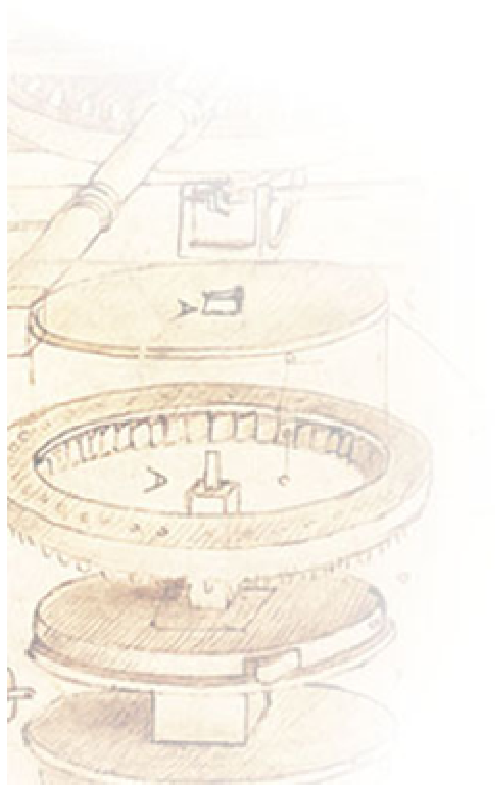




**Interim Report on Operations
as at 31 March 2014**



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SIGNIFICANT GROUP FIGURES AND RESULT INDICATORS

The table below gives a summary of the main consolidated economic, capital and financial data of the Group as shown in the Financial Statements referring to 31 March 2014, 31 March 2013 and 31 December 2013.

	31.03.2014	31.03.2013	31.12.2013
Total production revenues	31,524,606	31,121,488	131,226,301
net proceeds and variation to work in progress to order	30,116,192	30,362,053	126,601,062
increase to assets for internal work	378,594	350,265	1,652,966
other proceeds and contributions	1,029,820	409,170	2,972,273
Difference between costs and production proceeds (EBITDA)	1,799,740	2,479,694	13,072,941
% on production proceeds	5.7%	8.0%	10.0%
Net operating result (EBIT)	902,514	1,568,680	8,704,694
% on production proceeds	2.9%	5.0%	6.6%
Net result	(409,317)	67,016	2,855,879
Group net equity	68,854,178	67,236,454	69,287,299
Total assets	185,395,577	190,058,787	184,925,468
Capital stock	26,979,658	26,979,658	26,979,658
Net working capital (1)	24,356,372	34,793,420	30,846,336
Cash flow (2)	6,777,416	2,578,371	12,262,489
Fixed capital (3)	92,390,088	90,576,172	91,678,248
Investment	1,495,849	1,100,555	4,874,278
Cash resources/bonds (a)	8,779,384	8,020,925	7,249,547
Short-term financial debts (b)	(32,292,957)	(41,682,201)	(36,120,716)
Medium-/long-term financial debts (c)	(8,605,012)	(8,477,083)	(8,531,974)
Net financial position (4)	(32,118,586)	(42,138,359)	(37,403,143)

- (1) "Net working capital" is calculated as the sum of total current assets less cash at bank and on hand and total current liabilities plus current bank debt.
- (2) Cash flow is calculated as the sum of net profit (loss) adjusted by amortisation, changes in employee severance indemnities and write-downs
- (3) "Fixed capital" is equal to total non-current assets
- (4) Net financial position = a - (b + c)

The table below shows the main economic indicators of the Group referring to 30 March 2013, compared with the same period of the previous year.

For the calculation of ROE and ROI, it was considered appropriate, from this report, use a logic "rolling" as a reference annual net profit and operating income from 1 April 2013-31 March 2014, for the data 31 March 2014 and 1 April 2012-31 March 2013 for the figures at 31 March 2013.

Exprivia Group	31.03.2014	31.03.2013
Index ROE (Net income / equity capital)	-0.59%	0.10%
Index ROI (EBIT / Net Capital Invested)	0.88%	1.41%
Index ROS (EBIT / Revenues)	3.07%	5.53%
Financial charges / Net profit	-	1.81
		10.95

The table below shows the main capital and financial indicators of the Group as at 31 March 2014, 31 March 2013 and 31 December 2013.

Exprivia Group	31/03/2014	31/03/2013	31/12/2013
Net Financial Debt / Equity Capital	0.47	0.63	0.54
Debt ratio (Total Liabilities / Equity Capital)	2.69	2.83	2.67

SUMMARY OF OPERATIONS IN THE FIRST QUARTER OF 2014

A summary of the main consolidated economic, capital and financial data of the Group is reported below, prepared in accordance with International Accounting Standards (IAS/IFRS), and, in particular, with standard IAS 34, as emerging from the situation as at 31 March 2014, compared with the same period of the previous year.

Exprivia Group (value in K €)	31.03.2014	31.03.2013	Variations %
Revenues	31,525	31,121	1.30%
Net revenues	30,116	30,362	-0.81%
EBITDA	1,800	2,480	-27.42%
EBIT	902	1,569	-42.51%
Pre-tax result	195	926	-78.94%
Result	-409	67	-710.45%

The Exprivia Group closed the first quarter of 2014 with **revenues** of Euro 31.5 million, in line with the figure recorded in the same period in the previous year (Euro 31.1 million). **Consolidated net revenues** amounted to Euro 30.1 million, essentially stable with respect to the value in the same period of 2013 (Euro 30.4 million).

Consolidated **EBITDA** amounted to Euro 1.8 million (Euro 2.5 million in 2013) equal to 5.7 % of revenues. Consolidated **EBIT** totalled Euro 0.9 million compared to Euro 1.6 million as at 31 March 2013. **Profit before taxes** came to Euro 0.2 million, equal to 0.6% of revenues, compared to Euro 0.9 million as at 31 March 2013.

The **Net Financial Position** as at 31 March 2014 was Euro -32.1 million, an improvement compared to 31 December 2013 when it was Euro -37.4 million. Group **Shareholders' equity** totalled Euro 68.9 million as at 31 March 2014, compared to Euro 69.3 million as at 31 December 2013.

Exprivia Group (value in K €)	31.03.2014	31.03.2013	31.12.2013
Group Net Worth	68,854	67,236	69,288
Net Financial Position	(32,119)	(42,138)	(37,403)

CORPORATE BODIES

BOARD OF DIRECTORS

As at 31 March 2014 the Board of Directors, which will remain in office until the approval of the 2013 financial statements, is composed as follows:

BoD Member	Office	Executive/Non-Executive	Place and Date of Birth
Domenico Favuzzi	Chairman and Chief Executive Officer	Executive	Molfetta (BA) 18/04/1962
Dante Altomare	Vice Chairman	Executive	Molfetta (BA) 18/09/1954
Pierfilippo Vito Maria Roggero	Chief Executive Officer	Executive	Milano 22/06/1954
Giancarlo Di Paola	Executive Officer	Executive	Bari 22/05/1952
Marco Forneris	Executive Officer	Executive	Caluso (TO) 19/02/1951
Rosa Daloiso	Non-independent Director	Non-Executive	Margherita di Savoia (FG) 5/04/1966
Valeria Savelli	Non-independent Director	Non-Executive	Matera 15/10/1962
Alessandro Laterza	Independent Director (*)	Non-Executive	Bari 9/02/1958
Giorgio De Porcellinis	Independent Director (*)	Non-Executive	Milano 21/01/1948
Vito Albino	Independent Director (*)	Non-Executive	Bari 10/09/1957

(*) Independent Directors under art. 3 of the Corporate Governance Code adopted by Borsa Italiana

For the purpose of their office all directors are domiciled at the registered offices of the Company in Molfetta (BA), Via Adriano Olivetti 11.

The Board of Directors is vested with all the broadest powers necessary for ordinary and extraordinary management of the company without any exception and all options are available to pursue the company purpose. Thus, it can undertake any type of obligation and perform any act without limitation as all operations fall within the scope of their competence with the exception of any matters expressly delegated by law to the shareholders' meeting (See Corporate Governance).

EVENTS AFTER 31 MARCH 2014

On 23 April 2014, the shareholders' meeting of the company, called to renew the corporate bodies, appointed the new Board of Directors, whose term of office shall expire on approval of the financial statements for the year ended 31 December 2016, which is today composed as follows:

BoD Member	Office	Executive/Non-Executive	Place and Date of Birth
Domenico Favuzzi	Chairman and Chief Executive Officer	Executive	Molfetta (BA) 18.04.62
Dante Altomare	Vice Chairman	Executive	Molfetta (BA) 18.09.54
Vito Albino	Independent Director (*)	Non-Executive	Bari 10.09.57
Angela Stefania Bergantino	Independent Director (*)	Non-Executive	Messina 24.09.70
Rosa Daloiso	Non-independent Director	Non-Executive	Margherita di Savoia (FG) 5.04.66
Mario Ferrario	Non-independent Director	Non-Executive	Padua 05.02.46
Marco Forneris	Non-independent Director	Non-Executive	Caluso (TO) 19.02.51
Alessandro Laterza	Independent Director (*)	Non-Executive	Bari 09.02.58
Valeria Savelli	Non-independent Director	Non-Executive	Matera 15.10.62
Gianfranco Viesti	Independent Director (*)	Non-Executive	Bari 09.08.58

(*) Independent Directors under art. 3 of the Corporate Governance Code adopted by Borsa Italiana

For the purpose of their office all directors are domiciled at the registered offices of the Company in Molfetta (BA), Via Adriano Olivetti 11.

BOARD OF STATUTORY AUDITORS

As at 31 March 2014 the Board of Statutory Auditors, whose term of office will end when the year-end 2013 financial statements are approved, is composed as follows:

Member	Office	Place and Date of Birth
Renato Beltrami	Chairman	Storo (TN) 07/12/1942
Gaetano Samarelli	Standing Legal Auditor	Molfetta (BA) 07/12/1945
Ignazio Pellecchia	Standing Legal Auditor	Bari 28/06/1968
Leonardo Giovanni Ciccolella	Substitute Legal Auditor	Bari 24/06/1964
Mauro Ferrante	Substitute Legal Auditor	Bisceglie (BA) 01/11/1964

EVENTS AFTER 31 MARCH 2014

On 23 April 2014, the shareholders' meeting of the company, called to renew the corporate bodies, appointed the new Board of Statutory Auditors, whose term of office shall expire on approval of the financial statements for the year ended 31 December 2016, which is today composed as follows:

Board Member	Office	Place and Date of Birth
Ignazio Pellecchia	Chairman	Bari 28.06.68
Anna Lucia Muserra	Standing Legal Auditor	Genoa – 21.09.62
Gaetano Samarelli	Standing Legal Auditor	Molfetta (BA) 07.12.45
Valeria Cervellera	Substitute Legal Auditor	Bari 07.08.69
Mauro Ferrante	Substitute Legal Auditor	Bisceglie (BA) 01.11.64

INDEPENDENT AUDITORS

The Independent Auditors, PKF Italia S.p.A., finished its activities for the Exprivia Group with approval of the 2013 financial statements.

EVENTS AFTER 31 MARCH 2014

On 23 April 2014, the shareholders' meeting of the company assigned the task of conducting the independent audit for the years 2014 – 2022 to **PRICEWATERHOUSECOOPERS spa – PWC**, Via Don Luigi Guanella, 17 - 70124 Bari.

EXPRIVIA: ONE STEP AHEAD

The Company

In Italy Exprivia is a leading international company in process consultancy, technological services and Information Technology solutions.

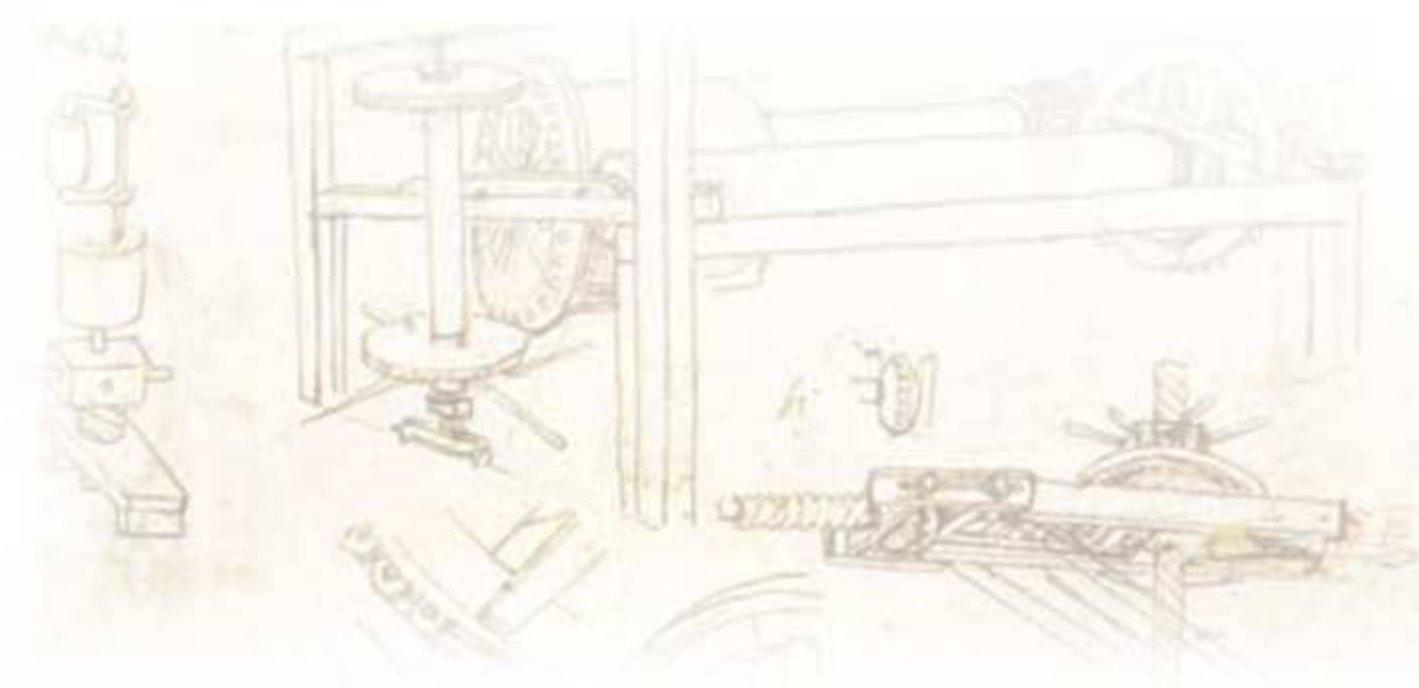
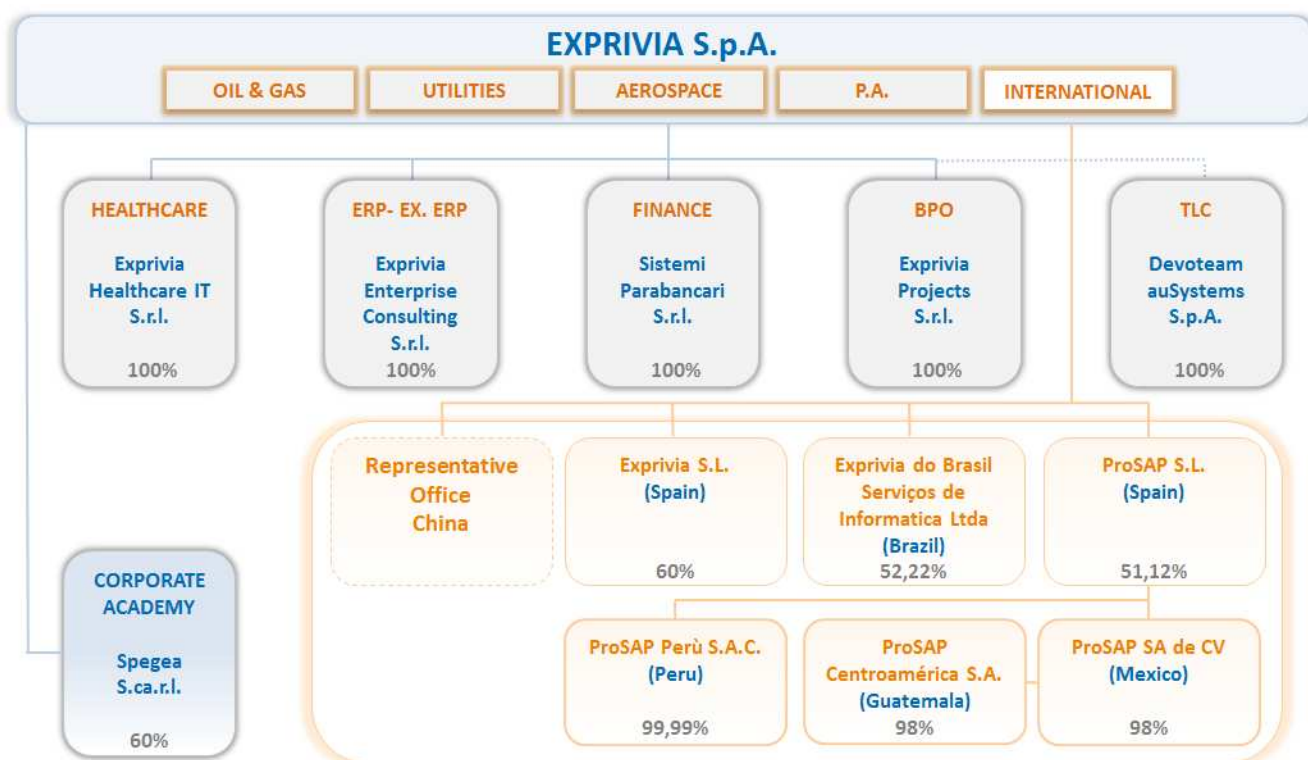
Our constant investments in research and development make us stand out as a benchmark for the creation of innovative solutions to meet the increasingly more sophisticated demands of our customers.

The Company has been listed on the Italian stock exchange since 2000 and in the STAR MTA segment since October 2007. Exprivia currently employs a team of over 1,800 people distributed among its headquarters in Molfetta (BA), branches in Italy (Trento, Vicenza, Milan, Padua, Torino, Piacenza, Genova, Rome and Bari) and abroad (Spain, Mexico, Guatemala, Peru, Brazil and China).

Exprivia has developed a quality system conforming to UNI EN ISO 9001, UNI EN ISO 13485, UNI CEI ISO/IEC 20000-1 e UNI CEI ISO/IEC 27001 for the effective management of company processes, guaranteeing the greatest transparency inside and outside the company.



THE GROUP



SUBSIDIARIES

Exprivia Projects Srl is 100% owned by Exprivia. It is based in Rome and has Euro 242,000.00 share capital (fully paid-up). It is specialised in designing and managing services and infrastructure for Call Centres, Contact Centres and Helpdesk.

Exprivia Healthcare IT Srl, formerly Svimservice Srl, 100% owned by Exprivia, is based in Trento and has Euro 1,548,000.00 share capital (fully paid-up). It is a leading ICT company in the healthcare IT sector with a broad and diverse customer base. It develops and manages healthcare IT systems based on proprietary solutions and web-oriented technologies, in addition to operating in the field of IT systems and software applications for regional public administration. In 2013, the company merged **Gruppo Soluzioni Tecnologiche Srl - GST** by incorporation, already a member of the Exprivia Group.

Exprivia Enterprise Consulting Srl, formerly WelNetwork Srl, 100% owned by Exprivia, is based in Piacenza and has Euro 1,500,000.00 share capital (fully paid-up). It has acquired in-depth experience in a wide variety of IT segments. In recent years it has focused on professional services for SAP applications especially in the field of Industry and Oil & Gas, where a significant amount of business in reselling third-party software licences has been developed as well. In 2013, the company merged **Datilog Srl** and **Realtech Italia Srl** by incorporation, already members of the Exprivia Group.

Sistemi Parabancari S.r.l. is 100% owned by Exprivia. Based in Milan and with Euro 580,000.00 share capital (fully paid-up), it is the leading company in outsourcing IT, legal and administrative services for factoring firms in Italy. Sis.Pa operates with about 60 employees and is now the only Italian company able to provide a wide range of business process outsourcing services for the financial services system and not strictly IT in nature.

Exprivia Telco & Media, formerly Devoteam Ausytem, 100%-owned by Exprivia since 16 April 2014, with registered office in Milan and share capital of Euro 1,200,000.00, has operated in the Italian market for more than 15 years as a reference company in the Telecommunications and Media sector.

Spegea S.C.a r.l. is 60% owned by Exprivia and has Euro 125,000.00 share capital (fully paid-up). It is a School of Management based in Bari, which organises and manages specialised seminars, training courses for companies and public administration in addition to the "Master in Management and Industrial Development" programme certified by ASFOR. It was founded 28 years ago by Confindustria Bari with the support of banks and institutions.

"Consorzio Exprivia Scarl" was established on 6 September 2012. Exprivia SpA owns 55% of it and the remaining 45% is owned by the other Group companies that are 100% owned by the holding company. This Consortium aims to facilitate the participation of the Exprivia companies in public tenders for project development or service provision.

FOREIGN COMPANIES

Profesionales de Sistemas Aplicaciones y Productos S.L. (ProSap), a Spanish company in operation since 2002, also through its subsidiaries in Mexico, Guatemala and Peru, it provides professional services in the SAP environment and services for systems integration and application management for important medium and large customers. Exprivia SpA controls the company with a 51.12% share.

Exprivia S.I., incorporated in April 2008 in Madrid, is dedicated to the development of IT solutions and systems for the Spanish healthcare market. Exprivia controls the company with a 60% share

Exprivia do Brasil Serviços de Informatica Ltda, a Brazilian company specialised in IT Security solutions that operates with about 16 employees at its headquarters in Sao Paulo. Exprivia SpA controls the company with a 55.22% share while the company Simest it holds 47.70%.

STRATEGIC SHAREHOLDINGS

ACS S.p.A., 16.21% held by Exprivia, covers a significant role on an international scale in the sector of software and hardware for the acquisition, management and interpretation of satellite imagery. The company employs about 110 workers and is based in Rome and Matera.

Software Engineering Research & Practices S.r.l., 6% held by Exprivia S.p.A., is spin-off of the University of Bari. Its goal is to implement the results of university research in the field of software engineering and transfer them into business processes.

CONSORTIA INITIATIVES

Società cons. a r.l. Pugliatech was formed to participate in the fulfilment of the programme agreement required by the 2000-2006 POR Puglia notice.

Società cons. a r.l. Conca Barese was formed to manage the Conca Barese Land Agreement.

Consorzio Biogene was formed to develop the project known as “Public-private laboratory for the development of integrated bioinformatic tools for Genomics, Transcriptomics, and Proteomics (LAB GTP)”. LabGTP is a public-private laboratory dedicated to bioinformatics and is based in Naples. Created in 2006, this laboratory has recently received the approval of the Ministry of Industry University and Research for 2 projects PON 2011, to continue its researches.

Società cons. a r.l. “DAISY – NET” was formed to undertake initiatives for the development of an I.C.T. technology centre to be part of a network of regional technology centres.

Distretto Tecnologico Pugliese (“DHITECH”), based in Lecce, intends to develop and integrate an interdisciplinary cluster for nanosciences, bioscience and infoscience according to the guidelines of the seventh framework programme and national research plan.

Distretto Tecnologico Nazionale per l’Energia (“DiTNE”), based in Brindisi, was formed to provide support for research in production sectors in the field of energy, to encourage the technology transfer needed by national and international players in the sector, and to favour connections between the worlds of research, production of goods and services, credit and the territory.

Distretto Agroalimentare Regionale (“D.A.Re.”), a consortium based in Foggia, acts as the interface for technology transfer from the Puglia research system to the agribusiness system. It provides services to support technological innovation by managing complex projects relating to industrial research and competitive development.

Distretto H-BIO Puglia, a consortium company named “Puglia technology district for the health of persons and biotechnologies”, based in Bari, will develop its operations in the strategic areas of molecular diagnostics and integrated diagnostics products, treatment and rehabilitation products, and bioinformatics products.

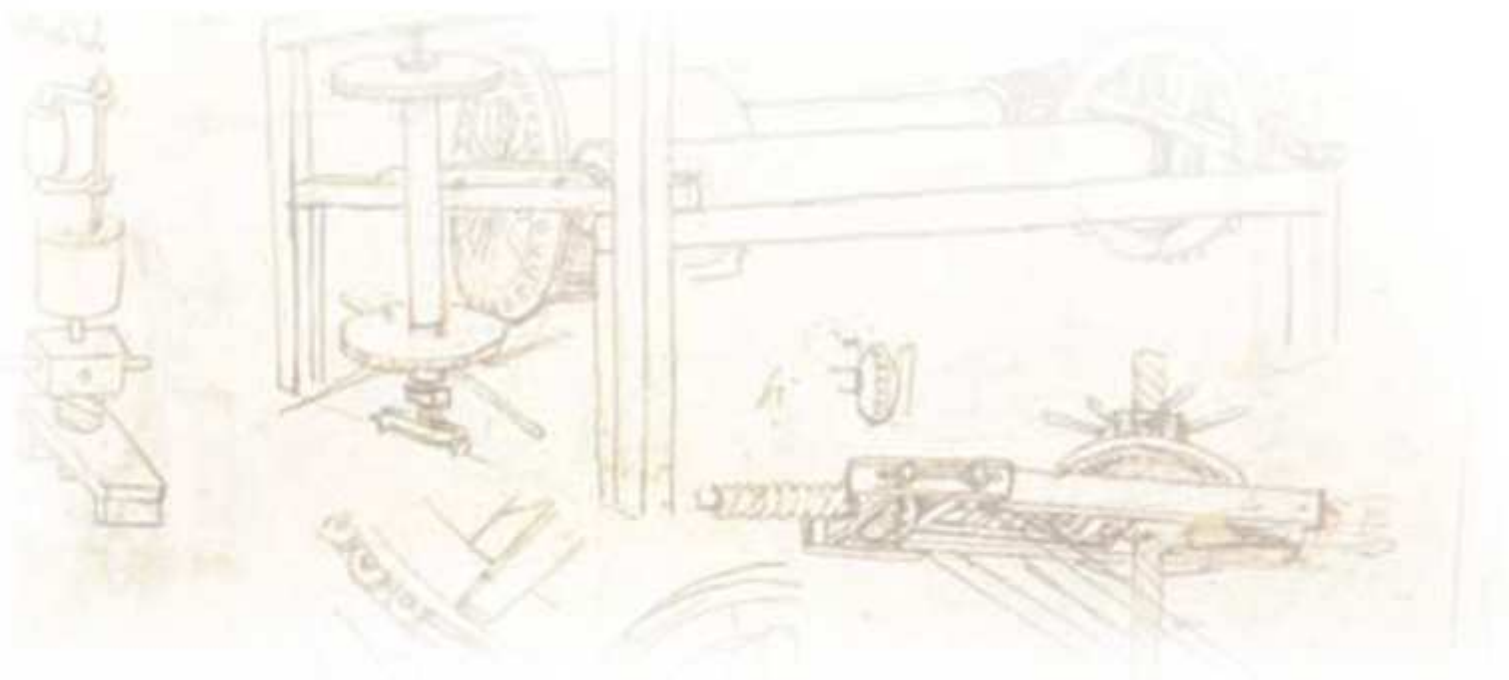
Consorzio SI-LAB: is a Service Innovation consortium established by Daisy-Net as a result of the MIUR (Ministry of Universities and Research) financing project for new Public/Private Laboratories. It groups together Puglia-based companies and universities, and operates as part of a cluster with similar laboratories in Calabria and Sicily. SI-Lab’s focus is on the integration of health chain services, which will be tested in the health services field.

Italy Care, a consortium Exprivia has been part of since 2013 together with Farmalabor, Gruppo Villa Maria Care & Research, and MASMEC Biomed. Created on 18 March 2014, it constitutes a complete and effective health chain with the objective of optimising results and investments in the healthcare sector.

Italy Care was created with the goal of both offering the market integrated solutions of existing products and services, and developing, industrialising and marketing new complementary products and services.

The founding partners of Italy Care are examples of industry excellence at national and international level in the respective medical areas. In fact, Exprivia represents an Information technology reference point; Farmalabor has been a leader in the pharmaceutical field for years, in the same way GVM Care & Research has been in clinical medicine and medical engineering and MASMEC Biomed in biomedical technologies.

The drive towards internationalisation assumes a crucial role in Italy Care's mission. In fact, promoting a successful image of the health chain well beyond national borders is a key objective of the consortium.



THE EXPRIVIA BUSINESS MODEL

The Exprivia Group is a leading Italian company specialised in designing, developing and integrating innovative software solutions and services with a wide range of skills gained from twenty years of working in the reference markets.

Its constant attention to the expansion and segmentation of the offer is confirmed by the over 2000 customers that are supported by the Group specialists on a daily basis with an extensive portfolio of proprietary solutions, and our main partners, combined with the high level technological skills that make them stand out.

The business model adopted by the Group is based on market segmentation as specified below:

- Banks, Financial Institutions and Insurance
- Energy and Telecom
- Industry, Aerospace and Media
- Public Administration
- Health and Healthcare
- Utilities



MARKETS

Banking, Finance and Insurance

Customers of banks and financial institutions are becoming increasingly demanding and require services that are available without interruption anywhere and from any device. Exprivia boasts more than 25 years of partnership with major groups and banks in Italy and abroad.

Together with more than 100 customers, Exprivia has searched and developed innovative technological solutions to control strategic processes, particularly in the credit, risk control and financial market field.

FINANCE

The financial market is constantly changing, thus forcing companies to continuously review their business model. Exprivia's experience in the Capital Markets means that it can provide each of its customers with innovative solutions that are customised to keep up with the continuously evolving market. Thanks to the skills gained from the **Murex** technological platform and the experience gathered together with major financial organisations, Exprivia is able to propose specific services and solutions for all the processes that are characteristic of the financial market.

CREDIT & RISK MANAGEMENT

For 25 years Exprivia has been present in banking, leasing and factoring instructions of all sizes spread across Europe. The proprietary solutions support the various phases of the credit life cycle in both operating and decisional terms: from the screening and resolution to periodic monitoring and dispute management.

OPERATIONAL MANAGEMENT

Exprivia supports its customers with services that assist them in the operating management of IT systems in the financial sectors, provided in on-site and nearshoring mode. As regards operating management, Exprivia proposes comprehensive IT infrastructure optimisation services ranging from project consultancy to architectural designs and their implementation.

IT SECURITY

Compliance, reputation and operating risks: these are the main issues that banks, and all the companies featuring systems that are accessible to a broad range of users, are trying to solve through "security technological instruments". These days the value of security for banks is driven by several factors, which all converge in a univocal need: having secure infrastructures, accesses and processes.

In the IT sector Exprivia supports its customers with its extensive security-related technological expertise combined with years of experience regarding the characteristic issues of the banking market.

INTERCHANNELS

As support for marketing, sales and customer service Exprivia has devised web 2.0 based services, solutions to manage unstructured information and mobile payment products.

Energy and Telecommunications

In the Energy and Telecommunications industry, Exprivia's experience derives from 10 years of partnership with the main multinationals in the sector, allowing it to propose innovative solutions and services that make companies competitive by optimising the sector-specific processes.

ENERGY

In the Energy market Exprivia has consolidated its position over the years through its ability to combine its knowledge of the best practices in the IT sector with specific skills related to processes for the extraction, transportation, storage, refining and distribution of oil and natural gas.

The in-depth understanding of the processes concerning the entities that operate in the oil and natural gas markets, combined with the knowledge of the innovative technological platforms, makes the Group an ideal partner for projects on both core (Work & Asset Management, Engineering & Automation) and non-core processes (AFC, HR, dematerialisation and storage).

TELECOMMUNICATIONS

The Telecommunications sector is characterised by the continuous search for added value services to be offered to customers and by the need for competitive prices in order to maintain the acquired market share. In the telecommunications market, Exprivia supplies solutions for the core processes of mobile and landline network operators with a complete and innovative range of systems integration for both business support and operational support.

The expertise in this sector includes design activities and the creation of customer care & billing, pricing model configuration and CRM systems based on Business Process Management methods to encourage the integration of processes and information systems.

Exprivia also proposes solutions for the configuration and management of provisioning, order management, testing and quality control systems and the efficient management of network infrastructures, security, remote database management, configuration management, network management and performance analysis. Its technological skills allow the provision of cloud services, application management, ERP, payment systems and others, in partnership with telco providers.



Industry, Aerospace and Media

The value of IT only emerges when the instruments and the solutions are perfectly integrated in accordance with the individual peculiarities of each industry: size, production chain and distribution models. Exprivia supports large and small sized companies with flexible and modular technologies designed for each individual company requirement and for each of its production and organisational process.

The association with SAP, which started over 10 years ago, makes Exprivia one of the main reference partners in the Italian and international markets, also thanks to six hundred certified professionals specialised in ERP and logistics.

The widespread presence in Italy means that Exprivia can assist companies all over the country, also thanks to the innovative models for the provisions of services in nearshoring mode.

LARGE CORPORATIONS

Thanks to its consolidated expertise in the SAP sector, Exprivia is able to create integration projects through ERP, CRM, SCM, Business Intelligence and Analytics application and middleware platforms.

Implementations based on Simatic IT, Siemens Industry Software and with Service Oriented architectures are created in the Manufacturing Execution System (MES) sector.

In the Retail and Wholesale sector, Exprivia designs innovative solutions for any type of process, from back office to points of sale, for any reporting and analysis requirement and for any type of activity, BtB or BtC.

The history of Exprivia is full of Best Practices that have enabled it to create implementation models for the specific requirements of any market: Automotive, Aerospace, Consumer Products, Chemical & Pharma, Engineering and Construction, Food, Manufacturing Discrete and Process.

SME

Small-sized enterprises can also benefit from all the IT advantages of large corporations, with solutions and costs that reflect their smaller size. With this in mind, Exprivia has designed tools for SMEs featuring advanced functions that cover all the main core processes of the enterprise in the financial, commercial and logistic sector. IT management, service desk, server and desktop virtualisation services are also available to meet infrastructure needs.

In the Application Management field, the widespread presence all over Italy and abroad enables Exprivia to propose structured offers while guaranteeing high service levels.

MEDIA

In the Media market Exprivia assists companies with solutions that support digital marketing by defining an integrated strategy that includes content management, Web 2.0 applications, search engines all the way to social media to obtain a synergy among contents, user profile and information programs.

Public Administration

The Public Administration market features IT solutions that simplify the processes of organisations to increase the quality and speed of the services provided to citizens and corporations. The modernisation policy of the Public Administration has generated a great demand for operating tools and models aiming to significantly improve the services and substantially rationalise public spending.

The Public Administration's objective of combining optimal expenditure with service quality can only be achieved by focusing on state-of-the-art technologies that make the provision of services more efficient.

In this scenario Exprivia has identified new effective solutions to computerise processes, ensure elastic and transparent management as well as improve and intensify communications among the various administrations, citizens and companies.

Exprivia's 10-year presence in the National and Regional Public Administration means that the Group's customers can benefit from its knowledge of both peripheral and central processes to better manage their complexity.

Public Administration reforms have significantly stimulated the adoption of innovative IT technologies to quickly achieve tangible results in terms of optimised expenditure and process industrialisations. To achieve these objectives the Group supports national and regional organisations on a daily basis, proposing the most suitable solutions to obtain efficient processes and reduce their expenditure.

For each area concerned by changes Exprivia offers solutions and services created with innovative technologies, in complete compliance with the strategic guidelines defined by the competent institutional bodies.

The range is divided into design, creation and management services in the following fields:

- products and services for the management area of Regional Bodies (financial statements and accounts, personnel, management control, demographic services, document management, personal services, etc.)
- eGovernment aimed at citizens, companies and institutions
- eProcurement to support purchase processes and the monitoring of suppliers' performance
- solutions for the management, storage and sharing of electronic documents
- solutions for planning and control using business intelligence platforms e business analytics
- performance measurement systems in Public Administration processes
- solutions to support administrative processes concerning self governance and cooperation between administrations based on the SOA paradigm
- web based solutions for the information exchange among bodies, citizens and companies via a single access point
- system integration, business continuity and disaster recovery solutions

Healthcare

Care for patients has always been a pivotal point for all the activities of the healthcare system.

Starting from our focus on the patients and the continuous improvement of the healthcare services focused on them, Exprivia has devised its offer for the healthcare market with innovative solutions for governance and control at regional level, local care provided by local healthcare providers (ASL) and hospital care.

250 healthcare institutions and hospitals totalling 20 million assisted citizens: this is the result of the daily commitment ensured by a team of 350 professionals and the thirty years of experience in the healthcare segment.

For the Health and Healthcare market Exprivia has developed **e4cure**, a suite of solutions that brings together into one circuit all the players in the regional healthcare system, from health authorities to family doctors and accredited private clinics, also providing online services to the public. **e4cure** addresses all the needs of the healthcare market: from governance and control at **regional level** (Regions, Regional Agencies), to **local care** provided by local healthcare providers (ASL) and **hospital care** (hospitals, clinics and public and private healthcare facilities).

Utilities

The companies in the utilities sector are experiencing a complex historical period characterised by profound changes related to the liberalisation process and company mergers that generate an increasingly marked competitive pressure.

The Public Utility Services sector, which also includes energy, postal, environmental, water and transport services, has undergone significant transformations in the last ten years, which are related to the conversion into a joint stock company, the definition of service contracts to fulfil the public service obligations, the introduction of service charters for consumer protection, the regulation by independent authorities or the ministers in charge, the laying of the legislative and regulatory basis to start competition or the regulation of the regime for the concession of natural monopolies.

The separated management of the infrastructure (networked) from the services, the efficient management and profit control as well as the measuring of the service level are among the main aspects of importance in this context.

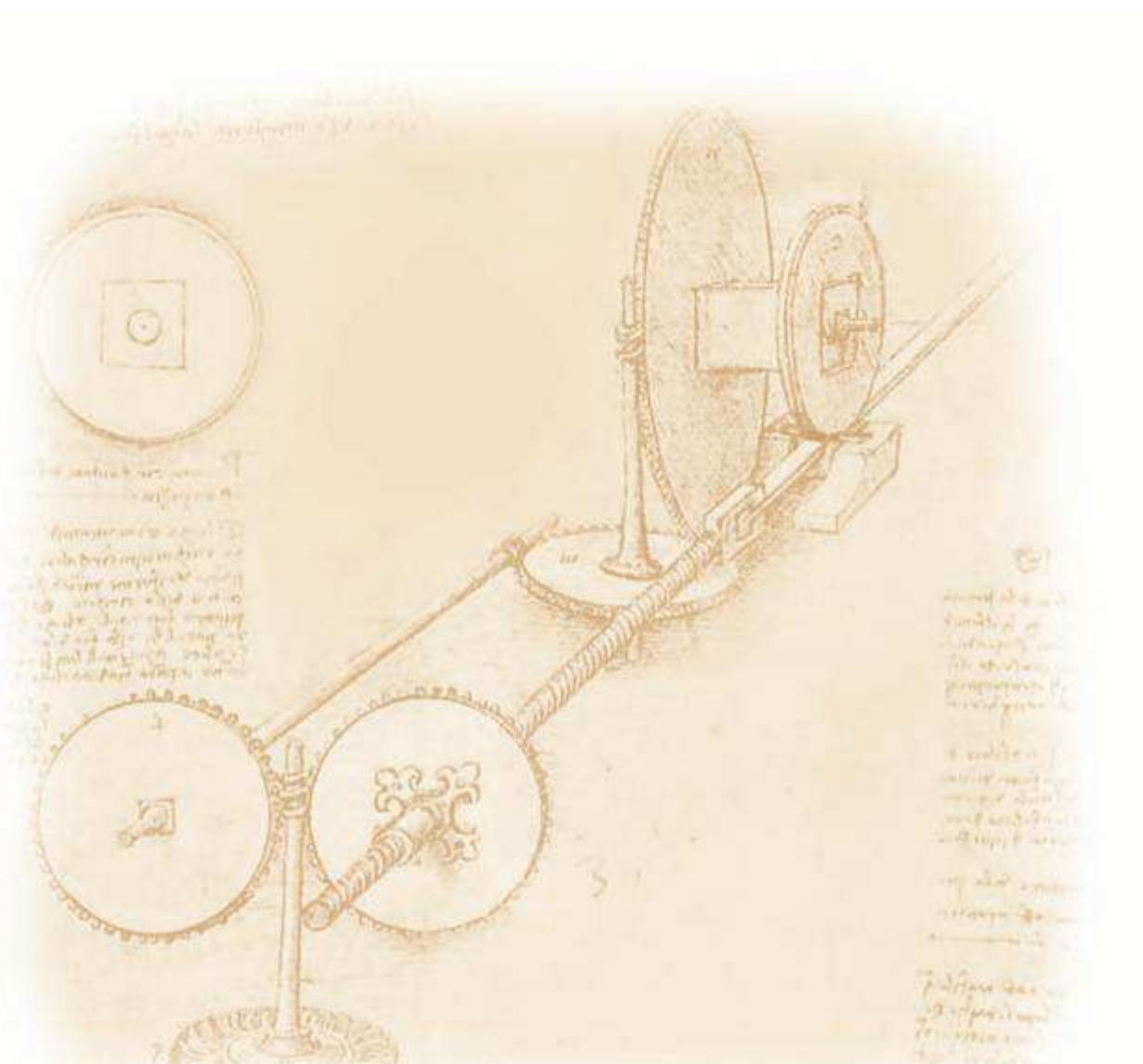
Exprivia assists its customers with solutions for the development and management of transversal and characteristic processes. In particular it proposes solutions aimed at ensuring an integrated management of administrative processes, efficient operating processes, the quality of customer services, process performance and compliance with service levels.

SOLUTIONS

Exprivia has always looked towards the future in a constant search for technologies that anticipate market trends so that customers can be provided with solutions and services that actually improve their business processes.

This strategic vision, together with the knowledge of specific market needs, the ability to manage complex projects and an internationally renowned research and development department, have made it possible to develop proprietary technological platforms and choose high quality third-party solutions, and in particular:

- Healthcare solutions
- Trading room solutions
- Credit & Risk Management solutions
- Mobile solutions
- IT infrastructure monitoring solutions
- SAP Suite solutions
- Security solutions
- Voice recognition solutions



SKILLS

Exprivia proposes a high-quality and competitive range of services to the market, with a market value that is expressed through the accurate planning of the right mix of professional profiles, technological skills and in-depth knowledge of the specific markets.

The quality and competitiveness of the service provided is guaranteed by an offer that focuses on **Competence Centres** specialised in specific topics (Murex, Tibco, SAP, Java, proprietary applications, etc.), to share personal experience and the experience gained in companies in order to always ensure that the most suitable knowledge and expertise are delivered to the customer.

By structuring and formalising the processes, the Competence Centres accumulate the knowledge needed to make application management, project development and training services efficient both on site and remotely, all the way to the full outsourcing.

In methodological terms the Competence Centre is a mix between the ITIL best practices and the methodology of analysis for Jacobson's BPR processes.

This service model proposed by Exprivia ensures a suitable governance of the activities relating to:

- SLA (Service Level Agreement) monitoring
- Business continuity
- Change management
- Capacity management

The Group relies on a team of experts with domain functional and technical skills specialised in the various technological aspects:

- Capital Market
- Credit & Risk Management
- SAP
- Social & WEB 2.0
- IT Governance & Infrastructure
- Business Analytics
- Business Process Management & Enterprise Application Integration
- Business Process Outsourcing

TREND IN EXPRIVIA GROUP RESULTS

The trend in **revenues per business area** in the first quarter of 2014 is essentially in line with the same period of 2013.

The details of the revenues concerning 31 March 2014 compared with the figures in the same period of the previous year, broken down by business line are shown below (in K €).

Exprivia Group (value in K €)	31.03.2014	31.03.2013	Variations %
Banks, Financial Institutions and Insurance	5,523	5,162	7%
Industry, Aerospace and Media	3,538	4,335	-18%
Energy and Telco	3,316	3,704	-10%
Health and Healthcare	5,410	5,639	-4%
Utilities	7,882	6,920	14%
Public Administration	1,136	1,426	-20%
International Business	2,770	2,882	-4%
Other	541	293	85%
Total	30,116	30,363	-0.81%

The details of the revenues concerning 31 March 2014 compared with the figures of the same period of the previous year, broken down by area of business, are shown below (in K €).

Exprivia Group (value in K €)	31.03.2014	31.03.2013	Variations
Projects and Services	24,349	25,036	-3%
Maintenance	3,044	3,946	-23%
HW/ SW third parties	1,935	577	235%
Own licences	248	511	-51%
Altro	540	293	84%
Total	30,116	30,363	-0.81%

The details of the revenues concerning 31 March 2014, compared with the figures as at 31 March 2013, broken down by private and public sector are shown below (in K €).

Exprivia Group (value in K €)	31.03.2104	Effect %	31.03.2103	Effect%	Variations%
PRIVATE	23,474	77.9%	23,232	76.5%	1.0%
PUBLIC	6,642	22.1%	7,131	23.5%	-6.9%
TOTAL	30,116		30,363		-0.81%

The details of the revenues concerning 31 March 2014, compared with the figures as at 31 March 2013, broken down by geographic area are shown below (in K €).

Exprivia Group (value in K €)	31.03.2104	Effect %	31.03.2103	Effect %	Variations %
ITALY	27,017	89.7%	27,102	89.3%	-0.3%
FOREIGN	3,099	10.3%	3,261	10.7%	-5.0%
TOTAL	30,116		30,363		-0.81%

BANKS AND FINANCIAL INSTITUTIONS

In the 1st quarter of 2014, the **Banks and Financial Institutions** business line recorded growth of 7% over the same period in 2013.

These results were mainly down to two factors:

- A specialised offer in the Finance market, Capital Market, Credit, Risk Management, Factoring applications in the major credit institutions.
- A wide-ranging offer targeted at the reference market based on new trends in Byod (Bring your Device), virtualisation, mobility, security with specific solutions regarding regulation 263, management and analytics based on Open technologies, where we possess distinctive expertise.

The trend in the Finance market, particularly regarding ICT investments in the major banks, is positive.

Rationalisation themes, coupled with a renewal of Multichannel applications and process digitalisation, hint at a crucial year where Exprivia, with its vertical and transversal skills, will be able to create positive value.

INDUSTRY, AEROSPACE AND MEDIA

In the first quarter of 2014, the **Industry, Aerospace and Media** recorded a decrease of 18% compared to the same period in 2013. In particular, the fall is attributable to the defence market, while the area registered growth in the industrial sectors, connected with international trends.

The customer base was provided with design services, application management services and in-cloud services, as part of mature offers such as those relating to ERP, HCM and extended ERP processes, rather than relating to highly innovative issues.

Of great importance for growth prospects are the experiences acquired in the area of mobility and analytics. Investments made on the SAP Hana platform have positioned us among the leaders on the Italian

market. Again in terms of the offer, positive results were achieved in the development of web solutions and portals, bringing the efforts capitalised on in our Research and Development laboratories to the market.

ENERGY AND TELECOM

In the first quarter of 2014, the **Energy and Telecom** business line recorded a decrease of 10% compared to the same period in the previous year where, however, domestic trends in the Energy sector were positive, with a backlog of growing projects.

In particular, in addition to the traditional ERP area of corporate applications, with SAP Hana testing, significant work was carried out in the field on Exploration area document systems, self-service applications in the retail area of gas distribution and on-site safety projects, as well as the constant upgrading of group portal applications.

The Telecom environment was stagnant, however, due to specific market reasons (fall in ICT investments) and to a reconfiguration of Exprivia's offer in the Telecom sector. In fact, the end of the first quarter of 2014 saw the completion of the acquisition of the equity investment in Devoteam (now Exprivia Telco & Media) dedicated to Telecommunications, which will strengthen the Exprivia Group's offer in the Telecom market, generating new growth prospects.

HEALTH AND HEALTHCARE

In the first quarter, the **Health and Healthcare** business line registered revenues of Euro 5.4 million, 4% below the figure in the same period of 2013. The BU recorded this slight difference given that the activities relating to certain important contracts acquired in 2013 were put back to Q2.

Revenues in the **hospital area** are in line with 2013, also thanks to successful cross-selling underway with customers for the sale of new solutions for the management of outpatient activities; in addition, this area can expect to see a significant increase in Q2 due to the effect of the activities relating to some major contracts acquired (on the entire RIS system for the Marches Region).

Revenues in the **regional area**, in which the reduction of the business unit is concentrated, are in line with 2013, as regards the components concerning the Edotto project in progress for the Puglia Region; while revenues are down in certain hospital areas in Puglia, partly due to the process of internalisation of resources implemented by said Region. In this regard, activities are also expected to start on a major computerisation project for an important Region in southern Italy acquired in 2013.

Lastly, in the **Voice Recognition** field, the result in the first quarter is in line with Q1 of 2013, which was an extremely significant quarter. Constant investments were made in solutions that will lead to supplies of voice recognition systems in new hospital fields (i.e. outpatients, wards), therefore allowing an expansion in the scope of the offer, up until now targeted solely at Radiology.

UTILITIES

The **Utilities** Business Line recorded revenues of Euro 7.9 million in the first quarter of 2014, an increase of around 14% compared to the same period of 2013.

Prospects remain positive given that the Business Line continues to consolidate and diversify its business, by acquiring new contracts and expanding its customer base.

The results achieved reflect a positive trend, already clear in 2013, which indicates that the investments made by the company over the last five years in this market sector have gradually started to mature.

The main activities concern the management and development of company management systems, the creation of applications for the management of customer care and the sale of innovative services through a variety of contact channels. Exprivia continues to exploit the growing trend in progress of major energy players to increasingly outsource internal administrative processes, thereby allowing an even quicker and

more stable transformation of the customer-supplier relationship into a partnership, which sees the **Utilities** Business Line increasingly become the main player.

Solutions and services were implemented in the first quarter to support market players with the sale of products linked to energy efficiency. Solutions are also being developed to increase the efficiency and effectiveness of contact centres.

PUBLIC ADMINISTRATION

The **Public Administration** Business Line recorded revenues of roughly Euro 1.1 million in the quarter, marking a decrease of around 20% compared to the figure in the 1st quarter of 2013. This reduction is attributable to the deferment of certain activities from the first quarter to later quarters, particularly relating to the contract of a major customer of **Central Public Administration**.

Worthy of note is the improvement of margins compared to the same period of the previous year, due to a streamlining of costs and delivery modes.

Exprivia's result was achieved in an unfavourable market context for PA ICT spending, which, following a negative 2013, recorded a persistently weak 1st quarter, despite the premises outlined by the objectives of the Digital Agenda, which presumed a clear inversion of the trend.

All contracts due to expire were renewed in the **Local Public Administration** domain, and additional extensions were ordered. The contracts are expected to be drawn up in the next quarter for two significant tenders awarded that will involve around 60 municipalities.

In January, Exprivia renewed an important 48-month contract for the development and maintenance of Business Intelligence systems for a key customer in Central Public Administration.

In the current year, Exprivia is committed to various significant tenders, some for the renewal of existing contracts and others relating to outstanding prospects. In particular, in the 1st quarter Exprivia took part in some significant tenders called by Consip, as part of a wider PA computerisation project, on the themes of cloud computing services, security, portals and application cooperation.

INTERNATIONAL BUSINESS

International development is concentrated in consolidating the company's presence in the Spanish market, developing the Latin America and Brazil market and entering the Chinese market.

In Spain, where the Exprivia Group is present through two subsidiaries, **Profesionales de Sistemas Aplicaciones y Productos S.L. (ProSap)** and **Exprivia S.L.**, the offer portfolio based on ERP applications and SAP services for industry and distribution, with Business Intelligence solutions for the Healthcare sector, and web services (marketing and online sales) for Banks and large distribution chains, has been expanded.

Sales in the Latin American countries, through local operators, of professional solutions and services in the Imaging and Business Intelligence for Healthcare area made an important contribution to Exprivia SL's results.

In Mexico, where the Exprivia Group operates directly with **Prosap Mexico**, sales and delivery actions continued with major private and public companies operating in the infrastructure construction sector in Latin America. Prosap Mexico is a SAP Gold Partner.

Commercial and development activities are expanding for **Prosap Guatemala**, which also operates in other Central America countries, and **Prosap Perú**, start-up focused on the industry sector and public administration, and is a partner of SAP Andina.

In Brazil, **Exprivia do Brasil Serviços de Informatica Ltda** recorded significant business growth in the IT Security sector and in the development of ERP SAP projects.

In **China**, where a **Representative Office** was opened in **Peking** in 2013, marketing activities continued, as did efforts to establish contacts with Chinese institutions and Italian and European companies present in the area, in order to initiate the start-up of Exprivia's commercial and industrial activities in that market.

SIGNIFICANT EVENTS IN THE FIRST QUARTER OF 2014

COMPANY EVENTS

No significant company events were recorded in the first quarter of 2014.

ACQUISITIONS/SALES IN THE EXPRIVIA GROUP

On 11 February 2014, Exprivia SpA signed a binding contract to acquire from the French Group Devoteam 100% of the share capital of Devoteam auSystem Spa, a company that has been operating in the Italian market for more than 15 years, as a reference company in the Telecommunications and Media sector, which lists the main international operators among its customers.

EVENTS AFTER 31 MARCH 2014

COMPANY EVENTS

On 23 April 2014, the shareholders' meeting of Exprivia SpA met on first call to approve the financial statements as at 31 December 2013.

The Corporate Governance and Ownership Report and the Remuneration Report for directors and management with strategic responsibility of the Exprivia Group were approved during the same shareholders' meeting. Both reports are published on the company's website in the "Investor Relations - Corporate Governance - Corporate Information" section.

The shareholders' meeting also appointed the new Board of Directors and new Board of Statutory Auditors and appointed the company PRICEWATERHOUSECOOPERS spa – PWC as independent auditors.

Lastly, the shareholders' meeting approved the issuing of a new authorisation to purchase and dispose of treasury shares, pursuant to articles 2357 and 2357-ter of the Italian Civil Code.

ACQUISITIONS/SALES IN THE EXPRIVIA GROUP

On 16 April 2014, the acquisition of 100% of the share capital of Devoteam auSystem Spa was completed, whose company name was changed to Exprivia Telco & Media Srl and the registered office transferred to Exprivia SpA's site in Milan, Via dei Valtorta 43.

STAFF AND TURNOVER

Company	Employees 31/12/13	Employees 31/03/14	Temporary workers 31/12/13	Temporary workers 31/03/14
Exprivia SpA	878	893	41	32
Exprivia Healthcare IT	265	263	-	-
Exprivia Enterprise Consulting	202	184	2	2
Exprivia SL (Spain)	14	15	-	-
Exprivia Projects S.r.l.	377	402	-	-
Prosap (gruoup) SL	134	130	-	-
Sispa S.r.l.	56	58	-	-
Spegea S.c. a r.l.	9	9	1	1
Exprivia do Brasil Servicos de Informatica Ltda	27	30	1	1
Total	1962	1984	45	36
<i>Of which management</i>	<i>35</i>	<i>35</i>		
<i>Of which middle management</i>	<i>180</i>	<i>173</i>		

Part-time workers made up around 35.5% of all employees, who work part-time in various configurations of contractual working hours

INTER-COMPANY RELATIONS

The organisational structure of the Exprivia Group functionally integrates all staff services of the Group subsidiaries within the consolidation area, thereby optimising the operational structures of each company to ensure effectiveness and efficiency in supporting the business of the Group.

On 1 January 2013, a new top level organisational structure of the Exprivia Group became operational, which made changes to the organisational structure implemented on 1 June 2012.

The Administration, Finance and Control Department aggregates the Group Finance function with the Administration and Control functions, reporting to the Chairman of the Exprivia Group.

The Human Resources Department reports directly to the Chairman of the Exprivia Group, who is the head of the department ad interim.

The Internal Audit, Mergers & Acquisitions, Corporate Affairs and International Business Departments, as well as the CEO/Chief Executive Officer, also report to the Chairman.

The operational structure under the CEO/Chief Executive Officer is based on a “Matrix Model”, and is organised into:

2 Commercial Divisions with market development functions: the Private Markets Division, divided into Industry – Banking and Insurance – Oil, Telecom & Media, and the Public Markets Division, divided into in CPA & RPA - Utilities & Public Services – Healthcare. These Divisions are in charge of developing their specific markets to achieve the revenue/profit targets and, in synergy with the production and delivery divisions, identifying area for improvement/expansion of the offer of products and solutions.

8 Production and Delivery Departments specialised according to technology and type of services, which supplement and oversee all the expertise and skills provided by the companies in the Group. Each Department is fully responsible for the profit & loss of the business achieved transversally across the various markets.

3 Staff Functional Units that operate transversally to support the Divisions and Departments at Group level. These are: Marketing & Communication, Corporate IT System and Quality and Legal Office.

The Group companies constantly collaborate with each other for commercial, technological and application development. In particular the following should be pointed out:

- Widespread use of specific corporate marketing and communication competencies within the group including the production of paper, digital and web-based promotional material;
- Centralised management for the supply of specialist technical resources between group companies to manage critical points in turnover and to give all operational units access to highly specialised technical competencies;
- Coordinated participation by Exprivia in public contract tenders with the contribution of all companies according to their specific competencies.

The table below shows the financial receivables due from subsidiaries of Exprivia, not included in the consolidation area.

Descrizione	31/03/2014	31/12/2013	Variazione
Farm Srl in liquidazione	20.388	20.388	-
TOTALI	20.388	20.388	-

RELATIONS WITH AFFILIATES AND ASSOCIATED COMPANIES

In compliance with applicable legislative and regulatory provisions, and in particular with:

(i) the new "Regulations on transactions with affiliates – CONSOB resolution no. 17221 of 12 March 2010" as amended by resolution no. 17389 of 23 June 2010; (ii) the outcome of the subsequent "consultation" published by CONSOB on 24 September 2010; (iii) the CONSOB notice on guidelines for applying the regulations published on 24 September 2010; (iv) CONSOB notice no. 10094530 of 15 November 2010 with additional clarifications.

On 27 November 2010 the Board of Directors of the Company adopted a new "Procedure for Transactions with Affiliates", setting forth provisions concerning transactions with affiliates in order to ensure transparent and correct operations with affiliates in substance and procedure carried out directly or through companies that are directly and/or indirectly controlled by Exprivia ("Exprivia Group").

This procedure replaced the one previously in force, which had been introduced on 26 March 2007.

Transactions with affiliates are part of normal business management and are carried out under normal market terms.

During the first quarter of 2014, there were no transactions contemplated under the Procedure for Transactions with Related Parties.

The procedure for performing intercompany transactions and transactions with associated companies is published on the company website in the section "Investor Relations – Corporate Governance - Corporate Information".

GROUP RELATIONS WITH PARENT COMPANIES

The tables below show relations between the Exprivia Group and the parent company Abaco Innovazione SpA as at 31 March 2014, compared with 31 March 2013 for the equity data and with the same period of the previous year for economic data.

RECEIVABLES

Description	31/03/2014	31/12/2013	Variation
Exprivia S.p.A.	1,689,322	1,675,919	13,403
TOTAL	1,689,322	1,675,919	13,403

It is worth noting that receivables, in the amount of Euro 1,419,791 are of the financial, interest-bearing type.

REVENUES AND INCOME

Description	31/03/2014	31/03/2013	Variation
Exprivia S.p.A.	13,404	3,435	9,969
TOTAL	13,404	3,435	9,969

BUSINESS OUTLOOK

The Italian ICT market, according to source SIRMI, recorded a spending volume of Euro 12,967 billion in the first quarter of 2014, down 4.3% compared to the same period in 2013, when the decrease was 5.7%. This result confirms, at least for the ICT market, that the exit from the crisis is not imminent, even though the first signs of a slowdown in the negative trend have been recorded.

In this economic context, Exprivia maintained its volume of business essentially stable, and, therefore, its presence on the market, continuing to remain focused on strengthening its offer in the digital economy and security segments, on the acquisition and management of more complex projects and on the development of international markets.

The acquisition of the Italian company in the French Group Devoteam, Devoteam auSystem, now Exprivia Telco&Media, finalised with the closing on 16 April, which will only be consolidated in accounting terms in the second quarter, opens new business opportunities in one of the most promising markets in the entire ICT segment.

In a scenario lacking in investments, Exprivia has numerous active research projects and investments on its offer line, which will allow the company to grow more quickly as soon as the macroeconomic trend starts to reverse.

Quarterly Consolidated Financial Statements of the Exprivia Group



Consolidated Balance Sheet

	31.03.2014	31.03.2013	31.12.2013
Land and buildings	6,738,437	6,421,479	6,542,909
Work in progress and advances	3,764,541	1,644,822	3,210,906
Other assets	3,349,793	4,007,223	3,340,849
Property, plant and machinery	13,852,771	12,073,524	13,094,664
Goodwill	29,387,603	29,417,045	29,394,963
Consolidation difference	39,504,995	39,617,327	39,533,078
Goodwill and other assets with an indefinite useful life	68,892,597	69,034,372	68,928,041
Intangible assets	1,493,702	1,377,822	1,618,137
Research and development costs	3,044,556	2,939,036	3,010,465
Work in progress and advances	748,927	748,926	748,927
Other Intangible Assets	5,287,185	5,065,784	5,377,529
Investments in subsidiaries			
Investments in associates		175,188	15,613
Investments in other companies	867,173	903,335	857,172
Equity investments	867,173	1,078,523	872,785
Receivables from associates		20,388	
Other receivables	1,935,693	1,983,282	1,837,134
Other financial assets	1,935,693	2,003,670	1,837,134
Tax advances/deferred taxes	1,554,670	1,320,299	1,568,095
Deferred tax assets	1,554,670	1,320,299	1,568,095
NON-CURRENT ASSETS	92,390,088	90,576,172	91,678,248

	31.03.2014	31.03.2013	31.12.2013
Trade receivables	51,730,076	58,874,634	56,217,164
Crediti verso imprese controllate	20,388		20,388
Receivables from associates		178,301	
Receivables from parent companies	1,689,322	1,054,462	1,675,919
Other receivables	15,933,110	13,336,832	14,288,417
Tax receivables	1,376,292	1,368,179	1,131,054
Trade receivables and other	70,749,189	74,812,408	73,332,942
Inventories	181,958	280,888	449,799
Inventories	181,958	280,888	449,799
Work in progress contracts	13,294,958	16,368,394	12,214,932
Work in progress contracts	13,294,958	16,368,394	12,214,932
Held at bank	8,734,702	7,991,585	7,199,765
Cheques and cash in hand	44,681	29,340	49,782
Cash at bank and on hand	8,779,384	8,020,925	7,249,547
CURRENT ASSETS	93,005,488	99,482,615	93,247,220
ASSETS	185,395,577	190,058,787	184,925,468

	31.03.2014	31.03.2013	31.12.2013
Share Capital	26,979,658	26,979,658	26,979,658
Share capital	26,979,658	26,979,658	26,979,658
Treasury shares	(636,787)	(514,450)	(636,787)
Treasury shares	(636,787)	(514,450)	(636,787)
Share premium	18,081,738	18,081,738	18,081,738
Share Premium Reserve	18,081,738	18,081,738	18,081,738
Revaluation reserve	2,907,138	2,907,138	2,907,138
Revaluation reserve	2,907,138	2,907,138	2,907,138
Legal reserve	3,312,805	3,182,603	3,312,804
Other reserves	11,718,309	9,395,117	11,718,309
Other reserves	15,031,114	12,577,720	15,031,113
Retained earning/loss	8,770,675	9,189,764	5,975,474
Profits/Losses for previous periods	8,770,675	9,189,764	5,975,474
Profit/Loss for the period	(409,317)	67,016	2,855,879
SHAREHOLDERS' EQUITY	70,724,219	69,288,584	71,194,213
Minority interest	1,870,041	2,052,130	1,906,014
GROUP SHAREHOLDERS' EQUITY	68,854,178	67,236,454	69,288,199
Non-current bank debt	8,605,012	8,477,083	8,531,974
Non-current bank debt	8,605,012	8,477,083	8,531,974
Trade payables after the financial year	470,105	674,235	489,948
Payables for equity investments	1,740,396	1,740,396	1,740,396
Tax liabilities and amounts for social security payable after the financial year		164,569	119,161
Other financial liabilities	2,329,662	2,579,200	2,349,505
Other provisions	1,777,216	1,527,921	1,600,483
Provision for risks and charges	1,777,216	1,527,921	1,600,483
Employee severance indemnities	8,542,137	8,539,635	8,714,511
Employee provisions	8,542,137	8,539,635	8,714,511
Provisions for deferred taxes	1,254,640	1,295,893	1,262,729
Deferred tax liabilities	1,254,640	1,295,893	1,262,729
TOTAL NON-CURRENT LIABILITIES	22,508,667	22,419,732	22,459,202

	31.03.2014	31.03.2013	31.12.2013
Current bank debt	32,292,957	41,682,201	36,120,716
Current bank debt	32,292,957	41,682,201	36,120,716
Trade payables	21,638,298	18,506,114	20,512,414
Trade payables	21,638,298	18,506,114	20,512,414
Advances	2,387,950	2,863,831	2,448,157
Advances payment on work in progress contracts	2,387,950	2,863,831	2,448,157
Payables to associated companies		74,361	
Other payables	4,174,434	2,641,280	4,023,929
Other financial liabilities	4,174,434	2,715,641	4,023,929
Tax liabilities	9,783,443	10,750,826	8,848,388
Tax liabilities	9,783,443	10,750,826	8,848,388
Amounts payable to pension and social security institutions	3,566,882	3,524,854	4,976,918
Other payables	18,318,724	18,307,004	14,341,531
Other current liabilities	21,885,607	21,831,858	19,318,449
CURRENT LIABILITIES	92,162,690	98,350,471	91,272,053
LIABILITIES	185,395,577	190,058,787	184,925,468

Consolidated Income Statement

	31.03.2014	31.03.2013	31.12.2013
Revenue from sales and services	29,355,165	28,383,412	127,190,277
Revenues	29,355,165	28,383,412	127,190,277
Other revenues and income	157,843	205,517	801,065
Grants related to income	871,978	203,653	2,171,208
Other income	1,029,820	409,170	2,972,273
Changes in inventories of work in progress	(267,842)	95,609	279,051
Changes in work in progress contracts	1,028,868	1,883,032	(868,266)
Increase in capitalised expenses for intenal projects	378,594	350,265	1,652,966
Changes in inventories of finished goods and work in progress	1,139,621	2,328,906	1,063,751
PRODUCTION REVENUES	31,524,606	31,121,488	131,226,301
Costs of raw, subsid. & consumable mat. and goods	2,751,828	1,607,520	11,182,948
Raw materials and consumables used	2,751,828	1,607,520	11,182,948
Salaries	15,424,087	15,597,159	60,361,447
Social security charges	4,240,110	4,291,631	16,243,345
Employee severance indemnities	880,518	873,470	4,056,182
Other staff costs	290,698	268,427	1,144,177
Costs related to employee benefits	20,835,413	21,030,687	81,805,151
Other costs for services	4,444,057	4,397,332	18,348,989
Costs for leased assets	1,228,234	1,269,012	4,998,890
Sundry operating expenses	276,946	305,526	1,450,226
Provisions	188,389	31,717	367,156
Other costs	6,137,625	6,003,587	25,165,261
TOTAL PRODUCTION COSTS	29,724,866	28,641,794	118,153,360
DIFFERENCE BETWEEN PRODUCTION COSTS AND REVENUES	1,799,740	2,479,694	13,072,941

	31.03.2014	31.03.2013	31.12.2013
Ordinary amortisement of intangible assets	474,363	409,448	2,055,464
Ordinary depreciation of tangible assets	394,780	429,373	1,536,264
Othe write-downs	28,083	56,494	294,050
Doubtful receivables included in current assets		15,700	482,469
Amortisation, depreciation and write-downs	897,225	911,015	4,368,247
OPERATIVE RESULT	902,514	1,568,680	8,704,694
Income from parents companies	(13,404)	(3,435)	(31,694)
Income from other investments		(46)	(111,256)
Other income other than the above	(16,722)	(10,803)	(37,236)
Interest and other financial charges	742,577	734,007	2,804,308
Profit and loss on currency exchange	(4,457)	(77,576)	46,930
Financial income and charges	707,995	642,147	2,671,052
PRE-TAX RESULT	194,519	926,533	6,033,642
IRES	130,702	213,549	1,250,125
IRAP	485,307	634,979	2,572,396
Taxes previous years		13,817	(689,788)
Deferred taxes	(8,089)	109	(694)
Tax paid in advance	(4,084)	(2,937)	45,724
Income tax	603,836	859,517	3,177,763
PROFIT OR LOSS FOR THE PERIOD	(409,317)	67,016	2,855,879
Attributable to:			
Shareholders of holding company	-402,707	34,311	2,418,127
Minority interest	-6,610	32,704	437,752

Statement of Comprehensive Income (*)

Description	31/03/2014	31/03/2013	31/12/2013
Profit for the period	(409,317)	67,016	2,855,879
Profit (loss) for the actuarial effect of IAS 19			(286,059)
Tax effect of changes			78,666
Net income / (expense) for the period recognized in equity	-	-	(207,393)
Total comprehensive income	(409,317)	67,016	2,648,486
<i>attributable to:</i>			
Group	(402,707)	34,311	2,375,963
Minority interest	(6,610)	32,705	272,523

(*) It should be noted that accounting standard IAS 1, paragraph 81, in force since 1 January 2009, prescribes that the Comprehensive Income Statement should be presented as one of the following:

- a single summary of the income statement
- a separate summary of the comprehensive income statement

The presentation of a separate summary of the comprehensive income statement was considered preferable.

Statement of Changes in Consolidated Shareholders' Equity

Operations	Company Capital	Own shares	Share Premium Fund	Reval. Reserve	Other Reserves	Profits (Losses) brought forward	Valuation Reserve	Profit (Loss) for the period	Minority Interests	Minority Interests	Total Net Worth	Total Group Net Worth
Balance at 31/12/2011	26,979,658	(46,508)	18,081,738	2,907,138	10,998,820	6,405,325		3,206,289	1,291,854	3,206,289	68,532,460	67,240,606
Changes in opening balances						(274,219)	274,219				-	
Balance at 01/01/2012	26,979,658	(46,508)	18,081,738	2,907,138	10,998,820	6,131,106	274,219	3,206,289	1,291,854	3,206,289	68,532,460	67,240,606
Reclassification previous year's profit to previous year's profit					1,607,041	1,599,248		(3,206,289)			-	
Dividend distribution											-	
Dividend distribution						(1,603,295)					(1,603,295)	
Purchase of own shares		(530,471)			(54,766)						(585,237)	
Sale of own shares		82,967			64,526						147,493	
Changes in consolidated companies						(187,539)					(187,539)	
Profit (loss) of the period								2,424,481	208,418	2,424,481	2,424,481	
Net income / (expense) for the period recognized in equity					(33,197)		(14,290)			(47,487)	(47,487)	
Balance at 31/12/2012	26,979,658	(494,012)	18,081,738	2,907,138	12,582,424	5,939,520	259,929	2,424,481	1,500,272	2,376,994	68,680,875	67,180,603
Reclassification previous year's profit to previous year's profit					2,604,023	(179,542)		(2,424,481)			-	
Dividend distribution											-	
Dividend distribution											-	
Purchase of own shares		(142,775)			(56,858)						(199,633)	
Sale of own shares											-	
Changes in consolidated companies						215,496					215,496	
Profit (loss) of the period								2,855,879	406,642	2,855,879	2,855,879	
Net income / (expense) for the period recognized in equity					(98,476)		98,476			-	-	
Balance at 31/12/2013	26,979,658	(636,787)	18,081,738	2,907,138	15,031,113	5,975,474	358,405	2,855,879	1,906,914	2,855,879	71,194,213	69,287,299
Reclassification previous year's profit to previous year's profit						2,855,879		(2,855,879)			-	
						(125,575)					(125,575)	
Changes in consolidated companies						64,897					64,897	
Profit (loss) of the period								(409,317)	(36,873)	(409,317)	(409,317)	
Net income / (expense) for the period recognized in equity											-	
Balance at 31/03/2014	26,979,658	(636,787)	18,081,738	2,907,138	15,031,113	8,770,675	358,405	(409,317)	1,870,041	(409,317)	70,724,218	68,854,178

Consolidated Cash Flow Statement

	31.03.2014	31.03.2013	31.12.2013
Operating activities:			
Profit (loss)	(409,317)	67,016	2,855,879
Amortisation, depletion and depreciation of assets	869,142	838,821	3,591,728
Provision for Severance Pay Fund	880,518	873,470	4,056,182
Advances/Payments Severance Pay	(1,052,892)	(1,033,110)	(4,040,946)
Adjustment of value of financial assets			
Cash flow arising from operating activities	287,452	746,197	6,462,843
Increase/Decrease in net working capital:			
Variation in stock and payments on account	(872,392)	(2,301,574)	1,267,303
Variation in receivables to customers	4,487,088	3,740,415	6,397,885
Variation in receivables to parent/subsidiary/associated company	(13,403) -	58,071.00	(501,227)
Variation in other accounts receivable	(1,889,931)	(1,591,315)	(2,305,775)
Variation in payables to suppliers	1,125,884	246,019	2,252,319
Variation in payables to parent/subsidiary/associated company		1,856	(72,505)
Variation in tax and social security liabilities	(474,980)	(2,162,954)	(2,613,328)
Variation in other accounts payable	4,127,699	3,957,798	1,374,974
Cash flow arising (used) from current assets and liabilities	6,489,964	1,832,174	5,799,646
Cash flow arising (used) from current activities	6,777,416	2,578,371	12,262,489
Investment activities:			
Variation in tangible assets	(1,152,886)	(781,983)	(2,910,014)
Variation in intangible assets	(348,575)	(361,982)	(2,213,412)
Variation in financial assets	(79,522)	53,955	158,045
Cash flow arising (used) from investment activities	(1,580,983)	(1,090,011)	(4,965,382)
Financial activities:			
Changes in financial assets not held as fixed assets	148,801	(134,615)	(324,912)
Variation in other reserves	(60,677)	540,693	(342,542)
Cash flow arising (used) from financial activities	88,123	406,078	(667,454)
Increase (decrease) in cash	5,284,557	1,894,438	6,629,653
Banks and cash profits at start of year	7,249,547	5,343,335	5,343,335
Banks and cash losses at start of year	(44,652,690)	(49,376,132)	(49,376,132)
Banks and cash profits at end of period	8,779,384	8,020,925	7,249,547
Banks and cash losses at end of period	(40,897,969)	(50,159,284)	(44,652,690)
Increase (decrease) in liquidity	5,284,557	1,894,438	6,629,654

EXPLANATORY NOTES TO THE EXPRIVIA GROUP FINANCIAL STATEMENTS

DECLARATION OF COMPLIANCE WITH IFRS

The quarterly report as at 31 March 2014 of the Exprivia Group was prepared in accordance with International Financial Reporting Standards approved by the European Commission (hereafter IAS/IFRS individually or IFRS as a whole).

- The form and content of this quarterly report as at 31 March 2014 conform to the information set out by IAS 34 “Interim Financial Statements”, in compliance with art. 154-ter of Legislative Decree 58/1998 of the Consolidated Finance Act (TUF) as amended.
- The financial statements were drawn up in accordance with IAS 1 while the notes were prepared in a condensed form, applying the right set out by IAS 34, and consequently do not include all the information required for an annual report drawn up in accordance with IFRS.

Consolidation Area

The consolidated financial statements as at 31 March 2014 include the equity, economic and financial situations of the Holding Company Exprivia S.p.A. and subsidiaries, and were not subject to changes with respect to 31 December 2013.

The table below shows the companies under consolidation:

Company	Area
Consorzio Exprivia	Energy and Telco
Exprivia Projects Srl	Utilities
Exprivia Do Brasil	Spain and the Americans
Exprivia SL	Spain and the Americans
Exprivia Healthcare IT Srl	Healthcare/ Public Administrations
ProSap Group	Spain and the Americans
Exprivia Enterprise Consulting Srl	Industry, Aerospace and Media/Public Administration/Utilities/ Banks and Finance/ Energy and Telco/Healthcare/Energy and Telco
SiSpa Srl	Banks and Finance
Spegea Scarl	Other

The table below provides the main data on the aforementioned subsidiaries consolidated using the line-by-line method.

Company	H.O.	Company capital	Results for period	Net worth	Value of production	Total Assets	% of holding
Consorzio Exprivia S.c.a.r.l	Milano	20,000		12,309		20,932	100.00%
Exprivia SL	Madrid (Spagna)	8,250	40,654	1,114,685	430,521	2,554,677	60.00%
Exprivia Enterprise Consulting Srl	Milano	1,500,000	(207,659)	1,534,723	3,043,785	13,839,337	100.00%
Exprivia Healthcare IT Srl	Trento	1,548,000	555,029	3,831,387	4,783,479	21,165,605	100.00%
Exprivia Do Brasil Servicos Ltda	Rio de Janeiro (Brasile)	1,883,445	(9,321)	2,056,170	365,071	2,503,267	52.22%
Exprivia Projects Srl	Roma	242,000	(21,098)	33,143	2,137,421	3,520,590	100.00%
Gruppo ProSap	Madrid (Spagna)/Città del Messico/Città del Guatemala	197,904	(103,980)	595,872	2,020,478	7,565,178	51.12%
SiSpa Srl	Milano	580,000	218,769	1,622,695	1,774,491	4,231,763	100.00%
Spegea Sc a rl	Bari	125,000	81,018	376,169	510,145	1,881,482	60.00%

Farm Multimedia S.r.l., in liquidation, 100% owned, is not included in the consolidation area as it is considered irrelevant.

Information on the consolidated balance sheet and income statement

Details are provided below on the items in the Balance Sheet and Income Statement, drawn up in accordance with international accounting standards (IAS/IFRS).

All the figures reported in the tables below are in Euro.

SHAREHOLDERS' EQUITY

SHARE CAPITAL

“**Share Capital**”, fully paid up, amounted to Euro 26,979,658.16 and is represented by 51,883,958 ordinary shares with a nominal value of at Euro 0.52 each. This is the same as at 31 December 2013.

TREASURY SHARES

At 31 March 2014 “**treasury shares**” amounted to Euro -636,787.32, remaining unchanged with respect to 31 December 2013 and refer to the purchase of treasury shares under the plan approved by the shareholders' meeting of 23 April 2014. The number of treasury shares amounts to 1,224,591.

SHARE PREMIUM RESERVE

At 31 March 2014 the “**share premium reserve**” amounted to Euro 18,081,738 and is the same as at 31 December 2013.

REVALUATION RESERVE

At 31 March 2014 the “**revaluation reserve**” amounted to Euro 2,907,138 and is the same as at 31 December 2013.

OTHER RESERVES

The item **“other reserves”** amounted to Euro 15,031,113 and did not change with respect to 31 December 2013; the item is composed as follows:

- Euro 3,312,804 for the **“legal reserve”**, which remained unchanged with respect to 31 December 2013;
- Euro 263,790 for the **“extraordinary reserve”**, which remained unchanged with respect to 31 December 2013;
- Euro 7,904,776 to the **“Provision for Investments in the Regione Puglia Programme Agreement”** under the General Regulations governing aid no. 9 of 26 June 2009 and subsequent amendments and additions – Title VI “Aid to the investment programmes promoted by Large Enterprises to be granted through Regional Programme Agreements” (project S.D.I.), which remained unchanged with respect to 31 December 2013;
- Euro 3,846,124 to the **“Puglia Digitale Project Reserve”** created in connection with the investment programme called "Puglia Digitale Project" as resolved by the Exprivia shareholders' meeting on 18 April 2013, which remained unchanged with respect to 31 December 2013;
- Euro -577,123 for **“other reserves”**, which remained unchanged with respect to 31 December 2013;
- Euro 82,743 to the **“reserve for actuarial (gains) pursuant to IAS 19”** created as a result of the change to IAS 19 (2011), which makes provision for the recognition of actuarial gains/losses (“remeasurements”) in equity reserves, and remained unchanged with respect to 31 December 2013;
- Euro -22,754 to the **“reserve for the tax effect of IAS 19”** relating to the tax effect of the recognition of actuarial gains/losses and remained unchanged with respect to 31 December 2013;
- Euro 220,754 for the **“IAS/IFRS tax effect reserve”** represents the tax effect calculated on changes after adopting IFRS and is the same as at 31 December 2013.

PROFIT FROM PREVIOUS PERIODS

Profit of previous years as at 31 March 2014 stood at Euro 8,770,675 compared to Euro 5,975,474 as at 31 December 2013; the change is attributable mainly to the allocation of the profit (loss) for the year 2013 and adjustment of the profit (loss) for the previous year of the ProSap Group, which changed following the approval of the financial statements of the Holding Company Exprivia and of the consolidated financial statements.

NON-CURRENT LIABILITIES

NON-CURRENT BANK DEBT

At 31 March 2014 the item **“non-current bank debt”** amounted to Euro 8,605,012 compared to Euro 8,531,974 as at 31 December 2013, and pertains to medium-term borrowing from major credit and financial institutions and to low-interest loans for specific investment programmes.

PRODUCTION REVENUES

REVENUES

Revenue from sales and services in the first quarter of 2014 amounted to Euro 29,355,165 compared to Euro 28,383,412 in the first quarter of 2013. See the section 'Trend in Exprivia Group results' in the Report for details and information on revenue from sales and services for the business segments (including changes in inventories in progress).

The table below provides details on the revenue from sales and services (Euro 29,355,165), including changes in inventories of work in progress (Euro -267,842) and changes in contract work in progress (Euro 1,028,868) pertaining to the first quarter of 2014, compared to the figures of the first quarter of 2013 and broken down by business area (in K Euro).

Exprivia Group (value in K €)	31.03.2014	31.03.2013	Variations %
Banks, Financial Institutions and Insurance	5,523	5,162	7%
Industry, Aerospace and Media	3,538	4,335	-18%
Energy and Telco	3,316	3,704	-10%
Health and Healthcare	5,410	5,639	-4%
Utilities	7,882	6,920	14%
Public Administration	1,136	1,426	-20%
International Business	2,770	2,882	-4%
Other	541	293	85%
Total	30,116	30,363	-0.81%

The details of the revenues concerning 31 March 2014 compared with the figures of the same period of the previous year, broken down by area of business, are shown below (in K €).

Exprivia Group (value in K €)	31.03.2014	31.03.2013	Variations
Projects and Services	24,349	25,036	-3%
Maintenance	3,044	3,946	-23%
HW/ SW third parties	1,935	577	235%
Own licences	248	511	-51%
Altro	540	293	84%
Total	30,116	30,363	-0.81%

CHANGES IN INVENTORIES

Changes in inventories of work in progress, semi-finished and finished goods

In the first quarter of 2014 the item **“changes in inventories of work in progress, semi-finished and finished goods”** amounted to Euro -267,842 compared to Euro 95,609 in the same period of the previous year. It refers to changes in finished products for the medical sector.

Fluctuation in contract work in progress

In the first quarter of 2014 the item **“fluctuation in contract work in progress”** amounted to Euro 1,028,868 compared to Euro 1,883,032 of the same period of 2013 and refers to the change in contract work in progress pertaining to the reporting period.

Increases in fixed assets for internal work

In the first quarter of 2014 the item **“Increases in fixed assets for internal work”** amounted to Euro 378,594 compared to Euro 350,265 in the first quarter of 2013 and mainly refers to expenses incurred in the period to develop products for the banking and healthcare sectors.

PRODUCTION COSTS

RAW MATERIALS, CONSUMABLES AND GOODS

In the first quarter of 2014 the item **“raw materials, consumables and goods”** amounted to Euro 2,751,828 compared to Euro 1,607,520 in the same period of the previous year. The table below provides details on the items.

Description	31/03/2014	31/03/2013	Variation
Purchase of HW-SW products	1,797,576	797,161	1,000,415
Purchase of HW-SW maintenance	848,058	673,093	174,965
Stationery and consumables	41,647	43,477	(1,830)
Fuel and oil	38,780	66,204	(27,423)
Transport and freight rates on purchases	21,783	-	21,783
Purchase of sundries		18,600	(18,600)
Warranty services on our customers activities	3,984	8,986	(5,002)
TOTAL	2,751,828	1,607,520	1,144,308

STAFF COSTS

In the first quarter of 2014 the item “**staff costs**” amounted to Euro 20,835,413 compared to Euro 21,030,687 in the first quarter of 2013. The table below provides details on the item:

Description	31/03/2014	31/03/2013	Variation
Salaries and wages	15,424,088	15,597,158	(173,070)
Social charges	4,240,109	4,291,632	(51,523)
Severance Pay	880,519	873,470	7,048
Other staff costs	290,697	268,427	22,271
TOTAL	20,835,413	21,030,687	(195,274)

The number of group employees at 31 March 2014 amounted to 2,020 workers, 1,984 of which employees and 36 temporary workers, compared to 2,037 (1,952 employees and 85 temporary workers) at 31 March 2013 and 2,007 (1,962 employees and 45 temporary workers) at 31 December 2013.

OTHER COSTS

Other costs for services

In the first quarter of 2014 the item “**other costs for services**” amounted to Euro 4,444,057 compared to Euro 4,397,332 in the first quarter of 2013. The table below provides details on the items:

Description	31/03/2014	31/03/2013	Variation
Technical and commercial consultancy	2,299,077	1,785,422	513,655
Administrative/company/legal consultancy	320,287	328,811	(8,524)
Consultancy to subsidiary companies	3,570	4,393	(823)
Data processing service	11,188	82,548	(71,360)
Auditors' fees	123,602	171,116	(47,514)
Travel and transfer expenses	455,225	776,290	(321,065)
Other staff costs	98,848	7,881	90,967
Utilities	243,742	325,773	(82,031)
Advertising and agency expenses	146,871	76,561	70,311
HW and SW maintenance	164,499	206,227	(41,728)
Insurance	133,430	77,336	56,093
Costs of temporary staff	135,254	195,042	(59,788)
Other costs	207,939	267,974	(60,035)
Mail services	100,524	91,957	8,567
TOTAL	4,444,057	4,397,332	46,725

Costs for leased assets

In the first quarter of 2014, the item “**costs for leased assets**” amounted to Euro 1,228.34 compared to Euro 1,269,012 in the same period of the previous year. The table below provides details on the items:

Description	31/03/2014	31/03/2013	Variation
Rental expenses	561,309	524,812	36,496
Car rental/leasing	404,426	317,226	87,201
Rental of other assets	217,453	401,488	(184,035)
Royalties	45,046	21,337	23,708
Leasing payments	-	3,545	(3,545)
Other costs	-	602	(602)
TOTAL	1,228,234	1,269,012	(40,778)

Sundry operating expenses

In the first quarter of 2014 the item “**sundry operating expenses**” amounted to Euro 276,946 compared to Euro 305,526 of the first quarter of 2013. The table below provides details on the items:

Description	31/03/2014	31/03/2013	Variation
Annual subscriptions	28,665	34,493	(5,829)
Books and magazines	1,246	2,090	(844)
Taxes	67,623	56,251	11,372
Stamp duty	27,916	17,743	10,173
Penalties and fines	32,113	4,098	28,016
Charitable donations	-	2,120	(2,120)
Contingency liabilities	8,259	23,145	(14,887)
Bank charges and commissions	89,296	108,348	(19,052)
Sundry expenses	21,829	57,238	(35,409)
TOTAL	276,946	305,526	(28,580)

Inventories and provisions

In the first quarter of 2013 the item “**inventories and provisions**” amounted to Euro 188,389 compared to Euro 31,716 in the first quarter of 2012. It refers to the provisions for risks related to research projects and contract work in progress.

AMORTISATION, DEPRECIATION AND WRITE-DOWNS

Amortisation and depreciation

The item “**amortisation and depreciation**” amounted to Euro 869,142 compared to Euro 838,821 in the first quarter of 2013 and refers to Euro 474,363 for the amortisation of intangible assets and Euro 394,780 for the depreciation of tangible assets.

Other write-downs

“Other write-downs” totalled Euro 28,083 compared to Euro 56,494 in the same period of the previous year and refer to the write-downs of certain intangible assets.

FINANCIAL INCOME AND CHARGES

Income from parent companies

In the first quarter of 2014 the item **“income from parent companies”** amounted to Euro 13,404 compared to Euro 3,435 in the first quarter of 2013 and refers to interest accrued by the Parent Company Abaco Innovazione S.p.A. for loans in place.

Other financial income

In the first quarter of 2014 the item **“other financial income”** amounted to Euro 16,722 compared to Euro 10,803 in the same period of 2013. The table below provides details on the item.

Description	31/03/2014	31/03/2013	Variation
Bank interest receivable	1,058	2,327	(1,269)
Revenues from financial derivatives	-	2,119	(2,119)
Other interest income	15,640	2,888	12,752
Rounding up of assets	24	3,469	(3,445)
TOTAL	16,722	10,803	5,919

Interest and other financial charges

In the first quarter of 2014 the item **“interest and other financial charges”** amounted to Euro 742,577 compared to Euro 734,007 in the same period of the previous year. The table below provides details on the items:

Description	31/03/2014	31/03/2013	Variation
Bank interest payable	500,670	344,982	155,687
Interest on loans and mortgages	127,152	174,388	(47,236)
Sundry interest	14,174	198,191	(184,017)
Charges on financial products and sundry items	100,357	16,738	83,619
Rounding up/down	225	(293)	517
TOTAL	742,577	734,007	8,571

Profit and loss on currency exchange

In the first quarter of 2014 **“profit on currency exchange”** amounted to Euro 4,457 compared to a profit on currency exchange of Euro 77,576 in the first quarter of 2013.

INCOME TAXES

In the first quarter of 2014 “**Income taxes**” amounted to Euro 603,836 compared to Euro 859,517 in the first quarter of 2013. The table below provides details on the items.

Description	31/03/2014	31/03/2013	Variation
IRES	130,702	213,549	(82,847)
IRAP	485,307	634,979	(149,672)
Taxes from prior years	-	13,817	(13,817)
Deferred tax	(8,089)	109	(8,198)
deferred tax assets	(4,084)	(2,937)	(1,147)
TOTAL	603,836	859,517	(255,680)

The Holding Company Exprivia S.p.A. acts as the consolidating company and determines a single taxable result for the companies under National Tax Consolidation in accordance with art. 117 of T.U.I.R..

Each company under Tax Consolidation contributes taxable income or tax loss to Exprivia S.p.A. as a payable/receivable for the consolidating company, depending on their IRES.

PROFIT (LOSS) FOR THE PERIOD

The income statement for the first quarter of 2014 closed with a consolidated loss of Euro 409,317.

Information on the Cash Flow Statement

The **Net Financial Position** at 31 March 2014 was a negative Euro 32.1 million, an improvement of Euro 5.3 million compared to 31 December 2013, due to the consistent generation of cash from current assets of Euro 6.8 million, partly used for investments of Euro 1.6 million.

DECLARATION IN ACCORDANCE WITH ART. 154-BIS. PAR. 2 OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998. ON THE PROVISIONS ON BROKING AND SUBSEQUENT AMENDMENTS

The undersigned Gianni Sebastiano, Executive manager responsible for preparing the corporate accounts, in accordance with Art. 154-bis, par. 2 of Legislative Decree no. 58 of 24 February 1998, introduced by Law no. 262 of 28 December 2005, states that the information and data on the economic, capital and financial situation contained in this Interim Report on Operations as at 31 March 2014 referring to the Consolidated Financial Statements correspond to the documentary results of the accounting records.

Molfetta, 13 May 2014

Executive Manager responsible for Preparing the Corporate Accounts

Mr. Gianni Sebastiano