Informazione Regolamentata n. 0525-21-2019	Data/Ora Ricezione 07 Maggio 2019 12:18:44	MTA - Star

Societa'	:	AMPLIFON
Identificativo Informazione Regolamentata	:	117997
Nome utilizzatore	:	AMPLIFONNSS02 - Galli
Tipologia	:	1.2
Data/Ora Ricezione	:	07 Maggio 2019 12:18:44
Data/Ora Inizio Diffusione presunta	:	07 Maggio 2019 12:18:45
Oggetto	:	AN EXCELLENT START TO THE YEAR ALSO THANKS TO THE VERY STRONG FIRST RESULTS FROM GAES INTEGRATION

Testo del comunicato

Vedi allegato.

AMPLIFON: AN EXCELLENT START TO THE YEAR ALSO THANKS TO THE VERY STRONG FIRST RESULTS FROM GAES INTEGRATION

OUTSTANDING REVENUE GROWTH (MORE THAN +25% AT CONSTANT EXCHANGE RATES) DRIVEN BY A SOLID ORGANIC GROWTH, ABOVE MARKET, AND AN EXTRAORDINARY CONTRIBUTION FROM M&A

CONSOLIDATION OF GAES AS OF JANUARY 1ST, 2019: EXCELLENT RESULTS FROM THE ONGOING INTEGRATION

STRONG IMPROVEMENT IN PROFITABILITY (RECURRING EBITDA MARGIN +40 BPS) ALSO DRIVEN BY THE EXCELLENT PERFORMANCE OF GAES. RECURRING NET PROFIT UP 36.9%

Main results for the first quarter of 2019[1]:

- Consolidated **revenues** of 392.0 million euros, up 25.4% at constant exchange rates and 26.7% at current exchange rates compared to the same period of 2018
- Recurring **EBITDA** reached 56.3 million euros, with the margin coming in at 14.4% of revenues, an increase of 40 basis points compared to the same period of 2018, even after the consolidation of GAES. EBITDA as reported reached 54.9 million euros or 14.0% of revenues
- Recurring **Net profit** amounted to 20.0 million euros, an increase of 36.9% compared to the first quarter of 2018. Net profit as reported rose 29.7% from the 14.6 million euros recorded in the prior year to 18.9 million euros
- **Net financial debt** was 838.0 million euros, lower, despite seasonality, than the 840.9 million euros reported at December 31st, 2018 thanks to the strong cash flow generation in the period
- Recurring **Free cash flow** was positive for 19.3 million euros, more than double compared to the first quarter of 2018

Milan, May 7th, 2019 – Today the Board of Directors of Amplifon S.p.A. (MTA; Bloomberg ticker: AMP:IM), global leader in hearing solutions and services, approved the Interim Financial Report as at March 31st, 2019 during a meeting chaired by Susan Carol Holland.

For the sake of effective comparison with the same period of 2018, key figures for the first quarter of 2019 in the following tables were prepared without applying the accounting standard IFRS 16. The following comments are, therefore, based on these figures, unless stated otherwise.

[1]For the sake of effective comparison with the as reported figures for the first quarter of 2018, figures for the first quarter of 2019 commented on in this press release refer to figures without the application of the accounting standard IFRS16 ("Q1 2019 w/o IFRS 16") unless stated otherwise.

MAIN CONSOLIDATED ECONOMICAL AND FINANCIAL FIGURES – FIRST QUARTER 2019

(Euro millions)	Q1 2019 w/o IFRS 16 (*)				Q1 2018				
	Recurring	**Non-recurring**	**Total**	**% on recurring**	Recurring	Non-recurring	Total	% on recurring	**Change % on recurring**
Net revenues	392.0	-	392.0	100.0%	309.4	-	309.4	100.0%	26.7%
EBITDA	56.3	(1.4)	54.9	14.4%	43.2	-	43.2	14.0%	30.3%
EBIT	32.9	(1.4)	31.5	8.4%	26.5	-	26.5	8.6%	23.9%
Net income	20.0	(1.1)	18.9	5.1%	14.6	-	14.6	4.7%	36.9%

Free cash flow	16.2	8.4	
	03/31/2019	12/31/2018	**Change %**
Net Financial Position	838.0	840.9	-0.3%

(*) For the sake of comparison, 2019 data are shown without the application of IFRS 16.

"We have begun the year with excellent results, characterized by a solid organic growth and an extraordinary contribution from acquisitions, particularly GAES. The integration of GAES is progressing quickly and successfully as shown by the first results which are decidedly better than expectations in terms of both revenues, which showed double-digit growth, and profitability, which improved significantly" said **Enrico Vita, Amplifon's Chief Executive Officer**. *"We are also very satisfied with the strong improvement achieved in profitability at Group level, even after the consolidation of GAES and despite the continuous investments made to sustain long-term growth. We continue to look ahead with great optimism to the execution of the strategic plan for 2020 thanks to the results we expect from our strong innovation program focused on the continuous improvement of the customer experience and, above all, the unique opportunity stemming from the integration of GAES".*

Overview

Amplifon reported consolidated revenues of 392.0 million euros in the first quarter of 2019, an increase of 25.4% at constant exchange rates and of 26.7% at current exchange rates compared to the first quarter of the prior year. This excellent result was achieved thanks to a solid organic growth (+3.9%), above market, along with the extraordinary contribution of acquisitions (+21.5%) fueled by the consolidation of GAES and its double-digit organic growth (reported in M&A), as well as bolt-on acquisitions mainly in France and Germany. The foreign exchange effect was positive for 1.3% mainly due to the strengthening of the US dollar against the Euro.

Recurring EBITDA rose 30.3% in the quarter to 56.3 million euros, with the margin up 40 basis points compared to the first quarter of 2018, even after the consolidation of GAES and the continuous investments in marketing, which also reflect the change in the perimeter related to the consolidation of GAES. EBITDA as reported reached 54.9 million euros, an increase of 27.0%, with the EBITDA margin coming in at 14.0%. Recurring net profit rose 36.9% to 20.0 million euros, while net profit as reported grew by 29.7% to 18.9 million euros. The adjusted earnings per share (adjusted EPS)[2] came in at 11.8 euro cents, 41.7% higher than the 8.3 euro cents reported in the first quarter of 2018.

The balance sheet and financial indicators show a positive trend: free cash flow, in particular, reached 16.2 million euros in the quarter, showing a strong improvement compared to the 8.4 million euros posted in the first quarter of 2018, after absorbing net capex of 18.6 million euros. Recurring free cash flow even

[2] Net earnings per share adjusted (adjusted EPS) for non-recurring expenses and amortization linked to acquisitions in accordance with the Purchase Price Allocation accounting treatment.

reached 19.3 million euros in the first quarter of 2019, which is more than double the amount generated in the first quarter of the prior year. Net debt came in at 838.0 million euros, lower, despite seasonality, than the 840.9 million euros recorded at December 31st, 2018 thanks to the strong cash flow generation mentioned above.

The network expansion program continued in the quarter, both organically and through acquisitions, with the addition of 49 stores. The acquisitions, 34 stores, were made mainly in France and Germany for a total cash-out of 14.4 million euros.

Economic results for the first quarter of 2019

Consolidated revenues amounted to 392.0 million euros in the first quarter of 2019, an increase of 25.4% at constant exchange rates and of 26.7% at current exchange rates compared to the first quarter of the prior year. Revenues were driven by strong organic growth (+3.9%), outpacing the market and despite one trading day less than the comparison period, as well as acquisitions (+21.5%). The foreign exchange effect had a positive impact of 1.3%, mainly attributable to the Euro/USD exchange rate. The results achieved in the quarter reflect the solid performance posted in all the geographic areas in which the Company operates: outstanding growth was recorded in **EMEA** driven by solid organic growth and the extraordinary contribution of acquisitions attributable primarily to the consolidation of GAES and its excellent performance; a good performance was posted in **AMERICAS**, thanks to above market organic growth and the sizeable contribution of acquisitions related to the consolidation as well as the excellent performance of GAES LATAM business; the strong growth in revenues recorded in **APAC** reflects solid organic growth, which significantly outpaced the market, mainly in Australia, as well as the contribution made by the first Chinese joint venture.

Thanks to the significant acceleration in revenues and operating leverage, recurring **EBITDA** maintained its solid growth trend rising 30.3% to 56.3 million euros, while the margin rose 40 basis points to 14.4% even after the consolidation of GAES and the continuous investments in marketing. EBITDA as reported rose 27.0% to 54.9 million euros. Non-recurring expenses related to GAES integration amounted to 1.4 million euros in the first quarter of 2019.

Recurring **EBIT** rose 23.9% compared to the same period of 2018 to 32.9 million euros or 8.4% of revenues. This increase is attributable to the improvement in EBITDA, which was partially offset by higher depreciation and amortization related to network expansion, innovation, and IT infrastructure, as well as the impact of the 3.5 million euros for the amortization related to the GAES acquisition according to the Purchase Price Allocation accounting treatment. EBIT as reported rose 18.5% to 31.5 million euros.

Recurring **Net profit (NP)** reached 20.0 million euros, an increase of 36.9% compared to the first quarter of 2018 also thanks to a decrease in the tax rate which came in at 31.4% versus 33.3% in the 2018 comparison period. Net profit as reported rose 29.7% in the first quarter of 2019 to 18.9 million euros, with a tax rate of 31.7%. **Adjusted Earnings per share** (**adjusted EPS**)[3] came in at 11.8 euro cents, 41.7% higher than the 8.3 euro cents reported in the first quarter of 2018.

Performance by geographic area

EMEA: outstanding top-line growth and sustained profitability improvement, also driven by the excellent performance of GAES

Revenues in Europe, the Middle East and Africa (**EMEA**) reached 283.8 million euros in the first quarter of 2019, an increase of 31.4% at constant exchange rates and of 31.6% at current exchange rates compared to the first quarter of 2018. This result is driven for 3.9% by solid organic growth and for 27.5% by acquisitions, which reflects the combined effect of the consolidation of GAES as of January 1st, 2019, GAES'

[3] Earnings per share adjusted (adjusted EPS) for non-recurring items and amortization related to acquisitions according to the Purchase Price Allocation accounting treatment.

double-digit organic growth (reported in M&A) and selected bolt-on acquisitions in Germany and France. The foreign exchange effect was positive for 0.2%.

In **Europe**, **Italy** continues in the wake of the excellent 2018 performance, thanks also to the successful roll-out of the Amplifon product line and the digital ecosystem. In **Spain** both GAES and Amplifon businesses reported an outstanding double-digit organic growth, above expectations, stemming from the successful first integration activities. In **France** the performance was largely unchanged due to a temporary phasing effect related to the new reform which establishes a mandatory trial period of 30 days. Excellent growth was reported in **Germany,** driven by solid organic growth and significant M&A activity.

The contribution of **EMEA** to the Group's profitability continues to be very significant, with recurring EBITDA rising 40.9% to 42.9 million euros. The margin showed strong improvement, rising 100 basis points to 15.1% of revenues, also thanks to the excellent performance of GAES.

AMERICAS: strong top-line performance and profitability improvement

Revenues in **AMERICAS** reached 63.1 million euros in the first quarter of 2019, an increase of 13.9% in local currency and 21.9% at current exchange rates, despite one trading day less than the comparison period. The result was driven for 3.1% by organic growth and for 10.8% by acquisitions, mainly related to the consolidation of GAES LATAM business which was further boosted by its double-digit organic growth in the period (reported in M&A). The foreign exchange effect had a positive impact of 8.0%. The excellent performance of **Miracle-Ear** and **Canada**'s external growth contributed to Americas' solid performance.

Recurring EBITDA in **AMERICAS** grew from 9.0 million euros recorded in the first quarter of 2018 to 11.7 million euros in the first quarter of 2019 (+30.5%) and rose 120 basis points as a percentage of revenues to 18.5% thanks to operating leverage which more than offset the dilutive effect stemming from the consolidation of GAES LATAM business.

ASIA-PACIFIC: back to robust organic growth and sequential profitability improvement

In **ASIA-PACIFIC** revenue growth significantly outpaced the market in the first quarter of 2019, rising 8.6% in local currency and 7.6% at current exchange rates to 44.4 million euros. However, revenues were negatively impacted by an unfavorable foreign exchange effect for 1.0%, though steadily improving. The result of the Region was driven by a solid organic growth (5.0%) and acquisitions (+3.6%) attributable to the Chinese joint venture. A strong performance was reported in **Australia** driven by sustained organic growth which accelerated consistently since the beginning of the year. Revenue growth in **New Zealand** was largely unchanged due to the anniversary of the regulatory change that took place in 2013. Excellent revenue growth in **China**, supported by a double-digit organic growth reported in M&A.

In **ASIA-PACIFIC** EBITDA came in at 11.4 million euros, a 2.4% decrease compared to the same period of 2018, but showed steady improvement with respect to the fourth quarter of 2018, even after the consolidation of the Chinese joint venture. The margin came in at 25.7%.

Balance sheet figures as at March 31st, 2019

The balance sheet and financial indicators show a positive trend, confirming the Group's solidity and ability to sustain future growth opportunities. Net equity amounted to 628.3 million euros at March 31st, 2019, higher than the 595.9[4] million euros posted at December 31st, 2018.

According to the application of the new accounting standards, operating cash flow before repayment of lease liabilities amounted to 54.5 million euros. Repayment of lease liabilities, equal to negative 19.6 million euros, brings the operating cash flow to 34.8 million euros (around 38 million euros on a recurring

[4] 2018 Balance Sheet has been revised for the provisional allocation of the GAES acquisition price.

basis), an increase of 15.9 million euros compared to 19.0 million euros in the 2018 comparison period. The free cash flow, positive for 16.2 million euros, was also higher than the 8.4 million euros generated in the first quarter of 2018, after investments (net of disposals) of 18.6 million euros versus 10.6 million euros in the 2018 comparison period. Recurring free cash flow reaches 19.3 million euros in the first quarter of 2019, which is more than double the amount generated in the first quarter of 2018. The net cash-out for acquisitions (14.4 million euros compared to 25.0 million euros in the first quarter of 2018), along with the 1.1 million euros in cash flow generated by investing activities, bring the net cash flow for the period to positive 3.0 million euros compared to negative 22.6 million euros in the same period of the prior year.

Net debt, which amounted to 838.0 million euros, was lower, despite seasonality, than the 840.9 million euros reported at December 31st, 2018, thanks to the strong cash flow generation. The net debt/EBITDA ratio[5] at March 31st, 2019 came in at 2.36x.

Outlook

For the rest of 2019, the Company expects the favorable trend in revenues to continue, outpacing the market, thanks to the contribution of all the geographic areas in which it operates and driven by solid organic growth, as well as the contribution of M&A, particularly GAES. Moreover, for 2019 Amplifon expects recurring EBITDA margin to be at least in line with 2018, even after the consolidation of GAES. The Company also expects to proceed at a steady pace with the execution of its strategic plan for 2020 thanks to both the integration of GAES and the progressive roll-out of the Amplifon Product Experience in the other core markets.

Stock Grant Plan 2019-2025

The Board of Directors resolved to assign, based on the Remuneration and Appointment Committee's recommendations and pursuant to Art. 84 bis, par. 5 of Consob Regulation n. 11971/99, as amended, the first award cycle of the stock grant plan (for the period 2019-2021) which calls for the assignment of 620,000 shares with allocation date May 7th, 2019.

The information relative to the beneficiaries and the number of shares assigned will be reported in the table prepared in accordance with the indications provided in Table n. 1, Form 7 of Annex 3A of Regulation n. 11971/1999 and inclusive of the characteristics already disclosed in the Information Circular, that will be made available within the time period required by law at the Company's registered office and published on the Company's website www.amplifon.com/corporate.

The Information Document relating to the new Stock Grant Plan 2019-2025, which contains all the detailed information required by current law, is available to the public in the same manner.

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The Company announces that the Interim Financial Statements as at March 31st, 2019 will be made available to the public from May 13th at the Company's registered office, on the Company's website www.amplifon.com/corporate and on the authorized storage system eMarket STORAGE (www.emarketstorage.com).

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[5] Ratio Net Debt/EBITDA calculated as per the covenants redefined with banks and investors in the first months of 2019 after the introduction of the new accounting standards IFRS15, IFRS9 and IFRS16. The redefined covenants provide Amplifon with the same levels of headroom and banks and investors with the same level of protection. The net debt/EBITDA covenant is set at <=2.85x based on the net debt shown in the consolidated financial statements net of the lease liabilities and on the EBITDA shown in the consolidated financial statements plus the non-monetary costs of the Stock Grants.

The results for Q1 2019 will be presented to the financial community today at 15:00 (CET) during a conference call and audiowebcast. To participate in the conference call dial one of the following numbers: +44 121 281 8003 (UK), +1 718 705 8794 (USA) or +39 02 805 88 11 (Italy); or access the audiowebcast directly through the following link: http://services.choruscall.eu/links/amplifon190507.html.

A few presentation slides will be made available prior to the beginning of the conference call, beginning at 14:30 CET, in the Investors section (Presentations) of the website: www.amplifon.com/corporate. Those who are unable to attend the conference call may access a recording which will be available immediately after the call until 24:00 (CET) of May 10th, 2019, by dialing the following numbers: +44 121 281 8005 (UK), +1 718 705 8797 (USA) or +39 02 72 495 (Italy), access code: 904#; or, if the recording is no longer available, by accessing http://corporate.amplifon.com/bod-meeting-to-approve-the-interim-financial-report-at-31-03-2019.

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From January 1st, 2019, the Group has adopted the principle IFRS 16 "Leases", which have led to changes in accounting policies and in some cases adjustments to the amounts recognized in the financial statements. The principle IFRS 16 implies the recognition among the fixed assets of the right of use of the leased assets that fall within the scope of application of the principle and the recognition under the liabilities of the related financial debt. The comparative data for 2018 have not been restated, while the key data for Q1 2019 are also presented without the application of IFRS 16. The comparative analysis in this press release refers, unless otherwise specified, to 2019 key data without the application of IFRS 16.

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In compliance with paragraph 2 of Article 154 bis of the "Uniform Financial Services Act" (Legislative Decree 58/1998), the Manager charged with preparing the Company's financial reports, Gabriele Galli, declares that the accounting information reported in the present press release corresponds to the underlying documentary reports, books of account and accounting entries.

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This press release contains forward-looking statements. These statements are based on the Company's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: continued volatility and further deterioration of capital and financial markets, changes in general macro-economic conditions, economic growth and other changes in business conditions, changes in laws and regulations (both in Italy and abroad), and many other factors, most of which are outside of the Company's control.

About Amplifon

Amplifon, global leader in the hearing care retail market, empowers people to rediscover all the emotions of sound. Amplifon's 16,000 people worldwide strive every day to understand the unique needs of every customer, delivering exclusive, innovative and highly personalized products and services, to ensure everyone the very best solution and an outstanding experience. The Group operates through a network of over 11,000 points of sale in 29 Countries and 5 continents. More information about the Group is available at: www.amplifon.com/corporate.

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MAIN CONSOLIDATED ECONOMICAL AND FINANCIAL FIGURES – FIRST QUARTER 2019

(Euro millions Unless specified)	Q1 2019				Q1 2018				
	Recurring	**Non-recurring**	**Total**	**% on recurring**	Recurring	Non-recurring	Total	% on recurring	**Change % on recurring**
Net revenues	392.0	-	392.0	100.0%	309.4	-	309.4	100.0%	26.7%
EBITDA	78.9	(1.4)	77.5	20.1%	43.2	-	43.2	14.0%	82.6%
EBIT	34.3	(1.4)	32.9	8.8%	26.5	-	26.5	8.6%	29.2%
Net income	18.8	(1.1)	17.7	4.8%	14.6	-	14.6	4.7%	28.8%
EPS adjusted (*, in euros)	0.112				0.083				35.3%
Free cash flow	16.2				8.4				
	03/31/2019				12/31/2018				**Change %**
Net Financial Position	838.0				840.9				-0.3%

(Euro millions unless specified)	Q1 2019 w/o IFRS 16 (**)				Q1 2018				
	Recurring	**Non-recurring**	**Total**	**% on recurring**	Recurring	Non-recurring	Total	% on recurring	**Change % on recurring**
Net revenues	392.0	-	392.0	100.0%	309.4	-	309.4	100.0%	26.7%
EBITDA	56.3	(1.4)	54.9	14.4%	43.2	-	43.2	14.0%	30.3%
EBIT	32.9	(1.4)	31.5	8.4%	26.5	-	26.5	8.6%	23.9%
Net income	20.0	(1.1)	18.9	5.1%	14.6	-	14.6	4.7%	36.9%
EPS adjusted (*, in euros)	0.118				0.083				41.7%

(*) Earnings per share adjusted for non-recurring items and for amortization related to acquisitions according to the Purchase Price Allocation accounting treatment.
(**) For the sake of comparison, 2019 data are shown without the application of IFRS 16.

CONSOLIDATED NET REVENUES BY GEOGRAPHIC AREA – FIRST QUARTER 2019

(€ thousands)	**Q1 2019**	%	Q1 2018	%	**Change**	**Change %**	**Exchange diff.**	**Change % in local currency**	**Organic growth % (*)**
Total EMEA	283,763	72.4%	215,729	69.8%	68,034	31.6%	0.2%	31.4%	3.9%
Total Americas	63,102	16.1%	51,800	16.7%	11,302	21.9%	8.0%	13.9%	3.1%
Total APAC	44,415	11.3%	41,295	13.3%	3,120	7.6%	-1.0%	8.6%	5.0%
Corporate and intercompany elimination	693	0.2%	583	0.2%	110	18.9%	-	18.9%	18.9%
Total	**391,973**	100.0%	**309,407**	100.0%	**82,566**	**26.7%**	**1.3%**	**25.4%**	**3.9%**

(*) Organic growth is calculated as sum of same store growth and openings.

CONSOLIDATED INCOME STATEMENT – FIRST QUARTER 2019

(€ thousands)	**Q1 2019**				Q1 2018				
	Recurring	**Non-recurring**	**Total**	**% on recurring**	Recurring	Non-recurring	Total	% on recurring	**Change % on recurring**
Revenues from sales and services	391,973	-	391,973	100.0%	309,407	-	309,407	100.0%	26.7%
Operating costs	(313,334)	(1,425)	(314,759)	-79.9%	(267,242)	-	(267,242)	-86.4%	-17.2%
Other costs and revenues	303	-	303	0.1%	1,060	-	1,060	0.4%	-71.4%
Gross operating profit (EBITDA)	**78,942**	**(1,425)**	**77,517**	**20.1%**	**43,225**	**-**	**43,225**	**14.0%**	**82.6%**
Depreciation and write-downs of non-current assets	(36,281)	-	(36,281)	-9.3%	(11,614)	-	(11,614)	-3.8%	-212.4%
Operating result before the amortization and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	**42,661**	**(1,425)**	**41,236**	**10.9%**	**31,611**	**-**	**31,611**	**10.2%**	**35.0%**
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(8,362)	-	(8,362)	-2.1%	(5,062)	-	(5,062)	-1.6%	-65.2%
Operating profit (EBIT)	**34,299**	**(1,425)**	**32,874**	**8.8%**	**26,549**	**-**	**26,549**	**8.6%**	**29.2%**
Income, expenses, valuation and adjustments of financial assets	72	-	72	0.0%	149	-	149	0.0%	-51.7%
Net financial expenses	(6,495)	-	(6,495)	-1.7%	(4,598)	-	(4,598)	-1.5%	-41.3%
Exchange differences and non-hedge accounting instruments	(159)	-	(159)	0.0%	(269)	-	(269)	0.0%	40.9%
Profit (loss) before tax	**27,717**	**(1,425)**	**26,292**	**7.1%**	**21,831**	**-**	**21,831**	**7.1%**	**27.0%**
Tax	(8,918)	363	(8,555)	-2.3%	(7,277)	-	(7,277)	-2.4%	-22.6%
Net profit (loss)	**18,799**	**(1,062)**	**17,737**	**4.8%**	**14,554**	**-**	**14,554**	**4.7%**	**29.2%**
Profit (loss) of minority interests	(11)	-	(11)	0.0%	(49)	-	(49)	0.0%	77.6%
Net profit (loss) attributable to the Group	**18,810**	**(1,062)**	**17,748**	**4.8%**	**14,603**	**-**	**14,603**	**4.7%**	**28.8%**

(€ thousands)	Q1 2019 w/o IFRS 16 (*)				Q1 2018				
	Recurring	**Non-recurring**	**Total**	**% on recurring**	Recurring	Non-recurring	Total	% on recurring	**Change % on recurring**
Revenues from sales and services	391,973	-	391,973	100.0%	309,407	-	309,407	100.0%	26.7%
Operating costs	(335,936)	(1,425)	(337,361)	-85.7%	(267,242)	-	(267,242)	-86.4%	-25.7%
Other costs and revenues	303	-	303	0.1%	1,060	-	1,060	0.4%	-71.4%
Gross operating profit (EBITDA)	**56,340**	**(1,425)**	**54,915**	**14.4%**	**43,225**	**-**	**43,225**	**14.0%**	**30.3%**
Depreciation and write-downs of non-current assets	(15,086)	-	(15,086)	-3.9%	(11,614)	-	(11,614)	-3.8%	-29.9%
Operating result before the amortization and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	**41,254**	**(1,425)**	**39,829**	**10.5%**	**31,611**	**-**	**31,611**	**10.2%**	**30.5%**
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(8,362)	-	(8,362)	-2.1%	(5,062)	-	(5,062)	-1.6%	-65.2%
Operating profit (EBIT)	**32,892**	**(1,425)**	**31,467**	**8.4%**	**26,549**	**-**	**26,549**	**8.6%**	**23.9%**
Income, expenses, valuation and adjustments of financial assets	72	-	72	0.0%	149	-	149	0.0%	-51.7%
Net financial expenses	(3,655)	-	(3,655)	-0.9%	(4,598)	-	(4,598)	-1.5%	20.5%
Exchange differences and non-hedge accounting instruments	(159)	-	(159)	0.0%	(269)	-	(269)	0.0%	40.9%
Profit (loss) before tax	**29,150**	**(1,425)**	**27,725**	**7.4%**	**21,831**	**-**	**21,831**	**7.1%**	**33.5%**
Tax	(9,158)	363	(8,795)	-2.3%	(7,277)	-	(7,277)	-2.4%	-25.8%
Net profit (loss)	**19,992**	**(1,062)**	**18,930**	**5.1%**	**14,554**	**-**	**14,554**	**4.7%**	**37.4%**
Profit (loss) of minority interests	(4)	-	(4)	0.0%	(49)	-	(49)	0.0%	91.8%
Net profit (loss) attributable to the Group	**19,996**	**(1,062)**	**18,934**	**5.1%**	**14,603**	**-**	**14,603**	**4.7%**	**36.9%**

(*) For the sake of comparison, 2019 data are shown without the application of IFRS 16.

CONSOLIDATED SEGMENT INFORMATION – FIRST QUARTER 2019

(€ thousands)	**Q1 2019**					Q1 2018				
	EMEA	**Americas**	**Asia Pacific**	**Corporate (**)**	**Total**	EMEA	Americas	Asia Pacific	Corporate (**)	Total
Net Revenues	283,763	63,102	44,415	693	391,973	215,729	51,800	41,295	583	309,407
EBITDA	**60,451**	**12,717**	**13,967**	**(9,618)**	**77,517**	**30,410**	**8,960**	**11,683**	**(7,828)**	**43,225**
% on sales	*21.3%*	*20.2%*	*31.4%*	*-2.5%*	*19.8%*	*14.1%*	*17.3%*	*28.3%*	*-2.5%*	*14.0%*
Recurring EBITDA	**61,876**	**12,717**	**13,967**	**(9,618)**	**78,942**	**30,410**	**8,960**	**11,683**	**(7,828)**	**43,225**
% on sales	*21.8%*	*20.2%*	*31.4%*	*-2.5%*	*20.1%*	*14.1%*	*17.3%*	*28.3%*	*-2.5%*	*14.0%*
EBIT	**25,826**	**10,345**	**8,401**	**(11,698)**	**32,874**	**19,414**	**7,718**	**8,502**	**(9,085)**	**26,549**
% on sales	*9.1%*	*16.4%*	*18.9%*	*-3.0%*	*8.4%*	*9.0%*	*14.9%*	*20.6%*	*-2.9%*	*8.6%*

(€ thousands)	**Q1 2019 w/o IFRS 16 (*)**					Q1 2018				
	EMEA	**Americas**	**Asia Pacific**	**Corporate (**)**	**Total**	EMEA	Americas	Asia Pacific	Corporate (**)	Total
Net Revenues	283,763	63,102	44,415	693	391,973	215,729	51,800	41,295	583	309,407
EBITDA	**41,435**	**11,690**	**11,408**	**(9,618)**	**54,915**	**30,410**	**8,960**	**11,683**	**(7,828)**	**43,225**
% on sales	*14.6%*	*18.5%*	*25.7%*	*-2.5%*	*14.0%*	*14.1%*	*17.3%*	*28.3%*	*-2.5%*	*14.0%*
Recurring EBITDA	**42,860**	**11,690**	**11,408**	**(9,618)**	**56,340**	**30,410**	**8,960**	**11,683**	**(7,828)**	**43,225**
% on sales	*15.1%*	*18.5%*	*25.7%*	*-2.5%*	*14.4%*	*14.1%*	*17.3%*	*28.3%*	*-2.5%*	*14.0%*
EBIT	**24,772**	**10,185**	**8,209**	**(11,699)**	**31,467**	**19,414**	**7,718**	**8,502**	**(9,085)**	**26,549**
% on sales	*8.7%*	*16.1%*	*18.5%*	*-3.0%*	*8.0%*	*9.0%*	*14.9%*	*20.6%*	*-2.9%*	*8.6%*

(*) For the sake of comparison, 2019 data are shown without the application of IFRS 16.
(**) The impact of the centralized costs is calculated as a percentage of the Group's total sales.

NON-RECURRING ITEMS

(€ thousands)	**Q1 2019**	Q1 2018
GAES integration costs	(1,425)	-
Impact of the non-recurring items on EBITDA	**(1,425)**	**-**
Impact of the non-recurring items on EBIT	**(1,425)**	**-**
Impact of the non-recurring items on profit before tax	**(1,425)**	**-**
Impact of the above items on the tax burden for the period	363	-
Impact of the non-recurring items on net profit	**(1,062)**	**-**

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(€ thousands)	**03/31/2019**	12/31/2018 (*)	**Change**
Goodwill	1,180,526	1,161,461	19,065
Customer lists, non-compete agreements, trademarks and location rights	279,866	279,406	460
Software charges, licenses, other int.ass., wip and advances	80,874	79,996	878
Tangible assets	193,150	188,941	4,209
Right of use assets	435,382	-	435,382
Fixed financial assets	41,206	41,546	(340)
Other non-current financial assets	29,220	26,752	2,468
Total fixed assets	**2,240,224**	**1,778,102**	**462,122**
Inventories	68,591	61,740	6,851
Trade receivables	171,425	169,454	1,971
Other receivables	80,739	77,292	3,447
Current assets (A)	**320,755**	**308,486**	**12,269**
Total assets	**2,560,979**	**2,086,588**	**474,391**
Trade payables	(155,509)	(173,100)	17,591
Other payables	(264,392)	(244,986)	(19,406)
Provisions for risks (current portion)	(7,002)	(6,492)	(510)
Short term liabilities (B)	**(426,903)**	**(424,578)**	**(2,325)**
Working capital (A) – (B)	**(106,148)**	**(116,092)**	**9,944**
Derivative instruments	(11,736)	(10,876)	(860)
Deferred tax assets	77,311	75,340	1,971
Deferred tax liabilities	(99,511)	(98,932)	(579)
Provisions for risks (non-current portion)	(49,657)	(48,043)	(1,614)
Employee benefits (non-current portion)	(19,943)	(20,290)	347
Loan fees	3,072	3,796	(724)
Other long-term payables	(131,197)	(126,202)	(4,995)
NET INVESTED CAPITAL	**1,902,415**	**1,436,803**	**465,612**
Shareholders' equity	627,185	594,919	32,266
Third parties' equity	1,163	1,028	135
Net equity	**628,348**	**595,947**	**32,401**
Long term net financial debt	813,479	877,688	(64,209)
Short term net financial debt	24,504	(36,832)	61,336
Total net financial debt	**837,983**	**840,856**	**(2,873)**
Lease liabilities	436,084	-	436,084
Total lease liabilities & net financial debt	**1,274,067**	**840,856**	**433,211**
NET EQUITY, LEASE LIABILITIES AND NET FINANCIAL DEBT	**1,902,415**	**1,436,803**	**465,612**

(*) 2018 Balance Sheet has been revised for the provisional allocation of the GAES acquisition price.

CONSOLIDATED NET FINANCIAL DEBT MATURITY PROFILE

(€ millions)	2019	2020	2021	2022	2023 and beyond	Total
Private placement		(15.5)			(85.4)	**(100.9)**
Bank loans	(3.3)	(6.7)	(131.6)	(58.4)		**(200.0)**
Syndicated Loan	(26.5)	(39.7)	(39.8)	(79.5)	(344.5)	**(530.0)**
Bank overdraft	(71.4)					**(71.4)**
Others	(11.4)	(3.2)	(0.4)	(12.5)		**(27.5)**
Cash and cash equivalents	91.8					**91.8**
Total	**(20.8)**	**(65.1)**	**(171.8)**	**(150.4)**	**(429.9)**	**(838.0)**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(€ thousands)	Q1 2019 (*)	Q1 2018
EBIT	**32,874**	**26,549**
Amortization. depreciation and write-down	44,643	16,675
Provisions, other non-monetary items and gain/losses from disposals	7,760	5,204
Net financial expenses	(5,733)	(4,722)
Taxes paid	(6,395)	(9,311)
Changes in net working capital	(18,673)	(15,443)
Cash flow provided by (used in) operating activities before repayment of lease liabilities	**54,476**	**18,952**
Repayment of lease liabilities	(19,634)	-
Cash flow provided by (used in) operating activities (A)	**34,842**	**18,952**
Cash flow provided by (used in) operating investing activities (B)	(18,601)	(10,581)
Free Cash Flow (A) + (B)	**16,241**	**8,371**
Net cash flow provided by (used in) acquisitions (C)	(14,364)	(25,081)
(Purchase) sale of other investment and securities (D)	-	85
Cash flow provided by (used in) investing activities (B+C+D)	**(32,965)**	**(35,577)**
Cash flow provided by (used in) operating activities and investing activities	**1,877**	**(16,625)**
Dividends	-	-
Fees paid on medium/long-term financing	-	(90)
Treasury shares	-	(6,753)
Capital increases, third parties' contributions and dividends paid by subsidiaries to third parties	-	(8)
Hedging instruments and other changes in non-current assets	1,089	828
Net cash flow from the period	**2,966**	**(22,648)**

Net financial indebtedness as of period opening date	**(840,856)**	**(296,265)**
Effect of discontinued operation on financial position	-	-
Effect of exchange rate fluctuations on financial position	(93)	(1,222)
Change in net financial position	2,966	(22,648)
Net financial indebtedness as of period closing date	**(837,983)**	**(320,135)**

(*) Cash flow is negatively impacted by non-recurring items for Euro 3,053 thousand.

Fine Comunicato n.0525-21	Numero di Pagine: 16