

THE BOARD OF DIRECTORS APPROVES THE INTERIM REPORT AT 31 MARCH 2017

- **REVENUES: EURO 36.8 MLN, +13% COMPARED TO 32.5 IN 2016**
- **EBITDA: EURO 3 MLN (8.2% ON REVENUES) COMPARED TO 1.7 IN 2016**
- **EBIT: EURO 1.9 MLN (5.1% ON REVENUES) COMPARED TO 0.7 IN 2016**
- **PROFIT BEFORE TAXES: 1.6 MLN EURO COMPARED TO 0.04 IN 2016**
- **NET DEBT: EURO -42 MLN COMPARED TO -35.8 AT 31 DECEMBER 2016**

May 12, 2017. The Board of Directors of Exprivia SpA - a company listed on the STAR segment of Borsa Italiana [XPR.MI] - has today approved the interim report at 31 march 2017, prepared in accordance with International Accounting Standards (IAS / IFRS).

At the end of the first quarter of 2017, revenues of Gruppo Exprivia amounted to Euro 36.8 million, 13% more over the same quarter of 2016. EBITDA at 3 million has been up 75.8% over 1.7 of the same quarter of 2016 (the quarter benefited of ACS acquisition, consolidated in the group perimeter in July 2016, for 2.3 million revenues and 0.3 in EBITDA). The quarter has been characterized by the ramp up of the services in the BPO market and by the positive performance of the parent company Exprivia Spa which has relieved the expansion of positions in the Energy&Utilities and Public Sector markets. Good performance of the parent company also in relation to marginality. Still shrinking foreign markets where, on the other hand, marginality is recovering sharply.

Hereafter the breakdown of Group revenues at the 31st march 2017, compared with the same period of the previous year, broken down by business area.

Business Areas	31/03/2017	31/03/2016	Variation	Variation%
Banking & Finance	5.803	5.624	178	3,2%
Energia e Utilities	7.421	4.518	2.903	64,3%
Industry	2.961	3.178	(217)	-6,8%
Oil e Gas	3.631	3.136	495	15,8%
Telco & Media	4.855	5.047	(192)	-3,8%
Healthcare	5.199	5.508	(309)	-5,6%
Aerospace & Defence, Public Sector	4.122	2.406	1.716	71,3%
International Business	1.666	1.972	(306)	-15,5%
Other	232	220	12	5,5%
Total	35.890	31.609	4.281	13,5%

Net financial position amounted to -42 million, up from -35.8 on the 31st december 2016 and to -37 on 31st march 2016, largely due to the factoring dynamics and to the investment in ACS company.

"The 2017 started well for our group as planned at the beginning of the year. The Group continues to grow on technologies and solutions that help our customers in digital transformation by implementing HRM and Marketing platforms for Energy&Utilities, Big Data for Finance, as well as SAP Mobile and Aerospace." Says Domenico Favuzzi, president and CEO of Exprivia, who says also: "We go ahead, focusing on the reliability that our customers recognize to us even in complex business transformation projects. This pushes us to insist on the research and innovation path that today sees us working, among other things, on Industry 4.0, the world of IoTs and the new approaches to healthcare that technology is pushing. "

Holding company results

At the 31st march 2017 revenues of Exprivia S.p.A. amounted to Euro 15.9, 6,9% more over the same quarter of 2016, EBITDA at 1.5 million, has been up 73.7% over 0.9 of the same quarter of 2016. EBIT at 1.2 million, 7.7% on revenues, up from 0.5 of the same quarter of 2016. Profit before tax equal to 5 million, 31.3% on revenues, up from 3.4 to the same period of 2016. The net debt at the 31st march 2017 has been negative by 30.7 million compared with -27.1 at the 31st december 2016 and compared to -25.2 at the 31st march 2016.

Pursuant to Article 154- bis of Testo Unico della Finanza, the executive manager responsible for preparing the corporate accounts, Mr. Valerio Stea, states that the financial report in this press release contains and matches the documentary records, books and accounting records.

EXPRIVIA

Exprivia is an international group currently made up of about 2000 professionals capable of enabling the digital transformation processes through solutions that involve the customer's entire value chain.

With its know-how and experience gained in more than 30 years of continuous operation on the market, Exprivia has a team of experts specialized in various technology and domain areas, from Capital Market and Credit & Risk Management, to IT Governance, from BPO to IT Security, from Big Data to Cloud, from IoT to Mobile, to the SAP world, distributed among the different locations in Italy and abroad (Europe, America and Asia).

Listed in the MTA STAR segment of the Borsa Italiana Stock Exchange (XPR) since 2000, Exprivia works alongside its customers in the Banking&Finance, Telco&Media, Energy&Utilities, Aerospace&Defence, Manufacturing&Distribution, Healthcare and Public Administration.

The company is subject to the control and coordination of Abaco Innovazione S.p.A..

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CONSOLIDATED STATEMENT OF ASSET AND LIABILITIES

Amount in Euro	31.03.2017	31.12.2016
Land and buildings	13,648,056	13,869,992
Other assets	2,020,493	2,171,240
Property, plant and machinery	15,668,549	16,041,232
Goodwill	67,391,066	67,428,110
Goodwill and other assets with an indefinite useful life	67,391,066	67,428,110
Intangible assets	3,938,229	4,112,591
Research and development costs	4,020,847	4,188,397
Work in progress and advances	3,616,152	3,314,652
Other Intangible Assets	11,575,228	11,615,640
Investments in other companies	167,661	167,561
Shareholdings	167,661	167,561
Receivables to parent companies	2,596,910	2,596,910
Other receivables	222,635	209,659
Derivative financial instruments	34,568	34,568
Other financial assets	2,854,113	2,841,137
Other receivables	1,772,942	1,772,942
Other financial assets	1,772,942	1,772,942
Tax advances/deferred taxes	3,000,842	2,943,418
Deferred tax assets	3,000,842	2,943,418
NON-CURRENT ASSETS	102,430,402	102,810,040

Amount in Euro	31.03.2017	31.12.2016
Trade receivables	66,146,926	59,422,457
Other receivables	9,634,998	9,527,989
Tax receivables	2,656,148	2,796,038
Trade receivables and other	78,438,072	71,746,484
Stock	1,033,606	1,019,248
Stock	1,033,606	1,019,248
Work in progress to order	17,886,240	15,652,180
Work in progress to order	17,886,240	15,652,180
Other receivables	569,106	1,572,833
Receivables from parent	492,989	469,678
Other Financial Assets	1,062,095	2,042,511
Current banks	5,723,894	12,455,496
Cheques and unrepresented effects	32,425	39,437
Cash resources	5,756,319	12,494,933
Shareholdings in subsidiaries	462,748	462,748
Assets classified as owned for sales and those included in aggregates for disposal	462,748	462,748
CURRENT ASSETS	104,639,080	103,418,104
ASSETS	207,069,482	206,228,144

Amount in Euro	31.03.2017	31.12.2016
Share Capital	25,154,899	25,154,899
Share capital	25,154,899	25,154,899
Share premium	18,081,738	18,081,738
Share Premium Reserve	18,081,738	18,081,738
Revaluation reserve	2,907,138	2,907,138
Revaluation reserve	2,907,138	2,907,138
Legal reserve	3,931,382	3,931,382
Revaluation reserve	3,931,382	3,931,382
Other reserves	20,547,914	20,579,266
Other reserves	20,547,914	20,579,266
Retained earning/loss	5,067,759	2,246,057
Profits/Losses for previous periods	5,067,759	2,246,057
Profit/Loss for the period	931,732	2,838,069
SHAREHOLDERS' EQUITY	76,622,563	75,738,549
Minority interest	1,017,042	994,361
GROUP SHAREHOLDERS' EQUITY	75,605,520	74,744,189

Amount in Euro	31.03.2017	31.12.2016
Non-current bond	1,844,186	1,839,297
Non-current bond	1,844,186	1,839,297
Non-current bank debt	24,899,596	24,624,683
Non-current bank debt	24,899,596	24,624,683
Trade payables after the financial year	668,840	698,021
Payables to other lenders	10,000	10,000
Derivative financial instruments	11,393	12,503
Other financial liabilities	690,233	720,524
Tax liabilities and amounts for social security payable after the financial year	2,617,042	2,881,594
Other financial liabilities	2,617,042	2,881,594
Amounts payable to pension and social security institutions	409,188	436,004
Other no current liabilities	409,188	436,004
Other provisions	990,179	1,068,718
Provision for risks and charges	990,179	1,068,718
Employee severance indemnities	10,325,845	10,403,774
Employee provisions	10,325,845	10,403,774
Provisions for deferred taxes	1,189,219	1,189,221
Deferred tax liabilities	1,189,219	1,189,221
NON CURRENT LIABILITIES	42,965,488	43,163,815

Amount in Euro	31.03.2017	31.12.2016
Current bond	1,554,873	1,508,246
Current bond	1,554,873	1,508,246
Current bank debt	24,145,509	25,845,581
Current bank debt	24,145,509	25,845,581
Trade payables	18,767,319	18,816,906
Trade payables	18,767,319	18,816,906
Advances	3,241,304	3,394,884
Advances payment on work in progress contracts	3,241,304	3,394,884
Payables for equity investments	359,999	359,999
Other payables	936,569	925,172
Other financial liabilities	1,296,568	1,285,171
Tax liabilities	11,380,503	12,360,112
Tax liabilities	11,380,503	12,360,112
Payables to welfare and social security institutions	5,157,262	6,866,252
Other payables	21,938,093	17,248,628
Other current liabilities	27,095,355	24,114,880
CURRENT LIABILITIES	87,481,431	87,325,780
TOTAL LIABILITIES	207,069,482	206,228,144

CONSOLIDATED PROFIT AND LOSS

Amount in Euro		
	31.03.2017	31.03.2016
Revenue from sales and services	35,872,234	31,654,400
Revenues	35,872,234	31,654,400
Other revenues and income	135,188	174,724
Grants related to income	135,632	441,901
Increase in capitalised expenses for internal projects	620,627	316,844
Other income	891,447	933,469
Var. stock of products being processed, semi-finished items	17,362	(45,010)
Variation in stock of finished products and products being processed	17,362	(45,010)
PRODUCTION REVENUES	36,781,043	32,542,859
Costs of raw, subsid. & consumable mat. and goods	2,644,336	2,500,453
Salaries	24,940,435	22,258,138
Costs for services	4,940,998	4,726,199
Costs for leased assets	1,036,201	1,061,824
Sundry operating expenses	107,034	172,254
Provisions	79,205	98,833
TOTAL PRODUCTION COSTS	33,748,209	30,817,701
DIFFERENCE BETWEEN PRODUCTION COSTS AND REVENUES	3,032,834	1,725,158

Amount in Euro		
	31.03.2017	31.03.2016
Ordinary amortisement of intangible assets	704,502	520,453
Ordinary amortisement of tangible assets	352,796	480,477
Devaluation of credits included in working capital	103,084	60,562
Amortisation, depreciation and write-downs	1,160,382	1,061,492
OPERATIVE RESULT	1,872,452	663,666
Financial income and charges	(320,958)	(625,435)
PRE-TAX RESULT	1,551,493	38,231
Income tax	619,761	311,749
PROFIT OR LOSS FOR THE PERIOD	931,732	(273,518)
Attributable to:		
Shareholders of holding company	894,479	(287,193)
Minority interest	37,254	13,675
Earnings per share losses		
Basic earnings per share	0.0192	(0.0058)
Basic earnings diluted	0.0192	(0.0058)

CONSOLIDATED FINANCIAL STATEMENT

Amount in Euro	31.03.2017 : 31.03.2016	
Operating activities:		
Profit (loss)	931,732	(273,518)
Amortisation, depreciation and provisions	1,239,587	1,000,930
Provision for Severance Pay Fund	1,148,421	990,300
Advances/Payments Severance Pay	(1,226,350)	(1,137,385)
Cash flow arising from operating activities	2,093,390	580,327
Increase/Decrease in net working capital:		
Variation in stock and payments on account	(2,401,998)	(725,392)
Variation in receivables to customers	(6,799,469)	(1,175,869)
Variation in other accounts receivable	33,492	(1,177,751)
Variation in payables to suppliers	(2,736)	593,576
Variation in tax and social security liabilities	(2,688,599)	(4,036,013)
Variation in other accounts payable	4,773,101	5,550,191
Cash flow arising (used) from current assets and liabilities	(7,086,208)	(971,258)
Cash flow arising (used) from current activities	(4,992,818)	(390,931)
Investment activities:		
Variation in tangible assets	19,887	(187,966)
Variation in intangible assets	(655,129)	(339,252)
Variation in financial assets	(83,476)	(7,994)
Purchase of minority interests	(1,394)	
Cash flow arising (used) from investment activities	(720,112)	(535,212)
Financial activities:		
Changes in financial assets not held as fixed assets	(449,114)	(1,797)
Capital increase		(280,623)
Dividend paid	(54,734)	
Variation shareholders' equity	8,409	167,904
Cash flow arising (used) from financial activities	(495,439)	(114,516)
Increase (decrease) in cash	(6,208,368)	(1,040,659)
Banks / funds / securities and other financial assets at the beginning of the year	17,852,802	8,565,365
Banks / cash and other financial liabilities at the beginning of the year	(56,188,359)	(46,631,913)
Banks / funds / securities and other financial assets at end of period	10,146,136	7,222,419
Banks / cash and other financial liabilities at end of period	(54,690,061)	(46,329,626)
Increase (decrease) in liquidity	(6,208,368)	(1,040,659)