

A close-up photograph of a server rack. The rack is dark blue with a fine mesh pattern. A silver oval label is attached to the front of the rack, featuring a logo and some text. The right side of the image is overlaid with a solid blue rectangle containing white text.

# 2019

*Interim Financial Report  
at March 31, 2019*

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<b>Company</b>	Wiiit S.p.A.
<b>Registered office</b>	20121 - Milan, Via dei Mercanti No.12
<b>Tax and VAT No.</b>	01615150214
<b>Share Capital</b>	Euro 2,652,066.00 fully paid-in
<b>Milan Companies Registration Office</b>	01615150214
<b>R.E.A. No.</b>	1654427
<b>Number of shares</b>	2,652,066

Wiiit Spa is a company under the management and co-ordination of Wiiit Fin S.r.l.

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## Profile

WIIT S.p.A. leads a Cloud Computing Group with a key focus on the building and provision of IT infrastructure tailored to the specific needs of customers (mainly through the "Hosted Private Cloud" and "Hybrid Cloud") and the provision of complementary infrastructure configuration, management and control services which guarantee uninterrupted functionality and availability (principally PaaS or Platform-as-a-Services). The company provides Cloud services for the "critical applications" of its customers, i.e. those whose malfunction may impact business continuity and thus demand guaranteed optimal and non-stop functioning. These include the main ERP's (Enterprise Resource Planning) on the market, such as for example SAP, Oracle and Microsoft - in addition to critical applications developed ad hoc for customer business needs (custom applications).

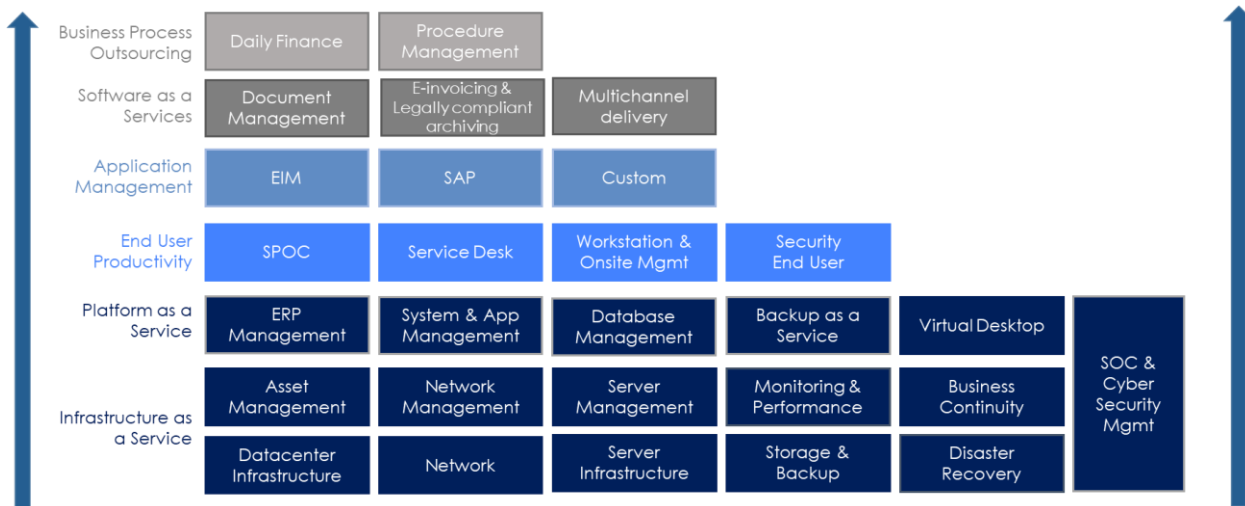
The company operates through two owned Data Centers, with the main Milan center TIER IV certified (maximum reliability level) by the Uptime Institute.

By providing services through a number of servers and storage devices, customer "business continuity" can be guaranteed and uninterrupted availability ensured in the case of malfunctions or interruptions to individual systems. The company makes available to customers its Business Continuity and Disaster Recovery service (replicating processing systems and all client critical data almost in real time), with daily back-ups executed.

## The offer

WIIT focuses on the Hosted Private Cloud and the Hybrid Cloud for the building of tailor-made IT infrastructure for customers. The Group to a lesser extent provides Public Cloud services, integrating and managing more standardised solutions provided by the main players, adapting them to customers' specific needs.

As part of these operations, the company offers its services to customers by combining a range of base components of each service category so as to build a custom-made Hosted Private Cloud and/or Hybrid Cloud proposal, according to the specific service, performance and security needs of the customer.



The Group's core service categories are presented below. Specifically, a description of services starting from the minimum Infrastructure of the Service category is presented, which forms the underlying component for the provision of other services - up to the more complete Business Process Outsourcing service.

**IaaS (Infrastructure as a Service):** the provision of servers, storage and networks;

**PaaS (Platform as a Service):** the Group's main service, including - in addition to IaaS services - also database or ERP provision services on an on-demand basis;

**End User Productivity:** customer contact services containing all technologies and methods which improve both individual productivity and the customer/WIIT interface;

**Application Management:** application life cycle services, including corrective and evolutionary maintenance and the development of new functionalities;

**SaaS (Software as a Service):** Software platforms and applications made available to the customer as "services";

**Business Process Outsourcing:** covering end-to-end services managing entire business processes within the customer value chain.

Services are usually provided through a standard contract type for all categories (IaaS, PaaS, End User Productivity, Application Management, SaaS and Business Process Outsourcing) and combined within a single all-inclusive price structure and contract.

Contracts usually cover a period of between three and five years, with generally automatic renewal for equivalent periods (subject to a termination option within the final six months). They generally stipulate an initial provision of services for the "start-up" phase in support of the Group's services and subsequently the provision of specific services on-demand.

## Certifications

The company has two Data Centers, with the main Milan center TIER IV certified (maximum reliability level) by the Uptime Institute. To date, only a select number of data centers are TIER IV certified by the Uptime Institute in the “Constructed Facility” category.

(<https://uptimeinstitute.com/TierCertification/constructed-facility-certifications.php>).

The company has achieved international certification for its Data Centers, particularly in terms of service security, such as the ISO20000 (Process Compliance), ISO27001 (Information Security), and ISO22301 (Business Continuity) certifications and with service provision certified to the ITIL (Infrastructure Library) standard.

The company has also achieved certification for its customer IT system management model according to the international ISO/IEC 20000:2005 standard, while its organisation is ISO 9001 certified for the development and provision of Business Process Outsourcing services, such as: Help Desk IT, Desktop Management, Server Management, Application Management, Asset Management, System Housing and Hosting Document Processing System Management.

The correct management and protection of data and information managed through its IT systems is guaranteed through the company's receipt in 2012 of the international ISO/IEC 27001:2005 certification (international standard setting the requirements for information technology security management systems), while developing an operational continuity method based on ISO 22301, shifting from a structured approach not based on technology alone, but capable of addressing all processes involved in operational recovery.

Further to these certifications, the company is a SAP top partner and one of the few companies globally to have obtained 5 of the 6 SAP Outsourcing Operation certifications ([https://www.sap.com/dmc/exp/2018\\_Partner\\_Guide/#/partners](https://www.sap.com/dmc/exp/2018_Partner_Guide/#/partners)).



**5 SAP CERTIFICATIONS**

# Corporate Boards

## BOARD OF DIRECTORS

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<b>Chairman &amp; CEO</b>	Riccardo Mazzanti
<b>Chief Executive Officer</b>	Alessandro Cozzi
<b>Executive Director</b>	Enrico Rampin
<b>Executive Director</b>	Francesco Baroncelli
<b>Director</b>	Amelia Bianchi
<b>Independent Director</b>	Aldo Napoli
<b>Independent Director</b>	Dario Albarello
<b>Independent Director</b>	Riccardo Sciutto
<b>Independent Director</b>	Annamaria di Ruscio

## Board of Statutory Auditors

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<b>Chairman of the Board of Statutory Auditors</b>	Luca Valdameri
<b>Statutory Auditor</b>	Paolo Ripamonti
<b>Statutory Auditor</b>	Nathalie Brazzelli

## SUPERVISORY AND CONTROL BOARD

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<b>Chairman of the Supervisory and Control Board</b>	Dario Albarello
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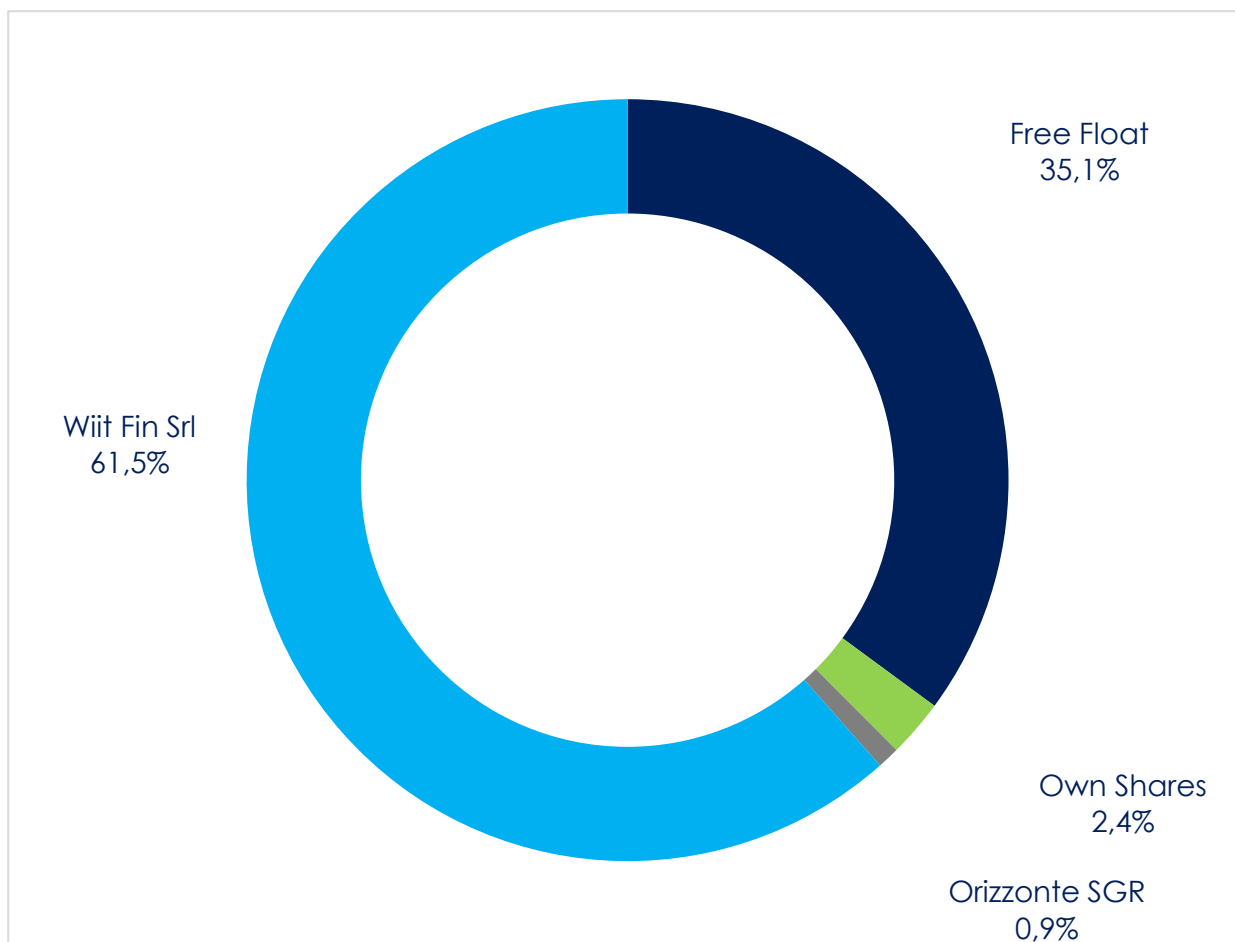
<b>INDEPENDENT AUDIT FIRM</b>	Deloitte & Touche S.p.A.
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## Shareholders

WIIT S.p.A.'s main shareholders at March 31, 2018 are:



Shareholder	Number of shares held	%
Wiit Fin Srl (*)	1,630,146	61.53%
Alessandro Cozzi	1,560	
HAT Orizzonte (**)	25,000	0.94%
Treasury shares	64,760	2.44%
Market	930,600	35.09%
<b>TOTAL</b>	<b>2,652,066</b>	<b>100.00%</b>
<b>FREE FLOAT (Treasury shares and Market)</b>	<b>995,360</b>	<b>37.53%</b>

(\*) Company owned by Cozzi Alessandro and Bianchi Amelia

(\*\*) Shares subject to "PUT" option with Wiit Fin

## Directors' Report

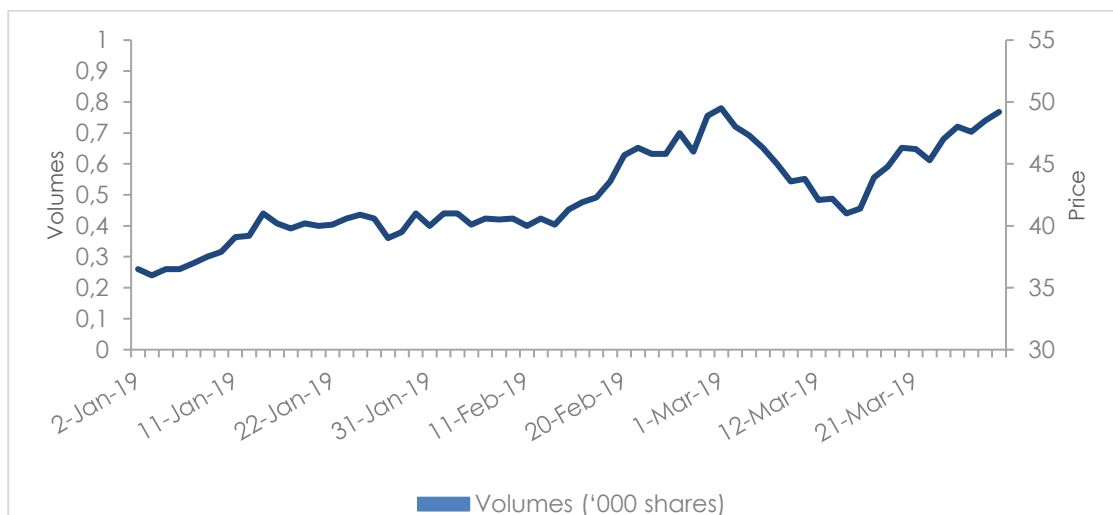
### Significant events

In February 2019, the parent company, implementing that approved by the Board of Directors and the Shareholders' Meeting, filed at Consob the communication as per Articles 113 of Legislative Decree 58/98, as amended and supplemented, and 52 of the Regulation adopted with Consob motion No. 11971 of May 14, 1999, as amended and supplemented ("Issuers' Regulation"), regarding the requirement to approve the prospectus for the admission to listing of ordinary WIIT shares (the "Shares") on the Mercato Telematico Azionario ("MTA"), with WIIT simultaneously presenting to Borsa Italiana its application for the listing of its Shares on the MTA (main market).

On March 25, 2019, WIIT S.p.A. was listed on the on the STAR segment ("MTA"), organised and managed by Borsa Italiana S.p.A., concluding a process begun in November 2018, with trading from April 2, 2019.

With this listing, the Group can attract a broader and more diversified range of investors with advantages - in addition to those concerning value enhancement and visibility - with regards to the Group's positioning against its competitors and its strategic partners, further to improved market liquidity than that available usually on a multi-lateral trading system. The main market listing, considering the requirements imposed on the companies listed, supports the further professional growth of the management team and of the Group more widely, bringing all of the associated knock-on benefits.

### Wiit: share price and volumes - 1.01.2019 – 31.03.2019

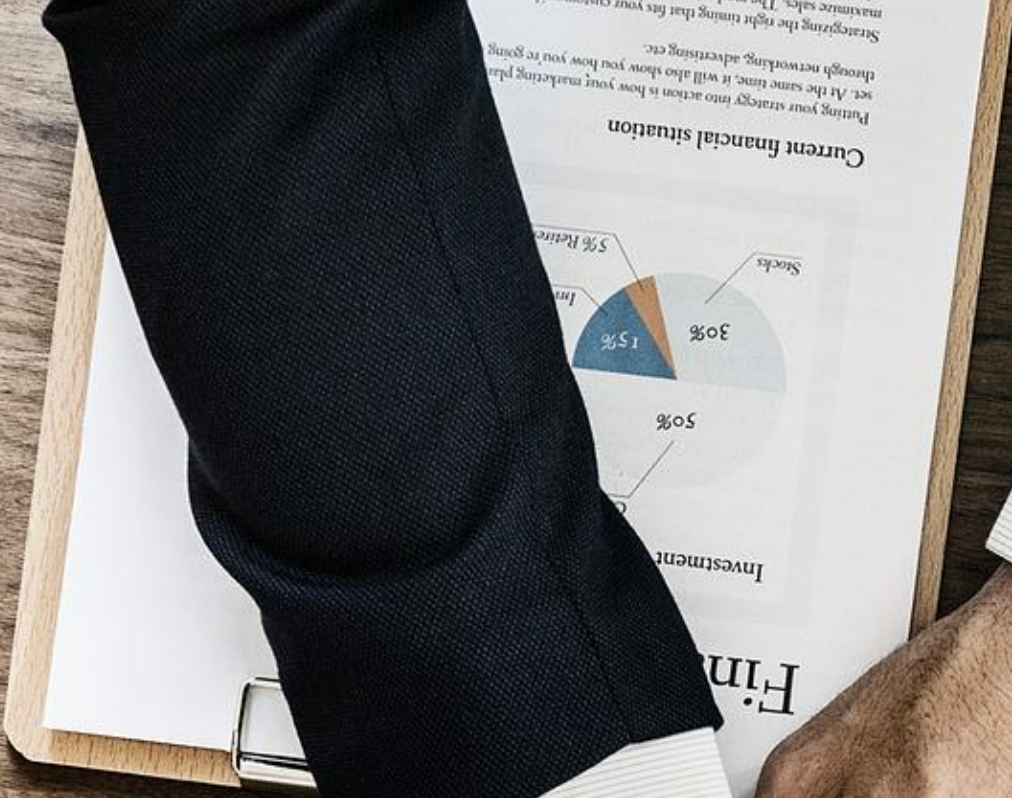


In March 2019, the parent company WIIT S.p.A. signed a multi-year contract worth approx. Euro 5.3 million with F.I.L.A. S.p.A., a consumer goods leader, for a new project to manage the increasing complexity of the business and to safeguard security - key elements of the Hybrid Cloud and Hosted Private Cloud service provided by WIIT. This project mainly targets the establishment of solid control over all business processes (productive, inventory, logistics etc.), while guaranteeing the usability and user friendliness of the new systems for an extensive user base, constructing a solid infrastructure based on an evolved Hybrid Cloud model which guarantees rapid and safe future growth and which develops perfectly in harmony with increased business complexity.

In April 2019, the parent company WIIT S.p.A. signed with the Tax Agency a preliminary agreement for the application of the "Patent Box" tax break for the five-year period 2015-2019, with the option to extend this benefit to the following five-year period 2020-2024.

The Patent Box supports enterprises producing income through the direct and indirect use of intellectual property, patents, software and other intangible assets; the tax break for 2015 was calculated by excluding from the assessable base 30% of the income relating to the use of qualifying intangible assets, for 2016 the exclusion percentage is 40%, while amounting to 50% for the 2017-2019 three-year period. This taxation system is renewable.

The tax benefit for WIIT over the 2015-2019 period will be fully reflected in the 2019 results and quantified on preparing the relative financial statements. Categorisable income in the first period of 2015/2018 is estimated at approx. Euro 7.7 million



Strategizing the right timing that fits your customer's... maximize sales. The... through networking, advertising, etc.

Putting your strategy into action is how you marketing plan... set. At the same time, it will also show you how you're going...



## CONSOLIDATED BALANCE SHEET

	Reported 31.03.19	Reported 31.12.18	Adjusted 31.03.19	Adjusted 31.12.18
<b>ASSETS</b>				
Other intangible assets	3,329,353	2,723,216	3,329,353	2,723,216
Goodwill	9,736,047	9,736,046	9,736,047	9,736,046
Usage rights	3,346,765	1,326,694	3,346,765	1,326,694
Property, plant and equipment	3,906,059	3,955,437	3,906,059	3,955,437
Other tangible assets	10,256,857	9,867,552	10,256,857	9,867,552
Equity investments and other non-current financial assets	68,062	68,062	68,062	68,062
Other non-current assets deriving from contracts	642,492	709,823	642,492	709,823
Other non-current assets	333,666	333,666	333,666	333,666
<b>NON-CURRENT ASSETS</b>	<b>31,619,301</b>	<b>28,720,495</b>	<b>31,619,301</b>	<b>28,720,495</b>
Inventories	0	0	0	0
Trade receivables	4,279,329	4,699,371	4,279,329	4,699,371
Trade receivables from group companies	376,460	460,965	376,460	460,965
Current financial assets	156	0	156	0
Deferred tax assets	662,102	685,410	662,102	685,410
Current assets deriving from contracts	314,759	329,905	314,759	329,905
Other receivables and other current assets	2,470,278	1,404,458	2,470,278	1,404,458
Cash and cash equivalents	18,884,803	17,930,107	18,884,803	17,930,107
<b>CURRENT ASSETS</b>	<b>26,987,888</b>	<b>25,510,216</b>	<b>26,987,888</b>	<b>25,510,216</b>
<b>TOTAL ASSETS</b>	<b>58,607,189</b>	<b>54,230,711</b>	<b>58,607,189</b>	<b>54,230,711</b>

	Reported 31.03.19	Reported 31.12.18	Adjusted 31.03.19	Adjusted 31.12.18
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
Share Capital	2,652,066	2,652,066	2,652,066	2,652,066
Share premium reserve	19,248,704	19,248,704	19,248,704	19,248,704
Legal reserve	530,413	513,214	530,413	513,214
Other reserves	(4,921,971)	(4,921,971)	(4,921,971)	(4,921,971)
Reserves and retained earnings (accumulated losses)	2,376,755	1,241,408	2,376,755	1,241,408
Translation reserve	24,519	13,698	24,519	13,698
Net profit for the period	1,609,605	3,496,340	1,609,605	3,496,340
<i>Total Shareholders' Equity</i>	21,520,091	22,243,459	21,520,091	22,243,459
<b>SHAREHOLDERS' EQUITY</b>				
Payables to other lenders	6,735,787	4,801,538	6,735,787	4,801,538
Bank payables	4,901,907	6,144,430	4,901,907	6,144,430
Other non-current financial liabilities	2,550,000	2,550,000	2,550,000	2,550,000
Employee benefits	1,304,434	1,259,295	1,304,434	1,259,295
Deferred tax liabilities	214,022	214,022	214,022	214,022
Non-current liabilities deriving from contracts	1,217,428	1,339,529	1,217,428	1,339,529
Other payables and non-current liabilities	0	0	0	0
<b>NON-CURRENT LIABILITIES</b>	<b>16,923,578</b>	<b>16,308,814</b>	<b>16,923,578</b>	<b>16,308,814</b>
Payables to other lenders	4,353,213	3,922,970	4,353,213	3,922,970
Current bank payables	4,222,697	3,817,932	4,222,697	3,817,932
Current income tax liabilities	390,546	669,451	390,546	669,451
Other current financial liabilities	950,000	1,410,000	950,000	1,410,000
Trade payables	5,669,123	3,802,103	5,669,123	3,802,103
Payables to group companies	35,650	0	35,650	0
Current liabilities deriving from contracts	696,304	765,604	696,304	765,604
Other payables and current liabilities	3,845,986	1,290,378	3,845,986	1,290,378
<b>CURRENT LIABILITIES</b>	<b>20,163,520</b>	<b>15,678,438</b>	<b>20,163,520</b>	<b>15,678,438</b>
<b>LIABILITIES HELD-FOR-SALE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>58,607,189</b>	<b>54,230,711</b>	<b>58,607,189</b>	<b>54,230,711</b>

## CONSOLIDATED INCOME STATEMENT

	Reported Q1 19	Reported Q1 18	Adjusted Q1 19	Adjusted Q1 18	Cge %
<b>REVENUES AND OPERATING INCOME</b>					
Revenues from sales and services	7,465,707	5,173,731	7,465,707	5,173,731	
Other revenues and income	7,828	13,784	7,828	13,784	
<b>Total revenues and operating income</b>	<b>7,473,535</b>	<b>5,187,515</b>	<b>7,473,535</b>	<b>5,187,515</b>	<b>44.1%</b>
<b>OPERATING COSTS</b>					
Purchases and services	(4,070,737)	(1,878,174)	(3,277,612)	(1,878,174)	
Personnel costs	(1,244,601)	(1,136,820)	(1,244,601)	(1,066,170)	
Amortisation, depreciation & write-downs	(1,375,719)	(1,185,163)	(1,375,719)	(1,185,163)	
Provisions	0	0	0	0	
Other costs and operating charges	(93,829)	(73,930)	(93,829)	(73,930)	
Change in Inventories of raw mat., consumables and goods	0	0	0	0	
<b>Total operating costs</b>	<b>(6,784,886)</b>	<b>(4,274,086)</b>	<b>(5,991,761)</b>	<b>(4,203,437)</b>	
<b>EBIT</b>	<b>688,649</b>	<b>913,429</b>	<b>1,481,774</b>	<b>984,078</b>	<b>50.6%</b>
Write-down of equity investments	0	0	0	0	
Financial income	129,043	821	129,043	821	
Financial expenses	(56,219)	(43,971)	(56,219)	(43,971)	
Exchange gains/(losses)	0	3,125	0	3,125	
<b>PROFIT BEFORE TAXES</b>	<b>761,473</b>	<b>873,404</b>	<b>1,554,598</b>	<b>944,053</b>	
Income taxes	848,132	(184,242)	725,329	(198,251)	
<b>NET PROFIT FROM CONTINUING OPERATIONS</b>	<b>1,609,605</b>	<b>689,162</b>	<b>2,279,927</b>	<b>745,802</b>	<b>205.7%</b>
<b>Net profit from discontinued operations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>NET PROFIT</b>	<b>1,609,605</b>	<b>689,162</b>	<b>2,279,927</b>	<b>745,802</b>	<b>205.7%</b>
<b>EBITDA</b>	<b>2,064,368</b>	<b>2,098,592</b>	<b>2,857,493</b>	<b>2,169,241</b>	<b>31.7%</b>
	27.6%	40.5%	38.2%	41.8%	
<b>EBIT</b>	<b>688,649</b>	<b>913,429</b>	<b>1,481,774</b>	<b>984,078</b>	<b>50.6%</b>
	9.2%	17.6%	19.8%	19.0%	

## Alternative performance indicators

**Adjusted EBITDA** - A non-GAAP measure used by the Group to measure performance. It equates to EBITDA gross of the following accounts: "IPO process costs", merger & acquisition costs and personnel costs as per IFRS 2 regarding performance shares. Adjusted EBITDA is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the criteria applied by the company may not be uniform with the criteria adopted by other groups and, therefore, its value for the company may not be comparable with that calculated by such groups.

**EBITDA** - A non-GAAP measure used by the Group to measure performance. EBITDA is calculated as the sum of the net profit for the period gross of taxes, income (including exchange gains and losses), financial expenses and amortisation, depreciation and write-downs. EBITDA is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the criteria applied by the company may not be uniform with the criteria adopted by other groups and, therefore, its value for the company may not be comparable with that calculated by such groups.

**EBITDA margin** - Ratio in percentage terms between EBITDA and total revenues and income.

**EBIT** - A non-GAAP measure used by the Group to measure performance. EBIT is the sum of the net profit for the period, gross of taxes, income (including exchange gains) and losses and financial expenses. EBIT is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the criteria applied by the company may not be uniform with the criteria adopted by other groups and, therefore, its value for the company may not be comparable with that calculated by such groups.

**Adjusted EBIT** - Adjusted EBIT is Adjusted EBITDA, net of amortisation, depreciation and write-downs.

**EBIT margin** - Ratio in percentage terms between EBIT and total revenues and income.



## Operating highlights

The consolidated value of production was up 44.1% on Q1 2018. This strong result reflects the company's healthy income statement and the regard in which the WIIT Group is held among its customer base as a high-quality and cost competitive player.

The value of production, EBITDA and profit before taxes for Q1 of the past two years are shown in the following table.

	Q1 2019 Consolidated	Q1 2018 Consolidated	Q1 2019 Adjusted Consolidated	Q1 2018 Adjusted Consolidated	% Cge
Value of production	7,473,535	5,187,515	7,473,535	5,187,515	<b>44.1%</b>
EBITDA	2,064,368	2,098,592	2,857,493	2,169,241	<b>31.7%</b>
Profit before taxes	761,473	873,404	1,554,598	944,053	<b>64.7%</b>
Net Profit	1,609,605	689,162	2,279,927	745,802	<b>205.7%</b>

Adjusted EBITDA was up 31.7% on Q1 2018, with a 38.2% revenue margin - indicating the highly optimised level of company operating processes and services.

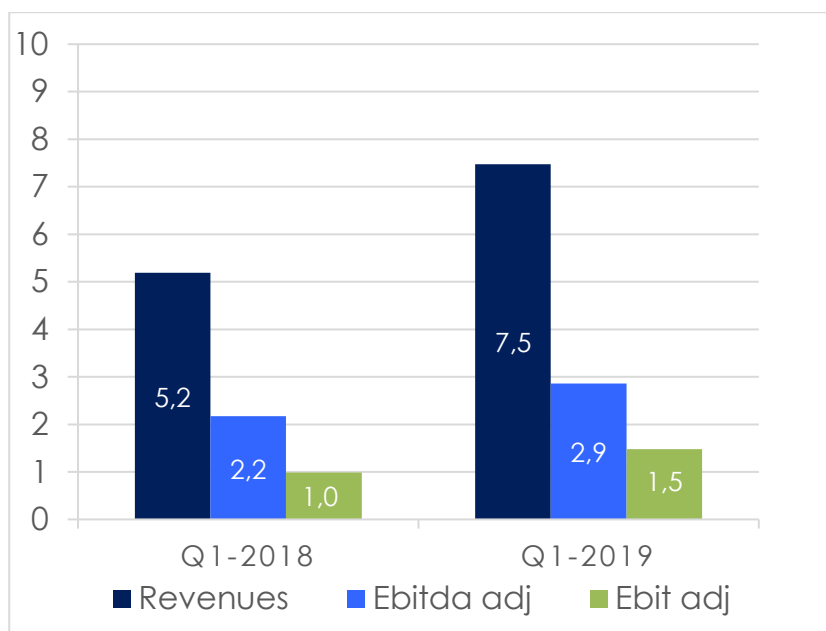
The reported consolidated net profit reflects the impact on non-recurring costs from the transfer to the MTA segment of approx. Euro 0.7 million and the "Patent Box" benefit stemming from the agreement signed by the parent company WIIT S.p.A. with the Tax Agency.

The Q1 2019 reclassified income statement of the company is compared below with the same period of the previous year (in Euro):

	Q1 2019 Consolidated	Q1 2018 Consolidated	Q1 2019 Adjusted Consolidated	Q1 2018 Adjusted Consolidated
Net revenues	7,473,535	5,187,515	7,473,535	5,187,515
External costs	(4,070,737)	(1,878,174)	(3,277,612)	(1,878,174)
<b>Value added</b>	<b>3,402,798</b>	<b>3,309,342</b>	<b>4,195,923</b>	<b>3,309,342</b>
Personnel costs	(1,244,601)	(1,136,820)	(1,244,601)	(1,066,170)
Other operating costs and charges	(93,829)	(73,930)	(93,829)	(73,930)
Change in inventories	0	0	0	0
<b>EBITDA</b>	<b>2,064,368</b>	<b>2,098,592</b>	<b>2,857,493</b>	<b>2,169,241</b>
Amortisation, depreciation and write-downs	(1,375,719)	(1,185,163)	(1,375,719)	(1,185,163)
<b>EBIT</b>	<b>688,649</b>	<b>913,429</b>	<b>1,481,774</b>	<b>984,078</b>

The Q1 2019 reclassified income statement of the company is compared below with previous years (in Euro):

### KEY FINANCIALS (€mn)



For a better understanding of the company's profitability, the table below illustrates some of the performance indicators compared to previous years. The indicators are calculated on the basis of the separate and consolidated financial statements.

Index	Formula	Q1 2019 Consolidated	Q1 2018 Consolidated	Q1 2019 Adjusted Consolidated	Q1 2018 Adjusted Consolidated
ROE	Net profit / equity	7.48%	3.10%	11.17%	3.35%
ROI	EBIT / Capital employed	1.18%	1.68%	2.53%	1.81%
ROS	EBIT / Value of production	9.21%	17.61%	19.83%	18.97%

## Balance Sheet highlights

The reclassified balance sheet of the company for the first quarter of 2019 is compared with the previous year below (in Euro):

	31/03/19 Consolidated	31/12/18 Consolidated
Net intangible assets	16,412,165	13,785,955
Net tangible assets	14,162,916	13,822,989
Equity investments and other financial assets	68,062	68,062
Other long-term receivables	976,158	1,043,489
<b>Fixed assets</b>	<b>31,619,301</b>	<b>28,720,495</b>
Inventories	0	0
Current trade receivables	4,279,329	4,699,371
Receivables from group companies	376,460	460,965
Receivables from subsidiaries	0	0
Other receivables	3,447,140	2,419,773
Cash and Cash Equivalents	18,884,803	17,930,107
<b>Current assets</b>	<b>26,987,732</b>	<b>25,510,216</b>
<b>Capital employed</b>	<b>58,607,033</b>	<b>54,230,711</b>
Bank payables (within one year)	4,222,697	3,817,932
Payables to other lenders (within one year)	4,353,213	3,922,970
Payables to suppliers (within one year)	5,669,123	3,802,103
Payables to group companies	35,650	0
Tax payables and social security institutions	390,546	669,451
Other current financial liabilities	950,000	1,410,000
Other payables	4,542,290	2,055,982
<b>Current liabilities</b>	<b>20,163,520</b>	<b>15,678,438</b>
Post-employment benefits	1,304,434	1,259,295
Bank payables (beyond one year)	4,901,907	6,144,430
Payables to other lenders (beyond one year)	6,735,787	4,801,538
Payables to suppliers (beyond one year)	0	0
Other non-current financial liabilities	2,550,000	2,550,000
Other medium/long-term payables	1,217,428	1,339,529
Deferred tax payables	214,022	214,022
<b>Medium/long-term liabilities</b>	<b>16,923,578</b>	<b>16,308,814</b>
<b>Minority interest share capital</b>	<b>37,087,098</b>	<b>31,987,252</b>
Shareholders' Equity	21,520,091	22,243,459
<b>Own funds</b>	<b>21,520,091</b>	<b>22,243,459</b>
<b>Own Funds &amp; Minority interest share capital</b>	<b>58,607,189</b>	<b>54,230,711</b>

## Main notes to the balance sheet

The increase in intangible assets mainly relates to “Usage rights” regarding the signing of the long-term rental contract for the new Wiit S.p.A. Head Quarters in via dei Mercanti 12, Milan, as per IFRS 16.

The increase in property, plant and equipment mainly concerns the acquisition of IT infrastructure for new orders agreed in the first quarter.

Higher payables to other lenders are strictly related to tangible and intangible asset and usage right investments (IFRS 16).

“Other payables” mainly include the Shareholder payable for dividends of Euro 2.3 million, approved by the Shareholders’ Meeting of March 18, 2019, but settled in April 2019.

## Condensed Cash Flow Statement

The condensed cash flow statement for the period, compared to the end of the previous year and the same period for the previous year, is presented below.

In Euro	31.03.2019 Consol. Financial Statements	31.12.2018 Consol. Financial Statements	31.03.2018 Consol. Financial Statements
Net profit from continuing operations	1,610	3,496	689
Adjustments for non-cash items	629	6,749	1,438
<b>Cash flow generated from operating activities before changes</b>	<b>2,239</b>	<b>10,245</b>	<b>2,127</b>
Changes in current assets and liabilities	4,451	1,404	(101)
Cash flow generated from operating activities	(83)	(1,437)	(44)
<b>Net cash flow generated from operating activities (a)</b>	<b>6,607</b>	<b>10,212</b>	<b>1,982</b>
Net cash flow used in investment activities (b)	(4,263)	(17,374)	(5,138)
Net cash flow from financing activities (c)	(1,388)	3,577	1,615
<b>Net increase/(decrease) in cash and cash equivalents (a+b+c)</b>	<b>955</b>	<b>(3,584)</b>	<b>(1,540)</b>
Cash and cash equivalents at end of period	18,885	17,930	19,974
Cash and cash equivalents at beginning of period	17,930	21,514	21,514
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>955</b>	<b>(3,584)</b>	<b>(1,540)</b>

## Key Financial Indicators

The net financial position at March 31, 2019 was as follows (in Euro):

	31/03/19 Consolidated	31/12/18 Consolidated
Current financial assets	156	0
Cash and cash equivalents	18,884,803	17,930,107
<b>Cash and cash equivalents and treasury shares</b>	<b>18,884,959</b>	<b>17,930,107</b>
Payables to other lenders	(4,353,213)	(3,922,970)
Current bank payables	(4,222,697)	(3,817,932)
Other current financial liabilities	(950,000)	(1,410,000)
<b>Short-term financial payables</b>	<b>(9,525,910)</b>	<b>(9,150,902)</b>
<b>Short-term net financial position</b>	<b>9,359,049</b>	<b>8,779,205</b>
Other non-current financial assets	333,666	333,666
Payables to other lenders	(6,735,787)	(4,801,538)
Bank payables	(4,901,907)	(6,144,430)
Other non-current financial liabilities	(2,550,000)	(2,550,000)
<b>Net financial position - Medium/long-term</b>	<b>(13,854,029)</b>	<b>(13,162,303)</b>
<b>Net financial position - Short/long-term</b>	<b>(4,494,980)</b>	<b>(4,383,098)</b>

Strong cash flows were generated from operating activities in the first quarter of the year. Cash and cash equivalents were in line with the preceding period, despite investments of approx. Euro 1.9 million in IT infrastructure related to new orders signed in the first quarter, and in part related to improvements at the new Headquarters in via dei Mercanti 12. The long-term rental contract for the new WIIT headquarters increased payables to other lenders by approx. Euro 2.2 million, as per IFRS 16.

The cash flow statement for the period compared to the same period of the previous year is presented below.

<b>CASH FLOW STATEMENT (in Euro)</b>	<b>31.03.19 Consolidated</b>	<b>31.03.18 Consolidated</b>
<b>Net profit from continuing operations</b>	1,610	689
<i>Adjustments for non-cash items:</i>		
Amortisation, depreciation, revaluations and write-downs	1,376	1,185
Financial assets adjustments	0	0
Change in provisions	45	25
Increase (decrease) provisions for risks and charges	0	0
Financial expenses	56	44
Income taxes	(848)	184
<b>Cash flow generated from operating activities before working capital changes</b>	<b>2,239</b>	<b>2,127</b>
<i>Changes in current assets and liabilities:</i>		
(Increase) decrease in inventories	0	0
Decrease/(increase) in trade receivables	494	(2,066)
Decrease (increase) tax receivables	23	(491)
Decrease (increase) other current assets	(1,051)	(319)
Increase (Decrease) in trade payables	1,903	1,899
Increase (Decrease) in tax payables	596	(96)
Increase/(decrease) in other current liabilities	2,486	972
<i>Cash flow generated from operating activities</i>		
Income taxes paid	(27)	0
Interest paid/received	(56)	(44)
<b>Net cash flow generated from operating activities (a)</b>	<b>6,607</b>	<b>1,982</b>
Net increase tangible assets	(1,318)	(2,922)
Net increase intangible assets	(993)	(509)
Net (increase)/decrease in intangible assets IFRS 16	(2,020)	(1,330)
Net decrease (increase) in financial assets	67	(377)
Acquisition or sale of subsidiaries or business units net of cash and cash equivalents	0	0
<b>Net cash flow used in investing activities (b)</b>	<b>(4,263)</b>	<b>(5,138)</b>
Finance lease payables	(940)	(945)
New payables for finance leases	3,304	1,677
New financing	(0)	2,000
Repayment of loans	(839)	(436)
Drawdown (settlement) other financial investments	(582)	1,780

Increase (decrease) in bank overdrafts	2	0
Financial movements for centralised treasury management	0	0
Dividends (*)	(2,329)	0
Acquisition of treasury shares	0	(925)
Other changes to SE	(4)	(1,536)
<b>Net cash flow from financing activities (c)</b>	<b>(1,388)</b>	<b>1,615</b>
<b>Net increase/(decrease) in cash and cash equivalents a+b+c</b>	<b>955</b>	<b>(1,540)</b>
Cash and cash equivalents at end of period	18,885	19,974
Cash and cash equivalents at beginning of period	17,930	21,514
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>955</b>	<b>(1,540)</b>

(\*) The Shareholders' Meeting of March 18, 2019 approved the payment of dividends in April 2019. The Shareholders' Equity movement is reflected in the increase in "Other current liabilities" in terms of the payable to shareholders.

For a better understanding of the financial situation, the table below illustrates some financial performance ratios compared to previous years.

		31/03/2019 Consolidated	31/12/2018 Consolidated
Primary liquidity	(Current assets + Inventory) / Current liabilities	1.34	1.63
Debt	Third party capital (loans) / Own capital	1.10	1.02

## **Financial instruments**

The company at 31/03/2019 did not possess derivative financial instruments.

## **Treasury shares or parent company shares**

In accordance with Article 2428 points 3) and 4) of the Civil Code, the company holds 64,760 treasury shares, but does not hold shares in parent companies, even through trust companies or nominees, nor have shares of the parent company been acquired and/or sold during the period, even through trust companies or nominees.

## **Information relating to the environment and personnel**

In relation to the societal role of the company as set out in the Directors' Report of the Italian Accounting Professionals Body (Consiglio Nazionale dei Dottori commercialisti e degli esperti contabili), the following information relating to the environment and to personnel is provided.

### **Personnel**

In Q1 2019, no deaths of registered employees occurred at the workplace.

No serious workplace accidents took place during the period which involved serious injury to registered employees.

No issues in relation to workplace health matters concerning employees or ex-employees or misconduct against the company arose in the first quarter of 2019.

### **Environment**

During the initial month of 2019 no environmental damage was declared against the company.

No penalties were incurred for offences or environmental damage in Q1 2019.





**TRANSACTIONS WITH SUBSIDIARY, ASSOCIATE,  
HOLDING AND RELATED COMPANIES**

**CHOICE**  
Date: \_\_\_\_\_  
Invoice No: 0100001  
Customer ID: 228

Qty	Amount
246.53	855.75
598.67	492.74
358.40	00.00
00.00	0.00

% Growth:

-11%
+37%
+42%
+78%
+18%

According to sales from 2013 - 2018

May	June
24,796	45,598
354	1,076
133	190
135	134
	47,758

## Transactions with subsidiary, associate, holding and related companies

During the first quarter of 2019, the following transactions with subsidiaries, associates, holding companies and related companies took place:

	Costs	WIIT Fin S.r.l.	WIIT S.p.A.	WIIT Swiss S.A.	Foster S.r.l.	Adelante Srl	ICTW	Total
Revenues	WIIT Fin S.r.l.	-	124,750	-	12,500	-	-	<b>137,250</b>
	WIIT S.p.A.	-	-	-	2,058	25,000	-	<b>27,058</b>
	WIIT Swiss S.A.	-	-	-	-	-	-	-
	Foster S.r.l.	-	80,153	-	-	-	-	<b>80,153</b>
	Adelante S.r.l.	-	17,846	-	-	-	2,402	<b>20,248</b>
	ICTW	-	39,500	-	-	-	4,500	<b>44,000</b>
	<b>Total</b>	-	<b>262,250</b>	-	-	<b>14,558</b>	<b>29,500</b>	<b>2,402</b>

	Receivables	WIIT Fin S.r.l.	WIIT S.p.A.	WIIT Swiss S.A.	Foster S.r.l.	Adelante Srl	ICTW	Total
Payables	WIIT Fin S.r.l.	-	1,001,999	-	74,518	-	-	<b>1,076,517</b>
	WIIT S.p.A.	-	-	-	25,753	43,771	39,500	<b>109,025</b>
	WIIT Swiss S.A.	-	1,084,057	-	-	-	-	<b>1,084,057</b>
	Foster S.r.l.	-	265,997	-	-	-	-	<b>265,997</b>
	Adelante S.r.l.	-	85,400	-	-	-	3,000	<b>88,400</b>
	ICTW	-	-	-	-	-	121,822	<b>121,822</b>
	<b>Total</b>	-	<b>2,437,453</b>	-	-	<b>100,272</b>	<b>165,593</b>	<b>42,500</b>

Please note that the transactions with related parties, including inter-company transactions, are not quantifiable as either atypical or unusual but fall within the Group's normal business operations. These transactions were carried out on an arm's length basis.

Milan, 13/05/2019

For the Board of Directors  
The Chairman  
(Riccardo Mazzanti)

**Statement of the Executive Officer for Financial Reporting in accordance with article 154-bis, paragraph 2 of Legislative Decree No. 58/1998 (CFA)**

The Executive Responsible for Financial Reporting declares in accordance with Article 154-bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present Interim Report at March 31, 2019 corresponds to the underlying accounting documents, records and entries.

Milan, 13/05/2019

The Executive Officer  
(Stefano Pasotto)