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

Esprinet's results as at 31 December 2017 approved by the Board

Results as at 31 December 2017:

Consolidated sales: € 3,217.2 million (+6% vs € 3,042.3 million as at 31 December 2016)
Gross profit: € 167.5 million (+2% vs € 163.9 million)
Operating income (EBIT): € 34.3 million (-11% vs € 38.6 million)
Net income: € 25.1 million (-7% vs € 26.9 million)

Net financial position as at 31 December 2017 positive by € 123.1 million
(vs Net financial position al 31 December 2016 positive by € 105.4 million)

Fourth quarter 2017 results:

Consolidated sales: € 1,089.6 million (-2% vs € 1,116.5 million of fourth quarter 2016)
Gross profit: € 52.1 million (-9% vs € 57.3 million)
Operating income (EBIT): € 19.6 million (-9% vs € 21.6 million)
Net income: € 16.2 million (7% vs € 15.1 million)

Vimercate (Monza Brianza), 13 February 2018 - 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 2017, prepared in accordance to IFRS.

The European distribution market grew by +4% in 2017 compared to the previous year (source: Context, February 2018), whilst the fourth quarter was +3% compared to the same period of 2016.
Italy was substantially stable year-over-year, whilst the fourth quarter decreased by -1% vs the same period of 2016. Spain posted a strong growth of +9% with the fourth quarter's trend in line with the yearly one.
In Italy the TLC's sector registered the highest level of growth thanks to the smartphones (+5%) while storage segment was positively influenced by SSD's trend (+34%). Conversely desktop and tablet posted very negative results in 2017 (respectively -11% and -12%).
In Spain too smartphones drove the growth (+29% year-over-year) whilst notebook and desktop, differently from what happened in Italy, grew respectively +3% and +8%.

The rationalization of the cost structure, which began in 2017 with the primary goal of guaranteeing a significantly lower break-even point, will continue in 2018 as a logical outcome of the renewed focus on reducing fixed costs.
The continuous fine-tune of both the operating process and the level of service are resulting in a higher customer satisfaction, as demonstrated by both the good feedbacks received by customers and suppliers as well as by some new business opportunities that we believe might positively contribute to the economics of the Group.
The competitive landscape should gradually show a lower pressure compared to the previous year, as demonstrated by the sales trend in the first weeks of the current year.

The management confirms 2018 sales to grow 'low-single digit' due to the positive effect of the Italian operations and the expected reduction of sales in Spain arising from the eroded revenue in the 'retailers' fulfillment sector. With respect to profitability, EBIT should be comprised between € 39-41 million, net of non-recurring and extraordinary items.

A) *Esprinet Group's financial highlights*

The Group's main economic, financial and asset results as 31 December 2017 are hereby summarised:

(euro/000)	12 months 2017	%	12 months 2016	%	Var.	Var. %
Sales	**3,217,170**	**100.00%**	**3,042,330**	**100.00%**	**174,840**	*6%*
Cost of sales	(3,049,624)	-94.79%	(2,878,435)	-94.61%	(171,189)	*6%*
Gross profit	**167,546**	**5.21%**	**163,895**	**5.39%**	**3,651**	*2%*
Other income	-	0.00%	2,838	0.09%	(2,838)	*-100%*
Sales and marketing costs	(53,803)	-1.67%	(49,871)	-1.64%	(3,932)	*8%*
Overheads and administrative costs	(79,484)	-2.47%	(78,296)	-2.57%	(1,188)	*2%*
Operating income (EBIT)	**34,259**	**1.06%**	**38,566**	**1.27%**	**(4,307)**	*-11%*
Finance costs - net	(871)	-0.03%	(2,847)	-0.09%	1,976	*-69%*
Other investments expenses / (incomes)	36	0.00%	1	0.00%	35	*3500%*
Profit before income taxes	**33,424**	**1.04%**	**35,720**	**1.17%**	**(2,296)**	*-6%*
Income tax expenses	(8,311)	-0.26%	(8,850)	-0.29%	539	*-6%*
Net income	**25,113**	**0.78%**	**26,870**	**0.88%**	**(1,757)**	*-7%*
Earnings per share - basic (euro)	0.48		0.52		(0.04)	-8%

(euro/000)	Q4 2017	%	Q4 2016	%	Var.	Var. %
Sales	**1,089,573**	**100.00%**	**1,116,519**	**100.00%**	**(26,946)**	*-2%*
Cost of sales	(1,037,457)	-95.22%	(1,059,251)	-94.87%	21,794	*-2%*
Gross profit	**52,116**	**4.78%**	**57,268**	**5.13%**	**(5,152)**	*-9%*
Other income	-	0.00%	161	0.01%	(161)	*-100%*
Sales and marketing costs	(12,607)	-1.16%	(14,191)	-1.27%	1,584	*-11%*
Overheads and administrative costs	(19,897)	-1.83%	(21,673)	-1.94%	1,776	*-8%*
Operating income (EBIT)	**19,612**	**1.80%**	**21,565**	**1.93%**	**(1,953)**	*-9%*
Finance costs - net	2,145	0.20%	(703)	-0.06%	2,848	*-405%*
Other investments expenses / (incomes)	-	0.00%	-	0.00%	-	*100%*
Profit before income taxes	**21,757**	**2.00%**	**20,862**	**1.87%**	**895**	*4%*
Income tax expenses	(5,568)	-0.51%	(5,777)	-0.52%	209	*-4%*
Net income	**16,189**	**1.49%**	**15,085**	**1.35%**	**1,104**	*7%*
Earnings per share - basic (euro)	0.31		0.29		0.02	7%

- **Consolidated sales** equal to € 3,217.2 million showed an increase of +6% (€ 174.8 million) compared to € 3,042.3 million at 31 December 2016. In the fourth quarter highlighted a decrease of -2% compared to the same period of the previous year (from € 1,116.5 million to € 1,089.6 million). With the same consolidation scope, i.e. excluding the 2016 acquired companies contribution in both the fiscal years, consolidated sales would have been equal to € 2,566 million (€ 2,654 million in the same period of 2016);

- **Consolidated Gross profit** equal to € 167.6 million showed an increase of + 2% (€ 3.7 million) compared to the same period of 2016 as a consequence of higher sales only partially offset by a decrease in the gross profit margin. In the fourth quarter, consolidated gross profit, equal to € 52.1 million, decreased by -9% compared to the same period of the previous year. With the same consolidation scope, i.e. excluding the 2016 acquired companies contribution in both the fiscal years, consolidated gross profit would have been equal to € 136.3 million, decreased by -6% compared to the same period of 2016 (€ 145.0 million);

- **Other income**, recorded only at 31 December 2016, amounted to € 2.8 million and referred 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 communication sectors, from the former EDSlan S.p.A.;

- **Operating income (EBIT)** as at 31 December 2017, equal to € 34.3 million, showed a reduction of -11% compared to 31 December 2016, with an EBIT margin decreased to 1.06% from 1.27%, mainly due to a reduction in the gross profit margin. In the fourth quarter EBIT equal to € 20 million, decreased by -9% (€ -2.0 million) compared to the fourth quarter 2016, with an EBIT margin decrease from 1.93% to 1.80%. With the same consolidation scope, i.e. excluding the 2016 acquired companies contribution in both the fiscal years, EBIT would have been equal to € 24.0 million compared to € 29.3 million in the same period of 2016;

- **Consolidated Profit before income taxes** equal to € 33.4 million, showed a reduction of -6% compared to 31 December 2016, less pronounced than the EBIT reduction mainly as consequence of higher financial income due to lower estimate of contractual consideration to be paid for the remaining Celly S.p.A. shares (20%) purchase. In the fourth quarter profit before income taxes showed increase equal to 4% (€ 0.9 million) reaching the amount of € 21.8 million;

- **Consolidated Net income** equal to € 25.1 million, showed a reduction of -7% (€ -1.8 million) compared to 31 December 2016. In the fourth quarter, consolidated net income amounted to € 16.2 million compared to € € 15.1 million in the same period of 2016 (+7%);

- **Basic earnings per ordinary share** as at 31 December 2017, equal to, € 0.48, showed a decrease of -8% compared of 31 December 2016 (€ 0.52). In the fourth quarter basic earnings per ordinary share was equal to € 0.31 compared with € 0.29 of the corresponding quarter of 2016 (+7%).

(euro/000)	31/12/2017	%	31/12/2016	%	Var.	*Var. %*
Fixed assets	122,251	57.15%	124,516	58.59%	(2,265)	*-2%*
Operating net working capital	104,048	48.64%	102,046	48.01%	2,002	*2%*
Other current assets/liabilities	3,290	1.54%	276	0.13%	3,015	*1093%*
Other non-current assets/liabilities	(15,674)	-7.33%	(14,305)	-6.73%	(1,369)	*10%*
Total uses	**213,915**	**100.00%**	**212,533**	**100.00%**	**1,382**	***1%***
Short-term financial liabilities	156,124	72.98%	151,885	71.46%	4,239	*3%*
Current financial (assets)/liabilities for derivatives	663	0.31%	483	0.23%	180	*37%*
Financial receivables from factoring companies	(673)	-0.31%	(1,492)	-0.70%	819	*-55%*
Current debts for investments in subsidiaries	-	0.00%	4,719	2.22%	(4,719)	*-100%*
Other current financial receivables	(510)	-0.24%	(5,596)	-2.63%	5,087	*-91%*
Cash and cash equivalents	(297,047)	-138.86%	(285,933)	-134.54%	(11,114)	*4%*
Net current financial debt	(141,443)	-66.12%	(135,934)	-63.96%	(5,508)	*4%*
Borrowings	18,896	8.83%	28,833	13.57%	(9,937)	*-34%*
Non - current debts for investments in subsidiaries	1,334	0.62%	3,941	1.85%	(2,607)	*-66%*
Non-current financial (assets)/liab. for derivatives	(36)	-0.02%	28	0.01%	(64)	*-229%*
Other non - current financial receivables	(1,870)	-0.87%	(2,292)	-1.08%	422	*-18%*
Net financial debt (A)	(123,119)	-57.56%	(105,424)	-49.60%	(17,695)	*17%*
Net equity (B)	337,034	157.56%	317,957	149.60%	19,077	*6%*
Total sources of funds (C=A+B)	**213,915**	**100.00%**	**212,533**	**100.00%**	**1,382**	***1%***

- **Consolidated net working capital** as at 31 December 2017 equal to € 104.0 million compared with € 102.0 million as at 31 December 2016;

- **Net financial position** as at 31 December 2017, positive by € 123.1 million, compared with a cash surplus equal to € 105.4 million at 31 December 2016.
  Increase of net cash surplus was due to the performance of consolidated net working capital as at 31 December 2017 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 2017 was approx. € 424 million (approx. € 400 million as at 31 December 2016);

- **Consolidated net equity** as at 31 December 2017 equal to € 337.0 million, showed an increase of € 19.1 million compared to € 318.0 million as at 31 December 2016.

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] e Celly Group) as at 31 December 2017 are hereby summarised:

(euro/000)	12 months 2017	%	12 months 2016	%	Var.	Var. %
Sales to third parties	1,991,521		1,995,640		(4,119)	*0%*
Intercompany sales	46,050		46,506		(456)	*-1%*
Sales	**2,037,571**		**2,042,146**		**(4,575)**	***0%***
Cost of sales	(1,917,005)	-94.08%	(1,916,365)	-94.05%	(640)	*0%*
Gross profit	**120,566**	**5.92%**	**125,781**	**6.16%**	**(5,215)**	***-4%***
Other income	-	0.00%	2,838	0.14%	(2,838)	*-100%*
Sales and marketing costs	(42,874)	-2.10%	(41,913)	-2.05%	(961)	*2%*
Overheads and administrative costs	(58,770)	-2.88%	(60,967)	-2.99%	2,197	*-4%*
Operating income (EBIT)	**18,922**	**0.93%**	**25,739**	**1.26%**	**(6,817)**	***-26%***

(euro/000)	Q4 2017	%	Q4 2016	%	Var.	Var. %
Sales to third parties	645,592		669,503		(23,911)	*-4%*
Intercompany sales	12,790		13,374		(584)	*-4%*
Sales	**658,382**		**682,877**		**(24,495)**	***-4%***
Cost of sales	(623,582)	-94.71%	(641,695)	-93.97%	18,113	*-3%*
Gross profit	**34,800**	**5.29%**	**41,182**	**6.03%**	**(6,382)**	***-15%***
Other income	-	0.00%	161	0.02%	(161)	*-100%*
Sales and marketing costs	(10,055)	-1.53%	(11,738)	-1.72%	1,683	*-14%*
Overheads and administrative costs	(14,967)	-2.27%	(15,624)	-2.29%	657	*-4%*
Operating income (EBIT)	**9,778**	**1.49%**	**13,981**	**2.05%**	**(4,203)**	***-30%***

- **Sales,** equal to € 2,037.6 million are substantially in line compared with € 2,042.1 million at 31 December 2016. In the fourth quarter consolidated sales decrease by -4% compared to the fourth quarter 2016. With the same consolidation scope, i.e. excluding the 2016 acquired companies contribution in both the fiscal years, sales would have been equal to € 1,901.1 million (€ 1,935.3 million in the same period of 2016);

- **Gross profit**, equal to € 120.6 million showed a decrease of -4% compared to € 125.8 million at 31 December 2016 with a gross profit margin decreased from 6.16% to 5.92%. In the fourth quarter 2017 gross profit, equal to € 34.8 million, showed a decrease of -15% compared to the fourth quarter 2016, with decrease of

[1] Company active since 9 April 2016.

[2] Company active since 1 December 2016.

the gross profit margin from 6.03% to 5.29%. With the same consolidation scope, i.e. excluding the 2016 acquired companies contribution in both the fiscal years, gross profit would have been equal to € 109.1 million showing a decrease of -7% compared to the same period of the previous year (€ 117.2 million);

- **Other income**, recorded only at 31 December 2016, amounted to € 2.8 million and referred 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 communication sectors, from the former EDSlan S.p.A.;

- **Operating income (EBIT)** equal to € 18.9 million, showed a decrease of -26% compared to the same period of 2016, with an EBIT margin reduction from 1.26% to 0.93% to the same period of the previous year. The reduction is due to both the 2016 non-recurring income abovementioned, and to an increase in the operating costs. In the fourth quarter 2017, EBIT equal to € 9.8 million, showed a decrease of -30% compared to € 14.0 million at 2016 with an EBIT margin decreased to 1.49% from 2.05% of the same period of 2016. With the same consolidation scope, i.e. excluding the 2016 acquired companies contribution in both the fiscal years, EBIT 2017 would have been equal to € 16.8 million compared to € 21.5 million in the same period of 2016.

(euro/000)	31/12/2017	%	31/12/2016	%	Var.	*Var. %*
Fixed assets	116,925	65.19%	119,337	54.32%	(2,412)	*-2%*
Operating net working capital	55,496	30.94%	94,709	43.11%	(39,213)	*-41%*
Other current assets/liabilities	17,689	9.86%	16,261	7.40%	1,428	*9%*
Other non-current assets/liabilities	(10,761)	-6.00%	(10,612)	-4.83%	(149)	*1%*
Total uses	**179,349**	**100.00%**	**219,695**	**100.00%**	**(40,346)**	***-18%***
Short-term financial liabilities	150,528	83.93%	122,466	55.74%	28,062	*23%*
Current debts for investments in subsidiaries	-	0.00%	3,959	1.80%	(3,959)	*-100%*
Current financial (assets)/liabilities for derivatives	644	0.36%	428	0.19%	216	*50%*
Financial receivables from factoring companies	(673)	-0.38%	(1,492)	-0.68%	819	*-55%*
Financial (assets)/liab. from/to Group companies	(112,500)	-62.73%	(126,500)	-57.58%	14,000	*-11%*
Other financial receivables	(510)	-0.28%	(509)	-0.23%	(1)	*0%*
Cash and cash equivalents	(184,990)	-103.15%	(88,651)	-40.35%	(96,339)	*109%*
Net current financial debt	(147,501)	-82.24%	(90,299)	-41.10%	(57,202)	*63%*
Borrowings	17,132	9.55%	5,849	2.66%	11,283	*193%*
Non - current debts for investments in subsidiaries	1,333	0.74%	3,942	1.79%	(2,609)	*-66%*
Other financial receivables	(1,870)	-1.04%	(2,292)	-1.04%	422	*-18%*
Net Financial debt (A)	(130,906)	-72.99%	(82,800)	-37.69%	(48,106)	*58%*
Net equity (B)	310,255	172.99%	302,495	137.69%	7,760	*3%*
Total sources of funds (C=A+B)	**179,349**	**100.00%**	**219,695**	**100.00%**	**(40,346)**	***-18%***

- **Operating net working capital** as at 31 December 2017 was equal to € 55.5 million, compared with € 94.7 million at 31 December 2016;

- **Net financial position** as at 31 December 2017, positive by € 130.9 million, compared with a cash surplus equal to € 82.8 million at 31 December 2016. The impact of both 'without-recourse' sale and securitization programs of trade receivables as at 31 December 2017 was approx. € 184 million (ca. € 133 million as at 31 December 2016).

B.2) Subgroup Iberica

The main economic, financial and asset results for the Iberica Subgroup (Esprinet Iberica, Esprinet Portugal, Tapes[3], Vinzeo Technologies[4] e V-Valley Iberian[5]) as at 31 December 2017 are hereby summarised:

(euro/000)	12 months 2017	%	12 months 2016	%	Var.	Var. %
Sales to third parties	1,225,648		1,046,689		178,959	*17%*
Intercompany sales	-		-		-	*100%*
Sales	**1,225,648**		**1,046,689**		178,959	***17%***
Cost of sales	(1,178,557)	-96.16%	(1,008,404)	-96.34%	(170,153)	*17%*
Gross profit	**47,091**	**3.84%**	**38,285**	**3.66%**	**8,806**	***23%***
Sales and marketing costs	(10,872)	-0.89%	(7,940)	-0.76%	(2,932)	*37%*
Overheads and administrative costs	(20,782)	-1.70%	(17,357)	-1.66%	(3,425)	*20%*
Operating income (EBIT)	**15,437**	**1.26%**	**12,988**	**1.24%**	**2,449**	***19%***

(euro/000)	Q4 2017	%	Q4 2016	%	Var.	Var. %
Sales to third parties	443,980		447,016		(3,036)	*-1%*
Intercompany sales	-		-		-	*100%*
Sales	**443,980**		**447,016**		**(3,036)**	***-1%***
Cost of sales	(426,682)	-96.10%	(430,835)	-96.38%	4,153	*-1%*
Gross profit	**17,298**	**3.90%**	**16,181**	**3.62%**	**1,117**	***7%***
Sales and marketing costs	(2,550)	-0.57%	(2,453)	-0.55%	(97)	*4%*
Overheads and administrative costs	(4,934)	-1.11%	(6,054)	-1.35%	1,120	*-19%*
Operating income (EBIT)	**9,814**	**2.21%**	**7,674**	**1.72%**	**2,140**	***28%***

- **Sales** equal to € 1,225.6 million, showed an increase of +17% compared to € 1,046.7 million at 31 December 2016. In the fourth quarter sales showed a decrease of-1% (equal to € -3.0 million) compared to the same period of the previous year. With the same consolidation scope, i.e. excluding 2016 acquired companies contribution in both the fiscal years, sales would have been equal to € 664.8 million (€ 718.8 million compared to the same period of 2016) although the figure is affected by a reorganisation of both market and customer segments managed by the Iberian companies after the business combinations occurred;

- **Gross profit** as at 31 December 2017 equal to € 47.1 million, showing an increase of +23% compared to € 38.3 million of the same period of 2016 with a gross profit margin increased from 3.66% to 3.84%. In the fourth quarter gross profit showed an increase of +7% compared to the same period of previous year, with an gross margin increase from 3.62% to 3.90%. With the same consolidation scope, i.e. excluding 2016 acquired companies contribution in both the fiscal years, gross profit margin would have been equal to € 27.4 million, showing a decrease of -2% compared to the same period of the previous year (€ 28.0 million);

- **Operating income (EBIT)** equal to € 15.4 million showing an increase of € 2.5 million compared to the value registered at 31 December 2016, with an EBIT margin increased reaching the value of 1.26% from 1.24%. In the fourth quarter 2017, EBIT equal to € 9.8 million, compared to € 7.7 million in the fourth quarter 2016 with an EBIT margin increased from 1.72% to 2.21%. With the same consolidation scope, i.e. excluding 2016 acquired companies contribution in both the fiscal years, EBIT would have been equal to € 7.2 million showing a decrease by -9% compared with the same period of 2016 (€ 7.9 million).

[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)	31/12/2017	%	31/12/2016	%	Var.	*Var. %*
Fixed assets	80,076	72.97%	79,866	117.72%	210	*0%*
Operating net working capital	48,972	44.63%	7,656	11.28%	41,316	*540%*
Other current assets/liabilities	(14,399)	-13.12%	(15,986)	-23.56%	1,587	*-10%*
Other non-current assets/liabilities	(4,913)	-4.48%	(3,693)	-5.44%	(1,220)	*33%*
Total uses	**109,736**	**100.00%**	**67,843**	**100.00%**	**41,893**	***62%***
Short-term financial liabilities	5,596	5.10%	29,419	43.36%	(23,823)	*-81%*
Current financial (assets)/liabilities for derivatives	19	0.02%	55	0.08%	(36)	*-65%*
Current debts for investments in subsidiaries	-	0.00%	759	1.12%	(759)	*-100%*
Financial (assets)/liab. from/to Group companies	112,500	102.52%	126,500	186.46%	(14,000)	*-11%*
Other financial receivables	(0)	0.00%	(5,087)	-7.50%	5,087	*-100%*
Cash and cash equivalents	(112,057)	-102.12%	(197,282)	-290.79%	85,225	*-43%*
Net current financial debt	6,058	5.52%	(45,636)	-67.27%	51,694	*-113%*
Borrowings	1,764	1.61%	22,984	33.88%	(21,220)	*-92%*
Non-current financial (assets)/liab. for derivatives	(36)	-0.03%	28	0.04%	(64)	*-229%*
Net Financial debt (A)	7,786	7.10%	(22,624)	-33.35%	30,410	*-134%*
Net equity (B)	101,950	92.90%	90,467	133.35%	11,483	*13%*
Total sources of funds (C=A+B)	**109,736**	**100.00%**	**67,843**	**100.00%**	**41,893**	***62%***

- **Operating net working capital** as at 31 December 2017 equal to € 49.0 million compared with € 7.7 million at 31 December 2016;

- **Net financial position** as at 31 December 2017, negative by € -7.8 million, compared with a cash surplus equal to € 22.6 million as at 31 December 2016. The impact of both 'without-recourse' sale and securization programs of trade receivables as at 31 December 2017 was approx. € 240 million (approx. € 268 million as at 31 December 2016).

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.:

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

(euro/000)	12 months 2017												
	Italy						Iberian Peninsula						
	E.Spa + V-Valley + Nilox GmbH	Mosaico	Celly*	EDSlan	Elim. and other	Total	Esprinet Iberian	Esprinet Portugal	V-Valley Iberian	Vinzeo + Tape	Elim. and other	Total	Elim. and other	Group
Sales to third parties	1,854,572	53,555	27,909	55,485	-	1,991,521	633,015	28,258	6,195	558,180	-	1,225,648	-	3,217,170
Intersegment sales	62,961	1,129	1,107	1,846	(20,993)	46,050	20,837	12	-	3,447	(24,296)	-	(46,050)	-
Sales	**1,917,533**	**54,684**	**29,016**	**57,331**	**(20,993)**	**2,037,571**	**653,852**	**28,270**	**6,195**	**561,627**	**(24,296)**	**1,225,648**	**(46,050)**	**3,217,170**
Cost of sales	(1,820,421)	(49,689)	(17,138)	(50,745)	20,988	(1,917,005)	(627,208)	(27,452)	(5,614)	(542,504)	24,221	(1,178,557)	45,938	(3,049,624)
Gross profit	**97,112**	**4,995**	**11,878**	**6,586**	**(5)**	**120,566**	**26,644**	**818**	**581**	**19,123**	**(75)**	**47,091**	**(112)**	**167,546**
Gross Profit %	*5.06%*	*9.13%*	*40.94%*	*11.49%*	*0.02%*	*5.92%*	*4.07%*	*2.89%*	*9.38%*	*3.40%*		*3.84%*		*5.21%*
Sales and marketing costs	(28,796)	(1,413)	(8,541)	(4,175)	51	(42,874)	(6,171)	(333)	(855)	(3,599)	85	(10,872)	(57)	(53,803)
Overheads and admin. costs	(51,894)	(864)	(3,043)	(2,983)	14	(58,770)	(13,187)	(543)	(266)	(6,776)	(10)	(20,782)	68	(79,484)
Operating income (Ebit)	**16,422**	**2,718**	**294**	**(572)**	**60**	**18,922**	**7,286**	**(58)**	**(540)**	**8,748**	**-**	**15,437**	**(101)**	**34,259**
EBIT %	*0.86%*	*4.97%*	*1.01%*	*-1.00%*	*-0.29%*	*0.93%*	*1.11%*	*-0.21%*	*-8.72%*	*1.56%*		*1.26%*		*1.06%*
Finance costs - net														(871)
Share of profits of associates														36
Profit before income tax														**33,424**
Income tax expenses														(8,311)
Net income														**25,113**
- of which attributable to non-controlling interests														53
- of which attributable to Group														25,060

(euro/000)	12 months 2016											
	Italy					Iberian Peninsula						
	E.Spa + V-Valley	Celly*	EDSlan	Elim. and other	Total	Esprinet Iberica	Esprinet Portugal	Vinzeo + Tape	Elim. and other	Total	Elim. and other	Group
Sales to third parties	1,900,972	30,415	53,212	(1)	1,995,640	690,275	26,785	328,889	-	1,046,689	-	3,042,330
Intersegment sales	50,849	1,911	1,678	(7,932)	46,506	20,845	25	1,269	(22,139)	-	(46,506)	-
Sales	**1,951,821**	**32,326**	**54,890**	**(7,933)**	**2,042,146**	**711,120**	**26,810**	**330,158**	**(22,139)**	**1,046,689**	**(46,506)**	**3,042,330**
Cost of sales	(1,848,942)	(18,071)	(47,172)	7,948	(1,916,365)	(683,589)	(26,320)	(319,961)	22,138	(1,008,404)	46,334	(2,878,435)
Gross profit	**102,879**	**14,255**	**7,718**	**15**	**125,781**	**27,531**	**490**	**10,197**	**(1)**	**38,285**	**(172)**	**163,895**
Gross Profit %	*5.27%*	*44.10%*	*14.06%*	*-0.19%*	*6.16%*	*3.87%*	*1.83%*	*3.09%*		*3.66%*		*5.39%*
Other incomes	-	-	2,838	-	2,838	-	-	-	-	-	-	2,838
Sales and marketing costs	(28,706)	(8,882)	(4,193)	(2)	(41,913)	(5,916)	(310)	(1,654)	-	(7,940)	(18)	(49,871)
Overheads and admin. costs	(54,463)	(3,640)	(2,816)	74	(60,967)	(13,355)	(515)	(3,438)	-	(17,357)	28	(78,296)
Operating income (Ebit)	**19,710**	**1,733**	**3,547**	**87**	**25,739**	**8,260**	**(335)**	**5,105**	**(1)**	**12,988**	**(162)**	**38,566**
EBIT %	*1.01%*	*5.36%*	*6.46%*	*-1.10%*	*1.26%*	*1.16%*	*-1.25%*	*1.55%*		*1.24%*		*1.27%*
Finance costs - net												(2,847)
Share of profits of associates												1
Profit before income tax												**35,720**
Income tax expenses												(8,850)
Net income												**26,870**
- of which attributable to non-controlling interests												203
- of which attributable to Group												26,667

* Si intende sottogruppo, formato da Celly S.p.A., Celly Nordic OY, Celly Swiss S.a.g.l. e Celly Pacific Limited.

D) Significant events occurred in the period

The significant events occurred during the period are hereby described:

Syndicated loan of € 210.0 million

On 28 February 2017, Esprinet S.p.A. signed an unsecured amortising facility agreement with a pool of Italian and Spanish banks for an amount up to € 210.0 million, consisting of a Term Loan Facility of up € 145.0 million and a Revolving Facility of € 65.0 million. This loan has a term of 5 years and is supported by a set of ordinary financial covenants.
The minimum amount for the successful completion of the syndication was set at € 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 to further consolidate financial structure by lengthening the average maturity of financial debt.

Following the signing of the new syndicated facility agreement, Esprinet S.p.A. initiated negotiations with the lending banks having the purpose of executing a number of bilateral 'IRS - Interest Rate Swap' contracts in order to hedge the interest rate risk on the Term Loan Facility. On 7 April 2017, aforementioned negotiations led to the subscription of such IRS contracts with 6 out of the 8 lending banks on a pro-rata basis for a total notional value of € 105.6 million effective from the date of the second instalment, i.e. 31 August 2017. Simultaneously, in March IRS contracts covering the terminated term loan facility agreement were extinguished. The aforementioned repayment was effected at fair value at the termination date for € 0.3 million.

Renounce by Giuseppe Calì and Stefania Caterina Calì to the challenge of some 2015 resolutions of the Shareholders' Meeting and the Board of Directors of Esprinet S.p.A..

Mr. Giuseppe Calì and Mrs. Stefania Caterina Calì, which had challenged certain resolutions of the Shareholders' Meeting of the Company taken on 30 April 2015, as well as the Board member Andrea Cavaliere, appointed by the abovementioned minority shareholders, who had challenged certain Board resolutions taken on 4 May 2015 and on 14 May 2015, agreed to renounce the challenge brought.

The abovementioned shareholders and Board member took said decision after having examined with the Company, in the context of the judicial proceeding, the respective positions on a juridical ground. Thereafter, these shareholders and the Board member acknowledged the fairness of the said resolutions taken by the Shareholders' Meeting and by the Board of Directors of the Company.

At the same time, Mr. Cavaliere resigned from the Esprinet S.p.A. Board of Directors. Thus, Esprinet S.p.A. Board of Director submitted to the Shareholders' Meeting any subsequent decisions.

Esprinet S.p.A. Annual Shareholders Meeting

On 4 May 2017 Esprinet Shareholders' meeting, held in second call, approved the separate financial statements for the fiscal year ended at 31 December 2016 and the distribution of a dividend of 0.135 euro per ordinary share, corresponding to a pay-out ratio of 26%.[7]
The dividend payment was scheduled from 10 May 2017, clipping of coupon no. 12 on 8 May 2017 and record date on 9 May 2017.

The Annual Shareholders' Meeting has also:

- approved the first section of the Report on Remuneration art.123 – ter, Par.6 of the Legislative Decree no. 58/1998;
- resolved upon the integration of the number of directors of Esprinet S.p.A. determined in the number of twelve by the Shareholders' Meeting held on 30 April, 2015, appointing Prof. Ariela Caglio as new director in substitution of Mr. Andrea Cavaliere who resigned from his office on 20 February 2017;
- resolved to authorize the acquisition and disposal of own shares, within 18 months since the resolution, provided that any such purchase does not exceed the maximum of 2,620,217 ordinary shares of Esprinet (5% of the Company's share capital), simultaneously revoking, with respect to the unused portion of it, the former authorization resolved by the Shareholder's Meeting of 4 May 2016;
- authorized the Company to update the economic conditions of the statutory auditing mandate, assigned to EY S.p.A. to the extent of € 12,000 thousand for the financial years 2016, 2017 and 2018 each, for recurrent additional activities concerning the consolidated financial statements following the perimeter expansion and of € 5,000 thousand for the auditory activity concerning the PPA (Purchase Price Allocation) to be executed only with reference to the financial statement as of 31 December 2016.

The Shareholders' Meeting passed special resolution amending articles 4, 5, 8, 11, 13, 16, 19 of Esprinet S.p.A. By-Laws.

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

Nilox Deutschland GmbH established

On 11 July 2017 the new legal entity Nilox Deutschland GmbH with operating office in Düsseldorf, was established, in order to expand selling and distribution activities of Nilox products (brand owned by Esprinet S.p.A.) in Germany.

The Company having share capital equal to € 100,000 thousand, entirely paid-up as at establishment date, is 100% owned by Esprinet S.p.A..
At the date of this financial report approval the company was still non-operating.

Disposal of Ascendeo S.A.S. shareholding

On 2 August 2017, Celly S.p.A. completed the disposal share in the associate company Ascendeo S.A.S..

The shareholding, consisting of 9,250 shares at nominal value of 1 euro representing 25% share capital of associate who aims to promote and manage Muvit brand products, was transferred to a price equal to € 75,000 thousand to the major shareholder Ascendeo France S.A.S..

Breach of financial covenants on Facility Agreement

The Group's financial structure includes a 'Senior' medium-long term loan granted to Esprinet S.p.A. on February 2017 from a pool of banks and consists of a 5-year 'amortising' Term loan facility with an original amount of 145.00 million euro and a 5-year 'amortising' Revolving facility of 65.00 million euro. At 31 of December 2017 the Term loan facility amounted to 130.5 million, while the Revolving facility line was not used. The above mentioned loan is without guarantees therefore, as is common practice, is supported by a set of n.4 ordinary financial covenants which non-compliance will cause the withdrawal of advantageous term of payment and the lending banks right to request early repayment.

At 31 December 2017, although compliance with the above-mentioned covenants has to be verified on the annual consolidated financial statement certified by Auditors based on Group's quarterly financial results, it is estimated that of the n.4 planned covenants only n.3 have been respected while the remaining has not been fulfilled.
For this reason, in accordance with applicable accounting standards, the total 'amortising' line amount – as well as the liability representing the 'fair value' of the 'IRS-Interest Rate Swap' contracts finalised on interest rate risk hedging on the loan- was reclassified as current financial payable.
In relation to the above, the Group has already started negotiation with a pool of banks finalised to obtain waiver to exercise their right of early repayment.

Changes in tax disputes

On 10 July 2017, the Provincial Tax Commission issued a judgement that upheld the Esprinet appeal, against the assessment notice of 82 thousand euro (plus penalties and interests) related to IRAP and direct taxation, issued by the Italian Revenue Office against Monclick S.r.l. relating to tax period 2012 (a year in which the company was still part of the Esprinet Group).
On 17 October 2017 the Italian Revenue Office issued an appeal against the first instance judgement and Esprinet S.p.A. presented its counter-arguments entering an appearance.

On 4 December 2017, the Regional Tax Commission, where Esprinet S.p.A. appealed against the judgement issued in 2016 by the Provincial Tax Commission relating to indirect taxation, required the deposit of certain additional documents and adjourned the hearing to 19 March 2018. This judgement issued the recovery of VAT, equal to 2.8 million euro (plus penalties and interests), referring to taxable transactions entered into in 2010 with a customer company whose purchases benefited from tax exemption by virtue of a declaration issued by the same company, which eventually did not qualify as a frequent exporter.
On 31 December 2017, pursuant to the administrative procedure, advances equal to 4.5 million euro were paid and were booked under 'Other tax assets'.

On 11 December 2017 the Italian Revenue Office closed a tax audit relating to IRES, IRAP and VAT of the subsidiary Celly S.p.A. for the fiscal year 2014 (on 12 May of the same year Celly entered in the Esprinet Group) serving a tax notice.
From the tax audit report some breaches have arisen resulting in a disallowance of costs. Waiting for the assessment, Celly S.p.A. is evaluating the better defensive strategy together with its advisories.

On 30 November 2017, Esprinet S.p.A. issued an appeal body with the Provincial Tax Commission against the advance payments request, as per administrative procedure, with reference to an assessment notice received on 2 October 2017 asking for 3.1 million euro (plus penalties and interests) of VAT recovery relating to an assessment claiming VAT on 2012 taxable transactions entered into with three customers whose purchases benefited from tax exemption as frequent exporters which eventually proved to be false.
On 19 December 2017, the President of the Commission, recognising not only the 'fumus' and 'periculum' but also the lack of urgency, temporarily suspended the contested act until the collegial judgement on the assessment from the court assigned. The hearing was fixed on 23 February 2018.

Acquisition from Itway Group of the business unit 'VAD-Value Added Distribution' purchase price adjustment

On 30 November 2017 the contractual terms, provided for the quantification of the differed consideration expected in relation to the acquisition made by Esprinet Group a year earlier through the two subsidiaries Mosaico S.r.l. and V-Valley Iberian S.L.U of the business units "VAD-Value Added Distribution" from Itway Group, expired,

The differed consideration was definitively quantified to 5.2 million compared with an initial estimate of 5,8 million, since was based on the achievement of agreed financial targets;
Goodwill value initially recorded was consequently adjusted to 10.2 million euro.
The differed price is fully settled as at 31 December 2017.

E) Subsequent events

Relevant events occurred after the period-end are briefly described below:

Changes in tax disputes

On 10 January 2018 the Provincial Tax Commission filed a judgement referring to Esprinet S.p.A. indirect taxes relating to an assessment claiming VAT of 1.0 million euro, plus penalties and interests. The tax authority claims that some transactions in 2011 are taxable in respect of which a customer had previously filed a declaration of intent, but later failed to fulfil the requirements needed to qualify as a frequent exporter.
On 31 December 2017, pursuant to the administrative procedure, advances equal to 0.4 million euro were paid and then booked under 'Other tax assets'.

On 4 September 2017, Celly S.p.A. was served a correction and settlement notice relating to the registration fees due with reference to the form of the business unit disposal from Celly (selling party) to the company Rosso Garibaldi S.p.A..
Since, pursuant to law, Celly S.p.A. was jointly committed to the payment of the amount requested by the Tax Office and the purchaser was declared bankrupt in December, on 12 January 2018 the higher registration fee and interests totalling 4 thousand euro were paid.

On 4 July 2017 Edslan S.r.l. was served a correction and settlement notice, equal to approx. 180 thousand euro, relating to the reassessment of the business unit acquired on 8 June 2016 from Edslan S.p.A. (now I-Trading S.r.l.).
On 24 January 2018, an appeal was filed by Edslan S.r.l..

On 16 June 2017 the Revenue Office issued the invitation to appear to initiate adversarial proceedings and any assessment relating to the agreement (signed on 13 December 2016) referring to the business unit acquisition from ItWay S.p.A.

During the meeting with the Tax Office, the Company pointed out that a definitive price had not been set since price adjustments by the first months of 2018 are expected.
On 26 January 2018, a summary agreement was signed on the company sold price, pending the Revenue Office judgements.

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 December 2017.

For further information:

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Esprinet (Borsa Italiana: PRT) is engaged in the "B2B" distribution of technology products in Italy and Spain, with about 40.000 resellers served and 600 brands supplied. The 2017 turnover of € 3.2 billion ranks the Company No. 1 in Italy and Spain and No. 4 in Europe.

Summary of main Group's results

(euro/000)	12 months							Q4					
	notes	2017	%	2016	notes	%	% var. 17/16	2017	%	2016	notes	%	% var. 17/16
Profit & Loss													
Sales		3,217,170	100.0%	3,042,330		100.0%	6%	1,089,573	100.0%	1,116,519		100.0%	-2%
Gross profit		167,546	5.2%	163,895		5.4%	2%	52,116	4.8%	57,268		5.1%	-9%
EBITDA	(1)	39,385	1.2%	43,117	(1)	1.4%	-9%	21,141	1.9%	22,599		2.0%	-6%
Operating income (EBIT)		34,259	1.1%	38,566		1.3%	-11%	19,612	1.8%	21,565		1.9%	-9%
Profit before income tax		33,424	1.0%	35,720		1.2%	-6%	21,757	2.0%	20,862		1.9%	4%
Net income		25,113	0.8%	26,870		0.9%	-7%	16,189	1.5%	15,085		1.4%	7%
Financial data													
Cash flow	(2)	29,867		30,820	(2)								
Gross investments		3,843		11,710									
Net working capital	(3)	107,337		102,322	(3)								
Operating net working capital	(4)	104,047		102,046	(4)								
Fixed assets	(5)	122,251		124,516	(5)								
Net capital employed	(6)	213,914		212,535	(6)								
Net equity		337,034		317,957									
Tangible net equity	(7)	245,368		225,299	(7)								
Net financial debt	(8)	(123,119)		(105,424)	(8)								
Main indicators													
Net financial debt / Net equity		(0.4)		(0.3)									
Net financial debt / Tangible net equity		(0.5)		(0.5)									
EBIT / Finance costs - net		39.3		13.5									
EBITDA / Finance costs - net		45.2		15.1									
Net financial debt/ EBITDA		(3.1)		(2.4)									
Operational data													
N. of employees at end-period		1,249		1,327									
Avarage number of employees	(10)	1,289		1,172	(10)								
Earnings per share (euro)													
- Basic		0.48		0.52			-8%	0.31		0.29			7%
- Diluted		0.48		0.51			-6%	0.31		0.29			7%

(1) EBITDA is equal to the operating income (EBIT) gross of amortisation, depreciation and accruals for risks and charges.
(2) Sum of consolidated net profit and amortisations.
(3) Sum of current assets, non-current assets held for sale and current liabilities, gross of current net financial debts.
(4) Figures relative to 31 December 2016.
(5) Sum of trade receivables, inventory and trade payables.
(6) Equal to non-current assets net of non-current financial assets for derivatives.
(7) Equal to capital employed as of period end, calculated as the sum of net working capital plus fixed assets net of non-current non-financial liabilities.
(8) Equal to net equity less goodwill and intangible assets.
(9) Sum of financial debts, cash availability, assets/liabilities for financial derivatives and financial receivables from factoring.
(10) Calculated as the average of opening balance and closing balance of consolidated companies.

The economic and financial results of this period and of the relative period of comparison have been measured by applying the International Financial Reporting Standards ('IFRSs'), adopted by the EU in force in the reference period. In the chart above, in addition to the conventional economic and financial indicators laid down by IFRSs, some 'alternative performance indicators', although not defined by 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 the Management for measuring and controlling the Group's profitability, performance, capital structure 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)	31/12/2017	related parties	31/12/2016	related parties
ASSETS				
Non-current assets				
Property, plant and equipment	14,633		15,284	
Goodwill	90,595		91,189	
Intangible assets	1,071		1,469	
Investments in associates	-		39	
Deferred income tax assets	11,110		11,931	
Derivative financial assets	36		38	
Receivables and other non-current assets	6,712	1,553	6,896	1,286
	124,157	**1,553**	**126,846**	**1,286**
Current assets				
Inventory	481,101		328,886	
Trade receivables	313,016	11	388,672	9
Income tax assets	3,098		6,175	
Other assets	27,083	10	32,091	-
Cash and cash equivalents	297,047		285,933	
	1,121,345	**21**	**1,041,757**	**9**
Disposal groups assets	-		-	
Total assets	**1,245,502**	**1,574**	**1,168,603**	**1,295**
EQUITY				
Share capital	7,861		7,861	
Reserves	303,058		282,430	
Group net income	25,061		26,667	
Group net equity	**335,980**		**316,958**	
Non-controlling interests	1,054		999	
Total equity	**337,034**		**317,957**	
LIABILITIES				
Non-current liabilities				
Borrowings	18,896		28,833	
Derivative financial liabilities	-		66	
Deferred income tax liabilities	7,993		6,100	
Retirement benefit obligations	4,814		5,185	
Debts for investments in subsidiaries	1,333		3,942	
Provisions and other liabilities	2,867		3,020	
	35,903		**47,146**	
Current liabilities				
Trade payables	690,070	-	615,512	12
Short-term financial liabilities	156,124		151,885	
Income tax liabilities	598		740	
Derivative financial liabilities	663		483	
Debts for investments in subsidiaries	-		4,718	
Provisions and other liabilities	25,110	1,510	30,162	-
	872,565	**1,510**	**803,500**	**12**
Disposal groups liabilities	-		-	
Total liabilities	**908,468**	**1,510**	**850,646**	**12**
Total equity and liabilities	**1,245,502**	**1,510**	**1,168,603**	**12**

Consolidated separate income statement

(euro/000)	12 months 2017	non-recurring	related parties*	12 months 2016	non-recurring	related parties*
Sales	3,217,170	-	16	3,042,330	-	15
Cost of sales	(3,049,624)	-	-	(2,878,435)	-	-
Gross profit	167,546	-		163,895	-	
Other income	-	-		2,838	2,838	
Sales and marketing costs	(53,803)	-	-	(49,871)	-	-
Overheads and administrative costs	(79,484)	(1,839)	(4,886)	(78,296)	(4,754)	(3,782)
Operating income (EBIT)	34,259	(1,839)		38,566	(1,916)	
Finance costs - net	(871)	-	6	(2,847)	-	2
Other investments expenses / (incomes)	36	-		1	-	
Profit before income taxes	33,424	(1,839)		35,720	(1,916)	
Income tax expenses	(8,311)	478	-	(8,850)	1,411	-
Net income	25,113	(1,361)		26,870	(505)	
- of which attributable to non-controlling interests	53			203		
- of which attributable to Group	25,060	(1,361)		26,667	(505)	
Earnings per share - basic (euro)	0.48			0.52		
Earnings per share - diluted (euro)	0.48			0.51		

(euro/000)	Q4 2017	non-recurring	related parties	Q4 2016	non-recurring	related parties
Sales	1,089,573	-	9	1,116,519	-	8
Cost of sales	(1,037,457)	-	-	(1,059,251)	-	-
Gross profit	52,116	-		57,268	-	
Other income	-	-		161	161	
Sales and marketing costs	(12,607)	-	-	(14,191)	-	-
Overheads and administrative costs	(19,897)	(470)	(1,240)	(21,673)	(1,698)	(950)
Operating income (EBIT)	19,612	(470)		21,565	(1,537)	
Finance costs - net	2,145	-	4	(703)	-	-
Other investments expenses / (incomes)	-	-		-	-	
Profit before income taxes	21,757	(470)		20,862	(1,537)	
Income tax expenses	(5,568)	122	-	(5,777)	469	-
Net income	16,189	(348)		15,085	(1,068)	
- of which attributable to non-controlling interests	95			109		
- of which attributable to Group	16,094	(348)		14,976	(1068)	
Earnings per share - basic (euro)	0.31			0.29		
Earnings per share - diluted (euro)	0.31			0.29		

Consolidated statement of comprehensive income

(euro/000)	12 months 2017	12 months 2016	Q4 2017	Q4 2016
Net income	**25,113**	**26,870**	**16,189**	**15,085**
Other comprehensive income:				
- Changes in 'cash flow hedge' equity reserve	(119)	(79)	148	233
- Taxes on changes in 'cash flow hedge' equity reserve	68	17	(35)	(2)
- Changes in translation adjustment reserve	(1)	(1)	(3)	(2)
Other comprehensive income not to be reclassified in the separate income statement				
- Changes in 'TFR' equity reserve	45	(139)	(68)	288
- Taxes on changes in 'TFR' equity reserve	(10)	30	15	(63)
Other comprehensive income	**(16)**	**(172)**	**58**	**454**
Total comprehensive income	**25,097**	**26,698**	**16,247**	**15,539**
- of which attributable to Group	25,043	26,499	16,154	15,423
- of which attributable to non-controlling interests	54	199	93	116

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 2015	**7,861**	**264,848**	**(5,145)**	**30,041**	**297,605**	**797**	**296,808**
Total comprehensive income/(loss)	**-**	**(172)**	**-**	**26,870**	**26,697**	**199**	**26,498**
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)**
Increase/(decrease) in 'stock grant' plan reserve	-	1,404	-	-	1,404	-	1,404
Other variations	-	15	-	-	15	3	12
Balance at 31 December 2016	**7,861**	**288,372**	**(5,145)**	**26,870**	**317,957**	**999**	**316,958**
Balance at 31 December 2016	**7,861**	**288,372**	**(5,145)**	**26,870**	**317,957**	**999**	**316,958**
Total comprehensive income/(loss)	**-**	**(16)**	**-**	**25,114**	**25,098**	**54**	**25,044**
Allocation of last year net income/(loss)	-	19,883	-	(19,883)	-	-	-
Dividend payment	-	-	-	(6,987)	(6,987)	-	(6,987)
Transactions with owners	**-**	**19,883**	**-**	**(26,870)**	**(6,987)**	**-**	**(6,987)**
Change in 'stock grant' plan reserve	-	963	-	-	963	-	963
Other variations	-	3	-	-	3	1	2
Balance at 31 December 2017	**7,861**	**309,205**	**(5,145)**	**25,114**	**337,034**	**1,054**	**335,980**

Consolidated net financial position

(euro/000)	31/12/2017	31/12/2016	Var.	30/09/2017	Var.
Short-term financial liabilities	156,124	151,885	4,239	61,439	94,685
Current debts for investments in subsidiaries	0	4,719	(4,719)	5,086	(5,085)
Current financial (assets)/liabilities for derivatives	663	483	180	488	175
Financial receivables from factoring companies	(673)	(1,492)	819	(7,813)	7,140
Other financial receivables	(510)	(5,596)	5,087	(486)	(24)
Cash and cash equivalents	(297,047)	(285,933)	(11,114)	(44,353)	(252,694)
Net current financial debt	**(141,442)**	**(135,934)**	**(5,508)**	**14,361**	**(155,803)**
Borrowings	18,896	28,833	(9,937)	125,344	(106,448)
Non - current debts for investments in subsidiaries	1,334	3,941	(2,607)	3,939	(2,605)
Non-current financial (assets)/liabilities for derivatives	(36)	28	(64)	111	(147)
Other financial receivables	(1,870)	(2,292)	422	(1,870)	-
Net financial debt	**(123,119)**	**(105,424)**	**(17,695)**	**141,885**	**(265,003)**

Consolidated statement of cash flows

(euro/000)	12 months 2017	12 months 2016
Cash flow provided by (used in) operating activities (D=A+B+C)	**25,983**	**34,413**
Cash flow generated from operations (A)	**39,436**	**40,986**
Operating income (EBIT)	34,259	38,566
Income from business combinations	-	(2,838)
Depreciation, amortisation and other fixed assets write-downs	4,754	3,954
Net changes in provisions for risks and charges	(153)	171
Net changes in retirement benefit obligations	(386)	(271)
Stock option/grant costs	962	1,404
Cash flow provided by (used in) changes in working capital (B)	**(8,044)**	**3,447**
Inventory	(152,215)	37,760
Trade receivables	75,656	(38,454)
Other current assets	2,180	(12,321)
Trade payables	74,695	18,354
Other current liabilities	(8,360)	(1,892)
Other cash flow provided by (used in) operating activities (C)	**(5,409)**	**(10,020)**
Interests paid, net	(2,372)	(644)
Foreign exchange (losses)/gains	393	(760)
Net results from associated companies	75	9
Income taxes paid	(3,505)	(8,625)
Cash flow provided by (used in) investing activities (E)	**(2,252)**	**(105,981)**
Net investments in property, plant and equipment	(3,424)	(6,010)
Net investments in intangible assets	(281)	(1,098)
Changes in other non current assets and liabilities	859	73
EDSlan business combination	-	(17,065)
Vinzeo business combination	-	(73,150)
Cash flow provided by (used in) financing activities (F)	**(12,617)**	**77,412**
Medium/long term borrowing	165,000	-
Repayment/renegotiation of medium/long-term borrowings	(112,162)	(23,078)
Net change in financial liabilities	(60,091)	108,043
Net change in financial assets and derivative instruments	6,423	(3,371)
Deferred price Celly acquisition	-	(1,280)
Deferred price Itway acquisition	(4,718)	4,718
Dividend payments	(6,987)	(7,764)
Increase/(decrease) in 'cash flow edge' equity reserve	(138)	(61)
Changes in third parties net equity	56	205
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**11,114**	**5,844**
Cash and cash equivalents at year-beginning	**285,933**	**280,089**
Net increase/(decrease) in cash and cash equivalents	**11,114**	**5,844**
Cash and cash equivalents at year-end	**297,047**	**285,933**