b>177,190</b>	<b>209,037</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>311,121</b>	<b>338,958</b>

<sup>6</sup> The comparative data at 31 December 2016 were restated in relation to the completion, in the First Half 2017, of the identification of the fair values of the assets and liabilities of the Visura Group, consolidated on a line-by-line basis from 1 July 2016. The effects are illustrated in the Notes to the Condensed Interim Consolidated Financial Statements at 30 June 2017.

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

€ '000s	Nine-month period closed at 30 September	
	2017	2016 <sup>7</sup>
<b>Revenues</b>	<b>127,097</b>	<b>103,057</b>
- of which vs related parties	167	665
- of which non-recurring	6,228	0
Costs of raw materials	3,966	4,527
Costs of services	48,793	43,751
- of which vs related parties	1,257	573
- of which non-recurring	1,337	1,355
Personnel costs	43,511	34,186
- of which non-recurring	380	0
Other operating costs	1,316	1,048
- of which vs related parties	18	30
- of which non-recurring	46	0
Amortisation and depreciation	7,895	7,423
Provisions	0	0
Impairment	958	783
<b>Total costs</b>	<b>106,438</b>	<b>91,720</b>
<b>OPERATING PROFIT</b>	<b>20,658</b>	<b>11,338</b>
Financial income	287	62
- of which non-recurring	107	0
Financial expenses	1,426	1,154
- of which vs related parties	374	163
<b>Net financial expenses</b>	<b>-1,139</b>	<b>-1,092</b>
Share of profit of equity-accounted investments, net of tax	2	-32
<b>PROFIT BEFORE TAX</b>	<b>19,522</b>	<b>10,214</b>
Income tax expense	5,202	3,344
- of which non-recurring	501	-253
<b>NET PROFIT FROM CONTINUING OPERATIONS</b>	<b>14,319</b>	<b>6,870</b>
Profit (loss) from discontinued operations, net of tax	0	0
<b>PROFIT FOR THE PERIOD</b>	<b>14,319</b>	<b>6,870</b>
<b>Other comprehensive income</b>		
<i>Components that will never be reclassified to profit or loss</i>		
<b>Total components that will never be reclassified to profit or loss</b>	<b>0</b>	<b>0</b>
<i>Components that are or may be later reclassified to profit or loss:</i>		
Exchange rate differences from the translation of foreign financial statements	-17	0
Profits (losses) from measurement at fair value of derivative financial instruments	15	-144
Tax effect	-4	35
<b>Total components that are or may be later reclassified to profit (loss)</b>	<b>-6</b>	<b>-109</b>
<b>Total other components of comprehensive income, net of tax</b>	<b>-6</b>	<b>-109</b>
<b>Total comprehensive income for the period</b>	<b>14,313</b>	<b>6,761</b>
<b>Profit for the period attributable to:</b>		
Shareholders of the Parent Company	14,279	6,849
Minority interests	40	21
<b>Total comprehensive income for the period attributable to:</b>		
Shareholders of the Parent Company	14,273	6,740
Minority interests	40	21
<b>Earnings per share</b>		
Basic earnings per share (Euro)	0.31	0.20
Diluted earnings per share (Euro)	0.31	0.20

<sup>7</sup> The results for the first nine months ended 30 September 2016 were restated in relation to the completion, on 31 December 2016, of the business combination accounting of the acquisitions of Co.Mark (on 24 March 2016), Datafin and Eco-Mind App Factory (acquired at the end of 2015) and the completion, on 30 June 2017, of the business combination accounting of the acquisition of Visura (on 20 July 2016).

## Consolidated Statement of Changes in Equity

<i>Nine-month period closed at 30 September</i>									
€ '000s	Share capital	Legal reserve	Share premium reserve	Hedging derivatives reserve	Defined benefits reserve	Other reserves	Total	Minority interests	Total equity
<b>Balance at 1 January 2017</b>	<b>46,256</b>	<b>1,136</b>	<b>53,156</b>	<b>-173</b>	<b>-343</b>	<b>29,701</b>	<b>129,734</b>	<b>187</b>	<b>129,921</b>
<i>Comprehensive income for the period</i>									
Profit for the period						14,279	14,279	40	14,319
Other components of the comprehensive income				11		-17	-6		-6
<i>Total comprehensive income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>11</i>	<i>0</i>	<i>14,262</i>	<i>14,273</i>	<i>40</i>	<i>14,313</i>
<i>Transactions with shareholders</i>									
Dividends						-6,949	-6,949	-28	-6,977
Allocation to legal reserve		297				-297	0		0
Acquisitions of minority equity investments						-210	-210		-210
Adjustment of put option on minority interests						-4,187	-4,187		-4,187
Future share capital increase contribution						1,078	1,078		1,078
Other changes						-8	-8		-8
<i>Total transactions with shareholders</i>	<i>0</i>	<i>297</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-10,573</i>	<i>-10,276</i>	<i>-28</i>	<i>-10,304</i>
<b>Balance at 30 September 2017</b>	<b>46,256</b>	<b>1,433</b>	<b>53,156</b>	<b>-162</b>	<b>-343</b>	<b>33,390</b>	<b>133,731</b>	<b>200</b>	<b>133,931</b>

<i>Nine-month period closed at 30 September</i>									
€ '000s	Share capital	Legal reserve	Share premium reserve	Hedging derivatives reserve	Defined benefits reserve	Other reserves	Total	Minority interests	Total equity
<b>Balance at 1 January 2016</b>	<b>31,700</b>	<b>773</b>	<b>19,173</b>	<b>-135</b>	<b>-164</b>	<b>25,751</b>	<b>77,098</b>	<b>96</b>	<b>77,194</b>
<i>Comprehensive income for the period</i>									
Profit for the period						6,849	6,849	21	6,870
Other components of the comprehensive income				-109			-109		-109
<i>Total comprehensive income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-109</i>	<i>0</i>	<i>6,849</i>	<i>6,740</i>	<i>21</i>	<i>6,761</i>
<i>Transactions with shareholders</i>									
Dividends						-3,820	-3,820	-29	-3,849
Allocation to legal reserve		363				-363	0		0
Adjustment of put option on minority interests						-3,912	-3,912		-3,912
Capital increase	14,556		34,935				49,491		49,491
Costs of capital increase			-906				-906		-906
Other changes						1,002	1,002	31	1,033
<i>Total transactions with shareholders</i>	<i>14,556</i>	<i>363</i>	<i>34,028</i>	<i>0</i>	<i>0</i>	<i>-7,093</i>	<i>41,854</i>	<i>2</i>	<i>41,856</i>
<b>Balance at 30 September 2016</b>	<b>46,256</b>	<b>1,136</b>	<b>53,201</b>	<b>-244</b>	<b>-164</b>	<b>25,507</b>	<b>125,692</b>	<b>119</b>	<b>125,811</b>



## Consolidated Statement of Cash Flows

	<i>nine-month period closed at 30 September</i>	
	2017	2016
<i>Cash flows from operations</i>		
Profit for the period	14,319	6,870
Adjustments for:		
- Depreciation of property, plant and equipment	2,046	1,785
- Amortisation of intangible assets	5,850	5,638
- Impairment (Revaluations)	958	783
- Provisions	0	0
- Net financial expenses	1,139	1,092
- <i>of which vs related parties</i>	374	163
- Share of profit of equity-accounted investments	-2	32
- Income tax expense	5,202	3,344
Changes in:		
- Inventories	78	-46
- Trade and other receivables	-3,551	4,553
- <i>of which vs related parties</i>	107	242
- Trade and other payables	-2,297	-4,101
- <i>of which vs related parties</i>	-13	-2
- Provisions and employee benefits	246	-1,672
- Deferred revenue and income, including public contributions	1,474	550
<b>Cash and cash equivalents generated by operations</b>	<b>25,461</b>	<b>18,828</b>
Taxes paid	-1,344	-2,130
<b>Net cash and cash equivalents generated by operations</b>	<b>24,117</b>	<b>16,697</b>
<i>Cash flows from investments</i>		
Interest collected	33	62
Collections from sale of financial assets	3,423	0
Investments in unconsolidated equity investments	0	0
Purchase of property, plant and equipment	-1,217	-2,649
Purchase of other financial assets	-85	0
Purchase of intangible assets	-1,549	-1,800
Change in the scope of consolidation, net of liquidity acquired	1,124	-36,793
<b>Net cash and cash equivalents generated/(absorbed) by investing activities</b>	<b>1,727</b>	<b>-41,181</b>
<i>Cash flows from financing</i>		
Purchase of minority interests in subsidiaries	-41,728	0
Interest paid	-1,276	-800
- <i>of which vs related parties</i>	-404	0
Increase in financial liabilities	3,934	20,715
- <i>of which vs related parties</i>	0	15,000
Decrease in financial liabilities	-8,020	-7,852
Payment of financial leases	-91	-71
Capital increase	1,078	48,457
Capital increases – subsidiaries	0	1,175
Dividends paid	-6,977	-3,820
<b>Net cash and cash equivalents generated/(absorbed) by financing</b>	<b>-53,081</b>	<b>57,803</b>
Net increase (decrease) in cash and cash equivalents	-27,236	33,320
Cash and cash equivalents at 1 January	60,431	19,316
<b>Cash and cash equivalents at 30 September</b>	<b>33,195</b>	<b>52,636</b>

**Declaration of the manager responsible for the preparation of the Company's accounting documents pursuant to the provisions of art. 154-bis, paragraph 2 of Legislative Decree 58/1998 (Consolidated Finance Act).**

The manager responsible for the preparation of the Company's accounting documents hereby declares, pursuant to art. 154-bis, paragraph 2, of the Consolidated Finance Act, that the accounting information in this Interim Report on Operations at 30 September 2017 corresponds to the documentary results, books and accounting records.

Rome, 14 November 2017

Firma  
TECNOINVESTIMENTI S.p.A.  
Responsabile Amministrazione e  
Partecipazioni  
Nicola Di Lillo

