Press release in accordance with Consob Regulation n. 11971/99

Esprinet's consolidated results as at 31 December 2016

Results as at 31 December 2016:

Consolidated sales: € 3,046.4 million (+13% vs € 2,694.1 million as at 31 December 2015)
Gross profit: € 164.2 million (+5% vs € 156.9 million)
Operating income (EBIT): € 38.9 million (-16% vs € 46.5 million)
Net income: € 27.7 million (-8% vs € 30.0 million)

Net financial position as at 31 December 2016 positive by € 109.8 million
(vs Net financial position as at 31 December 2015 positive by € 185.9 million)

Fourth quarter 2016 results:

Consolidated sales: € 1,120.6 million (+26% vs € 888.5 million of fourth quarter 2015)
Gross profit: € 57.6 million (+20% vs € 47.8 million)
Operating income (EBIT): € 21.9 million (+21% vs € 18.1 million)
Net income: € 15.9 million (+29% vs € 12.3 million)

Vimercate (Monza Brianza), 13 February 2017 - The Board of Directors of Esprinet S.p.A. (Italian Stock Exchange: PRT) met today under the chairmanship of Francesco Monti to examine and approve Group's financial results for the period ending on 31 December 2016, prepared in accordance to IFRS.

The wholesale distribution market in Europe (source: Context, January 2017) closed 2016 showing an increase of 1.4% compared to 2015, increasing from € 61.4 billion to € 62.3.

Despite fears related to Brexit, United Kingdom registered the most significant growth rate (+ 8.7%), with a second half (+ 11.7%) sequentially better than the first. Germany showed instead an opposite trend, going into a negative territory in the second half and closing the year with a -0.6%. France improved in the second half, but not enough to turn positive, marking a -1.2% for the full year.

Italy underperformed the overall result of the Panel Context closing the year at + 0.9% mainly thanks to the performance registered in the second half. Spain on the other hand registered a + 1.2% due to a particularly negative fourth quarter (-4.7%).

The performance by product category testifies a growth in notebook (+ 6%), monitor (+ 18%) and consumables (+ 6%) segments. Tablet and desktop are instead negative, respectively with -13% and -5%. Smartphones, as in all other analysed countries, registered a lower result than expected mainly due to non-recurring events that penalized one of the leading international brands. Huawei and HP excelled among the best performing brands, while Apple and Microsoft ranked among the worst. Esprinet closed 2016 still on the first place of the local distributors rank, with a share of 31.5% - slightly decreasing (-0.9%) - without taking into account the contribution of the newly acquired EDSlan and Itway VAD.

In Spain, the best performing categories were mobile phones and the notebook, while processors (-27%), desktop (-6%) and toner (-9%) contained the overall trend of the sector. Among the best brands are reported Huawei followed by Asus, while Toshiba and Acer delivered the worst results. The market share of Esprinet Iberica increase to 17.9% (+ 0.9%); considering the contribution of the acquired assets of Vinzeo, equally growing year on year, the group in Spain was on the first place in the national ranking, according to management estimates.

A) Esprinet Group's financial highlights

The Group's main economic, financial and asset results as at 31 December 2016 are hereby summarised:

(euro/000)	12 months 2016	%	12 months 2015	%	Var.	Var. %
Sales	**3,046,415**	**100.00%**	**2,694,054**	**100.00%**	**352,361**	***13%***
Cost of sales	(2,882,217)	-94.61%	(2,537,190)	-94.18%	(345,027)	*14%*
Gross profit	**164,198**	**5.39%**	**156,864**	**5.82%**	**7,334**	***5%***
Other income	2,677	0.09%	-	0.00%	2,677	*100%*
Sales and marketing costs	(49,841)	-1.64%	(43,974)	-1.63%	(5,867)	*13%*
Overheads and administrative costs	(78,117)	-2.56%	(66,391)	-2.46%	(11,726)	*18%*
Operating income (EBIT)	**38,917**	**1.28%**	**46,499**	**1.73%**	**(7,582)**	***-16%***
Finance costs - net	(3,791)	-0.12%	(4,243)	-0.16%	452	*-11%*
Other investments expenses / (incomes)	1	0.00%	(9)	0.00%	10	*-111%*
Profit before income taxes	**35,127**	**1.15%**	**42,247**	**1.57%**	**(7,120)**	***-17%***
Income tax expenses	(7,435)	-0.24%	(12,206)	-0.45%	4,771	*-39%*
Net income	**27,692**	**0.91%**	**30,041**	**1.12%**	**(2,349)**	***-8%***
Earnings per share - basic (euro)	0.53		0.59		(0.06)	*-10%*

(euro/000)	Q4 2016	%	Q4 2015	%	Var.	Var. %
Sales	**1,120,604**	**100.00%**	**888,537**	**100.00%**	**232,067**	***26%***
Cost of sales	(1,063,033)	-94.86%	(840,696)	-94.62%	(222,337)	*26%*
Gross profit	**57,571**	**5.14%**	**47,841**	**5.38%**	**9,730**	***20%***
Other income	-	0.00%	-	0.00%	-	*100%*
Sales and marketing costs	(14,161)	-1.26%	(11,898)	-1.34%	(2,263)	*19%*
Overheads and administrative costs	(21,494)	-1.92%	(17,800)	-2.00%	(3,694)	*21%*
Operating income (EBIT)	**21,916**	**1.96%**	**18,143**	**2.04%**	**3,773**	***21%***
Finance costs - net	(1,647)	-0.15%	(1,172)	-0.13%	(475)	*41%*
Other investments expenses / (incomes)	-	0.00%	(2)	0.00%	2	*-100%*
Profit before income taxes	**20,269**	**1.81%**	**16,969**	**1.91%**	**3,300**	***19%***
Income tax expenses	(4,362)	-0.39%	(4,684)	-0.53%	322	*-7%*
Net income	**15,907**	**1.42%**	**12,285**	**1.38%**	**3,622**	***29%***
Earnings per share - basic (euro)	0.31		0.24		0.07	*29%*

- **Consolidated sales** equal to € 3,046.4 million showed an increase of +13% (€ 352.4 million) compared to € 2,694.1 million at 31 December 2015. In the fourth quarter consolidated sales increased by +26% compared to the same period of the previous year (from € 888.5 million to € 1,120.6 million). With equal consolidation perimeter, estimated consolidated sales would have been equal to € 2,654.3 million, decreased by -1.48% compared to the same period of 2015 (-1.09% in the fourth quarter);

- **Gross profit** equal to € 164.2 million showed an increase of +5% (€ 7.3 million) compared to the same period of 2015 as consequence of higher sales only partially offset by a decrease in the gross profit margin. In the fourth quarter Gross profit, equal to € 57.6 million, increased by +20% compared to the same period of previous year. With equal consolidation perimeter, estimated consolidated gross profit would have been equal to € 145.0 million, decreased by -7,58% compared to the same period of 2015 (-2.18% in the fourth quarter);

- **Other income**, amounting to € 2.7 million, refers entirely to the gain realized from the newly established company, EDSlan S.r.l., for the business unit acquisition relating to distribution activities in networking, cabling, VoIP and UCC- unified communications sectors

- **Operating income (EBIT)** at 31 December 2016, equal to € 38.9 million, showed a reduction of -16% compared to 31 December 2015 (€ 46.5 million) as consequence of higher operating costs, affected by € 4.1 million of non recurring costs sustained, both in Italy and Spain in business combinations and in enlarging of warehouses, which more than compensated the income realized by the subsidiary EDSlan S.r.l.. EBIT margin decreased to 1.28% from 1.73%, due to a lower consolidated gross profit margin, being substantially in line the incidence of operating costs (-4.11% in 2016 vs -4.09% in 2015). In the fourth quarter consolidated EBIT equal to € 21.9 million, increased by +21% (€ 3.8 million) compared to the fourth quarter 2015, with an EBIT margin decrease to 2.04% from 1.96%. With the same consolidation perimeter, net of business combinations non recurring costs and income, estimated EBIT would have been equal to € 31.4 million (-32.48%) and in the fourth quarter would have been equal to € 16.4 million (-9.41% in the fourth quarter 2015) due to, mainly, the EBIT margin decrease;

- **Profit before income taxes** equal to € 35.1 million, (-17% compared to 31 December 2015), showed a lower decrease than the one registered in EBIT thanks to a € 0.5 million improvement in financial charges. In the fourth quarter profit before income taxes increased by +19% (€ 3.3 million) reaching the amount of € 20.3 million;

- **Net income** equal to € 27.7 million, showing a reduction of -8% (€ -2.3 million) compared to 31 December 2015. In the fourth quarter 2016 net income amounted to € 15.9 million compared with € 12.3 million of the same period of 2015 (+29%);

- **Basic earnings per ordinary share** as at 31 December 2016, equal to € 0.53, showed a reduction of -10% compared to the value at 31 December 2015 (€ 0.59). In the fourth quarter, basic earnings per ordinary share equal to € 0.31 compared to € 0.24 of the corresponding quarter 2015 (+29%).

(euro/000)	31/12/2016	%	31/12/2015	%	Var.	*Var. %*
Fixed assets	120,148	57.52%	101,083	90.50%	19,066	*19%*
Operating net working capital	102,747	49.19%	34,512	30.90%	68,235	*198%*
Other current assets/liabilities	130	0.06%	(12,607)	-11.29%	12,737	*-101%*
Other non-current assets/liabilities	(14,152)	-6.78%	(11,296)	-10.11%	(2,856)	*25%*
Total uses	**208,873**	**100.00%**	**111,692**	**100.00%**	**97,182**	***87%***
Short-term financial liabilities	141,855	67.91%	29,314	26.25%	112,541	*384%*
Current financial (assets)/liabilities for derivatives	504	0.24%	195	0.17%	309	*158%*
Financial receivables from factoring companies	(1,492)	-0.71%	(2,714)	-2.43%	1,222	*-45%*
Other financial receivables	(6,293)	-3.01%	(507)	-0.45%	(5,786)	*1142%*
Cash and cash equivalents	(285,934)	-136.89%	(280,089)	-250.77%	(5,845)	*2%*
Net current financial debt	(151,360)	-72.46%	(253,801)	-227.23%	102,441	*-40%*
Borrowings	38,814	18.58%	65,138	58.32%	(26,324)	*-40%*
Debts for investments in subsidiaries	4,983	2.39%	5,222	4.68%	(239)	*-5%*
Non-current financial (assets)/liab. for derivatives	28	0.01%	224	0.20%	(196)	*-88%*
Other financial receivables	(2,292)	-1.10%	(2,696)	-2.41%	405	*-15%*
Net financial debt (A)	(109,827)	-52.58%	(185,913)	-166.45%	76,087	*-41%*
Net equity (B)	318,700	152.58%	297,605	266.45%	21,095	*7%*
Total sources of funds (C=A+B)	**208,873**	**100.00%**	**111,692**	**100.00%**	**97,182**	***87%***

- **Consolidated net working capital** as at 31 December 2016 equal to € 102.7 million compared to € 34.5 million at 31 December 2015;

- **Net financial position** as at 31 December 2016, positive for € 109.8 million, compared with a cash surplus equal to € 185.9 million at 31 December 2015. The reduction of net cash surplus was due to both business combinations carried out during the year and the performance of consolidated net working capital as at 31 December 2016 which in turn is influenced by technical events often not related to the average level of working capital and by the level of utilisation of both 'without – recourse' factoring programs referring to the trade receivables and of the corresponding securization program.

This program is aimed at transferring risks and rewards to the buyer, thus receivables sold are eliminated from balance sheet according to IAS 39.

Taking into account other technical forms of cash advances other than 'without-recourse assignment', but showing the same effects – such as 'confirming' used in Spain –, the overall impact on financial debt at 31 December 2016 was approx. 400 million euro (approx. 287 million euro as at 31 December 2015).

- Il **Consolidated net equity** as at 31 December 2016 equal to € 318.7 million, showed an increase of € 21.1 million compared to € 297.6 million at 31 December 2015.

B) Financial highlights by geographical area

B.1) Subgroup Italy

The main economic, financial and asset results for the Italian subgroup (Esprinet, V-Valley, EDSlan[1], Mosaico[2] and Celly Group) as at 31 December 2016 are hereby summarised:

(euro/000)	12 months 2016	%	12 months 2015	%	Var.	Var. %
Sales to third parties	1,995,865		1,997,979		(2,114)	*0%*
Intercompany sales	46,506		42,871		3,635	*8%*
Sales	**2,042,371**		**2,040,850**		**1,521**	***0%***
Cost of sales	(1,916,288)		(1,914,761)		(1,527)	*0%*
Gross profit	**126,083**	**6.17%**	**126,089**	**6.18%**	**(6)**	***0%***
Other income	2,677	0.13%	-	0.00%	2,677	*100%*
Sales and marketing costs	(41,881)	-2.05%	(37,867)	-1.86%	(4,014)	*11%*
Overheads and administrative costs	(60,814)	-2.98%	(54,355)	-2.66%	(6,459)	*12%*
Operating income (EBIT)	**26,065**	**1.28%**	**33,867**	**1.66%**	**(7,802)**	***-23%***

(euro/000)	Q4 2016	%	Q4 2015	%	Var.	Var. %
Sales to third parties	669,727		637,675		32,052	*5%*
Intercompany sales	13,374		10,702		2,672	*25%*
Sales	**683,101**		**648,377**		**34,724**	***5%***
Cost of sales	(641,618)		(611,112)		(30,506)	*5%*
Gross profit	**41,483**	**6.07%**	**37,265**	**5.75%**	**4,218**	***11%***
Other income	-	0.00%	-	0.00%	-	*100%*
Sales and marketing costs	(11,706)	-1.71%	(10,271)	-1.58%	(1,435)	*14%*
Overheads and administrative costs	(15,471)	-2.26%	(14,592)	-2.25%	(879)	*6%*
Operating income (EBIT)	**14,306**	**2.09%**	**12,402**	**1.91%**	**1,904**	***15%***

- **Sales** totalled € 2,042.4 million, substantially in aligned to € 2,040.8 million of 31 December 2015. In the fourth quarter 2016 sales showed an increase of +5% compared to the fourth quarter of 2015. Net of values from EDSlan S.r.l. and Mosaico S.r.l. acquisitions, sales would have been equal to € 1.982,0 million, showing a decrease of -2.89% compared to the previous year (+0.82% in the fourth quarter);

- **Gross profit** equal to € 126.1 million, with a gross profit margin of 6.17%, is the same of 2015. In the fourth quarter 2016, gross profit equal to € 41.5 million, showed an increase of +11% compared to the fourth

[1] Company active since 9 April 2016.

[2] Company active since 1 December 2016.

quarter of 2015. Net of values from EDSlan S.r.l. and Mosaico S.r.l. acquisitions, gross profit would have been equal to € 117.1 million (-7.12% compared to 2015), and € 37.3 million in the fourth quarter 2016 (unchanged compared to the fourth quarter 2015);

- **Other income**, amounting to € 2.7 million, refers entirely to the gain realized from the newly established company, EDSlan S.r.l., for the business unit acquisition relating to distribution activities in networking, cabling, VoIP and UCC- unified communications sectors;

- **Operating income (EBIT)** equal to € 26.1 million, showed a decrease of -23% compared to 2015 with an EBIT margin decreased from 1.66% to 1.28% as consequence of higher operating costs affected by non-recurring ones related to business combinations and enlarging of warehouses (€ 3.5 million). EBIT in the fourth quarter 2016 registered an increase of +15% (€ 14.3 million vs € 12.4 million of 2015) with an EBIT margin increased to 2.09% from 1.91% of the same period of 2015. Net of business combinations and related non-recurring costs, estimated EBIT would have been equal to € 23.6 (-30.4% compared to 2015) and € 12.6 million in the fourth quarter 2016 (+1.5 % compared to the fourth quarter 2015):

(euro/000)	31/12/2016	%	31/12/2015	%	Var.	Var. %
Fixed assets	114,653	53.21%	110,166	92.85%	4,488	*4%*
Operating net working capital	95,159	44.16%	18,333	15.45%	76,826	*419%*
Other current assets/liabilities	16,139	7.49%	(1,055)	-0.89%	17,194	*-1630%*
Other non-current assets/liabilities	(10,479)	-4.86%	(8,801)	-7.42%	(1,678)	*19%*
Total uses	**215,473**	**100.00%**	**118,643**	**100.00%**	**96,830**	***82%***
Short-term financial liabilities	112,434	52.18%	29,038	24.48%	83,396	*287%*
Current financial (assets)/liabilities for derivatives	449	0.21%	195	0.16%	254	*130%*
Financial receivables from factoring companies	(1,492)	-0.69%	(2,714)	-2.29%	1,222	*-45%*
Financial (assets)/liab. from/to Group companies	(126,500)	-58.71%	(50,000)	-42.14%	(76,500)	*153%*
Other financial receivables	(1,206)	-0.56%	(507)	-0.43%	(699)	*138%*
Cash and cash equivalents	(88,652)	-41.14%	(215,589)	-181.71%	126,937	*-59%*
Net current financial debt	(104,967)	-48.71%	(239,577)	-201.93%	134,610	*-56%*
Borrowings	15,849	7.36%	65,138	54.90%	(49,289)	*-76%*
Debts for investments in subsidiaries	4,983	2.31%	5,222	4.40%	(239)	*-5%*
Non-current financial (assets)/liab. for derivatives	-	0.00%	224	0.19%	(224)	*-100%*
Other financial receivables	(2,292)	-1.06%	(2,696)	-2.27%	405	*-15%*
Net Financial debt (A)	(86,426)	-40.11%	(171,689)	-144.71%	85,263	*-50%*
Net equity (B)	301,899	140.11%	290,332	244.71%	11,567	*4%*
Total sources of funds (C=A+B)	**215,473**	**100.00%**	**118,643**	**100.00%**	**96,830**	***82%***

- **Operating net working capital** as 31 December 2016 was equal to € 95.2 million, compared to € 18.3 million as at 31 December 2015;

- **Net financial position** as at 31 December 2016 was positive by € 86.4 million and influenced by the business combinations carried out during the period, compared to a cash surplus of € 171.7 million as at 31 December 2015. The impact of both 'without-recourse' sale and securization program of trade receivables as at 31 December 2016 was approx. € 133 million (approx. € 147 million as 31 December 2015).

B.2) Subgroup Iberica

The main economic, financial and asset results for the Iberica Subgroup (Esprinet Iberica, Esprinet Portugal, Tapes[3], Vinzeo Technologies[4] and V-Valley Iberian[5]) as 31 December 2016 are hereby summarised:

[3] Company not active as at 31 December 2016.
[4] Company acquired and active since 1 July 2016.
[5] Company active from 1 December 2016.

(euro/000)	12 months 2016	%	12 months 2015	%	Var.	Var. %
Sales to third parties	1,050,550		696,075		354,475	*51%*
Intercompany sales	-		-		-	*100%*
Sales	**1,050,550**		**696,075**		354,475	***51%***
Cost of sales	(1,012,263)		(665,251)		(347,012)	*52%*
Gross profit	**38,287**	**3.64%**	**30,824**	**4.43%**	**7,463**	***24%***
Sales and marketing costs	(7,942)	-0.76%	(6,035)	-0.87%	(1,907)	*32%*
Overheads and administrative costs	(17,330)	-1.65%	(12,130)	-1.74%	(5,200)	*43%*
Operating income (EBIT)	**13,015**	**1.24%**	**12,659**	**1.82%**	**356**	***3%***

(euro/000)	Q4 2016	%	Q4 2015	%	Var.	Var. %
Sales to third parties	450,877		250,862		200,015	*80%*
Intercompany sales	-		-		-	*100%*
Sales	**450,877**		**250,862**		**200,015**	***80%***
Cost of sales	(434,694)		(240,270)		(194,424)	*81%*
Gross profit	**16,183**	**3.59%**	**10,592**	**4.22%**	**5,591**	***53%***
Sales and marketing costs	(2,455)	-0.54%	(1,608)	-0.64%	(847)	*53%*
Overheads and administrative costs	(6,027)	-1.34%	(3,236)	-1.29%	(2,791)	*86%*
Operating income (EBIT)	**7,701**	**1.71%**	**5,748**	**2.29%**	**1,953**	***34%***

- **Sales** equal to € 1,050.6 million, showed an increase of +51% compared to € 696.1 million of 31 December 2015. Net of values from Vinzeo Tecnologies S.A.U. and V-Valley S.L.U. acquisitions, the increase would have been equal to +3.3% (sales equal to € 718.8 million). In the fourth quarter sales increased by +80% (equal to € 200.0 million) compared to the same period of 2015 (-4.9% net of acquisitions);

- **Gross profit** as at 31 December 2016 totalled € 38.3 million, showing an increase of +24% compared to € 30.8 million of the same period of 2015 with a gross profit margin decreased from 4.43% to 3.64%. In the fourth quarter gross profit increased by +53% compared to the same period of the previous year, notwithstanding an EBIT margin decreased from 4.22% to 3.59%. Net of values from Vinzeo Tecnologies S.A.U. and V-Valley S.L.U. acquisitions, gross profit margin would have been equal to € 28.0 million in the full year 2016 and equal to € 9.6 in the fourth quarter 2016, showing a decrease of -9.1% compared to the same periods of 2015.

- **Operating income (EBIT)** equal to € 13.0 million is in line with 2015, even if EBIT margin decreased from 1.82% to 1.24%. Net of values from Vinzeo Tecnologies S.A.U. and V-Valley S.L.U. acquisitions, EBIT would have been equal to € 8.0 million (-37%). In the fourth quarter 2016 EBIT amounts to € 7.7 million (€ 3.9 million net of acquisitions) compared to € 5.7 million of the same period of 2015, with an EBIT margin decreased from 2.29% to 1.71% (1.65% net of acquisitions).

(euro/000)	31/12/2016	%	31/12/2015	%	Var.	*Var. %*
Fixed assets	80,182	117.21%	65,562	96.63%	14,620	*22%*
Operating net working capital	7,907	11.56%	16,336	24.08%	(8,429)	*-52%*
Other current assets/liabilities	(16,007)	-23.40%	(11,554)	-17.03%	(4,453)	*39%*
Other non-current assets/liabilities	(3,673)	-5.37%	(2,495)	-3.68%	(1,178)	*47%*
Total uses	**68,409**	**100.00%**	**67,849**	**100.00%**	**560**	***1%***
Short-term financial liabilities	29,421	43.01%	276	0.41%	29,145	*10560%*
Current financial (assets)/liabilities for derivatives	55	0.08%	-	0.00%	55	*N.S.*
Financial (assets)/liab. from/to Group companies	126,500	184.92%	50,000	73.69%	76,500	*153%*
Other financial receivables	(5,087)	-7.44%	-	0.00%	(5,087)	*N.S.*
Cash and cash equivalents	(197,282)	-288.39%	(64,500)	-95.06%	(132,782)	*206%*
Net current financial debt	(46,393)	-67.82%	(14,224)	-20.96%	(32,169)	*226%*
Borrowings	22,965	33.57%	-	0.00%	22,965	*N.S.*
Non-current financial (assets)/liab. for derivatives	28	0.04%	-	0.00%	28	*N.S.*
Net Financial debt (A)	(23,400)	-34.21%	(14,224)	-20.96%	(9,176)	*65%*
Net equity (B)	91,809	134.21%	82,073	120.96%	9,736	*12%*
Total sources of funds (C=A+B)	**68,409**	**100.00%**	**67,849**	**100.00%**	**560**	***1%***

- **Operating net working capital** as at 31 December 2016 was equal to € 7.9 million, compared to € 16.3 million as at 31 December 2015;

- **Net financial position** as at 31 December 2016, was positive by € 23.4 million, and partly influenced by the business combinations carried out during the period, compared to a cash surplus of € 14.2 million as at 31 December 2015. The impact of 'without-recourse' sale of both trade receivables was approx. € 267 million (approx. € 140 million as at 31 December 2015).

C) Separate income statement by legal entity

Find below the separate income statement showing the contribution of each legal entities as considered significant[6]:
Should be highlighted that business combination effects started from 9 April 2016 with respect to EDSlan S.r.l., from 1 July 2016 with respect to Vinzeo Technologies S.A.U., from 1 December 2016 with respect to Mosaico S.r.l. and V-Valley Iberian S.L.U.:

(euro/000)	12 months 2016													
	Italy						Iberian Pen.							
	E.Spa + V-Valley	Mosaico	Celly*	EDSlan	Elim. and other	Total	Esprinet Iberian	Esprinet Portugal	V-Valley Iberian	Vinzeo + Tapes	Elim. and other	Total	Elim. and other	Group
Sales to third parties	1,901,248	11,040	30,374	53,202	-	1,995,865	690,275	26,785	954	332,536	-	1,050,550	-	3,046,415
Intersegment sales	50,849	-	1,911	1,688	(7,942)	46,506	20,845	25	-	1,269	(22,139)	-	(46,506)	-
Sales	**1,952,097**	**11,040**	**32,285**	**54,890**	**(7,942)**	**2,042,371**	**711,120**	**26,810**	**954**	**333,805**	**(22,139)**	**1,050,550**	**(46,506)**	**3,046,415**
Cost of sales	(1,849,202)	(9,797)	(18,071)	(47,166)	7,948	(1,916,288)	(683,589)	(26,320)	(822)	(323,670)	22,139	(1,012,263)	46,334	(2,882,217)
Gross profit	**102,895**	**1,243**	**14,214**	**7,724**	**6**	**126,083**	**27,531**	**490**	**132**	**10,135**	**-**	**38,287**	**(172)**	**164,198**
Gross Profit %	*5.3%*	*11.3%*	*44.0%*	*14.1%*	*-0.1%*	*6.2%*	*3.9%*	*1.8%*	*13.8%*	*3.0%*		*3.6%*		*5.4%*
Other incomes	-	-	-	2,677	-	2,677	-	-	-	-	-	-	-	2,677
Sales and marketing costs	(28,757)	(104)	(8,872)	(4,155)	7	(41,881)	(5,916)	(310)	(63)	(1,654)	-	(7,942)	(18)	(49,841)
Overheads and admin. costs	(54,343)	(120)	(3,611)	(2,813)	73	(60,814)	(13,355)	(515)	(50)	(3,410)	-	(17,330)	27	(78,117)
Operating income (Ebit)	**19,795**	**1,019**	**1,731**	**3,433**	**86**	**26,065**	**8,260**	**(335)**	**19**	**5,071**	**-**	**13,015**	**(163)**	**38,917**
EBIT %	*1.0%*	*9.2%*	*5.4%*	*6.3%*	*-1.1%*	*1.3%*	*1.2%*	*-1.2%*	*2.0%*	*1.5%*		*1.2%*		*1.3%*
Finance costs - net														(3,791)
Share of profits of associates														1
Profit before income tax														**35,127**
Income tax expenses														(7,435)
Net income														**27,692**
- of which attributable to non-controlling interests														212
- of which attributable to Group														27,480

[6] V-Valley S.r.l. and Tapes S.L.U., are both not showed separately as just a 'commission sales agent' of Esprinet S.p.A. and not yet significant, respectively.

(euro/000)	12 months 2015									
	Italy				Iberian Peninsula				Elim. and other	Group
	E.Spa + V-Valley	Celly*	Elim. and other	Total	Esprinet Iberica	Esprinet Portugal	Elim. and other	Total		
Sales to third parties	1,972,531	25,448	-	1,997,979	677,912	18,162	-	696,075	-	2,694,054
Intersegment sales	42,829	2,276	(2,234)	42,871	17,736	9	(17,744)	-	(42,871)	-
Sales	**2,015,360**	**27,724**	**(2,234)**	**2,040,850**	**695,648**	**18,171**	**(17,744)**	**696,075**	**(42,871)**	**2,694,054**
Cost of sales	(1,901,630)	(15,224)	2,093	(1,914,761)	(664,964)	(18,022)	17,735	(665,251)	42,822	(2,537,190)
Gross profit	**113,730**	**12,500**	**(141)**	**126,089**	**30,684**	**149**	**(9)**	**30,824**	**(49)**	**156,864**
Gross Profit %	*5.6%*	*45.1%*	*6.3%*	*6.2%*	*4.4%*	*0.8%*		*4.4%*		*5.8%*
Other incomes	-	-	-	-	-	-	-	-	-	-
Sales and marketing costs	(28,128)	(9,777)	38	(37,867)	(5,862)	(176)	3	(6,035)	(72)	(43,974)
Overheads and admin. costs	(50,466)	(3,869)	(20)	(54,355)	(11,785)	(350)	6	(12,130)	94	(66,391)
Operating income (Ebit)	**35,136**	**(1,146)**	**(123)**	**33,867**	**13,037**	**(377)**	**-**	**12,659**	**(27)**	**46,499**
EBIT %	*1.7%*	*-4.1%*	*5.5%*	*1.7%*	*1.9%*	*-2.1%*		*1.8%*		*1.7%*
Finance costs - net										(4,243)
Share of profits of associates										(9)
Profit before income tax										**42,247**
Income tax expenses										(12,206)
Net income										**30,041**
- of which attributable to non-controlling interests										(280)
- of which attributable to Group										30,321

* Consisting of Celly S.p.A., Celly Nordic OY, Celly Swiss S.a.g.l. e Celly Pacific Limited.

D) Significant events occurred in the period

Shareholders' agreement signed

On 23 February 2016 Messrs Francesco Monti, Paolo Stefanelli, Tommaso Stefanelli, Matteo Stefanelli, Maurizio Rota and Alessandro Cattani, informs that have entered into a shareholders' voting and blocking agreement (the 'Agreement'), in relation to no. 16.819.135 ordinary shares of Esprinet S.p.A. ('Esprinet' or the 'Company'), constituting a total of 32,095% of the shares representing the entire share capital of the Company.

The abovementioned agreement, in its integral version, has been communicated to Consob and filed with the Companies' Register of Monza and Brianza on 24 February 2016.

Purchase of EDSLan

On 24 March 2016, Esprinet S.p.A. created a new company, EDSlan S.r.l., which completed the acquisition of EDSLan S.p.A. on 8 April 2016.
EDSLan, the 11th largest Italian distributor in 2015[7], was founded in 1988, headquartered in Vimercate (Italy) with another 8 branch offices, 94 employees plus around twenty sales agents and consultants, is well-known as a leading distributor within the networking, cabling, Voip and UCC-Unified Communication & Collaboration segments.
Its main suppliers include Hewlett Packard Enterprise Networking, Aruba Networks, Huawei Enterprise, Brocade Networks, Alcatel-Lucent Enterprise, Watchguard, Allied Telesis Panduit, CommScope, Audiocodes and Panasonic.

In 2015, the business to be acquired served about 3,000 customers such as 'VAR-Value Added Resellers', system integrators, telco resellers and TelCos, as well as installers and technicians.
The deal gives a boost to the Esprinet Group strategy of focus on the 'complex technologies' market (also known as 'value' wholesale distribution) managed through V-Valley S.r.l., reinforcing the already existing networking and UCC_EDI business as well as the entrance into new 'analogic' markets such as cabling, phone control units, video-conference systems and measuring instruments.

[7] Source: Sirmi, January 2016

In 2015 sales of the purchased activities were about € 72.1 million[8], with EBITDA[9] of € 2.2 million.

The price paid amounted to € 7.8 million, has highlighted an income of € 2.7 million.

Disposal of shares in Assocloud S.r.l.

On 28 April 2016, Esprinet S.p.A. sold its shares (equal to 9.52% of the total share capital) in the associated company Assocloud S.r.l., operating in the "cloud computing" business, to the company SME UP S.p.A.. At the same date, the latter also acquired the shares from 8 of the 9 remaining shareholders. The disposal value was equal to the equity value as reported in the latest financial statements approved as at 31 December 2015.

Esprinet S.p.A. Annual Shareholders Meeting

On 4 May 2016 Esprinet Shareholders' meeting approved the separated financial statements for the fiscal year ended at 31 December 2015 and the distribution of a dividend of 0.150 euro per ordinary share, corresponding to a pay-out ratio of 26%[10]. The dividend shall be paid out from 11 May 2016, ex-coupon no. 11 on 9 May 2016 and record date on 10 May 2016.

Shareholders' Meeting also approved the first section of the report on remuneration pursuant to paragraph 6 art. 123-ter decree law 58/1998.

The Shareholders' Meeting finally resolved to authorise, subject to prior revocation of former authorization resolved on the Shareholder's Meeting of 30 April 2015, the acquisition and disposal of own shares, within 18 months since the resolution, provided that any such purchase does not exceed the maximum of 5,240,434 ordinary Esprinet shares (10% of the Company's share capital).

Acquisition 100% of Vinzeo Technologies

On 1 July 2016 Esprinet S.p.A., through its fully owned subsidiary Esprinet Iberica, completed the purchase of the entire capital of Vinzeo Technologies S.A.U., the fourth[11] largest ICT wholesaler in Spain.
Vinzeo operates many important distribution contracts both in the ICT 'volume' market (i.e. HP, Samsung, Acer, Asus, Toshiba, Lenovo) and in the 'value' one (mainly Hewlett-Packard Enterprise). Since 2009, Vinzeo has been a key distributor of Apple products, including iPhones (since 2014) and Apple Watch (since 2015).

The headquarter is in Madrid, while branch offices are located in Barcelona and Bilbao, with ~160 employees positively directed by a seasoned management team.
The transaction perimeter only includes the wholesale distribution activities. Based on this perimeter, 2015 pro-forma accounts[12] of the acquired perimeter showed sales of € ~584.4 million (+19% compared to 2014) and EBITDA reported of € 7.5 million.

Thanks to the transaction, Esprinet will become the leader in the Spanish distribution market, strengthen its smartphone's products and customers portfolio. Esprinet expects to generate significant synergies from the transaction mostly due to the doubling of scale of its Spanish operations.

Esprinet, that has recently entered the Portuguese market, is now the biggest distributor in Southern Europe bringing to completion a strategy fully focused on pure 'business-to-business' ICT distribution, specifically addressed to achieve the leadership in each country where the Group operates.

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[8] Source: management estimates on preliminary 2015 data, net of the trading activities of the 'merchandising' division, which are not included in the deal.

[9] Source: management estimates on preliminary 2015 data, net of the trading activities of the 'merchandising' division, which are not included in the deal.

[10] Based on Esprinet Group's consolidated net profit

[11] Source: management, Channel Partner 2016 (www.channelpartner.es)

[12] Source: management's estimate.

The total consideration agreed by the parties was € 74.1 million for the entire Vinzeo corporate capital based on an enterprise value of € 57.6 million and on the last 12-month average working capital. The value could be adjusted based on the net financial position as at 30 June 2016.

Acquisition of the business unit 'VAD-Value Added Distributor' of Itway Group

On 30 November 2016 Esprinet S.p.A., completed the acquisition of the IT distribution activities of Itway Group in Italy, Spain and Portugal.
The transaction perimeter focused on the distribution of IT security software (dedicated software and hardware devices) networking (basic infrastructure for connecting PCs and other IT devices) and server software.
The main customers ('VAD' business) are represented by System Integrators, Value Added Reseller (VARs) and Tel.Co.. The offering includes ICT Security solutions, Enterprise Software, virtualization and OpenSource / Linux solutions as well as pre and post-sales technical services and training.

The overall 'pro-forma' sales of the 'VAD business' in FY 2014 and FY 2015 amounted respectively to € 48.6 million and € 57.2 million[13]. EBITDA amounted to € 1.7 million.

Total consideration agreed for the transaction is made up of the net asset value of the acquired business plus a total amount of up to € 10.8 million made up as follows: (i) a fixed amount of € 5.0 million to be paid cash at closing data, (ii) variable amount up to a maximum of € 5.8 million payable after 12 months from closing date conditional upon the achievement of economic and financial targets.

Breach of financial covenants on Facility Agreement

The Group net financial indebtedness includes a five-year unsecured facility agreement granted by a pool of banks in July 2014 consisting of a Term Loan Facility and a Revolving Facility withdrawn for an amount of € 63.7 million as at 31 December 2016.

This facility agreement is supported by a usual set of financial covenants, whose breech allow the participating banks to claim for an immediate repayment of the outstanding amount.

As at 31 December 2016, according to management calculations, no. 2 covenants were breached. Accordingly, the outstanding was entirely classified under the '*current liabilities*' following IFRSs prescriptions. As better detailed in the next paragraph named '*Subsequent events*', between January and February 2017 2017 the formal deliberative process by banks of a new loan amounting to € 210 million aimed, among other things, the repayment of the existing one, positively ended.

E) <u>Subsequent events</u>

Syndicated loan of € 210.0 million

Between January and February of the current year a pool of Italian and Spanish banks has favourably ruled on a 5-year loan unsecured amortising facility agreement of up to € 210.0 million split into a Term Loan Facility of up € 145.0 million and a Revolving Facility of € 65.0 million supported by a set of financial covenants.
The minimum amount for the successful completion of the syndication was set € 175.0 million. Although the total amount of participation requests was more than the maximum amount of € 210.0 million, final amount was fixed at the maximum level.

Main purpose of the facility is to re-finance existing outstanding debt in relation to the existing syndicated loan signed on 31 July 2014 - € 40.6 million of Term Loan facility and € 65.0 million of Revolving Facility - and the furtherly lengthening average maturity of financial debt.
The date of signing has been scheduled by the end of February.

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[13] Source: 'carve-out' on FY2015 and FY2014 management accounts supplied by Itway management performed by Esprinet management. (FY2015 sales net of intercompany sales for a total amount of € 3.1 million).

DECLARATION EX ART. 154-bis, paragraph 2 Legislative Decree n.58/1998 (T.U.F.)

The officer charged with the drawing up of the accounting documents of the company, Pietro Aglianò, declares that, in compliance with the provisions of paragraph 2 of Article 154 bis of Legislative Decree n.58/1998 (T.U.F.), the financial data shown in this press release corresponds to the findings resulting from accounting documents, books and accounting records.

Annex: Summary of economic and financial results as at 31 December 2016.

For further information:

Michele Bertacco
Esprinet S.p.A. – IR and Communications Director
Tel. +39 02 40496.1 - michele.bertacco@esprinet.com

Esprinet (Italian Stock Exchange: PRT) is engaged in the "B-to-B" distribution of technology products in Italy and Spain, with about 40.000 resellers served and 600 brands supplied. The 2016 turnover in excess of € 3 billion ranks the Company #1 in Italy and Spain and #4 in Europe.

Summary of main Group's results

(euro/000)	12 months							Q4					
	notes	2016	%	2015	notes	%	% var. 16/15	2016	%	2015	notes	%	% var. 16/15
Profit & Loss													
Sales		3,046,415	100.0%	2,694,054		100.0%	13%	1,120,604	100.0%	888,537		100.0%	26%
Gross profit		164,198	5.4%	156,864		5.8%	5%	57,571	5.1%	47,841		5.4%	20%
EBITDA	(1)	43,424	1.4%	50,558		1.9%	-14%	22,906	2.0%	19,218		2.2%	19%
Operating income (EBIT)		38,918	1.3%	46,499		1.7%	-16%	21,917	2.0%	18,143		2.0%	21%
Profit before income tax		35,128	1.2%	42,247		1.6%	-17%	20,270	1.8%	16,969		1.9%	19%
Net income		27,693	0.9%	30,041		1.1%	-8%	15,908	1.4%	12,285		1.4%	29%
Financial data													
Cash flow	(2)	31,643		33,378									
Gross investments		11,710		5,731									
Net working capital	(3)	102,877		21,905									
Operating net working capital	(4)	102,747		34,512									
Fixed assets	(5)	120,148		101,083									
Net capital employed	(6)	208,873		111,692									
Net equity		318,701		297,606									
Tangible net equity	(7)	227,027		221,695									
Net financial debt	(8)	(109,827)		(185,913)									
Main indicators													
Net financial debt / Net equity		(0.3)		(0.6)									
Net financial debt / Tangible net equity		(0.5)		(0.8)									
EBIT / Finance costs - net		10.3		11.0									
EBITDA / Finance costs - net		11.5		11.9									
Net financial debt/ EBITDA		(2.5)		(3.7)									
Operational data													
N. of employees at end-period		1,329		1,016									
Avarage number of employees	(9)	1,173		993									
Earnings per share (euro)													
- Basic		0.53		0.59			-10%	0.31		0.24			29%
- Diluted		0.53		0.58			-9%	0.30		0.24			25%

(1) EBITDA is equal to the operating income (EBIT) gross of amortisation and depreciation and accruals for risks and charges.
(2) Sum of consolidated net profit before minority interests and amortisation and depreciation.
(3) Sum of current assets, non-current assets held for sale and current liabilities, gross of short-term net financial position.
(4) Sum of trade receivables, inventory and trade payables.
(5) Non-current assets net of non-current financial assets.
(6) Equal to the sum of the net working capital plus fixed assets net of non-current liabilities except of financial liabilities.
(7) Equal to net equity less goodwill and intangible assets.
(8) Sum of borrowings and short term financial liabilities net of cash and cash equivalents, assets/liabilities for financial derivatives and financial receivables.
(9) Average of the balance at period beginning and end of companies consolidated.

The 2016 economic and financial results and those of the relative periods of comparison have been measured by applying International Financial Standards ('IFRSs').
In the next table, in combination with IFRSs' defined measures, some 'alternative performance measures', not defined from IFRSs, are presented. These 'alternative performance measures', consistently presented in previous reports and not intended as substitute of IFRSs defined measures, are internally used by the management for measuring and controlling the Group's profitability, performance and financial position.
As required by the Guidelines ESMA / 2015/1415 ESMA (European Securities and Market Authority) issued under Article 16 of the ESMA Regulation, updating the previous recommendation CESR / 05-178b of CESR (Committee of European Securities Regulators) and adopted by Consob with Communication no. 0092543 of 12/03/2015, basis of calculation adopted are defined below the table.

Consolidated statement of financial position

(euro/000)	31/12/2016	related parties	31/12/2015	related parties
ASSETS				
Non-current assets				
Property, plant and equipment	15,284		12,130	
Goodwill	90,206		75,246	
Intangible assets	1,469		664	
Investments in associates	39		47	
Deferred income tax assets	8,544		8,347	
Derivative financial assets	38		-	
Receivables and other non-current assets	6,898	1,286	7,345	1,285
	122,478	**1,286**	**103,779**	**1,285**
Current assets				
Inventory	323,586		305,455	
Trade receivables	393,090	9	251,493	13
Income tax assets	6,339		3,490	
Other assets	32,850	-	17,509	-
Cash and cash equivalents	285,934		280,089	
	1,041,799	**9**	**858,036**	**13**
Disposal groups assets	-		-	
Total assets	**1,164,277**	**1,295**	**961,815**	**1,298**
EQUITY				
Share capital	7,861		7,861	
Reserves	282,351		258,626	
Group net income	27,480		30,321	
Group net equity	**317,692**		**296,808**	
Non-controlling interests	1,008		797	
Total equity	**318,700**		**297,605**	
LIABILITIES				
Non-current liabilities				
Borrowings	38,814		65,138	
Derivative financial liabilities	66		224	
Deferred income tax liabilities	5,839		4,757	
Retirement benefit obligations	5,219		4,044	
Debts for investments in subsidiaries	4,983		5,222	
Provisions and other liabilities	3,094		2,495	
	58,015		**81,880**	
Current liabilities				
Trade payables	613,929	12	522,436	-
Short-term financial liabilities	141,855		29,314	
Income tax liabilities	1,088		751	
Derivative financial liabilities	504		195	
Debiti per acquisto partecipazioni correnti	-		-	
Provisions and other liabilities	30,186	-	29,634	-
	787,562	**12**	**582,330**	**-**
Disposal groups liabilities	-		-	
Total liabilities	**845,577**	**12**	**664,210**	**-**
Total equity and liabilities	**1,164,277**	**12**	**961,815**	**-**

Consolidated separate income statement

(euro/000)	12 months 2016	non-recurring	related parties*	12 months 2015	non-recurring	related parties*
Sales	**3,046,415**	**-**	14	**2,694,054**	**-**	25
Cost of sales	(2,882,217)	-	-	(2,537,190)	-	-
Gross profit	**164,198**	**-**		**156,864**	**-**	
Other income	2,677	2,677		-	-	
Sales and marketing costs	(49,841)	-	-	(43,974)	-	-
Overheads and administrative costs	(78,117)	(4,754)	(3,782)	(66,391)	(657)	(3,611)
Operating income (EBIT)	**38,917**	**(2,077)**		**46,499**	**(657)**	
Finance costs - net	(3,791)	-	2	(4,243)	-	7
Other investments expenses/(incomes)	1	-		(9)	-	
Profit before income tax	**35,127**	**(2,077)**		**42,247**	**(657)**	
Income tax expenses	(7,435)	1,411	-	(12,206)	292	-
Net income	**27,692**	**(666)**		**30,041**	**(365)**	
- of which attributable to non-controlling interests	212			(280)	(27)	
- of which attributable to Group	27,480	(666)		30,321	(338)	
Earnings per share - basic (euro)	0.53			0.59		
Earnings per share - diluted (euro)	0.53			0.58		

(euro/000)	Q4 2016	non-recurring	related parties	Q4 2015	non-recurring	related parties
Sales	**1,120,604**	**-**	7	**888,537**	**-**	11
Cost of sales	(1,063,033)	-	-	(840,696)	-	-
Gross profit	**57,571**	**-**		**47,841**	**-**	
Other income	-	-		-	-	
Sales and marketing costs	(14,161)	-	-	(11,898)	-	-
Overheads and administrative costs	(21,494)	(1,698)	(950)	(17,800)	-	(938)
Operating income (EBIT)	**21,916**	**(1,698)**		**18,143**	**-**	
Finance costs - net	(1,647)	-	-	(1,172)	-	(2)
Other investments expenses/(incomes)	-	-		(2)	-	
Profit before income tax	**20,269**	**(1,698)**		**16,969**	**-**	
Income tax expenses	(4,362)	469	-	(4,684)	64	-
Net income	**15,907**	**(1,229)**		**12,285**	**64**	
- of which attributable to non-controlling interests	118			(44)	(27)	
- of which attributable to Group	15,789	(1,229)		12,329	91	
Earnings per share - basic (euro)	0.31			0.24		
Earnings per share - diluted (euro)	0.30			0.24		

Consolidated statement of comprehensive income

(euro/000)	12 months 2016	12 months 2015	Q4 2016	Q4 2015
Net income	**27,692**	**30,041**	**15,907**	**12,285**
Other comprehensive income:				
- Changes in 'cash flow hedge' equity reserve	(66)	(157)	246	1
- Taxes on changes in 'cash flow hedge' equity reserve	(0)	43	(19)	0
- Changes in translation adjustment reserve	0	(10)	(1)	-
Other comprehensive income not to be reclassified in the separate income statement				
- Changes in 'TFR' equity reserve	(170)	272	257	10
- Taxes on changes in 'TFR' equity reserve	37	(75)	(56)	(3)
Other comprehensive income	**(199)**	**73**	**426**	**8**
Total comprehensive income	**27,493**	**30,114**	**16,333**	**12,293**
- of which attributable to Group	27,284	30,371	16,207	12,334
- of which attributable to non-controlling interests	209	(257)	126	(41)

Consolidated statement of changes in equity

(euro/000)	Share capital	Reserves	Own shares	Profit for the period	Total net equity	Minority interest	Group net equity
Balance at 31 December 2014	**7,861**	**253,268**	**(13,070)**	**26,813**	**274,872**	**2,193**	**272,679**
Total comprehensive income/(loss)	**-**	**135**	**-**	**13,243**	**13,378**	**(335)**	**13,713**
Allocation of last year net income/(loss)	-	20,410	-	(20,410)	-	-	-
Dividend payment	-	-	-	(6,403)	**(6,403)**	-	**(6,403)**
Transactions with owners	-	20,410	-	**(26,813)**	**(6,403)**	-	**(6,403)**
Increase/(decrease) in 'stock grant' plan reserve	-	304	-	-	**304**	-	**304**
Assignment of Esprinet own shares	-	(12,723)	12,723	-	**-**	-	**-**
Other variations	-	13	-	-	**13**	(22)	**35**
Balance at 31 December 2015	**7,861**	**261,407**	**(347)**	**13,243**	**282,164**	**1,836**	**280,328**
Balance at 31 December 2015	**7,861**	**264,848**	**(5,145)**	**30,041**	**297,605**	**797**	**296,808**
Total comprehensive income/(loss)	**-**	**(199)**	**-**	**27,693**	**27,493**	**209**	**27,284**
Allocation of last year net income/(loss)	-	22,277	-	(22,277)	**-**	-	**-**
Dividend payment	-	-	-	(7,764)	**(7,764)**	-	**(7,764)**
Transactions with owners	**-**	**22,277**	**-**	**(30,041)**	**(7,764)**	**-**	**(7,764)**
Variation IAS / FTA reserve	-	(51)	-	-	**(51)**	-	**(51)**
Other variations	-	13	-	-	**13**	2	**11**
Variation in reserve on 20% Celly option	-	-	-	-	**-**	-	**-**
Balance at 31 December 2016	**7,861**	**288,292**	**(5,145)**	**27,693**	**318,700**	**1,008**	**317,692**

Consolidated net financial position

(euro/000)	31/12/2016	31/12/2015	Var.	30/09/2016	Var.
Short-term financial liabilities	141,855	29,314	112,541	137,901	3,954
Current financial (assets)/liabilities for derivatives	504	195	309	389	115
Financial receivables from factoring companies	(1,492)	(2,714)	1,222	(3,400)	1,908
Other financial receivables	(6,293)	(507)	(5,786)	(25,539)	19,247
Cash and cash equivalents	(285,934)	(280,089)	(5,845)	(81,671)	(204,263)
Net current financial debt	**(151,360)**	**(253,801)**	**102,441**	**27,680**	**(179,039)**
Borrowings	38,814	65,138	(26,324)	69,053	(30,239)
Debts for investments in subsidiaries	4,983	5,222	(239)	6,434	(1,451)
Non-current financial (assets)/liabilities for derivatives	28	224	(196)	331	(303)
Other financial receivables	(2,292)	(2,696)	405	(2,292)	-
Net financial debt	**(109,827)**	**(185,913)**	**76,087**	**101,206**	**(211,032)**

Consolidated statement of cash flows

(euro/000)	12 months 2016	12 months 2015
Cash flow provided by (used in) operating activities (D=A+B+C)	**43,425**	**74,058**
Cash flow generated from operations (A)	**41,528**	**50,357**
Operating income (EBIT)	38,917	46,499
Income from business combinations	(2,677)	-
Depreciation, amortisation and other fixed assets write-downs	3,951	3,337
Net changes in provisions for risks and charges	133	(239)
Net changes in retirement benefit obligations	(200)	(316)
Stock option/grant costs	1,404	1,076
Cash flow provided by (used in) changes in working capital (B)	**13,210**	**39,034**
Inventory	43,010	(51,746)
Trade receivables	(32,415)	24,490
Other current assets	(12,507)	(7,385)
Trade payables	17,019	70,447
Other current liabilities	(1,897)	3,228
Other cash flow provided by (used in) operating activities (C)	**(11,313)**	**(15,333)**
Interests paid, net	(1,929)	(1,038)
Foreign exchange (losses)/gains	(768)	(1,469)
Net results from associated companies	9	(11)
Income taxes paid	(8,625)	(12,815)
Cash flow provided by (used in) investing activities (E)	**(110,943)**	**(14,695)**
Net investments in property, plant and equipment	(6,007)	(4,703)
Net investments in intangible assets	(1,098)	(136)
Changes in other non current assets and liabilities	178	(3,069)
Celly business combination	-	(1,990)
EDSlan business combination	(17,065)	-
Itway business combination	(3,310)	-
Vinzeo business combination	(83,641)	-
Own shares acquisition	-	(4,797)
Cash flow provided by (used in) financing activities (F)	**73,363**	**(4,448)**
Medium/long term borrowing	-	15,000
Repayment/renegotiation of medium/long-term borrowings	(23,078)	(1,707)
Net change in financial liabilities	108,103	(9,795)
Net change in financial assets and derivative instruments	(3,350)	(1,397)
Deferred price Celly acquisition	1	(4,536)
Deferred price Itway acquisition	(697)	-
Option on 40% Celly sharesd	-	4,879
Dividend payments	(7,764)	(6,403)
Increase/(decrease) in 'cash flow edge' equity reserve	(66)	(114)
Changes in third parties net equity	214	(456)
Other movements	-	81
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**5,845**	**54,915**
Cash and cash equivalents at year-beginning	**280,089**	**225,174**
Net increase/(decrease) in cash and cash equivalents	**5,845**	**54,915**
Cash and cash equivalents at year-end	**285,934**	**280,089**