

THE BOARD OF DIRECTORS OF EXPRIVIA TAKES NOTE OF THE REFERRAL OF THE APPROVAL OF THE INTERIM REPORT AT 30 SEPTEMBER 2019 BY THE BOARD OF DIRECTORS OF THE SUBSIDIARY ITALTEL, AND RESOLVES TO DEFER THE APPROVAL OF THE GROUP INTERIM REPORT AT 30 SEPTEMBER 2019

November 13, 2019. The Board of Directors of **Exprivia** - a company listed on the STAR segment of Borsa Italiana [XPR.MI] – has resolved to postpone the approval of the interim report at 30 September 2019.

In this regard, the Board of Directors of Exprivia has acknowledged that the 12th november 2019 the Board of Directors of Italtel S.p.A., the company's main subsidiary, resolved to postpone the approval of the interim report at 30 September 2019, considering that:

1. As already communicated to the market on august 6th, the analysis of the results of Italtel at June 30th and the projection of the Italtel backlog at the end of the year, highlighted the continuing difficulties encountered by Italtel in its activities and above all in the domestic market, also in the second half of the year, with the consequence that year-end revenues and Ebitda, of Italtel and its subsidiaries, are expected to reduce compared to the Business Plan 2018-2023.
2. Considering the analysis of the management figures at 30 September and the deviations detected with respect to the Italtel business plan, the Italtel Board of Directors deemed it necessary to check the value of some Italtel assets, such as goodwill and deferred tax assets, whose execution, through a new impairment test, will be processed with the support of an independent third-party expert.
3. Italtel started a confrontation dialogue with its lenders to evaluate possible solutions in light of the new industrial perspectives being developed.
4. In view of the need for further analysis, the Italtel Board of Directors resolved to postpone the approval of the figures at 30 September and to send to the parent company Exprivia only the figures relating to Revenues, Ebitda and the Net Financial Position.

Therefore, as a consequence of the above, the Board of Directors of Exprivia deemed it appropriate to postpone the decision regarding the approval of its interim report at 30 September 2019.

In order to provide a preliminary information on the performance of the entire group, the Exprivia Board of Directors has authorized the circulation of some management data.

The IT operating segment, namely the Exprivia Group net of the subsidiary Italtel, grew and closed the quarter with revenues of 118.8 mln, compared with 115.6 mln in 2018, an increase of 3.2 mln equal to 2.8%.



Considering margins, EBITDA stands at 11.3 mln (with a positive effect from the application of the new IFRS 16 for 1.8 mln) compared to 8.9 mln in 2018. The net financial position is equal to -56.1 mln (-49.5 mln net of the effect of the new IFRS 16) compared to -45.8 at 31 December 2018.

In almost all markets, the IT operating sector reports an improvement in performance, particularly in the Italian Perimeter recording an increase in terms of revenues of 4.0 mln, equal to 3.6%. Instead in the Foreign Perimeter records a decrease in revenues.

The TLC operating segment, within the perimeter of the subsidiary Italtel, closed the quarter with revenues of 255.2 mln compared to 321.1 mln in 2018. EBITDA stands at 7.8 mln (with a positive effect from the application of new IFRS 16 for 4.0 mln euro) compared to 6.3 mln in 2018. The net financial position is equal to -196.7 mln (-179.2 mln net of the effect of the new IFRS 16) with respect to -169.2 mln at 31 December 2018 and -174.8 mln at 30 September 2018.

Exprivia

Exprivia is the parent company of an international group specialized in Information and Communication Technology able to direct drivers of change in the business of its customers thanks to digital technologies.

With a consolidated know-how and a long experience due to the constant presence on the market, the group has a team of experts specializing in various fields of technology and in the main areas within this sector, from the Capital Market, Credit & Risk Management to IT Governance, from BPO to IT Security, from Big Data to Cloud, from IoT to Mobile, from networking to enterprise collaboration to SAP. The group supports its clients in the Banking & Finance, Telco & Media, Energy & Utilities, Aerospace & Defense, Manufacturing & Distribution, Healthcare and Public-Sector sectors. The group offering is made up of solutions that are composed of third-party products, engineering services and consultancy.

Following the acquisition of 81% of Italtel's share capital, an historic Italian company that today operates in the ICT market with a strong focus on the Telco & Media, Enterprises and Public-Sector markets, today the group has about 4,000 professionals distributed in over 20 countries worldwide.

Exprivia S.p.A. is listed on Borsa Italiana Stock Exchange since 2000 to the STAR MTA (XPR).

Exprivia is subject to the direction and coordination of Abaco Innovazione S.p.A.

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