



Cerved Group S.p.A.

Interim Report on Operations at
September 30, 2019



Contents

COMPANY DATA.....	3
COMPOSITION OF THE COMPANY'S GOVERNANCE BODIES	4
STRUCTURE OF THE GROUP	5
INTERIM REPORT ON OPERATIONS	6
RESULTS OF THE GROUP AT SEPTEMBER 30, 2019	8
STATEMENT OF FINANCIAL POSITION OF THE CERVED GROUP.....	13
NET FINANCIAL DEBT OF THE CERVED GROUP	15
SIGNIFICANT EVENTS IN THE REPORTING PERIOD.....	15
SIGNIFICANT EVENTS OCCURRING AFTER SEPTEMBER 30, 2019	17
BUSINESS OUTLOOK	17
TREASURY SHARES.....	17
PERFORMANCE SHARE PLAN	17
CRITERIA FOR THE PREPARATION OF THE INTERIM REPORT ON OPERATIONS	18
OVERVIEW OF ACCOUNTING PRINCIPLES	19
SCOPE OF CONSOLIDATION AND CONSOLIDATION CRITERIA	20
TRANSACTIONS WITH RELATED PARTIES.....	22
INFORMATION ABOUT THE "OPT OUT" SYSTEM.....	22
FINANCIAL STATEMENTS	23
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....	24
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	25
CONSOLIDATED STATEMENT OF CASH FLOWS.....	26
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	27
CERTIFICATION PURSUANT TO ARTICLE 154 <i>BIS</i> , SECTION 2, OF THE TUF	28

COMPANY DATA

Parent Company's Registered Office

Cerved Group S.p.A.
Via Dell'Unione Europea 6A, 6B
San Donato Milanese (MI)

Parent Company's Statutory Data

Subscribed and paid-in share capital of 50,521,142.00 euros

Milan Company Register No. 08587760961

Milan R.E.A. No. 2035639

Tax I.D. and VAT No. 08587760961

Corporate website: company.cerved.com

COMPOSITION OF THE COMPANY'S GOVERNANCE BODIES

Board of Directors ¹	Gianandrea De Bernardis	Executive Chairman
	Andrea Mignanelli	Chief Executive Officer
	Andrea Casalini	Independent Director
	Mara Anna Rita Caverni	Independent Director
	Fabio Cerchiai	Independent Director
	Sabrina Delle Curti	Director
	Valentina Montanari	Independent Director
	Umberto Carlo Maria Nicodano	Director
	Mario Francesco Pitto	Independent Director
	Aurelio Regina	Independent Director
	Alessandra Stabilini	Independent Director
Control and Risk Committee	Alessandra Stabilini	Chairperson
	Mara Anna Rita Caverni	
	Valentina Montanari	
Compensation Committee	Aurelio Regina	Chairman
	Umberto Carlo Maria Nicodano	
	Fabio Cerchiai	
	Valentina Montanari	
Related Party Committee	Andrea Casalini	Chairman
	Umberto Carlo Maria Nicodano	
	Marco Francesco Pitto	
	Alessandra Stabilini	
Board of Statutory Auditors ²	Antonella Bientinesi	Chairperson
	Paolo Ludovici	Statutory Auditor
	Costanza Bonelli	Statutory Auditor
	Laura Acquadro	Alternate
	Antonio Mele	Alternate
Independent Auditors	PricewaterhouseCoopers S.p.A.	
Corporate Accounting Documents Officer ³	Francesca Perulli	

¹ Elected by the Shareholders' Meeting on April 16, 2019 for a term of office ending with the approval of the statutory financial statements at December 31, 2021.

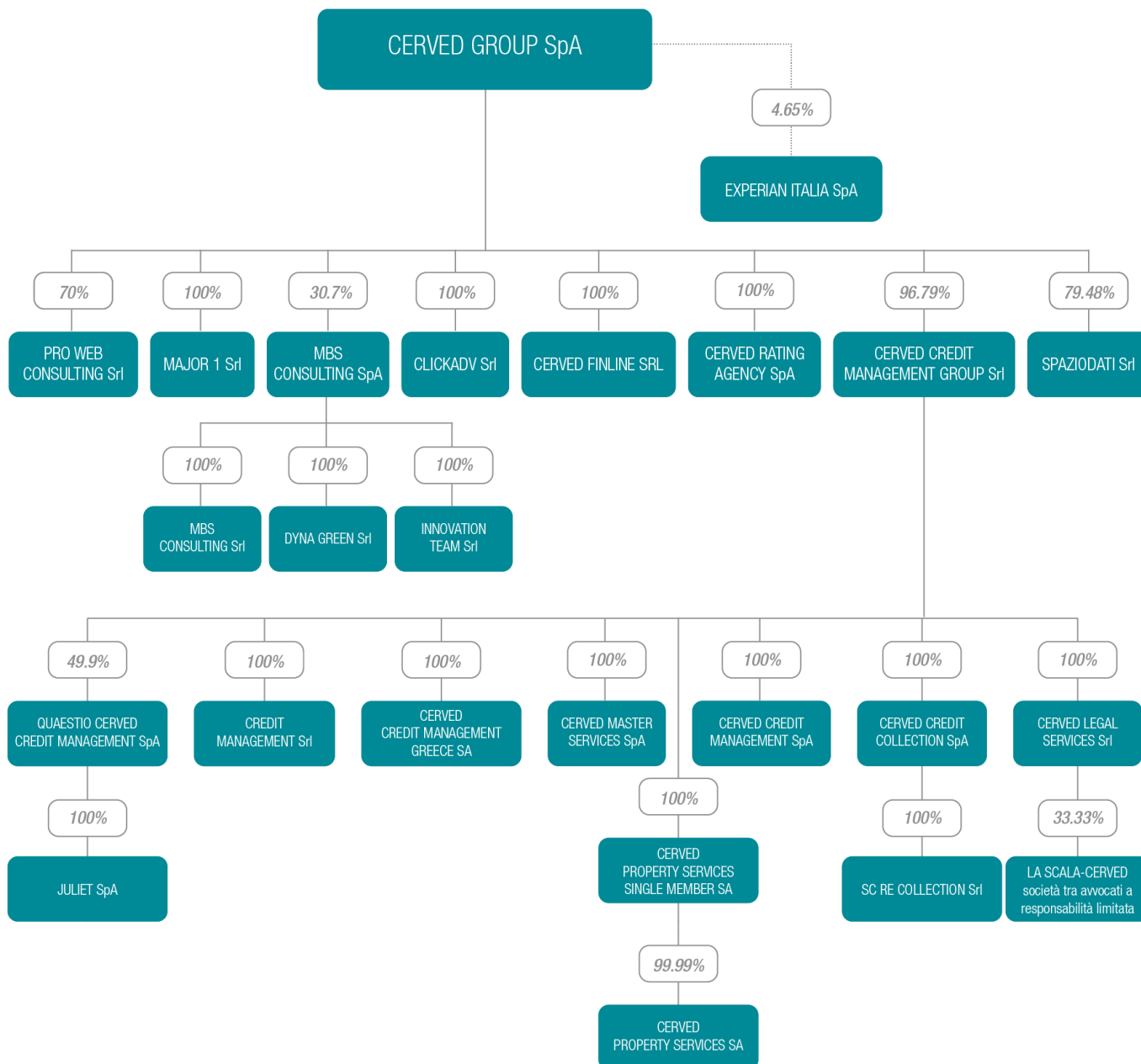
² Elected by the Shareholders' Meeting on April 13, 2017 for a term of office ending with the approval of the statutory financial statements at December 31, 2019.

³ Appointed by the Board of Directors on April 19, 2019.

STRUCTURE OF THE GROUP

The Cerved Group is Italy's principal operator in the delivery of credit assessment and management services for banks, businesses and professionals. Through Cerved Credit Management Group S.r.l. and its subsidiaries, it is one of the top independent players in the management of nonperforming loans and, through the Cerved Rating Agency, one of Europe's top rating agencies. Lastly, through its Marketing Solutions Division, the Group offers services to help customers analyze their target markets and the competitive environment.

The diagram that follows depicts the structure of the Cerved Group at September 30, 2019:



Interim Report on Operations

FOREWORD

Insofar as the nine-month period ended September 30, 2019 (hereinafter “**September 30, 2019**”) is concerned, the purpose of the numerical data listed in this Interim Report on Operations and the comments provided in it is to present an overview of the Group’s financial position and operating performance, as well as the changes that took place during the reporting period and any significant events that may have occurred and their impact on the result for the period.

Because the Group opted for a retrospective adoption of the new principles applicable starting with the 2019 reporting year, as required by IAS 8, the comparative data at September 30, 2018 and December 31, 2018 were restated to reflect the effects deriving from the implementation of the provisions of IFRS 16 “Leases” (hereinafter IFRS 16).

ACTIVITIES OF THE GROUP

Cerved offers the most comprehensive range of information products and services for financial institutions, businesses, insurance companies, the public administration, professionals and private individuals.

Our databases offer an asset that is unique in Italy in terms the quality, completeness and historical depth of the information. A depth that shows how event trends developed over time and tells the story of businesses, groups and individuals.

Cerved addresses the needs of credit managers, chief financial officers, marketing managers, purchasing managers and sales managers and professionals with a broad range of services and products classifiable in three areas of activity:

a) Credit Information

Cerved helps its customers protect themselves from credit risk by supplying them with data and information to assess the economic-financial profile and reliability of businesses and individuals and assess the risk level of entire loan portfolios, while supporting them in the definition of valuation models and decision-making systems with integrated and intelligent solutions developed in over 40 years of activity servicing the banking sector.

b) Marketing Solution

Identifying new customers and partners, analyzing the competitive scenario, improving performance and gaining a more in-depth understanding of the customer base: the Marketing Solutions segment offers a broad and comprehensive range of services available online in real time and designs solutions customized to implement the most effective commercial strategies and promote business growth. Through its Click Adv S.r.l. and Pro Web Consulting S.r.l. subsidiaries, it offers digital advertising and digital marketing solutions in the fields of Search Engine Optimization (SEO), Conversion Rate Optimization (CRO) and ancillary services.

c) Credit Management

Through Cerved Credit Management Group and its subsidiaries, Cerved is the top player in the independent market, offering valuations based on certified information and data. Services include specialized competencies in various areas, from the assessment of loans to their management through out-of-court settlements and through court proceedings and up to the remarketing of personal property and real estate. Cerved can help identify the most effective solutions over a loan’s entire life cycle, making it possible to take action quickly and professionally and shorten money collection time.

RESULTS OF THE GROUP AT SEPTEMBER 30, 2019

The tables that follow show a condensed statement of comprehensive income at September 30, 2019 compared with the quarter ended September 30, 2018 Restated:

(in thousands of euros)	September 30, 2019	%	September 30, 2018 Restated	%	Change	% change
Sales and service revenues	360,514	99.8%	323,200	99.9%	37,315	11.5%
Other income	590	0.2%	382	0.1%	208	54.5%
Total revenues and income	361,104	100.0%	323,581	100.0%	37,523	11.6%
Cost of raw material and other materials	879	0.2%	2,711	0.8%	(1,832)	-67.6%
Cost of services	91,461	25.3%	84,198	26.0%	7,264	8.6%
Personnel costs	97,979	27.1%	81,020	25.0%	16,958	20.9%
Other operating costs	5,916	1.6%	4,770	1.5%	1,146	24.0%
Impairment of receivables and other accruals	4,097	1.1%	2,498	0.8%	1,599	64.0%
Total operating costs	200,331	55.5%	175,196	54.1%	25,135	14.3%
Adjusted EBITDA	160,773	44.5%	148,385	45.9%	12,388	8.3%
Performance Share Plan	5,590	1.5%	5,509	1.7%	81	1.5%
EBITDA	155,183	43.0%	142,876	44.2%	12,307	8.6%
Depreciation and amortization	60,068	16.6%	57,525	17.8%	2,542	4.4%
Operating profit before non-recurring items	95,115	26.3%	85,351	26.4%	9,764	11.4%
Non-recurring items	24,815	6.9%	4,838	1.5%	19,977	412.9%
Operating profit	70,300	19.5%	80,513	24.9%	(10,212)	-12.7%
Financial income	584	0.2%	475	0.1%	109	22.9%
Financial charges	(16,435)	-4.6%	(14,628)	-4.5%	(1,807)	12.4%
Non-recurring financial income / (charges)	0		(556)	-0.2%	556	-100.0%
Income tax expense	(19,198)	-5.3%	(19,869)	-6.1%	672	-3.4%
Financial income	5,248	<i>n.a.</i>			5,248	<i>n.a.</i>
Net profit	40,500	11.2%	45,935	14.2%	(5,435)	-11.8%

Note:

- EBITDA correspond to the operating profit before depreciation and amortization and non-recurring charges/(income). EBITDA are not designated as an accounting measurement tool in the IFRS and, consequently, must be treated as an alternative gauge to assess the Group's performance at the operating level. Because the composition of EBITDA is not governed by the reference accounting principles, the computation criteria applied by the Group could be different from those adopted by other parties and, consequently, not comparable.
- At September 30, 2019, non-recurring components included service costs of 3,458 thousand euros, other operating costs of 599 thousand euros and personnel costs of 1,948 thousand euros, listed below the operating profit line. Non-recurring components included an indemnification of 40 million euro awarded to Juliet by MPS for the early cancellation of the servicing contract, net of a 58 million euro writedown of the corresponding intangible asset and net of a tax impact of 5.2 million euros. At September 30, 2018, Restated, non-recurring components included service costs of 3,062 thousand euros and personnel costs of 1,776 thousand euros.

The table that follows shows a breakdown of the items included in adjusted net profit, which is used to represent the Group's operating performance, net of non-recurring and non-core items. This indicator reflects the Group's economic results, net of non-recurring items and factors that are not closely related its core business activities and performance, thereby allowing an analysis of the Group's performance based on homogeneous data for the two periods that are being represented.

(in thousands of euros)	Ref.	At September 30, 2019	At September 30, 2018 Restated
Net profit		40,500	45,935
Non-recurring components	(i)	6,005	4,833
Amortization of surplus values allocated to business combinations	(ii)	29,036	26,508
Financing fees – amortized cost	(iii)	2,677	2,210
Non-recurring financial charges	(iv)	-	556
Adjustment to the fair value of options	(v)	1,967	994
Tax impact of items (i), (ii), (iii), (iv) and (v)	(vi)	(10,343)	(9,339)
MPS indemnification for contract cancellation	(vii)	(40,000)	-
Writedown of Juliet Servicing Contract, net of tax impact	(viii)	42,402	-
Non-recurring current taxes on Juliet's indemnification	(ix)	11,160	-
Adjusted net profit		83,404	71,697
Adjusted net profit attributable to non-controlling interests		8,433	2,670
Adjusted net profit attributable to owners of the parent		74,972	69,027
Adjusted net profit attributable to owners of the parent % / Revenues		20.8%	21.3%

The adjusted net profit represents the net profit shown in the income statement at September 30, 2019 and 2018, net of:

- (i) non-recurring costs mainly related to costs for early retirement incentives and cost of services related to extraordinary transactions executed during the period;
- (ii) amortization of intangible assets recognized in connection with business combinations executed in previous periods;
- (iii) financial charges incurred in previous periods with the signing of the Forward Start financing facility and recognized in the income statement by the amortized cost method;
- (iv) non-recurring financial charges;
- (v) adjustment to fair value of the liability for the options executed with minority shareholders and adjustment to the fair value of a financial instrument (Quaestio call option);
- (vi) tax effect of the items described above;
- (vii) non-recurring income of 40 million euros resulting from the indemnification awarded to Juliet S.p.A. by Monte Paschi di Siena for the early cancellation of the Servicing Contract, as described in the Significant Events section of this Report;
- (viii) writedown of intangible assets due to the early cancellation of the Juliet Servicing Contract for 42.4 million euros (equal to 58.8 million euros net of a tax effect of 16.4 million euros), resulting from the difference between the net assets allocated to the contract amounting to 46.8 million euros, and the present value of future cash flows, totaling 4.4 million euros. Please note that, in 2018, the Purchase Allocation Process for the acquisition of the entire share capital of Juliet S.p.A. resulted in the recognition of an intangible assets of substantial value, based the estimated expected cash flows;
- (ix) non-recurring income tax expense resulting from the items mentioned in (vii) above.

The table that follows shows the revenues and EBITDA of the business segments.

(in thousands of euros)	Credit Information	Marketing Solutions	Credit Management	Total	Credit Information	Marketing Solutions	Credit Management	Total
Revenues by segment	214,355	21,435	128,001	363,791	209,962	16,800	99,170	325,932
Inter-segment revenues	(1,473)	(89)	(1,715)	(3,277)	(1,339)	-	(1,393)	(2,732)
Total revenues from outsiders	212,882	21,346	126,287	360,514	208,623	16,800	97,777	323,200
EBITDA	104,764	5,614	44,805	155,183	106,221	5,268	31,387	142,876
EBITDA %	49.2%	26.3%	35.4%	43.0%	50.9%	31.3%	32.1%	44.2%
Non-recurring income / (charges)				(24,815)				(4,838)
Depreciation and amortization				(60,068)				(57,525)
Operating profit				70,300				80,513
Pro rata interest in the result of companies carried at equity				78				(118)
Financial income				584				475
Financial charges				(16,513)				(14,509)
Non-recurring financial income / (charges)				-				(556)
Profit before income taxes				54,449				65,804
Income taxes				(19,198)				(19,869)
Non-recurring taxes				5,248				-
Net profit				40,500				45,935

Review of the Group's Performance in the Period Ended September 30, 2019

Total revenues and income grew from 323,581 thousand euros at September 30, 2018 to 361,104 thousand euros at September 30, 2019, for an increase of 37,523 thousand euros, or 11.6% of which 4.0% organic. This gain reflects the different dynamics that characterized the various business segments during the reporting period, as described below.

Credit Information Revenues

The revenues of the Credit Information segment rose from 209,962 thousand euros in 2018 to 214,355 thousand euros in 2019. The improvement compared with the previous year (+2.1%) reflects the consolidation of Cerved Finline S.r.l. as of July 2019 and the MBS Group (MBS Consulting S.p.A. and its subsidiaries) as of August 2019.

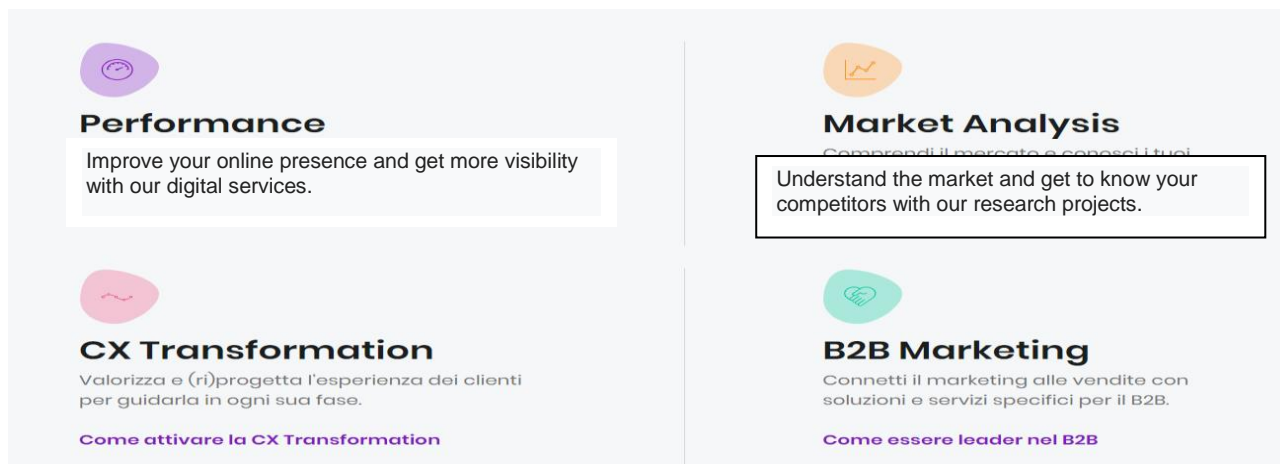
Within the Credit Information business segment as a net result of the following factors:

- the Enterprise Division showed a gain compared with September 30, 2019 (+1.9%), mainly due to: (i) the development of some projects in the Large User segment; and (ii) in the Field Network area, the launch a new Credit Information sales offer combined with Credit Collection services (Single Contract) developed with the aim of offering customers a complete range of services with a single commercial interface, which began to generate the expected results in the third quarter of the year;
- the Financial Institution Division reported a slight contraction (-1.2%) compared with September 30, 2018, mainly attributable to the Business Information and Property Register Information segments. On the other hand, the Real Estate Appraisal Services and Special Projects divisions reported significant growth.

Marketing Solutions Revenues

The revenues of the Marketing Solutions segment rose from 16,800 thousand euros in 2018 to 21,435 thousand euros in 2019, for an increase of 4,635 thousand euros, or 27.6%, mainly due to the consolidation of Pro Web Consulting S.r.l., a company acquired in October 2018.

“Cerved ON,” the new Marketing Services dedicated platform focused on four growth areas and developed with the support of Clickadv and Pro Web Consulting, was launched in the course of the year together with projects to revamp the dedicated sales network.



The infographic is divided into four quadrants, each with a colored icon and a text box:

- Performance** (purple icon): Improve your online presence and get more visibility with our digital services.
- Market Analysis** (orange icon): Understand the market and get to know your competitors with our research projects.
- CX Transformation** (pink icon): Valorizza e (ri)progetta l'esperienza dei clienti per guidarla in ogni sua fase. *Come attivare la CX Transformation*
- B2B Marketing** (teal icon): Connetti il marketing alle vendite con soluzioni e servizi specifici per il B2B. *Come essere leader nel B2B*

Credit Management Revenues

The revenues of the Credit Management segment grew from 99,170 thousand euros in 2018 to 128,001 thousand euros in 2019, for an increase of 29.1% compared with September 30, 2018.

This gain is attributable as follows:

- the organic growth of this business segment and the effects of the special servicer assignments carried out in connection with the management of nonperforming loans originating from the industrial partnerships;
- for the balance, to the acquisitions of Cerved Property Services from Eurobank, completed in April 2019, and of Euro Legal Service S.r.l., completed in July 2019.

Adjusted EBITDA Performance and Operating Costs

Adjusted EBITDA increased from 148,385 thousand euros at September 30, 2018 to 160,773 thousand euros at September 30, 2019 (+8.3%, of which 3.0% organic), for a margin equal to 44.5% of revenues, down slightly compared with the previous period (45.9%).

This contraction in profitability reflects the Group's faster growth in the Credit Management area, a business structurally characterized by a higher incidence of labor costs, and the expansion of new businesses that reflect a higher incidence of the costs of underlying data and technologies.

Operating costs grew from 175,196 thousand euros in 2018 to 200,331 thousand euros in 2019, for an increase of 25,135 thousand euros (+14.3%), as described below:

- The cost of raw materials and other materials contracted by 1,832 thousand euros, falling from 2,711 thousand euros in 2018 to 879 thousand euros in 2019. This decrease closely reflects a reduction of the asset remarketing activities carried out by the Cerved Credit Management Group S.r.l. subsidiary.
- Cost of services increased by 7,264 thousand euros, up from 84,198 thousand euros in 2018 to 91,461 thousand euros in 2019, mainly due to: (i) the growth of the Group's Credit Management segment; (ii) higher expenses for expert appraisers in the Credit Information area consistent with revenue trends; and (iii) a change in the scope of consolidation compared with the previous year.
- Personnel costs grew by 16,958 thousand euros (+ 20.9%), rising from 81,020 thousand euros in 2018 to 97,979 thousand euros in 2019. This increase is attributable primarily to the following:
 - for 11,668 thousand euros, a change in the scope of consolidation compared with 2018;
 - the hiring of new resources both last year and in the reporting period in response to the significant business growth, particularly within the Credit Management segment.
- Other operating costs increased by 1,146 thousand euros, up from 4,770 thousand euros in 2018 to 5,916 thousand euros in 2019, mainly due to higher costs paid by Juliet S.p.A. to access the IT platforms of Banca Monte Paschi di Siena and a change in the scope of consolidation.
- Accruals to the provisions for risks and impairment of receivables increased by 1,599 thousand euros, up from 2,498 thousand euros in 2018 to 4,097 thousand euros in 2019, reflecting collection management dynamics and a detailed assessment of contingent liabilities at the end of the reporting period.

The cost recognized during the period ended September 30, 2019 for the granting of options for the Cycles of the “**2019-20121 Performance Share Plan**” and the “**2022-2024 Performance Share Plan**” amounted to 5,590 thousand euros.

Depreciation and amortization increased by 2,542 thousand euros, up from 57,525 thousand euros in 2018 to 60,068 thousand euros in 2019, mainly due to an increase in the depreciation and amortization recognized in connection with the Purchase Price Allocation process carried out for the business combinations completed in 2018, amounting to 2,528 thousand euros.

Non-recurring components, which totaled 24,815 thousand euros for an increase of 19,977 thousand euros, included the following:

- staff incentives provided in connection with the integration of Group companies for 1,948 thousand euros;
- costs related to non-recurring services and other non-recurring costs amounting to 4,057 thousand euros, mainly consisting of incidental costs incurred in connection with extraordinary transactions executed during the reporting period;
- with regard to the early cancellation of the Servicing Contract of Juliet S.p.A., the following entries were recognized: (i) income of 40 million euros for the indemnification received from Monte dei Paschi, and (ii) 58.8 million euros for the writedown before taxes of the value attributed to the Servicing Contract in connection with the Purchaser Price Allocation for Juliet S.p.A.

Financial income grew by 109 thousand euros, rising from 475 thousand euros in 2018 to 584 thousand euros in 2019.

Financial charges increased by 1,807 thousand euros, up from 14,628 thousand euros in 2018 to 16,435 thousand euros in 2019, mainly reflecting the adjustment to fair value of the call option granted by Quaestio Holding SA to Cerved Credit Management Group S.r.l. for the acquisition of a 50.1% interest in Quaestio Cerved Credit Management S.p.A.. This value adjustment is consistent with Company projections following the cancellation of the contract with MPS.

Income taxes decreased by 672 thousand euros, contracting from 19,869 thousand euros at September 30, 2018 to 19,198 thousand euros at September 30, 2019, mainly due to the benefit deriving from the implementation of the Patent Box system.

Non-recurring taxes, amounting to 5,248 thousand euros reflect the tax effects originating from the early cancellation of the Servicing Contract.

STATEMENT OF FINANCIAL POSITION OF THE CERVED GROUP

The schedule below shows a statement of financial position of the Group, reclassified by "Sources and Uses," at September 30, 2019, at December 31, 2018 and at September 30, 2018 Restated.

	At September 30, 2019	At December 31, 2018 Restated	At September 30, 2018 Restated
(in thousands of euros)			
Uses			
Net working capital	(18,126)	11,856	(2,856)
Non-current assets	1,225,965	1,274,947	1,264,989
Non-current liabilities	(148,649)	(144,745)	(143,841)
Net invested capital	1,059,191	1,142,059	1,118,292
Sources			
Shareholders' equity	497,944	550,965	534,149
Net financial debt	561,246	591,094	584,144
Total financing sources	1,059,191	1,142,059	1,118,292

The table that follows shows a breakdown of net working capital at September 30, 2019, at December 31, 2018 and at September 30, 2018 Restated:

	At September 30, 2019	At December 31, 2018 Restated	At September 30, 2018 Restated
(in thousands of euros)			
Net working capital			
Inventory	90	111	287
Trade receivables	182,905	197,799	149,510
Trade payables	(49,654)	(59,844)	(47,107)
Liability for deferred income, net of selling costs	(66,045)	(87,525)	(65,091)
Net commercial working capital (A)	67,296	50,541	37,599
Other current receivables	10,997	7,350	8,371
Net current tax payables	(31,372)	(4,676)	(13,349)
Other current liabilities net of "Liability for deferred income"	(65,047)	(41,358)	(35,477)
Other net working capital components (B)	(85,422)	(38,685)	(40,455)
Net working capital (A + B)	(18,126)	11,856	(2,856)

At September 30, 2019, net working capital was negative by 18,126 thousand euros. The changes that occurred in the main components of net working capital are reviewed below, together with a comparison with the statement of financial position data at December 31, 2018:

- trade receivables decreased from 197,799 thousand euros at December 31, 2018 to 182,905 thousand euros at September 30, 2019, for a reduction of 14,894 thousand euros that reflects billing and collection dynamics during the period;
- trade payables went from 59,844 thousand euros at December 31, 2018 to 49,654 thousand euros at September 30, 2019, for a decrease of 10,190 thousand euros, mainly related to payment dynamics during the period;
- liabilities for deferred income, net of the corresponding selling costs, which refer to services invoiced but not yet provided to customers, decreased by 21,480 thousand euros, due to the growth dynamics in the consumption of prepaid services invoiced the previous year;
- other current payables, which are shown net of liabilities for deferred income, increased from 41,358 thousand euros at December 31, 2018 to 65,047 thousand euros at September 30, 2019, mainly due to the inclusion of the short-term portion of the options executed with the minority shareholders of acquired companies.

The main components of non-current assets, which totaled 1,225,965 thousand euros at September 30, 2019, are goodwill and other intangibles.

The Group's net additions to property, plant and equipment and intangible assets in the reporting period totaled 26,972 thousand euros.

Non-current liabilities mainly reflect the following:

- for 80,293 thousand euros, deferred tax liabilities, which mainly included the tax liabilities recognized on the value of Customer Relationships and Servicing Contracts. The substantial reduction recognized in the reporting period reflects the writedown of Juliet's Servicing Contract;
- for 37,857 thousand euros, the remaining amount of the long-term liability recognized upon the accounting of the options executed with the minority shareholders of Pro Web S.r.l., Spazio Dati S.r.l. and MBS S.p.A;
- for 4,727 thousand euros, the remaining non-current liability for the deferred price and earnout for the acquisition of the Cerved Property Services S.A. subsidiary;
- for 3,454 thousand euros, the non-current liability for the earnout owed for the acquisition of the Eurolegal Service S.r.l. subsidiary.

NET FINANCIAL DEBT OF THE CERVED GROUP

The table that follows shows a breakdown of the Group's net financial debt at September 30, 2019, December 31, 2018 and September 30, 2018 "Restated":

	At September 30, 2019	At December 31, 2018 Restated	At September 30, 2018 Restated
(in thousands of euros)			
A. Cash	26	14	17
B. Other liquid assets	74,461	42,349	42,780
C. Securities held for trading	-	-	-
D. Liquidity (A)+(B)+(C)	74,486	42,364	42,797
E. Current loans receivable	-	-	-
F. Current bank debt	(129)	(178)	(150)
G. Current portion of non-current borrowings	(3,040)	(2,866)	(2,208)
H. Other current financial debt	(11,233)	(14,265)	(13,598)
I. Current financial debt (F)+(G)+(H)	(14,401)	(17,310)	(15,955)
J. Net current financial debt (D)+(E)+(I)	60,085	25,054	26,841
K. Non-current bank debt	(572,148)	(573,393)	(572,479)
L. Bonds outstanding	-	-	-
M. Other non-current financial debt	(49,183)	(42,755)	(38,506)
N. Non-current financial debt (K)+(L)+(M)	(621,331)	(616,148)	(610,985)
O. Net financial debt (J)+(N)	(561,246)	(591,094)	(584,144)

At September 30, 2019, the Group's net financial debt totaled 561,246 thousand euros, compared with 591,094 thousand euros at December 31, 2018. This net financial position reflects the impacts deriving from the adoption of IFRS 16, which caused net financial debt to increase by 48,278 thousand euros at September 30, 2019, 43,645 thousand euros at December 31, 2018 and 41,471 thousand euros at September 30, 2018.

SIGNIFICANT EVENTS IN THE REPORTING PERIOD

On January 30, 2019, the subsidiary Cerved Credit Management Group S.r.l. (CCMG) entered into a binding agreement with Eurobank Ergasias S.A. ("Eurobank") for the development of a long-term industrial partnership the purpose of which is the management of real estate assets. Within the framework of this agreement, finalized on April 1, 2019, CCMG purchased for the price of 8.3 million euros the entire share capital of Eurobank Property Services S.A. in Greece and of its subsidiaries Eurobank Property Services S.A. in Romania and ERB Property Services D.O.O. Belgrade in Serbia, subsequently sold. Contract stipulations include a deferred price of 2 million euros, which could be increased by an earnout of up to 3 million euros, based on the achievement of economic results generated during a period ending in 2022. On April 24, 2019, this company changed its name to Cerved Property Services ("CPS").

CPS was also designated as primary servicer for the management of real estate assets for Eurobank for the next five years ("Servicing Agreement"), specifically regarding all appraisal activities carried out in connection with the issuance of new mortgage loans and the re-appraisal of the assets pledged to secure performing and nonperforming loans.

Further to the election of a new Board of Directors by the Shareholders' Meeting on April 16, 2019, the Board of Directors, meeting on April 19, 2019, appointed Gianandrea De Bernardis Chairman and Andrea Mignanelli Chief Executive Officer.

On April 16, 2019, Cerved Group's Shareholders' Meeting approved the Company's 2018 annual financial statements and the distribution of a dividend of 0.295 euros before taxes on each common share, for a total of about 57,606 thousand euros. The Shareholders' Meeting also approved an additional dividend of 0.01 euros per share drawn from the additional paid-in capital for a total amount of 1,953 thousand euros. The dividend has been payable since May 20, 2019, with May 22, 2019 coupon tender date.

During the reporting period, the Company acquired additional controlling interests in the following investee companies:

- On January 31, 2019, the Company acquired an additional controlling interest in Spazio Dati S.r.l., thereby increasing its controlling interest from 74.19% to 79.48%, for a consideration of 1,035 thousand euros;
- On May 21, 2019, the Company acquired an additional controlling interest in Pro Web Consulting S.r.l., thereby increasing its controlling interest from 60.00% to 70.00%, for a consideration of 1,665 thousand euros;
- On May 21, 2019, the Company acquired an additional controlling interest in ClickAdv S.r.l., thereby increasing its controlling interest from 90.00% to 100.00%, for a consideration of 1,734 thousand euros;
- On May 29, 2019, the Company acquired an additional controlling interest in Cerved Credit Management Group S.r.l., thereby increasing its controlling interest from 95.19% to 96.79%, for a consideration of 6,894 thousand euros.

On June 28, 2019, regarding the indirect investee Juliet S.p.A. (Juliet), a company controlled by Cerved Credit Management Group S.r.l. and Quaestio Holding S.A., a notice was received that Banca Monte Paschi di Siena (BMPS) exercised the right to early cancellation of its Servicing Contract with Juliet S.p.A. with the aim of achieving maximum flexibility in the implementation of the program pursued to accelerate the disposal of non-performing loans and troubled loans.

Further to the exercise of the right to early contract cancellation by BMPS, the counterparty awarded and paid to Juliet an all-inclusive indemnification of 40 million euros, plus VAT. In this context, BMPS and Juliet defined a common process for a continuation of the commercial relationship that would enable BMPS to continue availing itself of Juliet's specific competencies in the management of non-performing loans and satisfy the common interest of both parties to manage most efficiently the transition period following the cancellation of the Contract. In addition, BMPS and Juliet will stipulate new agreements pursuant to which Juliet will continue to provide on an exclusive basis advisory services, on market terms, for the segmentation and disposal of the portfolios of non-performing loans subject of the divestments planned by BMPS, for a total amount of 3 billion euros.

On July 1, 2019, Cerved Group S.p.A. acquired at a price of 1,113 thousand euros 100% di Mitigo Servizi S.r.l., a company active in the subsidized financing area that offers consulting and outsourcing services, On July 4, 2019, the acquired company changed its name to Cerved Finline S.r.l.

On July 3, 2019, through its Cerved Credit Management Group S.r.l. subsidiary, the Company finalized the purchase of 100% of Euro Legal Service S.r.l., a company specialized in the home collection of unsecured loans in the consumer finance area. The stipulated price was 8,204 thousand euros (base price) plus some variable components (conditional price) for an amount of up to 6 million euros, payable upon the achievement of specific results during the 2019-2022 period. On September 26, 2019, effective as of October 1, 2019 for statutory purposes and January 1, 2019 for tax purposes, Euro Legal Service S.r.l. was merged through incorporation into Cerved Credit Collection S.p.A., with the aim of strengthening operational and sales synergies.

On July 30, 2019, Cerved Group entered into a binding agreement to purchase a controlling interest in MBS Consulting S.p.A. ("MBS") and its subsidiaries. MBS is one of Italy's top independent management consulting companies, with consolidated revenues of 23.3 million euros in 2018. With this transaction, finalized on August 1, 2019, Cerved Group acquired 30.7% of MBS's share capital (51% of the voting shares) for a consideration of 21.3 million euros, including a put & call mechanism valid for the next five years for the acquisition of the entire share capital on incentivizing terms tied to performance.

SIGNIFICANT EVENTS OCCURRING AFTER SEPTEMBER 30, 2019

With regard to the early cancellation of the servicing contract with BMPS, please note that the contract to manage the transition period had not been finalized as of the date of this report.

BUSINESS OUTLOOK

Insofar as the outlook for the Group's business operations in 2019 is concerned, projections call for a scenario of growing revenues and EBITDA, consistent with the 2018-2020 Strategic Outlook, based on the contribution of all divisions and benefitting from the consolidation of the industrial partnership and acquired companies and from programs to improve the integration, rationalization and efficiency of the Company's activities, with the aim of increasing both the Group's profitability and generation of operating cash flow.

TREASURY SHARES

At September 30, 2019, the Company held 3,420,275 treasury shares valued at a purchase cost of 25,834 thousand euros.

PERFORMANCE SHARE PLAN

i) 2019-2021 Performance Share Plan

The table below shows the status of the options for the three cycles and the third supplemental cycle outstanding at September 30, 2019:

	Options outstanding at December 31, 2018	Options awarded	Options expired/ revoked	Options exercised	Options outstanding at September 30, 2019
2019-2021 Performance Shares 1 st Cycle 2016	792,537			(792,537)	-
2019-2021 Performance Shares 2 nd Cycle 2017	671,235		(35,349)		635,886
2019-2021 Performance Shares 3 rd Cycle 2018	752,130		(27,337)		724,793
2019-2021 Performance Shares Supplemental 3 rd Cycle	708,387		(26,104)		682,283
Total	2,924,289	-	(88,790)	(792,537)	2,042,962

The accrued cost recognized at September 30, 2019 for the abovementioned plans amounted to 4,685 thousand euros and was included among Personnel costs.

The year 2018 marked the end of the first cycle of the "2019-2021 Performance Share Plan." The Board of Directors, having verified the level of achievement of the three-year targets originally established, approved the award, through the use of treasury shares, in accordance with the terms originally approved by the Shareholders' Meeting, of a total of 551,606 shares. The percentage of vesting options is 69.6%, based on the following target achievement percentages:

- Growth of Adjusted Profit Before Taxes = 76.4%
- Total Shareholder Return = 53.7%

The shares were distributed within 60 days following the Shareholders' Meeting held to approve the financial statements.

ii) 2022-2024 Performance Share Plan

The 2022-2024 Performance Share Plan, which was approved by the Shareholders' Meeting on April 16, 2019, is structured into recurring three-year cycles beginning in the years 2019, 2020 and 2021, each characterized by a three-year vesting period and the award of a maximum number of Company shares free of charge. With regard to the Plan's first cycle, the Board of Directors, meeting on June 19, 2019, approved a resolution for the award of up to 1,942,300 options.

The table below shows the status of the options awarded at September 30, 2019 for the first cycle:

	Options outstanding at December 31, 2018	Options awarded	Options expired/revoked	Options exercised	Options outstanding at September 30, 2019
2022-2024 Performance Shares 1 st Cycle 2019	-	1,734,000			1,734,000
Total	-	1,734,000	-	-	1,734,000

The performance targets identified for the first cycle are:

- PBTA Target – Growth of Adjusted Profit Before Taxes per share during the reference period;
- Mid-Cap TSR Target, which references the Company's Total Shareholder Return (TSR) compared with the TSR of the companies included in the FTSE Mid Cap Index Italia generated by Borsa Italiana S.p.A.;
- Sector TSR Target, which references the percentage variance of the Company's TSR, for each Plan cycle and the entire duration of the corresponding performance period, compared with the TSR of the FTSE Italia Industria Index of Borsa Italiana.

The accrued cost recognized at September 30, 2019 for the abovementioned plan amounted to 905 thousand euros and was included among Personnel costs.

CRITERIA FOR THE PREPARATION OF THE INTERIM REPORT ON OPERATIONS

This Interim Report on the Group's operations at September 30, 2019 was prepared pursuant to Article 154 *ter*, Section 5, of the Uniform Financial Code (TUF), introduced by Legislative Decree No. 195/2007 in implementation of Directive No. 2004/109/EC. On October 29, 2019, this Interim Report on Operations was approved by the Board of Directors of Cerved Group S.p.A., which authorized its publication on the same day.

This Interim Report on the Group's operations at September 30, 2019 was not audited by the statutory independent auditors.

OVERVIEW OF ACCOUNTING PRINCIPLES

The accounting principles applied to develop the quantitative data presented in the income statement, statement of financial position and statement of cash flows at September 30, 2019 are the International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and the corresponding interpretations published by the IASB and endorsed by the European Union as of the end of the reporting period.

The accounting principles and consolidation criteria adopted to prepare this Interim Report on Operations at September 30, 2019 are consistent with those adopted to prepare the aggregate consolidated financial statements of the Group for the year ended December 31, 2018, restated as necessary to reflect the effects deriving from the implementation of the provisions of IFRS 16 "Leases."

The introduction of this principle is aimed at improving transparency in the financial statements of the lessees in connection with leasing transactions, as demanded by investors, financial analysts and regulatory entities.

The adoption of this new standard is required starting in reporting years beginning on or after January 1, 2019 and the Group opted for a retrospective adoption of the new standard, consistent with the provisions of IAS 8.

The new process of recognizing leases follows a decision making process that includes the following three steps:

- whether or not the lessee has a right to obtain the economic benefits deriving from the use of the assets over the entire length of the utilization period;
- whether or not the lessee has a right to determine how and for what purpose the asset will be used over the entire length of the utilization period;
- whether or not the lessee has a right to use the asset over the entire length of the utilization period and the supplier does not have a right to change operating instructions.

If the lessor finds that the lessee has the abovementioned rights, the lessor shall recognize the effects of the lease in accordance with the provisions of IFRS 16.

Once the existence of a lease has been determined, IFRS 16 requires the initial recognition of a right-of-use (ROU) asset as part of property, plant and equipment and of a financial liability corresponding to the present value of future lease installments.

Based on an analysis performed by the Group, the adoption of this new principle has had an impact on the leases for operational and commercial facilities and on some hardware rental contracts, the effects of which at January 31, 2018 are summarized below.

(in thousands of euros)		Opening at 01/01/18	Credit Information	Marketing Solution	Credit Management
			IFRS 16	IFRS 16	IFRS 16
Statement of financial position	Property, plant and equipment (Right of Use)	36,405	27,797	528	8,080
	Financial liabilities	(43,101)	(34,131)	(540)	(8,430)
	Deferred income (on contributions received from lessor, as per previous IAS recognition)	1,994	1,994	-	-
	Accrued expenses (from linearization of rent payments, as per previous IAS recognition)	3,452	3,452	-	-
	Net prepaid taxes	349	248	3	98
	Shareholders' equity	(901)	(640)	(9)	(252)

In the preparation of this Interim Report on Operations, management is required to apply estimates and assumptions that affect the amounts shown in the financial statements for revenues, costs, assets and liabilities and the disclosures concerning

contingent assets and liabilities at the end of the reporting period. If in the future these estimates and assumptions, which are based on best estimates by the Board of Directors, were to differ from actual circumstances, they will be appropriately changed in the period in which the abovementioned circumstances may occur.

The table below lists the international accounting principles, interpretations, amendments to existing accounting principles and interpretations or specific provisions set forth in principles and interpretations approved by the IASB, showing which ones were endorsed or not endorsed for adoption in Europe as of the date of this document:

<i>Description</i>	<i>Endorsed as of the date of this document</i>	<i>Effective date of the principle</i>
<i>IFRS 17 Insurance Contracts</i>	<i>No</i>	<i>Years beginning on or after January 1, 2021</i>
<i>Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures</i>	<i>Yes</i>	<i>Years beginning on or after January 1, 2019</i>
<i>IFRIC 23 Uncertainty over Income Tax Treatments</i>	<i>Yes</i>	<i>Years beginning on or after January 1, 2019</i>
<i>Amendments to References to the Conceptual Framework in IFRS Standards</i>	<i>No</i>	<i>Years beginning on or after January 1, 2020</i>
<i>Amendments to IAS 1 e IAS 8 on the definition of material</i>	<i>No</i>	<i>Years beginning on or after January 1, 2020</i>
<i>Amendments to IFRS 3 Definition of a business</i>	<i>No</i>	<i>Years beginning on or after January 1, 2020</i>

The Group did not choose early adoption for accounting standards and/or interpretations that were not endorsed and the adoption of which would be mandatory for reporting period beginning after January 1, 2019.

The comparative data at September 30, 2018 were also updated to reflect the results deriving from the impact of the adoption of the IFRS 16 accounting standard.

Also as of September 30, 2018, the Group recognized the effects deriving from the retrospective recognition of the Purchase Price Allocation for the Credit Management S.r.l., Juliet S.p.A. and Spazio Dati S.r.l. business combinations completed as of December 2018, which resulted in a reduction of goodwill and a concurrent increase of other intangible assts. The amortization for the period and the corresponding tax effect were then recognized in the income statement.

SCOPE OF CONSOLIDATION AND CONSOLIDATION CRITERIA

The Consolidated Financial Statements include the financial statements of the Group's Parent Company and those of companies in which the Parent controls, directly or indirectly, a majority of the votes exercisable at the Ordinary Shareholders' Meeting.

A list of companies consolidated line by line or by the equity method at September 30, 2019 is provided below:

	Registered office	Share capital (in thousands of euros)	% ownership (direct and indirect)	Consolidation method
Cerved Group S.p.A. (Parent Company)	San Donato Milanese	50,521	-	Line by line
Cerved Credit Collection S.p.A.	San Donato Milanese	150	96.79%	Line by line
Cerved Credit Management Group S.r.l.	San Donato Milanese	56	96.79%	Line by line
Cerved Credit Management S.p.A.	San Donato Milanese	1,000	96.79%	Line by line
Cerved Legal Services S.r.l.	San Donato Milanese	50	96.79%	Line by line
Cerved Rating Agency S.p.A.	San Donato Milanese	150	100.00%	Line by line
Cerved Master Services S.p.A.	San Donato Milanese	3,000	96.79%	Line by line
Spazio Dati S.r.l.	Trent	22	79.48%	Line by line
S.C. Re Collection S.r.l.	Romania	110	96.79%	Line by line
Clickadv S.r.l.	Pozzuoli	10	100.00%	Line by line
Major 1 S.r.l.	San Donato Milanese	11	100.00%	Line by line
Quaestio Cerved Credit Management S.p.A.	San Donato Milanese	6,000	48.29%	Line by line
Credit Management S.r.l.	Bari	30	96.79%	Line by line
Juliet S.p.A.	Siena	50	48.29%	Line by line
Cerved Credit Management Greece S.A.	Athens (Greece)	500	96.79%	Line by line
Pro Web Consulting S.r.l.	San Donato Milanese	100	70.00%	Line by line
Cerved Property Services Single Member S.A.	Athens (Greece)	666	96.79%	Line by line
Cerved Property Services S.A.	Romania	115	96.79%	Line by line
Euro Legal Service S.r.l.	Milan ¹	50	96.79%	Line by line
Cerved Finline S.r.l.	Turin	10	100.00%	Line by line
MBS Consulting S.p.A.	Milan	162	30.70%	Line by line
MBS Consulting S.r.l.	Milan	30	30.70%	Line by line
Dyna Green S.r.l.	Milan	30	30.70%	Line by line
Innovation team S.r.l.	Milan	40	30.70%	Line by line
Experian Italia S.p.A.	Rome	1,980	4.65%	Equity method
La Scala – Cerved a limited liability company of lawyers	Milan	75	31.73%	Equity method

Note 1 Merged into Cerved Credit Collection S.p.A. on September 26, 2019, effective as of October 1, 2019 for statutory purposes.

All subsidiaries close their financial statements on the same date as Cerved Group S.p.A., the Group's Parent Company, except for Experian Italia S.p.A., which closes its financial statements at March 31. The financial statements of subsidiaries prepared in accordance with accounting principles different from the IFRSs adopted by the Group's Parent Company were restated as necessary to make them consistent with the Parent Company's accounting principles.

Quaestio Cerved Credit Management S.p.A., a company 49.99% owned by Cerved Credit Management Group S.r.l., is being consolidated line by line into the Cerved Group due to the strengthened governance rights awarded to Cerved originated shareholders by virtue of the shareholders' agreement executed by the company's two shareholders.

MBS Consulting S.p.A., a company in which the Group holds a 30.70% interest, is being consolidated line by line because Cerved Group holds 51% of the voting shares.

TRANSACTIONS WITH RELATED PARTIES

As required by the provisions of the Regulation governing related-party transactions adopted by the Consob with Resolution No. 17221 of March 12, 2010, as amended, Cerved Group S.p.A. adopted a procedure that governs related-party transactions (the “Related-party Procedure”).

The Procedure, the purpose of which is to ensure the transparency and the substantive and procedural fairness of transactions executed with related parties, has been published on the “Governance” page of the Company website: company.cerved.com.

INFORMATION ABOUT THE “OPT OUT” SYSTEM

As required by the provisions of Article 70, Section 8, of the Issuers’ Regulation, the Company indicates that on April 2, 2014, concurrently with the filing of an application to list its shares on the MTA, it chose to adopt the “opt out” system provided under Article 70, Section 8, and Article 71, Section 1-*bis*, of the Issuers’ Regulation, thereby availing itself of the exemption from the obligation to publish the information memoranda required in connection with material transactions involving mergers, demergers, capital increases through conveyances of assets in kind, acquisition and divestments.

Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	At September 30, 2019	At September 30, 2018 Restated
Revenues	360,514	323,200
- amount with related parties	603	434
Other income	40,590	382
- amount from non-recurring transactions	40,000	-
Total revenues and income	401,104	323,581
Cost of raw materials and other materials	(879)	(2,711)
Cost of services	(94,919)	(87,150)
- amount from non-recurring transactions	(3,458)	(2,952)
- amount with related parties	(1,290)	(1,383)
Personnel costs	(105,516)	(88,305)
- amount from non-recurring transactions	(1,948)	(1,776)
- amount with related parties	(3,988)	(3,953)
Other operating costs	(6,515)	(4,880)
- amount from non-recurring transactions	(599)	(110)
Impairment of receivables and other accruals	(4,097)	(2,498)
Depreciation and amortization	(118,877)	(57,525)
- amount from non-recurring transactions	(58,810)	-
Operating profit	70,300	80,513
Pro rata interest in the result of companies valued by the equity method	78	(118)
- amount with related parties	78	(118)
Financial income	584	475
Financial charges	(16,513)	(15,065)
- amount from non-recurring transactions	-	(556)
- amount with related parties	(572)	(639)
Profit before income taxes	54,449	65,804
Income tax expense	(13,949)	(19,869)
- amount from non-recurring transactions	5,248	-
Net profit	40,500	45,935
Amount attributable to non-controlling interests	(666)	1,251
Net profit attributable to owners of the parent	41,166	44,684
Other components of the statement of comprehensive income:		
<i>Items that will not be later reclassified to the income statement:</i>		
- Actuarial gains/(losses) on defined-benefit plans for employees	466	(106)
- Tax effect	(112)	25
<i>Items that may be reclassified into profit or loss for the period:</i>		
- Gains / (Losses) deriving from hedge accounting	(2,507)	(108)
- Tax effect	602	26
- Gains/(losses) from measurement of investments at fair value through OCI	787	-
- Tax effect	(189)	-
- Gains / (Losses) from the translation of the financial statements of foreign companies	-	(44)
Comprehensive net profit	39,547	45,917
- Amount attributable to owners of the parent	40,213	44,480
- Amount attributable to non-controlling interests	(666)	1,437
<i>Basic earnings per share (in euros)</i>	<i>0.211</i>	<i>0.230</i>
<i>Diluted earnings per share (in euros)</i>	<i>0.210</i>	<i>0.226</i>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euros)	At September 30, 2019	At December 31, 2018 Restated
ASSETS		
Non-current assets		
Property, plant and equipment	60,455	55,576
Intangible assets	372,529	460,423
Goodwill	781,417	747,173
Investments in companies valued by the equity method	3,258	3,170
Other non-current financial assets	8,306	8,605
- amount with related parties	700	500
Total non-current assets	1,225,965	1,274,947
Current assets		
Inventory	90	111
Trade receivables	182,905	197,799
- amount with related parties	500	252
Tax receivables	12,030	12,305
Other receivables	2,984	3,028
- amount with related parties	32	32
Other current assets	16,271	14,288
Cash and cash equivalents	74,486	42,364
Total current assets	288,766	269,894
TOTAL ASSETS	1,514,731	1,544,841
Share capital	50,521	50,521
Statutory reserve	10,104	10,090
Additional paid-in capital	432,181	434,099
Other reserves	(51,460)	(39,100)
Net profit attributable to owners of the parent	40,166	84,795
Shareholders' equity attributable to owners of the parent	482,512	540,406
Shareholders' equity attributable to non-controlling interests	15,433	10,559
TOTAL SHAREHOLDERS' EQUITY	497,944	550,965
Non-current liabilities		
Long-term debt	621,331	616,148
Employee benefits	15,493	13,621
Provision for risks and charges	6,060	5,534
Other non-current liabilities	46,802	20,640
- amount with related parties	-	8,617
Deferred tax liabilities	80,293	104,950
Total non-current liabilities	769,980	760,893
Current liabilities		
Short-term borrowings	14,401	17,310
Trade payables	49,654	59,844
- amount with related parties	893	596
Current income tax payables	34,695	5,985
Other tax payables	8,706	10,996
Other liabilities	139,351	138,849
- amount with related parties	15,352	6,727
Total current liabilities	246,807	232,984
TOTAL LIABILITIES	1,016,787	993,876
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,514,731	1,544,841

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	At September 30, 2019	At September 30, Restated
Profit before taxes	54,449	65,804
Depreciation and amortization	118,878	57,525
Impairment of receivables and other accruals, net	4,097	2,498
Performance Share Plan	5,590	5,509
Net financial charges	15,929	14,590
Pro rata interest in the result of investee companies valued by the equity method	(78)	118
Cash flow from/(used in) operating activities before changes in working capital	198,865	146,045
Change in operating working capital	(2,466)	(15,214)
Change in other working capital items	(3,246)	6,621
Change in provisions for risks and charges, deferred taxes and other liabilities	(2,259)	(1,030)
Cash flow from changes in working capital	(7,9707)	(9,623)
Income taxes paid	(11,327)	(18,966)
Cash flow from/(used in) operating activities	179,567	117,456
Additions to intangible assets	(23,230)	(24,941)
Additions to property, plant and equipment	(3,948)	(4,115)
Disposals of property, plant and equipment and intangible assets	251	74
Financial income	457	18
Acquisitions net of acquired cash	(27,040)	(70,453)
Investments in associates net of dividends received	-	456
Payments of deferred acquisition prices	(1,384)	-
Change in other non-current financial assets	10	(498)
Acquisition of minority interests	(10,294)	(14,944)
Cash flow from/(used in) investing activities	(65,178)	(114,403)
Change in short-term borrowings	(984)	(2,734)
Drawdown from (Repayment of) Revolving Line	(10,000)	10,000
Charges for the amendment to the Senior Loan facility	-	(1,000)
Disbursement of loan to La Scala Cerved	(200)	-
QCCM capital increase underwritten by third parties	-	2,956
Purchase of treasury shares	(704)	(4,895)
Interest paid	(11,879)	(11,066)
Dividends paid	(58,499)	(52,724)
Cash flow from/(used in) financing activities	(82,266)	(59,463)
Change in cash and cash equivalents	32,122	(56,410)
Cash and cash equivalents at the beginning of the period	42,364	99,207
Cash and cash equivalents at the end of the period	74,486	42,797
Difference	32,122	(56,410)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in thousands of euros)	Share capital	Statutory reserve	Additional paid-in capital	Other reserves	Net profit attributable to owners of the parent	Consolidated shareholder equity attributable to owners of the parent	Shareholder equity attributable to non-controlling interests	Total shareholders' equity
Balance at December 31, 2017 Restated	50,450	10,090	438,981	(17,705)	52,734	534,550	7,429	541,979
Appropriation of the 2016 result				52,734	(52,734)	-		-
Dividend distribution (0.245 euros per share)				(47,842)		(47,842)		(47,842)
Distribution of additional paid-in capital			(4,882)			(4,882)		(4,882)
Performance Share Plan				5,509		5,509		5,509
Acquisition of non-controlling interest through capital increase (Consit)	71			1,596		1,667	(1,667)	-
Acquisition of non-controlling interest				3,004		3,004	(2,632)	372
Recognition of put option				(4,267)		(4,267)	-	(4,267)
Impacts of IFRS 15 recognized in the period				(509)		(509)		(509)
Purchase of treasury shares				(4,895)		(4,895)		(4,895)
Subscription of non-controlling interest share capital increase by QCCM						-	2,956	2,956
Total transactions with owners	71	-	(4,882)	5,330	(52,734)	(52,215)	(1,343)	(53,558)
Net profit					44,684	44,684	1,251	45,935
Other changes in statement of comprehensive income				(204)		(204)	(3)	(207)
Net comprehensive result	-	-	-	(204)	44,684	44,480	1,248	45,728
Balance at September 30, 2018	50,521	10,090	434,099	(12,579)	44,684	526,815	7,334	534,149

(in thousands of euros)	Share capital	Statutory reserve	Additional paid-in capital	Other reserves	Net profit attributable to owners of the parent	Consolidated shareholder equity attributable to owners of the parent	Shareholder equity attributable to non-controlling interests	Total shareholders' equity
Balance at December 31, 2018 Restated	50,521	10,090	434,099	(39,100)	84,787	540,397	10,559	550,957
Appropriation of the 2018 result				84,787	(84,787)	-		-
Reclassification to statutory reserve		14		(14)		-		-
Dividend distribution				(56,580)		(56,580)		(56,580)
Distribution of additional paid-in capital			(1,918)			(1,918)		(1,918)
Performance Share Plan				5,590		5,590		5,590
Purchase of treasury shares				(704)		(704)		(704)
Acquisition of non-controlling interest (exercise of options)				2,549		2,549	(2,549)	-
Acquisition of non-controlling interest (MBS)						-	8,089	8,089
Recognition of liability for option of minority shareholders				(47,035)		(47,035)		(47,035)
Total transactions with owners	-	14	(1,918)	(11,407)	(84,787)	(98,098)	5,540	(92,558)
Net profit					41,165	41,165	(666)	40,499
Other changes in statement of comprehensive income				(953)		(953)	-	(953)
Net comprehensive result	-	-	-	(953)	41,165	40,212	(666)	39,546
Balance at September 30, 2019	50,521	10,104	432,181	(51,460)	41,165	482,511	15,433	497,944

CERTIFICATION PURSUANT TO ARTICLE 154 *BIS*, SECTION 2, OF THE TUF

Pursuant to Article 154 *bis*, Section 2, of the Uniform Financial Code, the Corporate Accounting Documents Officer declares that the accounting information contained in this document is consistent with the data in the supporting documents and the Group's books of accounts and other accounting records.

Milan, October 29, 2019

Francesca Perulli

Corporate Accounting
Documents Officer