Informazione Regolamentata n. 0533-44-2020	Data/Ora Ricezione 12 Novembre 2020 18:05:43	MTA - Star

Societa'	:	ESPRINET
Identificativo Informazione Regolamentata	:	139188
Nome utilizzatore	:	ESPRINETN02 - Perfetti
Tipologia	:	REGEM
Data/Ora Ricezione	:	12 Novembre 2020 18:05:43
Data/Ora Inizio Diffusione presunta	:	12 Novembre 2020 18:05:44
Oggetto	:	THE THIRD QUARTER PERFORMANCE CONFIRMS THE PHASE OF SIGNIFICANT GROWTH OF THE GROUP: REVENUES +26%, ADJ. EBITDA +76%, NET INCOME +450%

Testo del comunicato

Vedi allegato.

THE THIRD QUARTER PERFORMANCE CONFIRMS THE PHASE OF SIGNIFICANT GROWTH OF THE GROUP: REVENUES +26%, ADJ. EBITDA +76%[1], NET INCOME +450%

2020 GUIDANCE REVISED UPWARDS

Sales: > Euro 4.4 billion

Adj. EBITDA: > Euro 62 million

Q3 2020

Sales: Euro 1,124 million, +26% (Q3 19: Euro 894 million)

Adj. EBITDA: Euro 17.7 million, +76% (Q3 19: Euro 10.0 million)

Net income: Euro 9.8 million, +450% (Q3 19: Euro 1.8 million)

HIGHLIGHTS 9M 2020

Sales: Euro 2,959 million, +13% (9M 19: Euro 2,611 million)

Adj. EBITDA: Euro 41.6 million, +36% (9M 19: Euro 30.6 million)

Net income: Euro 17.5 million, +87% (9M 19: Euro 9.4 million)

Cash Conversion Cycle: 8 days (9M 19: 26 days)

ROCE: 15.7% (9M 19: 8.2%)

Net Financial Position: negative for Euro 14.5 million (9M 19: negative for Euro 183.6 million)

Vimercate (Monza Brianza), 12 November 2020 - The Board of Directors of ESPRINET (PRT:IM), a leader in southern Europe in the distribution of IT, Consumer Electronics and Advanced Solutions, today approved the **Interim Report on Operations as at 30 September 2020**.

Alessandro Cattani, Chief Executive Officer of ESPRINET: *"The Group's excellent financial performance in the first 9 months of 2020, better than the expectations, is proof of the strength of our business model. The consolidation of our market shares in all the countries in which we operate is a sign that increasingly more customers are choosing ESPRINET as a reliable supplier of technological products and solutions that, in the current pandemic context, have shown that they are critical in guaranteeing business continuity and whose demand is expected to grow considerably in the future too. The year 2020 was also characterised by the acquisition of the GTI Group, thanks to which we significantly strengthened our presence in southern Europe, becoming the second player in the Advanced Solutions segment both in Italy and in Spain, as well as notably ramping up the strategy to monitor "pay-per-use" distribution, in particular in the Cloud segment, where GTI is the undisputed leader in the Spanish market. We are especially satisfied with the result in terms of the ROCE, the KPI chosen for the purposes of creating value for shareholders, which stands at 15.7% thanks to the efficient management of the cash conversion cycle and the increase in operating profitability. We also continue to be a source of stability for our customers and suppliers who are faced with difficult market conditions: in light of these elements, we have revised upwards the guidance for 2020, in which we expect to register revenues of more than Euro 4.4 billion and an adjusted EBITDA greater than Euro 62 million, including the contribution of the consolidation of GTI in the fourth quarter".*

[1] Before non-recurring expenses of Euro 2.3 million according to the definition of CONSOB resolution no. 15519 of 27 July 2006 and Consob Communication no. DEM/6064293 of 28 July 2006, of which Euro 0.9 million connected with the transaction involving the acquisition of GTI, Euro 1.2 million related to the termination of the contract with the Group's former director and CFO and Euro 0.2 million incurred to deal with the Covid-19 pandemic.

Q3-20, RECORD PROFITABILITY: ADJ. EBITDA EURO 17.7 MILLION, ADJ. EBIT EURO 14.1 MILLION, NET INCOME EURO 9.8 MILLION

ESPRINET records growth for the third consecutive quarter in 2020, with **Sales** of Euro 1,124 million, +26% compared to Euro 894 million in Q3 19 (after +4% in Q1 and +9% in Q2).

Gross Profit stood at Euro 45.9 million, marking an increase of +22% compared to Q3 19 (Euro 37.8 million) due to the higher revenues that offset the slight reduction in the percentage margin (4.09% compared to 4.23%), due to the mix effect resulting from the significant growth in the weight of sales of PCs and Smartphones.

Adjusted EBITDA, amounted to Euro 17.7 million, +76% compared to Euro 10.0 million in Q3 19, calculated gross of one-off costs of Euro 1.2 million connected with the termination of the contract with the Group's former director and CFO. A reduction of 2% was recorded in "Other operating costs", amounting to Euro 12.8 million, compared to Euro 13.1 million in Q3 19.

Adjusted EBIT, gross of the one-off costs mentioned above, came to Euro 14.1 million, a significant growth compared to Euro 6.7 million in Q3 19. **EBIT** came to Euro 13.0 million, marking an increase of +95% compared to Euro 6.7 million in Q3 19.

Profit before income taxes amounted to Euro 12.5 million, up considerably compared to Euro 3.1 million in Q3 19.

Net Income amounted to Euro 9.8 million, a notable increase compared to Euro 1.8 million in Q3 19; it should be noted that the tax rate reflected, in Q3 19, the effect of some extraordinary items that did not recur in Q3 20.

9M-20, SIGNIFICANT GROWTH IN PROFITABILITY THANKS TO THE INCREASE IN VOLUMES, CUSTOMER SATISFACTION AND EFFICIENT COST STRUCTURE

Sales in the first 9 months came to Euro **2,959** million, **+13%** compared to Euro 2,611 million in 9M 19.

Gross Profit amounted to Euro 128.7 million, marking an increase of +8% compared to 9M 19 (Euro 119.2 million) due to the higher revenues which offset the slight reduction in the percentage margin (4.35% compared to 4.57%) and despite the dilutive effect related to the decrease in Celly's revenues and margins caused by the partial suspension of activities during the March and April period, as a result of the legal restrictions connected with the handling of COVID-19.

Adjusted EBITDA, calculated gross of one-off costs of Euro 2.3 million[2], stood at Euro 41.6 million, +36% compared to Euro 30.6 million in 9M 19.

Adjusted EBIT, gross of non-recurring expenses of Euro 3.4 million[3], stood at Euro 30.9 million, +50% compared to Euro 20.6 million in 9M 19. **EBIT** amounted to Euro 27.6 million, +34% compared to Euro 20.6 million in 9M 19.

Profit before income taxes came to Euro 23.3 million, +75% compared to Euro 13.3 million in 9M 19, also due to the significant reduction in exchange losses attributable to the €/$ exchange rate and lower financial charges which, in 2019, reflected Euro 0.9 million for the early repayment of medium-term loans.

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[2] Of which Euro 0.9 million connected with the transaction involving the acquisition of GTI, Euro 1.2 million related to the termination of the contract with the Group's former director and CFO and Euro 0.2 million incurred to deal with the Covid-19 pandemic.
[3] Of which Euro 2.3 million in one-off costs pursuant to note 2 and Euro 1.1 million in impairment of goodwill relating to the CGU attributable to the distribution of mobile phone accessories which is handled by the subsidiary Celly.

Net Income amounted to Euro 17.5 million, +87% compared to Euro 9.4 million in 9M 19.

SALES +13%: SMART-WORKING AND E-LEARNING DRIVE GROWTH OF PCs (+21%) AND SMARTPHONES (+29%)

In the first 9 months of 2020, the *IT Clients* market[4] recorded growth of +13%, driven by the significant increase in demand for PCs (+25%), while Printing fell by -5%. In the *Consumer Electronics* market, the drivers of growth were Smartphones (+5%) and Domestic Appliances (+23%). *Advanced Solutions* recorded growth of +6% driven by the demand for Software, Services, Cloud, able to offset the lower demand for Hardware components (-4%).
The Group continued to act as a one-stop-shop in the IT supply chain supporting, thanks to the completeness of its portfolio of products and solutions, the increasingly higher demand for technologies capable of enabling *smart-working* and *e-learning*. **Sales** came to Euro **2,959** million, **+13%** compared to Euro 2,611 million in 9M 19, with an increase of +19% in the *Consumer Electronics* segment driven by the growth in Smartphones (+29%) and Domestic Appliances (+22%), and an increase of +15% in the *IT Clients* segment due to the considerable increase in PCs (+21%). In the *Advanced Solutions* segment, revenues relating to Software, Services and Cloud rose by +12%, partly offsetting the decrease in Hardware components (-13%).

MARKET SHARE GRADUALLY GROWING IN THE REFERENCE COUNTRIES

In the first 9 months of 2020, all reference markets recorded growth: according to Context data, Italy is worth Euro 6.0 billion (+10.5% compared to 9M 19), Spain Euro 4.2 billion (+9.3%) and Portugal Euro 991 million (+6.1%). ESPRINET outperforms the market, consolidating its shares in all the countries in which it operates and, in the first 9 months of 2020, registered the best result in the last few years.

GROWTH IN REVENUES IN BOTH THE "BUSINESS" AND "CONSUMER" SEGMENTS

In 9M 20, the market recorded growth of +8% in the *Business Segment* (IT Reseller) and +13% in the *Consumer Segment* (Retailer, E-tailer). Group **Sales** recorded growth both in the *Business Segment* (+9%) and in the *Consumer Segment* (+18%); in this context, ESPRINET helped to guarantee the business continuity of the end users of IT Resellers, also dealing with the spikes in demand in the Retailer and E-tailer channel.

CASH CONVERSION CYCLE EQUAL TO 8 DAYS, THE BEST EVER PERFORMANCE

The *Cash Conversion Cycle*[5] recorded the best ever performance, closing at 8 days (-5 days compared to Q2 20 and -18 days compared to the Q3 19). In particular, the following trends were recorded:
- Days sales of inventory (DSI): -3 days vs Q2 20 (-6 days vs Q3 19),
- Days sales outstanding (DSO): -1 day vs Q2 20 (-1 day vs Q3 19),
- Days payable outstanding (DPO): +1 day vs Q2 20 (+12 days vs Q3 19).

NEGATIVE NET FINANCIAL POSITION FOR EURO 14.5 MILLION (EURO 183.6 MILLION IN 9M 19)

The Net Financial Position, influenced by technical factors such as the seasonal nature of the business and the trend in customer and supplier behavioural models in the different periods of the year which do not, therefore, make it representative of the average levels of net financial debt observed in the first 9 months of 2020, is a negative Euro 14.5 million, down compared to 30 June 2020 (positive for

[4] Source: Context.
[5] Equal to the average of the last 4 quarters of days of turnover of operating net working capital calculated as the sum of trade receivables, inventories and trade payables.

Euro 113.2 million) and an improvement compared to 30 September 2019 (negative for Euro 183.6 million). It is strictly influenced by the management of Working Capital (equal to Euro 206.6 million compared to Euro 61.5 million as at 30 June 2020 and Euro 347.3 million as at 30 September 2019), whose result is also influenced by the degree of use of factoring, securitisation and the technical forms of advance collection of receivables with similar effects - i.e. "confirming" -, plans that generated an overall impact on the level of consolidated net financial debts amounting to roughly Euro 370 million, an increase compared to Euro 311 million as at 30 September 2019.

EFFICIENT MANAGEMENT OF THE CASH CONVERSION CYCLE AND INCREASE IN OPERATING PROFITABILITY PUSH THE ROCE TO 15.7%

The **ROCE** recorded **a significant increase**, sitting at **15.7%**, compared to 8.2% in 9M 19. The main changes related to this trend, can be summarised as follows:

- the "**NOPAT - Net Operating Profit Less Adjusted Taxes"** grew compared to the first 9M 2019;
- the **Average Net Invested Capital,** measured before the effects of the introduction of IFRS 16, showed a greater decrease (-38%) due to the lower Average Net Working Capital;

(€/millions)	9M 2020	H1 2020	9M 2019
LTM EBIT [6]	52.6	42.6	44.6
NOPAT[7]	38.9	31.7	33.0
Average net invested capital [8]	248.5	277.3	400.3
ROCE[9]	15.7%	11.4%	8.2%

2020 GUIDANCE REVISED UPWARDS

The significant growth in volumes, together with the effects of the actions taken on the *customer satisfaction* and cost structure front, allowed the company to record a better performance than the expectations in the first 9 months of 2020. Also on the basis of the positive trend in revenues in October and the central importance of the IT distribution industry in the current global context, the ESPRINET Group revises upwards the guidance for 2020, predicting revenues of more than Euro 4.4 billion (growth of over 11% compared to Euro 3,950 million in 2019) and an Adjusted EBITDA of greater than Euro 62 million, both values including the contribution for the fourth quarter of 2020 deriving from the consolidation of GTI.

SUBSEQUENT EVENTS

On 1° October, ESPRINET, through the sub-holding for Spanish activities Esprinet Iberica S.l.u., signed the closing for the purchase of GTI, leading distributor of "cloud" software and solutions in Spain. The transaction positions the Group as the second player in the Advanced Solutions segment also in Spain and is consistent with the Group's strategy of establishing itself as a key player in the Software as a Service ("SaaS") and Infrastructure as a Service ("IaaS") segments, in line with the progressive affirmation of a pay-per-use technology sales model compared to the traditional transactional method.

In line with the strategy of greater coverage of high margin niche markets in the Consumer Electronics segment, on 28 October, ESPRINET acquired the remaining 15% stake in Celly S.p.A.. The

[6] Equal to the sum of EBITs - excluding the effects of IFRS 16 - in the last 4 quarters.

[7] LTM EBIT, as defined above, net of taxes calculated at the actual tax rate of the last set of annual consolidated financial statements published.

[8] Equal to the average of"Loans" at the closing date of the period and at the 4 previous quarterly closing dates (excluding the equity effects of IFRS 16).

[9] Equal to the ratio between (a) NOPAT, as defined above, and (b) the average net invested capital as defined above.

transaction is in preparation for the subsequent merger by incorporation of Celly in the Parent Company, which will make it possible to benefit from commercial and operating synergies: with the goal of accelerating the process of integration of employees, customers, suppliers and processes, ESPRINET will shortly launch the necessary operations to go ahead with the rental of the company by the first quarter of 2021.

The officer charged with the drawing up of the accounting documents of the Company, Pietro Aglianò, declares that, in compliance with the provisions of paragraph 2 of art. 154-bis of Legislative Decree No. 58/1998 (T.U.F. - Consolidated Law on Finance), the financial data shown in this press release corresponds to the findings resulting from accounting documents, books and accounting records.

Esprinet (PRT:IM – ISIN IT0003850929), with more than 1,500 employees and 4 billion euro in turnover in 2019, is the leading company in Southern Europe (Italy, Spain and Portugal) in the distribution of Information Technology and Consumer Electronics to IT resellers, VAR, System Integrators, specialised stores, retailers and e-commerce portals, as well as the fourth largest distributor in Europe and in the top 10 at global level. The Group's vision is to simply life for people and organisations, by expanding and facilitating the distribution and use of technology. *"Enabling your tech experience"* is the payoff that encapsulates the evolution of the company into a genuine technology services hub that enables the use of technology.
The Group supplies roughly 130,000 products (PCs, printers, accessories, software, cloud, datacentres & cybersecurity, smartphones, audio-video, TV, gaming, household appliances, electric mobility) of more than 650 manufacturers to 31,000 business and consumer resellers through multiple sales models, both self-service (best-in-class e-commerce platform and Cash & Carry stores) and assisted (tele-sales and system engineers in the field).
In addition to providing traditional wholesaling services (bulk breaking and credit), Esprinet fulfils the role of simplifier of the use of technology. The Group offers, for example, a turnkey e-commerce platform to hundreds of resellers, in-shop management for thousands of retail sales points, specialised payment and financing solutions for the resellers community, by also offering the generation of demand by end users and big data analysis to the main technology manufacturers and resellers which outsource marketing activities increasingly more frequently.
Cloud services, collaboration software, video-conference systems, advanced IT infrastructures and specialised consumer electronics solutions such as connected household appliances or gaming platforms are the new areas of growth with added value which fuel further future growth in revenues for the sector, while logistics and financial services, as well as the "pay-per-use" sales model, offer increased opportunities for margin growth.
The widespread use of technology and the need for quicker and simpler methods to make increasingly more complex and diversified technologies available for people and companies, pave the way for further improvements in the scenarios of the technological distribution industry.

Press release available on www.esprinet.com on www.emarketstorage.com

For more information:

INVESTOR RELATIONS

ESPRINET S.p.A.
Tel. +39 02 404961
Giulia Perfetti
giulia.perfetti@esprinet.com

IR TOP CONSULTING
Tel. +39 02 45473884
Maria Antonietta Pireddu
m.pireddu@irtop.com
Federico Nasta
f.nasta@irtop.com

CORPORATE COMMUNICATION
Paola Bramati
Tel. +39 02 404961; Mobile +39 346 6290054
paola.bramati@esprinet.com

SALES BY PRODUCT FAMILY

€/millions	9 months 2020	%	9 months 2019	%	% Var.
PC (notebook, tablet, desktop, monitor)	1,162.2	39.3%	960.9	36.8%	21%
Printing devices and supplies	291.6	9.9%	300.1	11.5%	-3%
Other IT products	188.7	6.4%	168.2	6.4%	12%
Total IT Clients	**1,642.5**	**55.5%**	**1,429.2**	**54.7%**	**15%**
Hardware (networking, storage, server & others)	259.7	8.8%	299.0	11.5%	-13%
Software, Services, Cloud	116.7	3.9%	104.3	4.0%	12%
Total Advanced Solutions	**376.4**	**12.7%**	**403.3**	**15.4%**	**-7%**
Smartphones	836.7	28.3%	649.4	24.9%	29%
White goods	43.6	1.5%	35.7	1.4%	22%
Gaming hardware and software	15.4	0.5%	21.6	0.8%	-29%
Other consumer electronics products	106.8	3.6%	133.2	5.1%	-20%
Total Consumer Electronics	**1,002.5**	**33.9%**	**839.9**	**32.2%**	**19%**
Adjustments	(62.3)	-2.1%	(61.3)	-2.3%	2%
Sales from contracts with customers	**2,959.1**	**100.0%**	**2,611.1**	**100.0%**	**13%**

SALES BY GEOGRAPHICAL SEGMENT

€/millions	9 months 2020	9 months 2019	% Var.
Italy	1,845.3	1,678.7	10%
Spain	1,055.1	883.7	19%
Portugal	39.2	22.9	71%
UE	12.1	13.4	-10%
Extra-UE	7.4	12.4	-40%
Sales from contracts with customers	**2,959.1**	**2,611.1**	**13%**

SALES BY CUSTOMER TYPE

€/millions	9 months 2020	9 months 2019	% Var.
Retailer/e-tailer	1,459.8	1,234.5	18%
IT Reseller	1,561.6	1,437.8	9%
Adjustments	(62.3)	(61.3)	2%
Sales from contracts with customers	**2,959.1**	**2,611.1**	**13%**

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(€/000)	9 months 2020	9 months 2019	% Var.	Q3 2020	Q3 2019	% Var.
Sales from contracts with customers	**2,959,102**	**2,611,054**	**13%**	**1,124,426**	**893,569**	**26%**
Cost of goods sold excl. factoring/securitisation	2,827,593	2,488,889	14%	1,077,412	854,829	26%
Financial cost of factoring/securisation[1]	2,773	2,948	-6%	1,081	954	13%
Gross Profit[2]	**128,736**	**119,217**	**8%**	**45,933**	**37,786**	**22%**
Gross Profit %	*4.35%*	*4.57%*		*4.09%*	*4.23%*	
Personnel costs	48,483	47,149	3%	15,522	14,699	6%
Other operating costs	38,643	41,419	-7%	12,752	13,075	-2%
EBITDA adjusted	**41,610**	**30,649**	**36%**	**17,659**	**10,012**	**76%**
EBITDA adjusted %	*1.41%*	*1.17%*		*1.57%*	*1.12%*	
Depreciation e amortisation	3,247	3,492	-7%	1,063	1,177	-10%
IFRS 16 Right of Use depreciation	7,415	6,511	14%	2,476	2,172	14%
Goodwill impairment	-	-	n/s	-	-	n/s
EBIT adjusted	**30,948**	**20,646**	**50%**	**14,120**	**6,663**	**>100%**
EBIT adjusted %	*1.05%*	*0.79%*		*1.26%*	*0.75%*	
Non recurring costs[3]	3,366	-	100%	1,150	-	100%
EBIT	**27,582**	**20,646**	**34%**	**12,970**	**6,663**	**95%**
EBIT %	*0.93%*	*0.79%*		*1.15%*	*0.75%*	
IFRS 16 interest expenses on leases	2,509	2,048	23%	827	690	20%
Other financial (income) expenses	1,712	3,286	-48%	362	1,575	-77%
Foreign exchange (gains) losses	99	2,015	-95%	(742)	1,339	<100%
Profit before income taxes	**23,262**	**13,297**	**75%**	**12,523**	**3,059**	**>100%**
Income taxes	5,779	3,939	47%	2,723	1,278	>100%
Net income	**17,483**	**9,358**	**87%**	**9,800**	**1,781**	**>100%**

NOTES

[1] Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring and securitization programs.
[2] Gross of amortization/depreciation that, by destination, would be included in the cost of sales.
[3] Of which Euro 1.1 million otherwise included in "Other operating costs" and 1.1 million euro otherwise included in "Goodwill Impairment".

CONSOLIDATED SEPARATE INCOME STATEMENT

(€/000)	9 months 2020	non - recurring	9 months 2019	non - recurring
Sales from contracts with customers	2,959,102	-	2,611,054	-
Cost of sales	(2,830,979)	-	(2,492,357)	-
Gross profit	**128,123**	**-**	**118,697**	**-**
Sales and marketing costs	(36,360)	-	(38,222)	-
Overheads and administrative costs	(63,052)	(3,366)	(59,048)	-
Impairment loss/reversal of financial assets	(1,129)	-	(781)	-
Operating income (EBIT)	**27,582**	**(3,366)**	**20,646**	**-**
Finance costs - net	(4,320)	-	(7,349)	-
Profit before income taxes	23,262	(3,366)	13,297	-
Income tax expenses	(5,779)	632	(3,939)	-
Net income	**17,483**	**(2,734)**	**9,358**	**-**
- of which attributable to non-controlling interests	22		140	
- of which attributable to Group	17,461	(2,734)	9,218	-
Earnings per share - basic (euro)	0.35		0.18	
Earnings per share - diluted (euro)	0.34		0.18	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€/000)	9 months 2020	9 months 2019
Net income (A)	**17,483**	**9,358**
Other comprehensive income:		
- Changes in 'cash flow hedge' equity reserve	-	(47)
- Taxes on changes in 'cash flow hedge' equity reserve	-	11
- Changes in translation adjustment reserve	(4)	-
Other comprehensive income not be reclassified in the separate income statement:		
- Changes in 'TFR' equity reserve	(62)	(347)
- Taxes on changes in 'TFR' equity reserve	15	97
Other comprehensive income (B):	**(51)**	**(286)**
Total comprehensive income (C=A+B)	**17,432**	**9,072**
- of which attributable to Group	17,413	8,947
- of which attributable to non-controlling interests	19	125

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CONSOLIDATED SEPARATE INCOME STATEMENT OF THE THIRD QUARTER

(€/000)	Q3 2020	non - recurring	Q3 2019	non - recurring
Sales from contracts with customers	1,124,426	-	893,569	-
Cost of sales	(1,078,712)	-	(855,951)	-
Gross profit	**45,714**	**-**	**37,618**	**-**
Sales and marketing costs	(11,472)	-	(12,219)	-
Overheads and administrative costs	(20,987)	(1,150)	(18,742)	-
Impairment loss/reversal of financial assets	(285)	-	6	-
Operating income (EBIT)	**12,970**	**(1,150)**	**6,663**	**-**
Finance costs - net	(447)	-	(3,604)	-
Profit before income taxes	12,523	(1,150)	3,059	-
Income tax expenses	(2,723)	320	(1,278)	-
Net income	**9,800**	**(830)**	**1,781**	**-**
- of which attributable to non-controlling interests	152		(120)	
- of which attributable to Group	9,648	(830)	1,901	-
Earnings per share - basic (euro)	0.18		0.04	
Earnings per share - diluted (euro)	0.17		0.04	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF THE THIRD QUARTER

(€/000)	Q3 2020	Q3 2019
Net income (A)	**9,800**	**1,781**
Other comprehensive income:		
- Changes in 'cash flow hedge' equity reserve	-	53
- Taxes on changes in 'cash flow hedge' equity reserve	-	27
- Changes in translation adjustment reserve	(3)	2
Other comprehensive income not be reclassified in the separate income statement:		
- Changes in 'TFR' equity reserve	(38)	(139)
- Taxes on changes in 'TFR' equity reserve	9	39
Other comprehensive income (B):	**(32)**	**(18)**
Total comprehensive income (C=A+B)	**9,768**	**1,763**
- of which attributable to Group	9,614	1,890
- of which attributable to non-controlling interests	154	(127)

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€/000)	30/09/2020	31/12/2019
Fixed assets	218,556	226,007
Operating net working capital	206,647	(121,027)
Other current assets/liabilities	(16,358)	(1,354)
Other non-current assets/liabilities	(18,536)	(16,879)
Total uses	**390,309**	**86,747**
Short-term financial liabilities	72,413	35,862
Lease liabilities	8,618	8,597
Financial receivables from factoring companies	(1,134)	(3,526)
Other financial receivables	(9,721)	(9,719)
Cash and cash equivalents	(234,797)	(463,777)
Net current financial debt	(164,621)	(432,563)
Borrowings	85,385	61,045
Lease liabilities	94,258	100,212
Other financial receivables	(492)	(969)
Net Financial debt (A)	14,530	(272,275)
Net equity (B)	375,779	359,022
Total sources of funds (C=A+ B)	**390,309**	**86,747**

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€/000)	30/09/2020	31/12/2019
ASSETS		
Non - current assets		
Property, plant and equipment	11,864	11,824
Right of use assets	100,243	107,310
Goodwill	89,616	90,716
Intangibles assets	622	480
Deferred income tax assets	14,004	13,469
Receivables and other non - current assets	2,699	3,177
	219,048	**226,976**
Curent assets		
Inventory	503,503	497,220
Trade receivables	427,513	470,999
Income tax assets	1,200	1,514
Other assets	35,813	40,956
Cash and cash equivalents	234,797	463,777
	1,202,826	1,474,466
Total assets	1,421,874	1,701,442
EQUITY		
Share capital	7,861	7,861
Reserves	347,932	325,554
Group net income	17,460	23,099
Group net equity	**373,253**	**356,514**
Non - controlling interest	**2,526**	**2,508**
Total equity	**375,779**	**359,022**
LIABILITIES		
Non - current liabilities		
Borrowings	85,385	61,045
Lease liabilities	94,258	100,212
Deferred income tax liabilities	11,987	9,712
Retirement benefit obligations	4,703	4,669
Provisions and other liabilities	1,846	2,498
	198,179	**178,136**
Current liabilities		
Trade payables	724,369	1,089,246
Short-term financial liabilities	72,413	35,862
Lease liabilities	8,618	8,597
Income tax liabilities	2,652	27
Provisions and other liabilities	39,864	30,552
	847,916	**1,164,284**
Total liabilities	1,046,095	1,342,420
Total equity and liabilities	1,421,874	1,701,442

CONSOLIDATED STATEMENT OF CASH FLOWS

(euro/000)	9 months 2020	9 months 2019
Cash flow provided by (used in) operating activities (D=A+B+C)	**(280,519)**	**(316,576)**
Cash flow generated from operations (A)	**39,629**	**31,398**
Operating income (EBIT)	27,582	20,646
Depreciation, amortisation and other fixed assets write-downs	11,762	10,004
Net changes in provisions for risks and charges	(652)	337
Net changes in retirement benefit obligations	(53)	(524)
Stock option/grant costs	990	935
Cash flow provided by (used in) changes in working capital (B)	**(315,293)**	**(342,057)**
Inventory	(6,283)	(8,738)
Trade receivables	43,486	17,831
Other current assets	3,067	3,922
Trade payables	(365,007)	(348,319)
Other current liabilities	9,444	(6,753)
Other cash flow provided by (used in) operating activities (C)	**(4,855)**	**(5,917)**
Interests paid	(3,560)	(4,023)
Received interests	234	202
Foreign exchange (losses)/gains	31	(1,887)
Income taxes paid	(1,560)	(209)
Cash flow provided by (used in) investing activities (E)	**(3,776)**	**(463)**
Net investments in property, plant and equipment	(3,392)	(1,463)
Net investments in intangible assets	(385)	(142)
Net investments in other non current assets	1	(306)
4Side business combination	-	1,448
Cash flow provided by (used in) financing activities (F)	**55,315**	**932**
Medium/long term borrowing	44,000	47,000
Repayment/renegotiation of medium/long-term borrowings	(11,189)	(111,062)
Net change in leasing liabilities	(6,201)	(6,777)
Net change in financial liabilities	27,477	80,652
Net change in financial assets and derivative instruments	2,869	721
Dividend payments	-	(6,919)
Own shares acquisition	(1,656)	(2,500)
Changes in third parties net equity	15	(183)
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**(228,980)**	**(316,107)**
Cash and cash equivalents at year-beginning	463,777	381,308
Net increase/(decrease) in cash and cash equivalents	(228,980)	(316,107)
Cash and cash equivalents at year-end	234,797	65,201

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