Esprinet Group

Interim management statement as at 31 December 2014

Approved by the Board of Directors on 12 February 2015

Parent Company:

Esprinet S.p.A.
VAT Number: IT 02999990969
Monza e Brianza Companies' Register and Tax Number: 05091320159 R.E.A. Repository of financial and administrative information (R.E.A.) number: 1158694
Registered Office and Administrative HQ: Via Energy Park, 20 - 20871 Vimercate (MB)
Subscribed and paid-in share capital as at 31/12/2014: Euro 7,860,651
www.esprinet.com* - *info@esprinet.com

Company officers

Board of Directors:

(Mandate expiring with approval of accounts for the year ending 31 December 2014)

Chairman	Francesco Monti	(SC)
Deputy Chairman & CEO	Maurizio Rota	(SC)
CEO	Alessandro Cattani	(SC)
Director	Giuseppe Calì	(SC)
Director	Stefania Calì	(SC)
Director	Valerio Casari	
Director	Andrea Cavaliere	(InD) (CRC) (RAC)
Director	Mario Massari	(InD) (CRC) (RAC)
Director	Marco Monti	
Director	Umberto Giovanni Quilici	(InD)
Director	Chiara Mauri	(InD) (CRC)
Director	Cristina Galbusera	(InD) (RAC)
Secretary	Paolo Fubini	Studio Fubini Jorio Cavalli

Notes:
(InD): Indipendent Director
(CRC): Control and Risk Commitee
(RAC): Remuneration and Appointments Commitee
(SC): Strategy Commitee

Board of Statutory Auditor:

(Mandate expiring with approval of financial statement for the year ending 31 December 2014)

Chairman	Giorgio Razzoli
Permanent Auditor	Emanuele Calcaterra
Permanent Auditor	Mario Conti
Alternate Auditor	Silvia Santini
Alternate Auditor	Maurizio Rusconi

Independent Auditors:

(Mandate expiring with approval of accounts for the year ending 31 December 2018)

Reconta Ernst & Young S.p.A.

Waiver of the obligations to provide information on extraordinary transactions

Pursuant to article 70, section 8, and article 71, section 1-bis, of the Issuers' Regulations issued by Consob, on 21 December 2012 the Board of Directors of Esprinet S.p.A. resolved to make use of the right to waive the obligations to publish the information documents stipulated for significant transactions relating to mergers, demergers, increases in capital by the contribution of goods in kind, acquisitions and transfers.

CONTENSTS

1. Summary of the Group's economic and financial results

		12 months						Q4					
(euro/000)	**notes**	**2014**	**%**	**2013**	**notes**	**%**	***%var. 14/13***	**2014**	**%**	**2013**	**notes**	**%**	***%var. 14/13***
Profit & Loss													
Sales		2,291,311	100.0%	2,002,964	(2)	100.0%	14%	755,928	100.0%	611,652	(2)	100.0%	24%
Gross profit		142,093	6.2%	121,665	(2)	6.1%	17%	45,806	6.1%	36,647	(2)	6.0%	25%
EBITDA	(1)	44,701	2.0%	37,685	(2)	1.9%	19%	17,827	2.4%	14,620	(2)	2.4%	22%
Operating income (EBIT)		41,451	1.8%	34,278	(2)	1.7%	21%	17,138	2.3%	13,453	(2)	2.2%	27%
Profit before income tax		39,323	1.7%	32,370	(2)	1.6%	21%	16,367	2.2%	13,183	(2)	2.2%	24%
Net income		27,172	1.2%	23,095		1.2%	18%	9,822	1.3%	9,597		1.6%	2%
Financial data													
Cash flow	(3)	30,422		25,840	(2)								
Gross investments		3,523		2,998									
Net w orking capital	(4)	59,377		34,364									
Operating net w orking capital	(5)	77,258		49,457									
Fixed assets	(6)	97,950		96,753									
Net capital employed	(7)	144,608		118,746									
Net equity		275,371		259,826									
Tangible net equity	(8)	199,104		185,840									
Net financial debt	(9)	(130,828)		(141,652)									
Main indicators													
Net financial debt / Net equity		(0.5)		(0.5)									
Net financial debt / Tangible net equity		(0.7)		(0.8)									
EBIT / Finance costs - net		19.6		18.0	(2)								
EBITDA / Finance costs - net		21.1		19.8	(2)								
Net financial debt/ EBITDA		(3.1)		(3.8)									
Operational data													
N. of employees at end-period		969		975									
Avarage number of employees	(10)	972		973									
Earnings per share (euro)													
- From continuing operations - basic		0.51		0.42			21%	0.20		0.18			11%
- Basic		0.53		0.45	(2)		18%	0.19		0.19	(2)		0%
- From continuing operations - diluted		0.50		0.41			22%	0.20		0.17			18%
- Diluted		0.52		0.44	(2)		18%	0.19		0.18	(2)		6%

(1) EBITDA is equal to the operating income (EBIT) gross of amortisation and depreciation and accruals for risks and charges.
(2) Different amounts from those published in the interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.
(3) Sum of consolidated net profit before minority interests and amortisation and depreciation.
(4) Sum of current assets, non-current assets held for sale and current liabilities, gross of short-term net financial position.
(5) Sum of trade receivables, inventory and trade payables.
(6) Non-current assets net of non-current financial assets.
(7) Equal to the sum of the net working capital plus fixed assets net of non-current liabilities except of financial liabilities.
(8) Equal to net equity less goodwill and intangible assets.
(9) Sum of borrowings and short term financial liabilities net of cash and cash equivalents, assets/liabilities for financial derivatives and financial receivables.
(10) Average of the balance at period beginning and end of companies consolidated.

The economic and financial results and those of the relative period of comparison have been measured by applying International Financial Standards ('IFRSs'), adopted by the EU during the reference period.
In the table above, in addition to the conventional economic and financial indicators laid down by IFRSs, some 'alternative performance indicators', not defined the IFRSs, are presented. These 'alternative performance indicators', consistently presented in previous periodic Group reports, are not intended to substitute IFRSs indicators; they are used internally by Management for measuring and controlling the Group's profitability, performance, capital structure and financial position.
As required by CESR (Committee of European Securities Regulators) recommendation no. CESR/05 178b, the basis of calculation is provided.

2. Contents and format of the interim management statement

2.1 Consolidation policies, accounting principles and valuation criteria

Ordinary shares in Esprinet S.p.A. (ticker: PRT.MI) have been listed in the STAR segment of the MTA market of Borsa Italiana S.p.A., the Italian Stock Exchange since July 27, 2001.

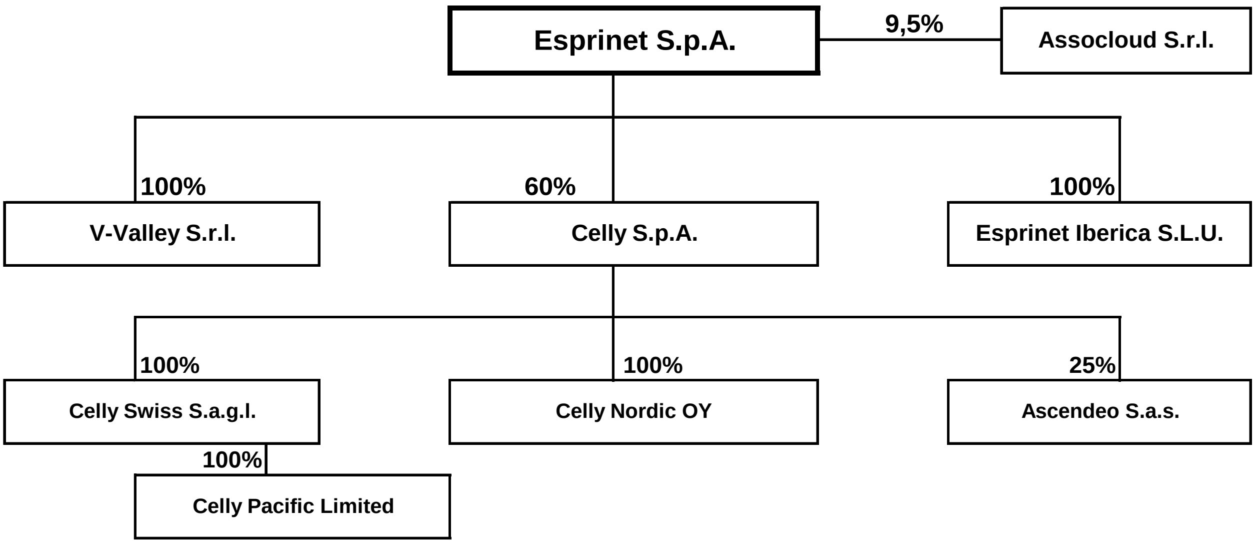
Due to this, the Esprinet Group consolidated interim management statement as at 31 December 2014, non-audited, has been drawn up as per Article 2.2.3, paragraph 3 a) of the 'Regulations of the Markets Organised and Managed by Borsa Italiana S.p.A.', as well as Article 154-ter, paragraph 5 (Financial Reports), of the Legislative Decree No. 58/1998 (T.U.F. – Finance Consolidation Act).

Financial data presented in this document result from the application of the same accounting principles (IFRSs - International Financial Reporting Standards), consolidation principles and methods, valuation criteria, conventional definitions and accounting estimates used in previous consolidated financial statements for interim and annual periods, unless otherwise indicated.

Pursuant to Consob Communication No. DEM/8041082 of 30 April 2008 ('Interim financial report of companies listed in Italy') the financial data in said report is comparable with that shown in previous reports and is confirmed in the financial statements published in the annual report as at 31 December 2013 to which reference should be made for all the explanatory notes to the annual report.

2.2 General information about the Esprinet Group

The chart below illustrates the structure of the Esprinet Group as at 31 December 2014:



Esprinet S.p.A. (hereafter 'Esprinet' or the 'parent company') and its subsidiaries (the 'Esprinet Group' or the 'Group') operate in Italy and Spain.

In Italy and in Spain, the Group operates solely in the 'business-to-business' (B2B) distribution of Information Technology (IT) and consumer electronics.

References to 'Subgroup Italy' and 'Subgroup Spain' can be found in next comments and tables.
As at 31 December 2014, the 'Subgroup Italy', made of companies subject to Italian law, includes, besides the parent company Esprinet S.p.A., V-Valley S.r.l. and Celly S.p.A. (acquired on 12 May 2014), all directly controlled companies, in addition to the associated company Assocloud S.r.l.. The latter, even if jointly controlled, is considered as an 'investment in associate' due to Esprinet's significant influence as per the statutory agreements.

The acquisition perimeter includes Celly S.p.A., company operating in the 'business-to-business' (B2B) distribution of Information Technology (IT) and consumer electronics and specifically in the wholesale distribution of accessories for mobile devices, as well as its wholly-owned subsidiaries:

- Celly Nordic OY, a Finnish-law company;
- Celly Swiss SAGL, a Helvetic-law company;
- Celly Pacific LTD, a Chinese-law company, completely owned by Celly Swiss SAGL;

all of which are operating in the same segment as the Holding Company, as well as Celly's 25% share in Ascendeo SAS, a French-law company.

Up to 28 February 2014 the Group operated also in the 'business-to-consumer' industry (B2C) of IT and consumer electronics through the company Monclick S.r.l., and up to 23 July in the 'business-to-business' (B2B) distribution of microelectronic components through the company Comprel S.r.l..
At the same date, the Subgroup Spain is made up solely of Esprinet Iberica S.L.U.

Esprinet S.p.A. has its registered and administrative offices in Italy in Vimercate (Monza e Brianza), while warehouses and logistics centres are located in Cambiago (Milan) and Cavenago (Monza e Brianza).
Esprinet uses Banca IMI S.p.A. as its specialist firm.

2.3 Consolidation area

The consolidated financial statement derives from the interim accounts of the parent company Esprinet S.p.A. and of its directly and/or indirectly subsidiaries or associate companies, approved by their respective Boards of Directors.
Wherever necessary, the interim accounts of subsidiaries have been suitably adjusted to ensure consistency with the accounting principles used by the parent company.

The table below lists companies included in the consolidation perimeter as at 31 December 2014, all consolidated on a line-by-line basis except for the companies Assocloud S.r.l. and Ascendeo SAS accounted for using the equity method.

Company name	Head Office	Share capital (euro) *	Group interest	Shareholder	Interest held
Holding company:					
Esprinet S.p.A.	Vimercate (MB)	7,860,651			
Subsidiaries directly controlled:					
V-Valley S.r.l.	Vimercate (MB)	20,000	100.00%	Esprinet S.p.A.	100.00%
Celly S.p.A.	Vimercate (MB)	1,250,000	60.00%	Esprinet S.p.A.	60.00%
Esprinet Iberica S.L.U.	Saragozza (Spain)	55,203,010	100.00%	Esprinet S.p.A.	100.00%
Subsidiaries indirectly controlled:					
Celly Nordic OY	Helsinki (Finland)	2,500	60.00%	Celly S.p.A.	100.00%
Celly Swiss SAGL	Lugano (Switzerland)	16,296	60.00%	Celly S.p.A.	100.00%
Celly Pacific LTD	Honk Kong (China)	935	60.00%	Celly Swiss SAGL	100.00%
Associated company					
Ascendeo SAS	La Courneuve (France)	37,000	15.00%	Celly S.p.A.	25.00%
Assocloud S.r.l.	Vimercate (MB)	72,000	9.52%	Esprinet S.p.A.	9.52%

(*) Share capital values, with reference to the companies publishing financial statements in a currency other than euro, are displayed at historical value.

Compared to 31 December 2013 we report the exit from the consolidation area of the companies Monclick S.r.l. and Comprel S.r.l., respectively sold on 28 February 2014 and 23 July 2014 and the entry on 12 May 2014 of the company Celly S.p.A. together with its subsidiaries and associated companies as a consequence of the acquisition of a 60% share by Esprinet S.p.A.. On 2 April 2014 the shareholding in the associated company Assocloud grew from 8.33% to 9.52%.
For further information please refer to the paragraph 'Significant events occurred in the period'.

2.4 Principal assumptions, estimates and rounding

Within the scope of preparing these interim consolidated financial statements, several estimates and assumptions have been made on the values of revenue, costs, assets and liabilities in the financial statements and on the information relating to potential assets and liabilities at the date of the interim financial statements. These have been applied uniformly to all the financial years presented in this document, unless indicated otherwise.
If these estimates and assumptions, which are based on the best valuation by the management, should differ from actual circumstances in the future, they will be suitably amended during the period in which those circumstances arise.

A detailed description of the assumptions and estimates adopted can be found in the Notes to the Consolidated Financial Statements of the Esprinet Group as at 31 December 2013, to which reference is made.

During the previous interim periods, as permitted by IAS 34, income taxes have been calculated based on the best estimate of the tax burden expected for the entire financial year. On the contrary, in the annual consolidated financial statements and in these interim financial statements and in the interim financial statements relating to fourth quarter 2013, current taxes have been calculated specifically based on the tax rates in force at the closing date of the financial statements.
Prepaid and deferred taxes instead, have been estimated based on the tax rates considered to be in force at the time of realization of the assets or settlement of the liabilities to which they refer.
Figures in this document are expressed in thousands of euro, unless otherwise indicated.
In some cases, errors occurring in the tables might be due to the rounding up of figures to the nearest thousand.

2.5 Restatements of previous published financial statements

Pursuant to IAS8, already published income statements are restated due to reclassification, also affecting the comparative figures, of the profit and loss values of both Monclick S.r.l. and Comprel S.r.l. to ‘Income/(loss) from disposal groups’.

In the following tables, effects of the above said disclosure process are shown with reference to the consolidated separate income statements published in the interim management statement as at 31 December 2013.

	2013								
(euro/000)	**Restated**			**Published**			**Variation**		
	Italy	**Spain**	**Group**	**Italy**	**Spain**	**Group**	**Italy**	**Spain**	**Group**
Sales	1,542,707	504,892	2,002,964	1,582,744	504,892	2,043,001	(40,037)	-	(40,037)
Cost of sales	(1,444,427)	(481,480)	(1,881,299)	(1,471,389)	(481,480)	(1,908,261)	26,962	-	26,962
Gross profit	**98,280**	**23,412**	**121,665**	**111,355**	**23,412**	**134,740**	**(13,075)**	**-**	**(13,075)**
Sales and marketing costs	(25,064)	(4,471)	(29,994)	(32,003)	(4,471)	(36,933)	6,939	-	6,939
Overheads and admin. costs	(45,451)	(12,407)	(57,393)	(48,881)	(12,407)	(60,819)	3,430	-	3,426
Operating income (Ebit)	**27,765**	**6,534**	**34,278**	**30,471**	**6,534**	**36,988**	**(2,706)**	**-**	**(2,710)**
Finance costs - net			(1,902)			(2,138)			236
Share of profits of associates			(6)			(6)			-
Profit before income tax			**32,370**			**34,844**			**(2,474)**
Income tax expenses			(10,795)			(11,749)			954
Profit from continuing operations			**21,575**			**23,095**			**(1,520)**
Income/(loss) from disposal groups			1,520			-			1,520
Net income			**23,095**			**23,095**			**-**

(euro/000)	Q4 2013								
	Restated			Published			Variation		
	Italy	Spain	Group	Italy	Spain	Group	Italy	Spain	Group
Sales	456,019	167,133	611,652	466,090	167,133	621,723	(10,071)	-	(10,071)
Cost of sales	(427,384)	(159,108)	(575,005)	(434,018)	(159,108)	(581,638)	6,634	-	6,633
Gross profit	**28,635**	**8,025**	**36,647**	**32,072**	**8,025**	**40,085**	**(3,437)**	**-**	**(3,438)**
Sales and marketing costs	(6,484)	(1,084)	(7,673)	(8,324)	(1,084)	(9,514)	1,840	-	1,841
Overheads and admin. costs	(12,382)	(3,245)	(15,521)	(13,121)	(3,245)	(16,257)	739	-	736
Operating income (Ebit)	**9,769**	**3,696**	**13,453**	**10,627**	**3,696**	**14,314**	**(858)**	**-**	**(861)**
Finance costs - net			(270)			(322)			52
Share of profits of associates			-			**-**			**-**
Profit before income tax			**13,183**			**13,992**			**(809)**
Income tax expenses			(3,972)			(4,395)			423
Profit from continuing operations			**9,211**			**9,597**			(386)
Income/(loss) from disposal groups			386			-			386
Net income			**9,597**			**9,597**			**-**

3. Consolidated income statement and notes

3.1 Consolidated separate income statement

Below is the consolidated separate income statement, showing revenues by 'function' in accordance with the IFRS, complete with the additional information required under CONSOB decision number 15519 of 27 July 2006:

(euro/000)	Notes	12 months 2014	non-recurring	related parties**	12 months 2013 restated*	non-recurring	related parties**
Sales	**33**	**2,291,311**	-	13	**2,002,964**	-	21
Cost of sales		(2,149,218)	-	-	(1,881,299)	-	-
Gross profit	**35**	**142,093**	**-**		**121,665**	**-**	
Sales and marketing costs	**37**	(38,244)		-	(29,994)	-	
Overheads and administrative costs	**38**	(62,398)	(893)	(3,384)	(57,393)	(98)	3,384
Operating income (EBIT)		**41,451**	**(893)**		**34,278**	**(98)**	
Finance costs - net	**42**	(2,118)		12	(1,902)	(66)	30
Other investments expenses/(incomes)	**43**	(10)		-	6	-	
Profit before income tax		**39,323**	**(893)**		**32,370**	**(164)**	
Income tax expenses	**45**	(13,275)	(394)		(10,795)	(428)	
Profit for continuing operations		**26,048**	**(1,287)**		**21,575**	**(592)**	
Income/(loss) from disposal groups	**47**	1,124			1,520		
Net income		**27,172**	**(1,287)**		**23,095**	**(592)**	
- of which attributable to non-controlling interests		(40)			-		
- of which attributable to the Group		27,212	(1,287)		23,095	(592)	
Earnings continuing operation per share-basic	**46**	0,51			0,42		
Earnings per share-basic (euro)	**46**	0,53			0,45		
Earnings continuing operation per share-diluted	**46**	0,50			0,41		
Earnings per share-diluted (euro)	**46**	0,52			0,44		

(euro/000)	Notes	Q4 2014	non-recurring	related parties**	Q4 2013 restated*	non-recurring	related parties**
Sales	**33**	**755,928**	-	3	**611,652**	-	10
Cost of sales		(710,122)	-	-	(575,005)	-	-
Gross profit	**35**	**45,806**	**-**		**36,647**	**-**	
Sales and marketing costs	**37**	(10,984)		-	(7,673)	-	
Overheads and administrative costs	**38**	(17,684)	893	(841)	(15,521)	-	(840)
Operating income (EBIT)		**17,138**	**893**		**13,453**	**-**	
Finance costs - net	**42**	(784)		(10)	(270)	-	8
Other investments expenses/(incomes)	**43**	13			-	-	
Profit before income tax		**16,367**	**893**		**13,183**	**-**	
Income tax expenses	**45**	(5,825)	(689)		(3,972)	67	
Profit for continuing operations		**10,542**	**204**		**9,211**	**67**	
Income/(loss) from disposal groups	**47**	(720)			386		
Net income		**9,822**	**204**		**9,597**	**67**	
- of which attributable to non-controlling interests		128			-		
- of which attributable to the Group		9,694	204		9,597	67	
Earnings continuing operation per share-basic	**46**	0,20			0,18		
Earnings per share-basic (euro)	**46**	0,19			0,19		
Earnings continuing operation per share-diluted	**46**	0,20			0,17		
Earnings per share-diluted (euro)	**46**	0,19			0,18		

(*) Different amounts from those published in the Interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values of Monclick and Comprel into 'Income/loss from disposal Group' item.
(**) Excludes fees paid to executives with strategic responsibilities.

3.2 Consolidated statement of comprehensive income

(euro/000)	12 months 2014	12 months 2013	Q4 2014	Q4 2013
Net income	**27,172**	**23,095**	**9,822**	**9,597**
Other comprehensive income:				
- Changes in "cash flow hedge" equity reserve	(206)	782	(45)	290
- Taxes on changes in 'cash flow hedge' equity reserve	(39)	(238)	12	(90)
- Changes in translation adjustment reserve	37	-	37	-
Taxes on changes in translation adjustment reserve	(9)	-	(9)	-
Other comprehensive income not to be reclassified in the separate income statement				
- Changes in 'TFR' equity reserve	(474)	(113)	(99)	(64)
- Taxes on changes in 'TFR' equity reserve	130	31	27	17
Other comprehensive income	**(561)**	**462**	**(77)**	**153**
Total comprehensive income	**26,611**	**23,557**	**9,745**	**9,750**
- of which, attributable to owners of the parent	26,678	23,557	9,644	9,750
- of which, attributable to non-controlling interests	(67)	-	101	-

(*) Different amounts from those published in the Interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values of Monclick and Comprel into 'Income/loss from disposal Group' item.

3.3 Notes on financial performance for the period

A) <u>Esprinet Group's financial highlights</u>

The Group's main economic, financial and asset results as at 31 December 2014 are hereby summarized:

(euro/000)	12 months 2014	%	12 months 2013 restated*	%	Var.	Var. %
Sales	**2,291,311**	100.00%	**2,002,964**	100.00%	**288,347**	*14%*
Cost of sales	(2,149,218)	-93.80%	(1,881,299)	-93.93%	(267,919)	*14%*
Gross profit	**142,093**	**6.20%**	**121,665**	**6.07%**	**20,428**	***17%***
Sales and marketing costs	(38,244)	-1.67%	(29,994)	-1.50%	(8,250)	*28%*
Overheads and administrative costs	(62,398)	-2.72%	(57,393)	-2.87%	(5,005)	*9%*
Operating income (EBIT)	**41,451**	**1.81%**	**34,278**	**1.71%**	**7,173**	***21%***
Finance costs - net	(2,118)	-0.09%	(1,902)	-0.09%	(216)	*11%*
Other investments expenses / (incomes)	(10)	0.00%	(6)	0.00%	(4)	*67%*
Profit before income taxes	**39,323**	**1.72%**	**32,370**	**1.62%**	**6,953**	***21%***
Income tax expenses	(13,275)	-0.58%	(10,795)	-0.54%	(2,480)	*23%*
Profit from continuing operations	**26,048**	**1.14%**	**21,575**	**1.08%**	**4,473**	***21%***
Income/(loss) from disposal groups	1,124	0.05%	1,520	0.08%	(396)	*-26%*
Net income	**27,172**	**1.19%**	**23,095**	**1.15%**	**4,077**	***18%***
Earnings per share - continuing operations	0.51		0.42		0.09	*21%*
Earnings per share - basic (euro)	0.53		0.45		0.08	*18%*

(*) Different amounts from those published in the Interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values of Monclick and Comprel into 'Income/loss from disposal Group' item.

(euro/000)	Q4 2014	%	Q4 2013 restated*	%	Var.	Var. %
Sales	**755,928**	100.00%	**611,652**	100.00%	**144,276**	*24%*
Cost of sales	(710,122)	-93.94%	(575,005)	-94.01%	(135,117)	*23%*
Gross profit	**45,806**	**6.06%**	**36,647**	**5.99%**	**9,159**	***25%***
Sales and marketing costs	(10,984)	-1.45%	(7,673)	-1.25%	(3,311)	*43%*
Overheads and administrative costs	(17,684)	-2.34%	(15,521)	-2.54%	(2,163)	*14%*
Operating income (EBIT)	**17,138**	**2.27%**	**13,453**	**2.20%**	**3,685**	***27%***
Finance costs - net	(784)	-0.10%	(270)	-0.04%	(514)	*190%*
Other investments expenses / (incomes)	13	0.00%	-	0.00%	13	*0%*
Profit before income taxes	**16,367**	**2.17%**	**13,183**	**2.16%**	**3,184**	***24%***
Income tax expenses	(5,825)	-0.77%	(3,972)	-0.65%	(1,853)	*47%*
Profit from continuing operations	**10,542**	**1.39%**	**9,211**	**1.51%**	**1,331**	***14%***
Income/(loss) from disposal groups	(720)	-0.10%	386	0.06%	(1,106)	*-287%*
Net income	**9,822**	**1.30%**	**9,597**	**1.57%**	**225**	***2%***
Earnings per share - continuing operations	0.21		0.18		0.03	*14%*
Earnings per share - basic (euro)	0.19		0.19		0.00	*1%*

(*) Different amounts from those published in the Interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values of Monclick and Comprel into 'Income/loss from disposal Group' item.

Consolidated sales, equal to 2,291.3 million euro, showed an increase of +14% (288.4 million euro) compared to 2,003.0 million euro of 2013. In the fourth quarter consolidated sales increase of +24% compared to the same period of the previous year.

Consolidated gross profit is equal to € 142.1 million showing an increase (equal to +17% or € 20.4 million) compared to the same period of 2013 as a consequence of both higher sales and higher gross profit margin. In the fourth quarter gross profit, equal to € 45.8 million, showed an increase of +25% compared to the same period of the previous year.

Consolidated operating income (EBIT) totalled 41.5 million euro, showing an increase of +21% compared to 2013 (34.3 million euro), with an EBIT margin increased to 1.81% from 1.71%, notwithstanding a 13.3 million euro growth in operating costs compared to the same period of 2013. In the fourth quarter EBIT was equal to

17.1 million euro with an increase of +27% (3.7 million euro) compared to the fourth quarter 2013 showing an EBIT margin growth (from 2.20% to 2.27%).

Consolidated profit before income taxes equal to 39.3 million euro, benefitting lower financial costs of 0.2 million euro showed an increase of +21 % compared to 2013. In the fourth quarter profit before income taxes registered an increase of 24% (3.2 million euro) reaching the value of 16.4 million euro.

Consolidated net income from continuing operation was equal to 26.1 million euro, with an increase of +21% (4.5 million euro) compared to 2013. In the fourth quarter net income from continuing operations showed an increase of 1.3 million euro (+14%) compared to the same period of 2013.

Consolidated net income was equal to 27.2 million euro, increasing by +18% (4.1 million euro) compared to 31 December 2013 benefitting of 1.1 million euro from “Profit/(Loss) from disposal groups” decreased by 0.4 million euro (-26%) compared to the same period in 2013. The consolidated net income increased by 0.2 million euro (2%) compared to the same period in 2013 mainly due to the negative effect in the “Profit/(Loss) from disposal groups” of 0.7 million euro worsened by 1.1 million euro compared to the same period in 2013.

Basic earnings per share from continuing operations at 31 December 2014 was equal to 0.51 euro, showed an increase of +21% compared to the value at 31 December 2013. In the fourth quarter basic earnings per ordinary share was equal to 0.21 euro compared to 0.18 euro of the corresponding quarter in 2013.

Basing earnings per ordinary share at 31 December 2014 was equal to 0.53 euro, showed an increase of +18% compared to the value at 31 December 2013. In the fourth quarter basic earnings per ordinary share was equal to 0.19 euro compared to 0.19 euro of the corresponding quarter in 2013.

(euro/000)	31/12/2014	%	31/12/2013	%	Var.	Var. %
Fixed assets	97,950	67.74%	96,753	81.87%	1,198	1%
Operating net w orking capital	77,258	53.43%	49,457	41.85%	27,801	56%
Other current assets/liabilities	(17,881)	-12.36%	(15,665)	-13.26%	(2,216)	14%
Other non-current assets/liabilities	(12,720)	-8.80%	(12,371)	-10.47%	(349)	3%
Total assets	**144,608**	**100.00%**	**118,174**	**100.00%**	**26,434**	**22%**
Short-term financial liabilities	20,370	14.09%	38,569	32.64%	(18,199)	-47%
Current financial (assets)/liabilities for derivatives	113	0.08%	174	0.15%	(61)	-35%
Financial receivables from factoring companies	(690)	-0.48%	(2,829)	-2.39%	2,139	-76%
Customers financial receivables	(506)	-0.35%	(572)	-0.48%	66	-12%
Cash and cash equivalents	(225,175)	-155.71%	(176,893)	-149.69%	(48,282)	27%
Net current financial debt	(205,888)	-142.37%	(141,551)	-119.78%	(64,337)	45%
Borrow ings	68,419	47.31%	3,356	2.84%	65,063	1939%
Debts for investments in subsidiaries	9,725	6.72%	-	0.00%	9,725	N.S.
derivatives	65	0.04%	-	0.00%	65	N.S.
Customers financial receivables	(3,085)	-2.13%	(3,457)	-2.93%	373	-11%
Net financial debt (A)	(130,763)	-90.43%	(141,652)	-119.87%	10,889	-8%
Net equity (B)	275,373	190.43%	259,826	219.87%	15,547	6%
Total sources of funds (C=A+B)	**144,610**	**100.00%**	**118,174**	**100.00%**	**26,436**	**22%**

Consolidated net working capital as at 31 December 2014 is equal to 77.3 million euro compared to 49.5 million euro as at 31 December 2013.

Consolidated net financial position as at 31 December 2014, positive by 130.8 million euro, compared to a cash surplus of 141.7 million euro as at 31 December 2013.

The financial indebtedness growth was connected to the increase of consolidated net working capital as of 31 December 2014 influenced both by technical events often not related to the average level of working capital particularly by a ‘without-recourse’ sale of account receivables from customers.
This program is aimed at transferring risk and reward to the buyer thus receivables sold are stripped out by balance sheet according to IAS 39.
Even considering other technicalities from factoring by means of which to obtain the result of advancing

cash-in of credits on a 'no recourse' basis - such as 'confirming' used in Spain –, the impact on financial debt was approx. 193 million euro as at 31 December 2014 (approx. 154 million euro as at 31 December 2013).

Consolidated net equity as at 31 December 2014 was 275.4 million euro, with an increase of 15.5 million euro compared to 259.8 million euro as at 31 December 2013.

B) <u>Financial highlights by geographical area</u>

B.1) Subgroup Italy

The main economic, financial and asset results for the Italian subgroup (Esprinet, V-Valley and Celly Group) as at 31 December 2014 are hereby summarized:

(euro/000)	12 months 2014	%	12 months 2013 restated*	%	Var.	Var. %
Sales to third parties	1,689,756		1,498,072		191,684	*13%*
Intercompany sales	43,922		44,635		(713)	*-2%*
Sales	**1,733,678**		**1,542,707**		**190,971**	***12%***
Cost of sales	(1,616,895)		(1,444,427)		(172,468)	*12%*
Gross profit	**116,783**	**6.74%**	**98,280**	**6.37%**	**18,503**	***19%***
Sales and marketing costs	(32,970)	-1.90%	(25,064)	-1.62%	(7,906)	*32%*
Overheads and administrative costs	(50,281)	-2.90%	(45,451)	-2.95%	(4,830)	*11%*
Operating income (EBIT)	**33,532**	**1.93%**	**27,765**	**1.80%**	**5,767**	***21%***

(*) Different amounts from those published in the Interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values of Monclick and Comprel into 'Income/loss from disposal Group' item.

(euro/000)	Q4 2014	%	Q4 2013 restated*	%	Var.	Var. %
Sales to third parties	536,225		444,519		91,706	*21%*
Intercompany sales	11,014		11,500		(486)	*-4%*
Sales	**547,239**		**456,019**		**91,220**	***20%***
Cost of sales	(510,124)		(427,384)		(82,740)	*19%*
Gross profit	**37,115**	**6.78%**	**28,635**	**6.28%**	**8,480**	***30%***
Sales and marketing costs	(9,758)	-1.78%	(6,484)	-1.42%	(3,274)	*50%*
Overheads and administrative costs	(14,106)	-2.58%	(12,382)	-2.72%	(1,724)	*14%*
Operating income (EBIT)	**13,251**	**2.42%**	**9,769**	**2.14%**	**3,482**	***36%***

(*) Different amounts from those published in the Interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values of Monclick and Comprel into 'Income/loss from disposal Group' item.

Sales were 1,733.7 million euro, with an increase of +12% compared to 1,542.7 million euro as at 31 December 2013. The fourth quarter registered an increase of +20% compared to the fourth quarter 2013.

Gross profit equal to 116.8 million euro shows an increase of +19% compared to 98.3 million euro as at 31 December 2013 thanks to the combination of the increasing gross profit margin (from 6.37% to 6.74%) and higher sales. In the fourth quarter 2014 gross profit, equal to 37.1 million euro, increased by +30% compared to the fourth quarter 2013.

Operating income (EBIT) is equal to 33.5 million euro, with an increase of +21% compared to the same period of 2013 and EBIT margin increased from 1.80% to 1.93% despite an increase of 12.7 million euro of operating costs. EBIT of fourth quarter 2014 registered an increase of +36% reaching 13.3 million euro compared to 9.8 million euro of 2013 with an increase in EBIT margin (to 2.42% from 2.14% of the same period of 2013).

(euro/000)	31/12/2014	%	31/12/2013	%	Var.	Var. %
Fixed assets	93,009	52.63%	90,227	77.28%	2,783	3%
Operating net w orking capital	53,649	30.36%	31,900	27.32%	21,749	68%
Other current assets/liabilities	40,293	22.80%	4,500	3.85%	35,793	795%
Other non-current assets/liabilities	(10,228)	-5.79%	(9,869)	-8.45%	(359)	4%
Total assets	**176,724**	**100.00%**	**116,758**	**100.00%**	**59,966**	**51%**
Short-term financial liabilities	19,994	11.31%	31,118	26.65%	(11,124)	-36%
Current financial (assets)/liabilities for derivatives	113	0.06%	70	0.06%	43	61%
Financial receivables from factoring companies	(690)	-0.39%	(2,829)	-2.42%	2,139	-76%
Financial (assets)/liab. from/to Group companies	-	0.00%	(40,000)	-34.26%	40,000	-100%
Customers financial receivables	(506)	-0.29%	(572)	-0.49%	66	-12%
Cash and cash equivalents	(180,194)	-101.96%	(122,354)	-104.79%	(57,840)	47%
Net current financial debt	(161,283)	-91.26%	(134,567)	-115.25%	(26,716)	20%
Borrow ings	68,419	38.71%	3,356	2.87%	65,063	1939%
Debts for investments in subsidiaries	9,725	5.50%	-	0.00%	9,725	N.S.
Non-current financial (assets)/liab. for derivatives	65	0.04%	-	0.00%	65	N.S.
Customers financial receivables	(3,085)	-1.75%	(3,457)	-2.96%	373	-11%
Net Financial debt (A)	(86,158)	-48.75%	(134,668)	-115.34%	48,510	-36%
Net equity (B)	262,884	148.75%	251,426	215.34%	11,458	5%
Total sources of funds (C=A+B)	**176,726**	**100.00%**	**116,758**	**100.00%**	**59,968**	**51%**

Operating net working capital as at 31 December 2014 was equal to 53.6 million euro, compared to 31.9 million euro as at 31 December 2013.

Net financial position as at 31 December 2014, was positive by 86.2 million euro, compared to a surplus of 134.7 million euro as at 31 December 2013. The impact of ‘without-recourse’ sale of both account receivables as at 31 December 2014 was equal to 70 million euro (ca. 68 million euro as at 31 December 2013).

B.2) <u>Subgroup Spain</u>

The main economic, financial and asset results of the Spanish subgroup as at 31 December 2014 are hereby summarized:

(euro/000)	12 months 2014	%	12 months 2013	%	Var.	Var. %
Sales to third parties	601,554		504,892		96,662	19%
Intercompany sales	-		-		-	0%
Sales	**601,554**		**504,892**		96,662	**19%**
Cost of sales	(576,161)		(481,480)		(94,681)	20%
Gross profit	**25,393**	**4.22%**	**23,412**	**4.64%**	**1,981**	**8%**
Sales and marketing costs	(4,928)	-0.82%	(4,471)	-0.89%	(457)	10%
Overheads and administrative costs	(12,471)	-2.07%	(12,407)	-2.46%	(64)	1%
Operating income (EBIT)	**7,994**	**1.33%**	**6,534**	**1.29%**	**1,460**	**22%**

(euro/000)	Q4 2014	%	Q4 2013	%	Var.	Var. %
Sales to third parties	219,702		167,133		52,569	31%
Intercompany sales	-		-		-	0%
Sales	**219,702**		**167,133**		**52,569**	**31%**
Cost of sales	(211,056)		(159,108)		(51,948)	33%
Gross profit	**8,646**	**3.94%**	**8,025**	**4.80%**	**621**	**8%**
Sales and marketing costs	(1,167)	-0.53%	(1,084)	-0.65%	(83)	8%
Overheads and administrative costs	(3,638)	-1.66%	(3,245)	-1.94%	(393)	12%
Operating income (EBIT)	**3,841**	**1.75%**	**3,696**	**2.21%**	**145**	**4%**

Sales amounted to 601.6 million euro, highlighting an increase of +19% compared to 504.9 million euro at 31 December 2013. In the fourth quarter sales registered an increase of + 31% (52.6 million euro) compared to the same period of 2013.

Gross profit as at 31 December 2014 was 25.4 million euro, with an increase of +8% compared to 23.4 million euro of the corresponding period in 2013, with a gross profit margin decreasing from 4.64% to 4.22%. In the fourth quarter the gross profit increased by 8% compared to the previous period, with a gross profit margin from 4.80% to 3.94%.

Operating income (EBIT) equal to 8.0 million euro, increased of 1.5 million euro compared to the same period in 2013, with EBIT margin increasing from 1.29% to 1.33%. In the fourth quarter 2014 EBIT was 3.8 million euro compared to 3.7 million euro in the fourth quarter 2013 with EBIT margin from 2.21% to 1.75%.

(euro/000)	**31/12/2014**	**%**	**31/12/2013**	**%**	**Var.**	***Var. %***
Fixed assets	65,765	95.54%	67,373	108.11%	(1,608)	*-2%*
Operating net w orking capital	23,739	34.49%	17,611	28.26%	6,128	*35%*
Other current assets/liabilities	(18,175)	-26.40%	(20,165)	-32.36%	1,990	*-10%*
Other non-current assets/liabilities	(2,492)	-3.62%	(2,502)	-4.01%	10	*0%*
Total assets	**68,837**	**100.00%**	**62,317**	**100.00%**	**6,520**	***10%***
Short-term financial liabilities	40,376	58.65%	7,451	11.96%	32,925	*442%*
Current financial (assets)/liabilities for derivatives	-	0.00%	104	0.17%	(104)	*-100%*
Financial (assets)/liab. from/to Group companies	-	0.00%	40,000	64.19%	(40,000)	*-100%*
Cash and cash equivalents	(44,981)	-65.34%	(54,539)	-87.52%	9,558	*-18%*
Net current financial debt	(4,605)	-6.69%	(6,984)	-11.21%	2,379	*-34%*
Net Financial debt (A)	(4,605)	-6.69%	(6,984)	-11.21%	2,379	*-34%*
Net equity (B)	73,442	106.69%	69,301	111.21%	4,141	*6%*
Total sources of funds (C=A+B)	**68,837**	**100.00%**	**62,317**	**100.00%**	**6,520**	***10%***

Operating Net Working Capital as at 31 December 2014 totalled 23.7 million euro compared to 17.6 million euro at 31 December 2013;

Net financial position as at 31 December 2014, is positive by 4.6 million euro, compared to a cash surplus of 7.0 million euro as at 31 December 2013. The impact of the 'without-recourse' sale of both account receivables or advancing cash-in credits is approximately 123 million euro (ca. 85 million euro as at 31 December 2013).

3.4 Notes to consolidated income statement items

In this section the paragraph numbers refer to the corresponding 'Note' in the consolidated separate income statement.

33) Sales

The following provides a breakdown of the Group's sales performance during the period.

Sales by geographical area

(euri/million)	**12 months 2014**	**%**	**12 months 2013 restated**	**%**	***% Var.***	**Q4 2014**	**%**	**Q4 2013 restated**	**%**	***% Var.***
Italy	1,680.2	73.3%	1,493.3	74.6%	*13%*	535.7	70.9%	443.2	72.5%	*21%*
Spain	561.9	24.5%	462.9	23.1%	*21%*	206.2	27.3%	152.6	24.9%	*35%*
Other EU countries	43.6	1.9%	41.8	2.1%	*4%*	13.2	1.8%	13.6	2.2%	*-3%*
Extra EU countries	5.7	0.2%	5.0	0.2%	*14%*	0.7	0.1%	2.3	0.4%	*-69%*
Total	**2,291.4**	**100.0%**	**2,003.0**	**100.0%**	***14%***	**755.9**	**100.0%**	**611.7**	**100.0%**	***24%***

Sales in other EU countries mainly refer to sales made by the Spanish subsidiary to customers resident in

Portugal. Sales in non-EU countries refer mainly to sales to customers resident in the Republic of San Marino and Andorra.

Sales by products and services

(euro/million)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
Product sales	1,681.7	73.4%	1,489.1	74.3%	*13%*	534.1	70.7%	442.3	72.3%	*21%*
Services sales	8.1	0.4%	9.0	0.4%	*-10%*	2.1	0.3%	2.2	0.4%	*-5%*
Sales - Subgroup Italy	**1,689.8**	**73.7%**	**1,498.1**	**74.8%**	***13%***	**536.2**	**70.9%**	**444.5**	**72.7%**	***21%***
Product sales	601.6	26.3%	504.9	25.2%	*19%*	219.7	29.1%	167.2	27.3%	*31%*
Sales - Subgroup Spain	**601.6**	**26.3%**	**504.9**	**25.2%**	*19%*	**219.7**	**29.1%**	**167.2**	**27.3%**	*31%*
Group sales	**2,291.4**	**100.0%**	**2,003.0**	**100.0%**	***14%***	**755.9**	**100.0%**	**611.7**	**100.0%**	***24%***

Sales by product family and customer type

(euro/million)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
Dealer	661.8	28.9%	563.4	28.1%	*17%*	208.2	27.5%	168.4	27.5%	*24%*
GDO/GDS	514.6	22.5%	443.3	22.1%	*16%*	191.7	25.4%	148.8	24.3%	*29%*
Office/consumable dealer	419.2	18.3%	365.9	18.3%	*15%*	126.3	16.7%	104.0	17.0%	*21%*
VAR	397.3	17.3%	355.2	17.7%	*12%*	123.2	16.3%	100.3	16.4%	*23%*
Shop on-line	181.0	7.9%	167.6	8.4%	*8%*	66.5	8.8%	60.6	9.9%	*10%*
Sub-distributor	117.5	5.1%	107.6	5.4%	*9%*	40.0	5.3%	29.6	4.8%	*35%*
Sales	**2,291.4**	**100.0%**	**2,003.0**	**100.0%**	***14%***	**755.9**	**100.0%**	**611.7**	**100.0%**	***24%***

(euro/million)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
PC - notebook	504.9	22.0%	435.9	21.8%	*16%*	161.3	21.3%	125.5	20.5%	*28%*
TLC	284.7	12.4%	146.1	7.3%	*95%*	134.8	17.8%	54.2	8.9%	*149%*
PC - desktop e monitor	245.5	10.7%	196.2	9.8%	*25%*	75.9	10.0%	55.7	9.1%	*36%*
Consumables	243.9	10.6%	252.9	12.6%	*-4%*	64.4	8.5%	55.3	9.0%	*16%*
Consumer Electronics	235.6	10.3%	219.2	10.9%	*7%*	76.4	10.1%	83.1	13.6%	*-8%*
PC - tablet	216.3	9.4%	230.4	11.5%	*-6%*	75.5	10.0%	85.6	14.0%	*-12%*
Peripherical devices	117.0	5.1%	101.3	5.1%	*15%*	38.5	5.1%	27.6	4.5%	*40%*
Storage	106.5	4.6%	110.3	5.5%	*-3%*	34.5	4.6%	30.7	5.0%	*13%*
Software	105.6	4.6%	94.7	4.7%	*12%*	30.2	4.0%	26.9	4.4%	*12%*
Networking	41.4	1.8%	40.5	2.0%	*2%*	12.8	1.7%	12.1	2.0%	*6%*
Server	37.1	1.6%	41.2	2.1%	*-10%*	11.7	1.5%	10.8	1.8%	*8%*
Services	18.3	0.8%	15.0	0.7%	*22%*	5.0	0.7%	4.1	0.7%	*23%*
Others	134.6	5.9%	119.3	6.0%	*13%*	34.9	4.6%	40.2	6.6%	*-13%*
Sales	**2,291.4**	**100%**	**2,003.0**	**100%**	***14%***	**755.9**	**100%**	**611.7**	**100%**	***24%***

The sales analysis by customer type shows a general improvement compared to 2013, with reference both to the entire period and to the fourth quarter, with particular relevance in the 'Dealer' and 'GDO/GDS' channel.

From the product standpoint, the Group performed well in the PC Client segment (notebooks, desktops and tablets), mainly thanks to the rapid growth of the PC notebook, only partially counterbalanced by the negative trend of ‘Tablet’ (-6%). Among the other categories, note should be taken of the excellent performances of ‘TLC’ (+95%), while ‘Consumables’ (-4%), 'Storage' (-3%) and ‘Server’ (-10%) posted the worst sales results. Also the analysis of the fourth quarter shows generally a good performance in various product families reaching peaks in 'TLC' (+149%) and 'Peripheral devices' (+40%) products, along with some negative performances, notably in 'Consumer Electronics' (-8%) and 'PC - tablet' (-12%).

35) Gross profit

(euro/000)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
Sales	2,291,311	100.00%	2,002,964	100.00%	*14%*	755,928	100.00%	611,652	100.00%	*24%*
Cost of sales	2,149,218	93.80%	1,881,299	93.93%	*14%*	710,122	93.94%	575,005	94.01%	*23%*
Gross profit	**142,093**	**6.20%**	**121,665**	**6.07%**	***17%***	**45,806**	**6.06%**	**36,647**	**5.99%**	***25%***

The consolidated gross profit totalled 142.1 million euro (equal to 6.20% as margin on sales) and shows an increase of 20.4 million euro compared to the same period of 2013 as a consequence of both higher sales and an increase in gross profit margin.

37-38) Operating costs

(euro/000)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
Sales	**2,291,311**		**2,002,964**		***14%***	**755,928**		**611,652**		***24%***
Sales and marketing costs	38,244	1.67%	29,994	1.50%	*28%*	10,984	1.45%	7,673	1.25%	*43%*
Overheads and administrative costs	62,398	2.72%	57,393	2.87%	*9%*	17,684	2.34%	15,521	2.54%	*14%*
Operating costs	**100,642**	**4.39%**	**87,387**	**4.36%**	***15%***	**28,668**	**3.79%**	**23,194**	**3.79%**	***24%***
- of which non-recurring	893	0.04%	98	0.00%	*811%*	1,786	0.24%	196	0.03%	*811%*
Recurring' operating costs	**99,749**	**4.35%**	**87,289**	**4.36%**	***14%***	**26,882**	**3.56%**	**22,998**	**3.76%**	***17%***

During the 2014 operating costs, amounting to 100.6 million euro, increased by 13.3 million euro or +15% compared to the same period of 2013.
As a percentage of sales they were almost unchanged in the period with a slight increase referred to ‘recurring’ operating costs.

Reclassification by nature of some categories of operating costs

For the purposes of providing more information, some categories of operating costs allocated by ‘function’ have been reclassified by 'nature'.

Labour costs and number of employees

(euro/million)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
Sales	**2,291,311**		**2,002,964**		***14%***	**755,928**		**611,652**		***24%***
Wages and salaries	31,068	1.36%	28,718	1.43%	*8%*	8,203	1.09%	8,837	1.44%	*-7%*
Social contributions	9,385	0.41%	8,516	0.43%	*10%*	2,359	0.31%	2,537	0.41%	*-7%*
Pension obligations	1,810	0.08%	1,702	0.08%	*6%*	440	0.06%	457	0.07%	*-4%*
Other personnel costs	747	0.03%	717	0.04%	*4%*	184	0.02%	228	0.04%	*-19%*
Employee termination incentives (2)	791	0.03%	6	0.00%	*NS*	46	0.01%	382	0.06%	*-88%*
Share incentive plans	220	0.01%	256	0.01%	*-14%*	55	0.01%	123	0.02%	*-55%*
Total labour costs (1)	**44,021**	**1.92%**	**39,915**	**1.99%**	***10%***	**11,287**	**1.49%**	**12,564**	**2.05%**	***-10%***

(1) Cost of temporary workers excluded.
(2) Balance related solely to the Spanish Subgroup in 2013.

At 31 December 2014 the labour costs amounted to 44.0 million euro, increasing by +10% (+4.0 million euro) compared to the same period of 2013.
The 'Share incentive plans' amount refers to the costs of 'Long Term Incentive Plan' in force in each different period. In the 2013, 220 thousand euro refer to the last plan approved in May 2012 and the residual 36 thousand euro refer to the 2010-2012 plan ended in April 2013.

The employees number of the Group as at 31 December 2014 - split by qualification - is shown in the table below :[1]

	Executives	Clerks and middle manager	Workers	Total	Average (1)
Esprinet S.p.A.	19	605	2	**626**	
Celly S.p.A.	1	72	-	**73**	
V-Valley S.r.l.	-	-	-	**-**	
Subgroup Italy	**20**	**677**	**2**	**699**	**710**
Subgroup Spain	**-**	**218**	**52**	**270**	**262**
Group as at 31 December 2014	**20**	**895**	**54**	**969**	**972**
Group as at 31 December 2013	**24**	**903**	**48**	**975**	**973**
Var 31/12/14 - 31/12/13	(4)	(8)	6	(6)	(1)
Var %	-17%	-1%	13%	-1%	0%

(*) Average of the balance at period-beginning and period-end.

The number of employees decreased by 6 units, from 975 to 969, compared to 31 December 2013, while the employees average number in the 2014 remained fairly constant (-1 units compared to the same period in the previous year).

Amortisation, depreciation, write-downs and accruals for risks

(euro/000)	12 months 2014	%	12 months 2013 restated	%	*% Var.*	Q4 2014	%	Q4 2013 restated	%	*% Var.*
Sales	**2,291,311**		**2,002,964**		***14%***	**755,928**		**611,652**		***24%***
Depreciation of tangible assets	2,631	0.11%	2,392	0.12%	*10%*	653	0.09%	673	0.11%	*-3%*
Amortisation of intangible assets	619	0.03%	352	0.02%	*76%*	199	0.03%	95	0.02%	*109%*
Amort. & depreciation	**3,250**	0.14%	**2,744**	0.14%	***18%***	**852**	0.11%	**768**	0.13%	***11%***
Write-downs of fixed assets	-	0.00%	1	0.00%	*-100%*	-	0.00%	1	*0.00%*	*-100%*
Amort. & depr., write-downs (A)	**3,250**	0.14%	**2,745**	0.14%	***18%***	**852**	0.11%	**769**	0.13%	***11%***
Accruals for risks and charges (B)	716	0.03%	650	0.03%	*10%*	553	0.07%	386	0.06%	*43%*
Amort. & depr., write-downs, accruals for risks (C=A+B)	**3,966**	**0.17%**	**3,395**	**0.17%**	***17%***	**1,405**	**0.19%**	**1,155**	**0.19%**	***22%***

[1] Interns and temporary workers excluded.

42) Finance costs – net

(euro/000)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
Sales	**2,291,311**		**2,002,964**		***14%***	**755,928**		**611,652**		***24%***
Interest expenses on borrowings	951	0.04%	1,156	0.06%	*-18%*	453	0.06%	291	0.05%	*56%*
Interest expenses to banks	586	0.03%	762	0.04%	*-23%*	93	0.01%	230	0.04%	*-60%*
Other interest expenses	9	0.00%	69	0.00%	*-87%*	1	0.00%	-	0.00%	*NS*
Upfront fees amortisation	209	0.01%	152	0.01%	*38%*	101	0.01%	30	0.00%	*237%*
Interest on investments in subsidiaries	34	0.00%	-	0.00%	*NS*	(202)	-0.03%	-	0.00%	*NS*
IAS 19 expenses/losses	113	0.00%	108	0.01%	*5%*	20	0.00%	12	0.00%	*67%*
Derivatives ineffectiveness	133	0.01%	-	0.00%	*NS*	133	0.02%	(23)	0.00%	*-678%*
Total financial expenses (A)	**2,035**	**0.09%**	**2,247**	**0.11%**	***-9%***	**599**	**0.08%**	**540**	**0.09%**	***11%***
Interest income from banks	(799)	-0.03%	(321)	-0.02%	*149%*	(184)	-0.02%	(166)	-0.03%	*11%*
Interest income from others	(176)	-0.01%	(35)	0.00%	*403%*	(43)	-0.01%	(13)	0.00%	*231%*
Derivatives ineffectiveness	(310)	-0.01%	(7)	0.00%	*NS*	-	0.00%	(7)	0.00%	*NS*
Total financial income (B)	**(1,285)**	**-0.06%**	**(363)**	**-0.02%**	***254%***	**(227)**	**-0.03%**	**(186)**	**-0.03%**	***22%***
Net financial exp. (C=A-B)	**750**	**0.03%**	**1,884**	**0.09%**	***-60%***	**372**	**0.05%**	**354**	**0.06%**	***5%***
Foreign exchange gains	(269)	-0.01%	(474)	-0.02%	*-43%*	(111)	-0.01%	(163)	-0.03%	*-32%*
Foreign exchange losses	1,637	0.07%	493	0.02%	*232%*	523	0.07%	81	0.01%	*546%*
Net foreign exch. (profit)/losses (D)	**1,368**	**0.06%**	**19**	**0.00%**	***NS***	**412**	**0.05%**	**(82)**	**-0.01%**	***-602%***
Net finance (income)/costs (E=C+D)	**2,118**	**0.09%**	**1,903**	**0.10%**	***11%***	**784**	**0.10%**	**272**	**0.04%**	***188%***

The negative balance of 2.1 million euro between financial income and charges shows a slight worsening (-0.2 million euro) compared to the same period of previous year. This is mainly due to the increase in net foreign exchange losses, equal to 1.4 million euro, essentially due to the impact of US dollar strengthening vs euro with reference to the goods purchased in US dollar.

Excluding the effects of foreign exchange losses, net finance costs show a negative balance of only 0.8 million euro, with a strengthening of 1.1 million euro compared to last year (-60%).
This result is due to the 0.9 million euro decrease of net bank interest (-54%) as a consequence of the combined effect of:

- a general improvement in the average financial indebtedness position of the Group;
- a general decrease in spreads paid compared to the financial market parameters, which were on average aligned to 2013 levels (with an increasing trend in the first half and a significant decrease in the second half).

The aforesaid increase is also strengthened by the positive effect of ineffective portions of derivatives whose equity reserve was reversed in the profit and loss as a consequence of their respective contracts coming to maturity during the year.

In the fourth quarter 2014 net financial expenses increased by 0.5 million euro compared to the same quarter of 2013 mainly because of net foreign exchange losses (0.5 million euro higher).

45) Income tax expenses

(euro/000)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
Sales	**2,291,311**		**2,002,964**		***14%***	**755,928**		**611,652**		***24%***
Current and deferred taxes	**13,275**	**0.58%**	**10,795**	**0.54%**	***23%***	**5,825**	**0.77%**	**3,972**	**0.65%**	***47%***
Profit before taxes	*39,323*		*32,370*		*21%*	*16,367*		*13,183*		
Tax rate	***34%***		***33%***			***36%***		***30%***		

Income tax expenses, equal to 13.3 million euro, increased by +23% compared to 2013 because of a higher taxable income and a higher estimated tax rate for the 2014 financial year.

46) Net income and earnings per share

(euro/000)	12 months 2014	12 months 2013 restated	Var.	% Var.	Q4 2014	Q4 2013 restated	Var.	% Var.
Profit from continuing operations	**26,048**	**21,575**	**4,473**	***21%***	**10,542**	**9,211**	**1,331**	***14%***
Net income	**27,172**	**23,095**	**4,077**	***18%***	**9,822**	**9,597**	**225**	
Weighted average no. of shares in circulation: basic	51,222,940	51,166,276			51,785,829	51,785,415		
Weighted average no. of shares in circulation: diluted	52,330,411	52,046,772			52,996,504	53,074,823		
Earnings continuing operations per share - basic	**0.51**	**0.42**	**0.09**	***21%***	**0.20**	**0.18**	**0.02**	***11%***
Earnings per share in euro - basic	**0.53**	**0.45**	**0.08**	***18%***	**0.19**	**0.19**	**0.00**	
Earnings continuing operations per share - diluted	**0.50**	**0.41**	**0.09**	***22%***	**0.20**	**0.17**	**0.03**	***18%***
Earnings per share in euro - diluted	**0.52**	**0.44**	**0.08**	***18%***	**0.19**	**0.18**	**0.01**	

No own shares held in portfolio were used to calculate the ‘basic’ earnings per share.

The potential shares involved in the stock grant plan approved on 9 May 2012 by the Esprinet S.p.A. Shareholders’ meeting, resulting in the free assignment of 1,150,000 rights to receive Esprinet S.p.A. ordinary shares, were used in the calculation of the ‘diluted’ profit per share.

47) Income/(loss) from disposal groups

(euro/000)	12 months 2014	%	12 months 2013 restated	%	% Var.	Q4 2014	%	Q4 2013 restated	%	% Var.
Sales	**2,291,311**		**2,002,964**		***14%***	**755,928**		**611,652**		***24%***
Income/(loss) from disposal group	**1,124**	**0.05%**	**1,520**	**0.08%**	***-26%***	**(720)**	**-0.10%**	**386**	**0.06%**	***-287%***

As at 31 December 2014 this item sums up all the net income of the subsidiaries Monclick S.r.l. and Comprel S.r.l. as well as the other charges and income referring to their disposal, occurred on 28 February 2014 with respect to Monclick and on 23 July 2014 with respect to Comprel.
The table below summarizes the abovementioned results, broken down by disposal group.

(euro/000)	12 months 2014			12 months 2013		
	Monclick	Comprel	Total	Monclick	Comprel	Total
Net income from disposal group	14	330	344	1,179	341	1,520
Gain/(Loss) realized	2,452	(1,612)	840	-	-	-
Income taxes on gain/(loss) from disposal groups	(3)	(57)	(60)	-	-	-
Income/(loss) from disposal group	**2,463**	**(1,339)**	**1,124**	**1,179**	**341**	**1,520**

Realised disposal gains/losses are stated net of selling costs.

4. Consolidated statement of financial position and notes

4.1 Consolidated statement of financial position

The table below shows the consolidated statement of financial position drawn up according to IFRS principles, together with the information required pursuant to Consob Resolution No. 15519 of 27 July 2006.

(euro/000)	31/12/2014	related parties*	31/12/2013	related parties*
ASSETS				
Non-current assets				
Property, plant and equipment	10,263		9,877	
Goodwill	75,246		73,219	
Intangible assets	1,021		767	
Investments in associates	34		-	
Deferred income tax assets	9,843		11,369	
Receivables and other non-current assets	4,628	1,188	4,978	1,188
	101,035	**1,188**	**100,210**	**1,188**
Current assets				
Inventory	253,518		217,304	
Trade receivables	275,746	16	232,519	35
Income tax assets	1,859		1,723	
Other assets	9,814		10,621	
Cash and cash equivalents	225,175		176,893	
	766,112	**16**	**639,060**	**35**
Disposal groups assets	-		-	
Total assets	**867,147**	**1,204**	**739,270**	**1,223**
EQUITY				
Share capital	7,861		7,861	
Reserves	238,002		228,870	
Group net income	27,212		23,095	
Group net equity	**273,075**		**259,826**	
Non-controlling interests	2,296		-	
Total equity	**275,371**		**259,826**	
LIABILITIES				
Non-current liabilities				
Borrowings	68,419		3,356	
Derivative financial liabilities	65		-	
Deferred income tax liabilities	4,808		5,331	
Retirement benefit obligations	4,569		4,707	
Debts for investments in subsidiaries	9,725		-	
Provisions and other liabilities	3,343		2,333	
	90,929		**15,727**	
Current liabilities				
Trade payables	452,006	-	400,366	-
short-term financial liabilities	20,370		38,569	
Income tax liabilities	1,243		664	
Derivative financial liabilities	113		174	
Provisions and other liabilities	27,115		23,944	
	500,847	**-**	**463,717**	**-**
Disposal groups liabilities	-		-	
Total liabilities	**591,776**	**-**	**479,444**	**-**
Total equity and liabilities	**867,147**	**-**	**739,270**	**-**

(*) For further details on related parties, see the related section 'Operations with related parties'.

4.2 Notes to the most significant statement of financial position items

4.2.1 Gross investments

(euro/000)	31/12/2014 Esprinet Group	31/12/2014 Subgroup Italy	31/12/2014 Esprinet Iberica	31/12/2013 Esprinet Group
Plant and machinery	299	291	8	551
Ind. and comm. Equipment & Other assets	1,480	1,379	101	1,762
Assets under construction and advances	930	351	579	495
Total Property, plant and equipment	**2,709**	**2,021**	**688**	**2,808**
Formation and extension expenses	-	-	-	-
Industrial patents and intellectual rights	777	772	5	209
Assets under construction and advances	37	37	-	-
Total intangible asstes	**814**	**809**	**5**	**209**
Total gross investments	**3,523**	**2,830**	**693**	**3,017**

Investments in property, plant and equipment mainly refer to security equipment, electronic machines and furnishings.

4.2.2 Net financial position and covenants

(euro/000)	31/12/2014	31/12/2013	Var.	30/09/2014	Var.
Short-term financial liabilities	20,370	38,569	(18,199)	23,489	(3,119)
Customer financial receivables	(506)	(572)	66	(469)	(36)
Current financial (assets)/liabilities for derivatives	113	174	(61)	-	113
Financial receivables from factoring companies	(690)	(2,829)	2,139	(643)	(47)
Cash and cash equivalents	(225,175)	(176,893)	(48,282)	(53,797)	(171,378)
Net current financial debt	**(205,888)**	**(141,551)**	**(64,337)**	**(31,420)**	**(174,431)**
Borrowings	68,419	3,356	65,063	68,574	(155)
Debts for investments in subsidiaries	9,725	-	9,725	9,927	(202)
Non-current financial (assets)/liabilities for derivatives	65	-	65	-	65
Customer financial receivables	(3,085)	(3,457)	373	(3,085)	-
Net financial debt	**(130,763)**	**(141,652)**	**10,889**	**43,996**	**(174,759)**

For the definition of financial payables please see the paragraph ‘Principal accounting definitions and estimates’ in the consolidated accounts as at 31 December 2013.

The Group's net financial position, positive in the amount of 130.8 million euro, corresponds to a net balance of gross financial debts of 88.8 million euro, 'Customer financial receivables' equal to 3.6 million euro, 'Financial receivables from factoring companies' totalling 0.7 million euro, ‘Debts for investments in subsidiaries’ equal to 9.7 million euro, 'Cash and cash equivalents' equal to 225.2 million euro and ‘Current financial liabilities for derivatives' of 0.2 million euro.
The liquid assets mainly consist of free and unrestricted bank deposits of a transitional nature as they are formed temporarily at the end of the month as a result of the Group's unusual financial cycle.
A feature of this cycle is the high concentration of funds received from customers and factoring companies – the latter in the form of net income from the non-recourse assignment of trade receivables – normally received at the end of each calendar month, while payments to suppliers, also tending to be concentrated at the end of the period, are usually spread more equally throughout the month. For this reason, the precise figure at the end of a period does not represent the financial borrowings net of the average treasury resources for the same period.

The without-recourse sale of account receivables revolving programme focusing on selected customer segments continued during 2014 both in Italy and in Spain as part of the processes aimed at the structural

optimisation of the management of working capital. Since these assignments result in the risks and benefits being transferred fully to the assignees, the assigned receivables are removed from the total assets in accordance with IAS 39 accounting principle.
Even considering other technicalities from factoring by means of which to obtain the result of advancing cash-in of credits on a ‘no recourse’ basis - such as ‘confirming’ in Spain –, the impact on financial debt as at 31 December 2014 was equal to approx. 193 million euro (approx. 154 million euro as at 31 December 2013).

The value of non-current financial debts arises mainly from the new middle-term loan entered into on 31 July 2014 amounting to 65.0 million euro in principal.

The above loan is subject to specific covenants, which allow the lenders to demand early repayment in the event of failure to meet certain profitability and financial parameters, which are checked every six months against the data on the consolidated and certified accounts. These covenants will be checked on a six-month basis starting from 31 December 2014.

4.2.3 Goodwill

Goodwill amounts to 75.2 million euro and shows an increase of 2.0 million euro compared to 73.2 million euro as at 31 December 2013.
This change is due to the booking of the consolidation difference following the acquisition of 60% in Celly S.p.A. (4.2 million euro), only partially offset by the elimination of Comprel goodwill (equal to 2.1 million euro) as a consequence of its exit from the Group perimeter during this fiscal year.

The annual impairment test, required by IAS 36, was carried out on the financial statements as at 31 December 2013 and did not show any impairment loss with reference to the CGUs - Cash Generating Unit - detected in the Group.

IAS 36 also requires the goodwill impairment test to be effected more frequently whenever ‘triggering events’ occur, i.e. indications of loss of value.
However, as no such indicators appeared in the period between the annual impairment test in March 2014 and the date of this financial report, no other impairment tests were conducted as at 31 December 2014 with reference to Esprinet S.p.A and Esprinet Iberica S.L.U..
Similarly no triggering events arose with reference to the Celly S.p.A. consolidation difference between the acquisition date, i.e. value reference date (May 2014), and the date of this report.
In the light of above, the goodwill values booked as at 31 December 2013 and still outstanding in the balance sheet are confirmed, together with the consolidation difference referring to Celly S.p.A. recorded during 2014.

For further information refer to the Consolidated Financial Statements as at 31 December 2013 and to the Half-yearly report as at 30 June 2014.

5. Consolidated statement of changes in net equity

(euro/000)	Share capital	Reserves	Own shares	Profit for the period	Total net equity	Minority interest	Group net equity
Balance at 31 December 2012	**7,861**	**223,231**	**(14,935)**	**23,718**	**239,875**	**-**	**239,875**
Total comprehensive income/(loss)	**-**	**462**	**-**	**23,095**	**23,556**	**-**	**23,556**
Allocation of last year net income/(loss)	-	19,159	-	(19,159)	-	-	**-**
Dividend payment	-	-	-	(4,559)	**(4,559)**	-	**(4,559)**
Transactions with owners	-	19,159	-	**(23,718)**	**(4,559)**	**-**	**(4,559)**
Increase/(decrease) in 'stock grant' plan reserve	-	(245)	-	-	**(245)**	-	**(245)**
Assignment of Esprinet own shares	-	(666)	1,865	-	**1,199**	-	**1,199**
Balance at 31 december 2013	**7,861**	**241,941**	**(13,070)**	**23,095**	**259,826**	**-**	**259,826**
Balance at 31 December 2013	**7,861**	**241,941**	**(13,070)**	**23,095**	**259,826**	**-**	**259,826**
Total comprehensive income/(loss)	**-**	**(561)**	**-**	**27,172**	**26,611**	**(67)**	**26,678**
Increase in reserve from Celly acquisition		2,528			**2,528**	**2,528**	**-**
Allocation of last year net income/(loss)	-	18,536	-	(18,536)	-	-	**-**
Dividend payment	-	-	-	(4,559)	**(4,559)**	-	**(4,559)**
Transactions with owners	-	18,536	-	**(23,095)**	**(4,559)**	**-**	**(4,559)**
Increase/(decrease) in 'stock grant' plan reserve	-	913	-	-	**913**	-	**913**
Variation in IAS / FTA reserve		(8)			**(8)**	-	**(8)**
Other variations	-	(249)	-	-	**(249)**	99	**(348)**
Variation in reserve on 40% Celly option	-	(9,691)	-	-	**(9,691)**	-	**(9,691)**
Balance at 31 december 2014	**7,861**	**253,408**	**(13,070)**	**27,172**	**275,371**	**2,560**	**272,811**

6. Consolidated statement of cash flows [2]

(euro/000)	12 months 2014	12 months 2013 restated*
Cash flow provided by (used in) operating activities (D=A+B+C)	**4,078**	**87,642**
Cash flow generated from operations (A)	**46,636**	**40,797**
Operating income (EBIT)	40,796	34,278
Net income from disposal groups	1,531	2,473
Depreciation, amortisation and other fixed assets write-downs	3,250	2,745
Net changes in provisions for risks and charges	573	632
Net changes in retirement benefit obligations	(427)	(284)
Stock option/grant costs	913	953
Cash flow provided by (used in) changes in working capital (B)	**(29,551)**	**57,719**
Inventory	(34,815)	(1,154)
Trade receivables	(53,769)	4,666
Other current assets	(4,039)	5,425
Trade payables	54,230	44,180
Other current liabilities	8,842	4,602
Other cash flow provided by (used in) operating activities (C)	**(13,007)**	**(10,874)**
Interests paid, net	302	(1,187)
Foreign exchange (losses)/gains	(1,239)	(101)
Net results from associated companies	(7)	-
Gain on Monclick disposal	(2,452)	-
Comprel write-down	1,612	-
Income taxes paid	(11,223)	(9,586)
Cash flow provided by (used in) investing activities (E)	**697**	**(2,487)**
Net investments in property, plant and equipment	(2,581)	(2,511)
Net investments in intangible assets	(769)	(192)
Changes in other non current assets and liabilities	677	216
Celly business combination	(12,336)	-
Monclick selling	2,787	-
Comprel selling	12,919	-
Cash flow provided by (used in) financing activities (F)	**43,507**	**(19,361)**
Medium/long term borrowing	67,000	3,834
Repayment/renegotiation of medium/long-term borrowings	(13,274)	(24,280)
Net change in financial liabilities	(7,801)	9,873
Net change in financial assets and derivative instruments	2,582	(4,773)
Deferred price Celly acquisition	9,725	-
Option on 40% Celly shares	(9,691)	-
Dividend payments	(4,559)	(4,559)
Increase/(decrease) in 'cash flow hedge' equity reserve	(245)	544
Other movements	(230)	-
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**48,282**	**65,794**
Cash and cash equivalents at year-beginning	**176,893**	**111,099**
Net decrease (increase) in cash and cash equivalents	**48,282**	**65,794**
Cash and cash equivalents at year-end	**225,175**	**176,893**

(*) Different amounts from those published in the Interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values of Monclick and Comprel into 'Income/loss from disposal Group' item.

[2] Effects of relationships with related parties are omitted as non significant.

The detailed figures of both 'Monclick disposal' and 'Comprel disposal' are below summarised. In particular, disposed assets and liabilities (sold on 28 February and on 23 July 2014 respectively), gain or loss on disposal and sales receipt are all split up into transaction.

(euro/000)	Monclick	Comprel
Property, plants and equipment	217	82
Goodwill	-	2.126
Other non-current assets	23	(194)
Inventory	1.209	4.568
Trade receivables	3.273	12.870
Other current assets	(3.392)	(508)
Cash and cash equivalents	1.216	53
Retirement benefit obligations	(285)	(442)
Trade payables	(645)	(5.125)
Short-term financial liabilities	(3)	(7.072)
Income tax liabilities	(99)	(136)
Gain/(Loss) on disposed group	2.486	(322)
Selling value of disposed group	**4.000**	**5.900**
Cash and cash equivalents transferred	(1.216)	(53)
Short-term financial liabilities transferred	3	7.072
Cash flow resulting from the sele of the CGU (Cash Generiting Unit), net of the net financial position transferred	**2.787**	**12.919**
Gain/(Loss) on disposed group	2.486	(322)
Salling costs	(34)	(1.290)
Selling value of disposed group	**2.452**	**(1.612)**

The table below shows the changes during the period and the reconciliation with the final situation at the end of that period:

(euro/000)	12 months 2014	12 months 2013 restated*
Net financial debt at start of year	**(141,652)**	**(61,100)**
Cash flow provided by (used in) operating activities	4,078	87,642
Cash flow provided by (used in) investing activities	697	(2,487)
Cash flow provided by (used in) changes in net equity	(14,725)	(4,015)
Total cash flow	**(9,950)**	**81,140**
Unpaid interests	(939)	(588)
Net financial position at end of year	**(130,763)**	**(141,652)**
Short-term financial liabilities	20,370	38,569
Current financial (assets)/liabilities for derivatives	113	174
Financial receivables from factoring companies	(690)	(2,829)
Financial receivables from customers	(506)	(572)
Cash and cash equivalents	(225,175)	(176,893)
Net currant financial debt	**(205,888)**	**(141,551)**
Non current financial (assets)/liabilities for derivatives	65	-
Financial receivables from customers	(3,085)	(3,457)
Borrowings	68,419	3,356
Debts for investments in subsiadiaries	9,725	
Net financial debt	**(130,763)**	**(141,652)**

(*) Different amounts from those published in the Interim management statement as at 31 December 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values of Monclick and Comprel into 'Income/loss from disposal Group' item.

7. Relationship with related parties

Group operations with related parties have been defined as per IAS 24 and were effected in compliance with current laws and according to mutual economic advantage.
In case of products sold to individuals, these sales are made under the same conditions as those usually applied to employees.
Operations among the parent Company Esprinet S.p.A. and its subsidiaries included in the consolidation area were excluded from the interim consolidated financial statements and therefore they are not quoted in this section

During the period relationships with related parties consisted essentially in the sales of products and services at market conditions between Group's entities and associates or companies where the key management personnel of Esprinet S.p.A. play important roles.
Relationships with key managers result from the recognition of the payments for services rendered by the same.
Achieved sales are related to the sales of consumer electronics products to business and private customers at market conditions.

Services received are related to real estate lease agreements at market conditions signed in previous periods than the one under review with the Immobiliare Selene S.r.l. dealing with Cambiago (MI) and M.B. Immobiliare S.r.l. dealing with Cavenago (MB) warehouse.

The total value of the aforementioned operations is not significant compared to the overall volume of the Group's activities.

8. Segment information

8.1 Introduction

The Esprinet Group is organised in the geographical business areas of Italy and Spain (operating segments) where it performs the business-to-business (B2B) distribution of Information Technology (IT) and consumer electronics.

Solely in Italy, the Group was also marginally active in the business-to-consumer (B2C) IT and consumer electronics distribution and business-to-business (B2B) micro-electronic components distribution business segments, both disposed as at 31 December 2014.
A 'geographical segment' is involved in investments and transactions aimed at providing products or services within a particular economic environment that is subject to risks and returns that are different from those achievable in other geographical segments.

A 'business segment' is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

Although the organisation by geographical segments is the main way of managing and analysing the Group's results, the next tables also provide a fuller picture of the operating results and assets balances of the business segments where the Group has operated in Italy.

8.2 Separate income statement by operating segments

The separate income statement, statement of financial position and other significant information regarding each of the Esprinet Group's operating segments are as follows:

Separate income statement and other significant information by operating segments

(euro/000)	12 months 2014									
	Italy						Spain			
	Distr. IT & CE B2B	Distr. IT & CE B2C	Electr. Comp. Distr.	Elim. and other	Total	%	Distr. IT & CE B2B	%	Elim. and other	Group
Sales to third parties	1,689,756	-	-		1,689,756		601,554			2,291,311
Intersegment sales	43,922			-	43,922		-		(43,922)	-
Sales	1,733,678	-	-	-	1,733,678		601,554		(43,922)	2,291,311
Cost of sales	(1,616,806)	-	-	(89)	(1,616,895)		(576,161)		43,838	(2,149,218)
Gross profit	**116,872**	**-**	**-**	**(89)**	**116,783**	***6.91%***	**25,393**	***4.22%***	**(84)**	**142,093**
Sales and marketing costs	(32,970)	-	-	-	(32,970)	*-1.95%*	(4,928)	*-0.82%*	(346)	(38,244)
Overheads and admin. costs	(50,281)	-	-	-	(50,281)	*-2.98%*	(12,471)	*-2.07%*	354	(62,398)
EBIT	**33,621**	**-**	**-**	**(89)**	**33,532**	***1.98%***	**7,994**	***1.33%***	**(76)**	**41,451**
Finance costs - net										(2,118)
Share of profits of associates										(10)
Profit before income tax										**39,323**
Income tax expenses										(13,275)
Profit from continuing operations										**26,048**
Income/(loss) from disposal groups										1,124
Net income										**27,172**
- of which attributable to non-controlling interests										(40)
- of which attributable to owners of the parent										27,212
Depreciation and amortisation	2,692	-	-	-	**2,692**		**307**		251	**3,250**
Other non-cash items	3,301	19	123	-	**3,443**		**243**		-	**3,686**
Investments					**2,830**		**693**		-	**3,523**
Total assets					**728,413**		**244,381**		(105,647)	**867,147**

(euro/000)	2013 restated									
	Italy						Spain			
	Distr. IT & CE B2B	Distr. IT & CE B2C	Distr. Comp. Elettr.	Elim. and other	Total	%	Distr. It & CE B2B	%	Elim. and other	Group
Sales to third parties	1,498,072	-	-	-	1,498,072		504,892		-	2,002,964
Intersegment sales	44,635	-	-	-	44,635		-		(44,635)	-
Sales	1,542,707	-	-	-	1,542,707		504,892		(44,635)	2,002,964
Cost of sales	(1,444,427)	-	-	-	(1,444,427)		(481,480)		44,608	(1,881,299)
Gross profit	**98,280**	**-**	**-**	**-**	**98,280**	***6.56%***	**23,412**	***4.64%***	**(27)**	**121,665**
Sales and marketing costs	(25,064)	-	-	-	(25,064)	*-1.67%*	(4,471)	*-0.89%*	(459)	(29,994)
Overheads and admin. costs	(45,451)	-	-	-	(45,451)	*-3.03%*	(12,407)	*-2.46%*	465	(57,393)
Operating income (Ebit)	**27,765**	**-**	**-**	**-**	**27,765**	***1.85%***	**6,534**	***1.29%***	**(21)**	**34,278**
Finance costs - net										(1,902)
Share of profits of associates										(6)
Profit before income tax										**32,370**
Income tax expenses										(10,795)
Profit from continuing operations										**21,575**
Income/(loss) from disposal groups										1,520
Net income										**23,095**
- of which attributable to non-controlling interests										-
- of which attributable to Group										23,095
Depreciation and amortisation	2,250	-	-	-	**2,250**		**306**		189	**2,745**
Other non-cash items	3,304	100	237	-	**3,641**		**37**		-	**3,678**
Investments					**2,936**		**81**		-	**3,017**
Total assets					**626,915**		**224,357**		(112,002)	**739,270**

(euro/000)	Q4 2014									
	Italy						Spain		Elim. and other	Group
	Distr. IT & CE B2B	Distr. IT & CE B2C	Electr. Comp. Distr.	Elim. and other	Total	%	Distr. IT & CE B2B	%		
Sales to third parties	536,225	-	-		536,225		219,702			755,928
Intersegment sales	11,014			-	11,014		-		(11,014)	-
Sales	547,239	-	-	-	547,239		219,702		(11,014)	755,928
Cost of sales	(510,081)	-	-	(43)	(510,124)		(211,056)		11,058	(710,122)
Gross profit	**37,158**	**-**	**-**	**(43)**	**37,115**	***6.92%***	**8,646**	***3.94%***	**44**	**45,806**
Sales and marketing costs	(9,758)	-	-	-	(9,758)	*-1.82%*	(1,167)	*-0.53%*	(59)	(10,984)
Overheads and admin. costs	(14,114)	-	-	8	(14,106)	*-2.63%*	(3,638)	*-1.66%*	60	(17,684)
EBIT	**13,286**	**-**	**-**	**(35)**	**13,251**	***2.47%***	**3,841**	***1.75%***	**45**	**17,138**
Finance costs - net										(784)
Share of profits of associates										13
Profit before income tax										**16,367**
Income tax expenses										(5,825)
Profit from continuing operations										**10,542**
Income/(loss) from disposal groups										(720)
Net income										**9,822**
- of which attributable to non-controlling interests										128
- of which attributable to owners of the parent										9,694
Depreciation and amortisation	705	-	-	-	**705**		**80**		67	**852**
Other non-cash items	1,031	-	-	-	**1,031**		**225**		-	**1,256**
Investments					**792**		**520**		-	**1,312**
Total assets					**728,413**		**244,381**		(105,647)	**867,147**

(euro/000)	Q4 2013 restated									
	Italy						Spain		Elim. and other	Group
	Distr. IT & CE B2B	Distr. IT & CE B2C	Electr. Comp. Distr.	Elim. and Other	Total	%	Distr. It & CE B2B	%		
Sales to third parties	444,519	-	-	-	444,519		167,133			611,652
Intersegment sales	11,500	-	-	-	11,500		-		(11,500)	-
Sales	456,019	-	-	-	456,019		167,133		(11,500)	611,652
Cost of sales	(427,384)	-	-	-	(427,384)		(159,108)		11,487	(575,005)
Gross profit	**28,635**	**-**	**-**	**-**	**28,635**	***6.44%***	**8,025**	***4.80%***	**(13)**	**36,647**
Sales and marketing costs	(6,484)	-	-	-	(6,484)	*-1.46%*	(1,084)	*-0.65%*	(105)	(7,673)
Overheads and admin. costs	(12,382)	-	-	-	(12,382)	*-2.79%*	(3,245)	*-1.94%*	106	(15,521)
Operating income (Ebit)	**9,769**	**-**	**-**	**-**	**9,769**	***2.20%***	**3,696**	***2.21%***	**(12)**	**13,453**
Finance costs - net										(270)
Share of profits of associates										-
Profit before income tax										**13,183**
Income tax expenses										(3,972)
Profit from continuing operations										**9,211**
Income/(loss) from disposal groups										386
Net income										**9,597**
- of which attributable to non-controlling interests										-
- of which attributable to Group										9,597
Depreciation and amortisation	655	-	-	-	655		**73**		41	**769**
Other non-cash items	1,080	23	41	-	1,144		**7**		-	**1,151**
Investments					1,012		**44**		-	**1,056**
Total assets					**626,915**		**224,357**		(112,002)	**739,270**

Statement of financial position by operating segments

(euro/'000)	31/12/2014							
	Italy					Spain	Elim. and other	Group
	Distr. IT & CE B2B	Distr. IT & CE B2C	Distr. Comp. Elettr.	Elim. and other	Total Italy	Distr. IT & CE B2B		
ASSETS								
Non-current assets								
Property, plant and equipment	9,183	-	-	-	9,183	1,080	-	10,263
Goodwill	10,626	-	-	5,020	15,646	58,561	1,039	75,246
Intangible assets	944	-	-	-	944	77	-	1,021
Investments in associates	44	-	-	(10)	34	-	-	34
Investments in others	79,558	-	-	(17,655)	61,903	-	(61,903)	-
Deferred income tax assets	3,924	-	-	29	3,953	5,850	40	9,843
Receivables and other non-current assets	4,431	-	-	-	4,431	197	-	4,628
	108,710	**-**	**-**	**(12,616)**	**96,094**	**65,765**	**(60,824)**	**101,035**
Current assets								
Inventory	195,377	-	-	(88)	195,289	58,359	(130)	253,518
Trade receivables	200,863	-	-	-	200,863	74,883	-	275,746
Income tax assets	1,859	-	-	-	1,859	-	-	1,859
Other assets	54,115	-	-	-	54,115	393	(44,694)	9,814
Cash and cash equivalents	180,194	-	-	-	180,194	44,981	-	225,175
	632,408	**-**	**-**	**(88)**	**632,320**	**178,616**	**(44,824)**	**766,112**
Disposal groups assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total assets	**741,118**	**-**	**-**	**(12,704)**	**728,414**	**244,381**	**(105,648)**	**867,147**
EQUITY								
Share capital	9,131	-	-	(1,270)	7,861	54,693	(54,693)	7,861
Reserves	240,299	-	-	(10,556)	229,743	14,467	(6,208)	238,002
Group net income	26,156	-	-	(3,174)	22,982	4,282	(52)	27,212
Group net equity	**275,586**	**-**	**-**	**(15,000)**	**260,586**	**73,442**	**(60,953)**	**273,075**
Non-controlling interests	**-**	**-**	**-**	2,296	**2,296**	**-**	**-**	**2,296**
Total equity	**275,586**	**-**	**-**	**(12,704)**	**262,882**	**73,442**	**(60,953)**	**275,371**
LIABILITIES								
Non-current liabilities								
Borrowings	68,419	-	-	-	68,419	-	-	68,419
Derivative financial liabilities	9,790	-	-	(9,725)	65	-	-	65
Deferred income tax liabilities	2,703	-	-	-	2,703	2,105	-	4,808
Retirement benefit obligations	4,569	-	-	-	4,569	-	-	4,569
Debts for investments in subsidiaries	-	-	-	9,725	9,725	-	-	9,725
Provisions and other liabilities	2,956	-	-	-	**2,956**	387	-	3,343
	88,437	**-**	**-**	**-**	**88,437**	**2,492**	**-**	**90,929**
Current liabilities								
Trade payables	342,503	-	-	-	342,503	109,503	-	452,006
Short-term financial liabilities	19,994	-	-	-	19,994	40,376	(40,000)	20,370
Income tax liabilities	994	-	-	-	994	249	-	1,243
Derivative financial liabilities	113	-	-	-	113	-	-	113
Provisions and other liabilities	13,491	-	-	-	13,491	18,319	(4,695)	27,115
	377,095	**-**	**-**	**-**	**377,095**	**168,447**	**(44,695)**	**500,847**
Disposal groups liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total liabilities	**465,532**	**-**	**-**	**-**	**465,532**	**170,939**	**(44,695)**	**591,776**
Total equity and liabilities	**741,118**	**-**	**-**	**(12,704)**	**728,414**	**244,381**	**(105,648)**	**867,147**

(euro/000)	31/12/2013							
	Italy					Spain		
	Distr. IT & CE B2B	Distr. IT & CE B2C	Electr. Comp. Distr.	Elim. and other	Total Italy	Distr. IT & CE B2B	Elim. and other	Group
ASSETS								
Non-current assets								
Property, plant and equipment	8,919	221	78	-	9,218	659	-	9,877
Goodwill	10,625	-	2,126	867	13,618	58,561	1,040	73,219
Intangible assets	656	-	-	-	656	111	-	767
Investments in associates	6	-	-	(6)	-	-	-	-
Investments in others	66,159	-	-	(4,256)	61,903	-	(61,903)	-
Deferred income tax assets	2,664	25	809	-	3,498	7,855	16	11,369
Receivables and other non-current assets	4,790	-	1	-	4,791	187	-	4,978
	93,819	**246**	**3,014**	**(3,395)**	**93,684**	**67,373**	**(60,847)**	**100,210**
Current assets								
Inventory	160,977	1,183	3,808	-	165,968	51,390	(54)	217,304
Trade receivables	166,755	4,619	10,478	-	181,852	50,667	-	232,519
Income tax assets	1,723	-	-	-	1,723	-	-	1,723
Other assets	65,375	1,209	1,100	(6,349)	61,335	388	(51,102)	10,621
Cash and cash equivalents	120,780	1,568	6	-	122,354	54,539	-	176,893
	515,610	**8,579**	**15,392**	**(6,349)**	**533,232**	**156,984**	**(51,156)**	**639,060**
Total assets	**609,429**	**8,825**	**18,406**	**(9,744)**	**626,916**	**224,357**	**(112,003)**	**739,270**
EQUITY								
Share capital	7,881	100	500	(620)	7,861	54,693	(54,693)	7,861
Reserves	220,779	221	5,070	(2,769)	223,301	11,766	(6,197)	228,870
Group net income	18,753	1,179	341	(9)	20,264	2,842	(11)	23,095
Group net equity	**247,413**	**1,500**	**5,911**	**(3,398)**	**251,426**	**69,301**	**(60,901)**	**259,826**
Non-controlling interests								-
Total equity	**247,413**	**1,500**	**5,911**	**(3,398)**	**251,426**	**69,301**	**(60,901)**	**259,826**
LIABILITIES								
Non-current liabilities								
Borrowings	3,356	-	-	-	3,356	-	-	3,356
Deferred income tax liabilities	2,279	1	704	-	2,984	2,347	-	5,331
Retirement benefit obligations	3,959	278	470	-	4,707	-	-	4,707
Provisions and other liabilities	1,920	-	255	3	2,178	155	-	2,333
	11,514	**279**	**1,429**	**3**	**13,225**	**2,502**	**-**	**15,727**
Current liabilities								
Trade payables	311,204	630	4,086	-	315,920	84,446	-	400,366
Short-term financial liabilities	25,333	5	5,780	-	31,118	47,451	(40,000)	38,569
Income tax liabilities	276	93	2	-	371	293	-	664
Derivative financial liabilities	70	-	-	-	70	104	-	174
Provisions and other liabilities	13,619	6,318	1,198	(6,349)	14,786	20,260	(11,102)	23,944
	350,502	**7,046**	**11,066**	**(6,349)**	**362,265**	**152,554**	**(51,102)**	**463,717**
Total liabilities	**362,016**	**7,325**	**12,495**	**(6,346)**	**375,490**	**155,056**	**(51,102)**	**479,444**
Total equity and liabilities	**609,429**	**8,825**	**18,406**	**(9,744)**	**626,916**	**224,357**	**(112,003)**	**739,270**

9. Atypical and/or unusual operations

No atypical and/or unusual events or operations according to the definition as per Consob communication No. DEM/6064293 of the 28 July 2006 occurred during the period.

10. Non-recurring significant events and operations

In 2014 employee termination indemnities in the parent company (equal to 700 thousand euro), the tax expenses in Spain mainly arising from the impairment of deferred tax assets related to previous losses due to the future cut of Spanish theoretical tax rate (equal to 689 thousand euro), as well as estimated transaction costs on Celly's acquisition (equal to 193 thousand euro) were identified as non-recurring items.
The costs incurred as a result of the 2010/2011 tax auditing final report regarding the subsidiary Esprinet Iberica have been highlighted as non-recurring events throughout 2013. The above mentioned costs refer to fiscal consultancy and interest matured for delayed tax payments as well as additional taxes resulting from re-instated costs previously deducted but presently disallowed

The following table shows effects of the above said events and operations on the income statement (included the related fiscal effects):

(euro/000)	**Charge type**	**12 months 2014**	**12 months 2013**	**Var.**
Overheads and administrative costs	Transaction costs on Celly's acquisition	(193)	-	(193)
Overheads and administrative costs	Employee termination incentives	(700)	-	(700)
Overheads and administrative costs	Defence charges	-	(98)	98
Total SG&A		**(893)**	**(98)**	**(893)**
Operating income (EBIT)		**(893)**	**(98)**	**(893)**
Finance costs - net	Interests on delayed tax payments	-	(66)	66
Profit before income taxes		**(893)**	**(164)**	**(827)**
Income tax expenses	Recovery of previous years taxes	-	(495)	495
Income tax expenses	Changes in Spanish tax rate on initial losses	(689)	-	(689)
Income tax expenses	Non-recurring events impact	295	67	228
Profit for the period		**(1,287)**	**(592)**	**(104)**
Non - controlling interest		-	-	-
Net income / (loss)		**(1,287)**	**(592)**	**(104)**

11. Significant events occurred in the period

The significant events occurred during the period are hereby described:

Esprinet to sale 100% of Monclick's share capital

On 28 February 2014 Esprinet finalised the sale of 100% stake in its subsidiary Monclick S.r.l. for an equity value of 4.0 million euro paid in cash net of non-significant sale costs. On the same day the value of the Monclick subsidiary in the separated statement was 3.7 million euro, against an asset value of 1.5 million euro.

The transaction represents a step forward in the process aimed at further focusing in the technology wholesale distribution business through maximizing 'non-core assets' value.

The buyer is Project Informatica S.p.A. - one of the most valuable IT system integrators in the Italian market - through a wholly owned company.
Agreements with Project Informatica S.p.A. include collateral contracts having the purpose of smoothing the process of exiting the Esprinet Group and ruling future commercial relationships between Esprinet and Monclick.

Esprinet S.p.A. Shareholders' General Meeting.

On 30 April 2014, in second call, the Esprinet Shareholders' Meeting approved the financial statements of Esprinet S.p.A as at 31 December 2013 and resolved to distribute a gross dividend of 0,089 euro per ordinary share before taxes and any mandatory substitute taxation.
The dividend, equal to 4.5 million euro, was paid out from 8 May 2014. Shareholders' Meeting approved the first section of the report on remuneration pursuant to paragraph 6 art. 123-ter decree law 58/1998.

The Shareholders' Meeting approved the proposal for change and integration of current three years period 2012-2014 "Long Term Incentive Plan" for executive directors and employees of Esprinet S.p.A., based on the grating of a up to a maximum of 1,150,000 shares of company's own shares ('performance stock grant') approved by the Annual Shareholders' Meeting on 9 May 2012. Major changes refer to the right granted to beneficiaries to receive a portion of the maximum number of shares in case of a partial achievement of financial targets, provided that a performance-threshold is at least overtaken.

The Shareholders' Meeting resolved to authorise, subject to prior revocation of former authorization resolved in the Shareholder's Meeting on 29 April 2013, the acquisition and disposal of own shares. During 2013 the company granted n. 168,600 own shares to some Company's managers, in execution of the Long Term Incentive Plan for the 2010-2012 period. The proposed plan represents the re-iteration of the former one and comprises up to 10,480,000 ordinary shares of Esprinet S.p.A. with a nominal value of 0.15 euro each, or a maximum of 20% of share capital taking into account the own shares hold by the Company.

Acquisition of 60% stake in Celly's share capital.

On 12 May 2014 Esprinet S.p.A. signed the agreement for the acquisition of a 60% stake in the share capital of Celly S.p.A., an Italian company active in the wholesale distribution of accessories for mobile devices. The aforementioned deal will be executed through a purchase of shares from former shareholders as well as company's own shares and, ultimately, the subscription of a share capital increase. Total cash-out for Esprinet is 7.944 million euro, which corresponds to a pre-money equity value for 100% of share capital of 13.0 million euro.

The binding agreement comprises a shareholders' agreement with the owner of 40% of the capital, Stefano Bonfanti (20%) and Claudio Gottero (20% through GIR S.r.l.), aimed at establishing corporate governance rules along the investment period when the minority shareholders will co-manage the operations together with Esprinet. The way-out from investment is regulated through put/call options.

Sale of 100% stake of the subsidiary Comprel S.r.l.

On 23 July 2014 Esprinet S.p.A. sold 100% stake in its subsidiary Comprel S.r.l., a leading Italian distributor of electro-components and subsystems, for a total value of 5.9 million euro paid in cash.
On the same day the value of the Comprel subsidiary in the separated statement of Esprinet S.p.A. was 0.5 million euro, against an asset value of 6.2 million euro.

Buyer is Melchioni S.p.A., one of the largest distributor of electro-components in the Italian market also operating in the supply of spare parts for the automotive industry, in 'B2B' distribution of professional electronics and 'B2C' distribution of consumer electronics and being active in the renewable energy market (photovoltaic and LED lighting).

This transaction, as happened in February 2014 with the Monclick sale, represents a step forward in the process aimed at further focusing in the technology wholesale distribution business through maximizing 'non-core assets' value.

Signing of a long term syndacated loan

On 31 July 2014 Esprinet S.p.A. signed an unsecured medium-term loan for a total maximum amount of 130.0 million euro split into a Term Loan Facility of up to 65.0 million euro and a Revolving Facility of up to 65.0 million euro with an expiry date fixed on 31 July 2019.
Banca IMI S.p.A. both acted as Global Coordinator Bank and was, together with Unicredit S.p.A. and Banca Nazionale del Lavoro S.p.A., the Arranger and Bookrunner.
Underwriters of the loan were primary banks as Intesa Sanpaolo S.p.A., Unicredit S.p.A., Banca Nazionale del Lavoro S.p.A., Banca Monte dei Paschi di Siena S.p.A., UBI Banca Soc. Coop. per azioni, Banco Popolare Soc. Coop., Caixabank, S.A., Cassa di Risparmio di Parma e Piacenza S.p.A.. These underwriters identified Banca IMI S.p.A.. as Agent Bank on behalf of the banking pool.

Main purpose of the loan is to support Group's financial needs by maintaining an adequate degree of stability and flexibility of the financial structure.
Following the signing of the aforementioned term loan, in order to hedge the interest rate risk, on 22 December 2014 Esprinet subscribed bilateral "IRS-Intereest Rate Swap" agreements with each participating bank for notional amounts equivalent to those of the underlying loan.

12. Subsequent events

No significant events occurred after 31 December 2014.

13. Outlook

According to IMF's predictions (source: WEO - World Economic Outlook, January 2015) the Eurozone should grow by +1.2% in 2015 as compared to 2014. In such a scenario the Italian GDP should grow by +0.2% (according to OCSE) and by +2.5% (according to CSC - Centro Studi Confindustria) with consensus at +0.4/0.6%. Conversely, the Spanish economy should grow at a higher rate (+2.7% for IMF, +1.7% for OCSE and UE Commission).
The Italian economy is expected to return to growth in 2015 after contracting for the last three years. Nonetheless it still appears as negatively affected both by the delay in the implementation of a comprehensive programme of structural reforms and the burden of public debt, despite favourable effects deriving from the decrease of oil price, further depreciation of euro against all major currencies and the ECB "easing" monetary policy.
Expected outperformance in Spain is mainly connected to the early execution of structural reforms, namely the labour market one, aimed at enhancing country competitiveness despite some potential risks related to the upcoming political elections.
As per the envisaged trend in IT spending throughout Europe – out of the relevant growth seen in 2014 partly due to the expiration of Microsoft Windows XP and new wave of product innovations affecting notebooks and high-performing professional desktop – prevailing sentiment remains positive although at a decelerating pace. Moreover the expected improvement in the macroeconomic scenario and more favourable access to bank lending should support technology spending both in the consumer and enterprise segment.
During 2014 wholesale distribution industry (source: Global Tech Distribution Council – Context, January 2015) grew by +8% as compared to preceding year (+9% in the fourth quarter). Within the monitored panel Spain revealed as best country thanks to a +24% growth rate while Italy ranked third (+12%). Fourth quarter results confirmed the positive momentum with Spain at +30% and Italy +13%.
With regard to product categories, smartphones continued to grow at huge rates (+88%) in Italy also thanks to Apple's decision to sell iPhone through the 'channel'. Desktop (+27%) and notebook (+6%) gained top ranking positions while tablet and 'featured phones' (traditional phones) decreased respectively by -6% and -38%. The Windows XP drop-out had a stronger impact in Spain with notebook growing by +28% and smartphone even better (+62%).
In 2014 the Esprinet Group showed positive results, despite tough challenges to cope with.
For the current year managements expects to take advantage of the projected growth of tech industry by capitalizing its strong focus on the 'core business' which will enable the best support to major vendors' willingness to reduce the number of distributors or reinforce the use of the second-tier channel at the expense of direct sales.
Esprinet's market share should grow both in Italy and Spain, boosted by the commercial initiatives started in 2014 as well as by the positive contribute of less mature business segments (here including mobile phone accessories managed through the recent acquisition of Celly).
All that said, subject to unforeseen event as well as the potential negative effect of current geo-political tensions, the Esprinet Group expects a significant revenue growth in the current year. Despite ongoing pressure on gross margin, mainly in the 'traditional' product families, the Group expects a positive operating leverage effect as the cost structure is under strict control and consequently a general increase in profitability.

Vimercate, 12 February 2015

For and on behalf of the Board of Directors
The Chairman

Francesco Monti

14. Declaration of the officer responsible for financial reports

Declaration under article 154-bis, par. 2 of the Financial Consolidation Act.

SUBJECT: Interim management statement as at 31 December 2014

The undersigned Pietro Aglianò, the manager responsible for preparing the accounting documents of

ESPRINET S.p.A.

in accordance with the provisions of in article 154 bis(2) of the Finance Consolidation Act

HEREBY DECLARES

that the Interim management statement as at 31 December 2014 agrees with the accounting documents, books and records.

Vimercate, 12 February 2015

The Officer in charge of drawing up financial reports

(Pietro Aglianò)