

Esprinet 2016 results approved by the Board**Proposed dividend of € 0.135 per share****2016 full year results:****Consolidated sales: € 3,042.3 million (+13% vs € 2,694.1 million as at 31 December 2015)****Gross profit: € 163.9 million (+4% vs € 156.9 million)****Operating income (EBIT): € 38.6 million -17% vs € 46.5 million)****Net income: € 26.9 million (-11% vs € 30.0 million)****Net financial position as at 31 December 2016 positive by € 105.4 million
(vs Net financial position as at 31 December 2015 positive by € 185.9 million)**

Vimercate (Monza Brianza), 21 March 2017 – The Board of Directors of Esprinet S.p.A. (Italian Stock Exchange: PRT) met today under the chairmanship of Mr. Francesco Monti to examine and approve the draft of the separated and the consolidated financial statements for the fiscal year ended at 31 December 2016, both prepared in accordance with IFRSs requirements.

The net income for the full year 2016 was respectively € 26.9 million and € 12.8 million, while basic earnings per share was € 0.52.

Based on these results, the Board of Directors will propose to the Annual Shareholders' Meeting the distribution of a dividend of € 0.135 per ordinary share¹, corresponding to a pay-out ratio of 26%².

The statement for the period ending at 31 December 2016 is still under the revision of Independent Auditor and it is at disposal of the Board of Statutory Auditor.

By 7 April 2017 it will be available by the company headquarter (Vimercate, via Energy Park 20), on the company internet site www.esprinet.com ('Investor Relation', section 'Financial Data') and with further publication pursuant to the applicable law, as well as the Report of Statutory Auditor and the Report of Independent Auditor.

The Board of Director also approved the Corporate Governance Report and the Report on Remuneration, both prepared in accordance with the art. 123-bis of the TUF.

These documents will be sent to Borsa Italiana and will be available by the company headquarter (Vimercate, via Energy Park 20), on the company internet site www.esprinet.com ('Investor Relation') and with further publication pursuant to the applicable law at the time of the publication of this statement.

A) Esprinet Group's financial highlights

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

¹ Corresponding to a dividend yield of 1.72% (based on Esprinet share closing price of € 7.85 as at 20 March 2017).

² Based on consolidated net profit of the Esprinet Group.

(euro/000)	2016	%	2015	%	Var.	Var. %
Sales	3,042,330	100.00%	2,694,054	100.00%	348,276	13%
Cost of sales	(2,878,435)	-94.61%	(2,537,190)	-94.18%	(341,245)	13%
Gross profit	163,895	5.39%	156,864	5.82%	7,031	4%
Other income	2,838	0.09%	-	0.00%	2,838	100%
Sales and marketing costs	(49,871)	-1.64%	(43,974)	-1.63%	(5,897)	13%
Overheads and administrative costs	(78,296)	-2.57%	(66,391)	-2.46%	(11,905)	18%
Operating income (EBIT)	38,566	1.27%	46,499	1.73%	(7,933)	-17%
Finance costs - net	(2,847)	-0.09%	(4,243)	-0.16%	1,396	-33%
Other investments expenses / (incomes)	1	0.00%	(9)	0.00%	10	-111%
Profit before income taxes	35,720	1.17%	42,247	1.57%	(6,527)	-15%
Income tax expenses	(8,850)	-0.29%	(12,206)	-0.45%	3,356	-27%
Net income	26,870	0.88%	30,041	1.12%	(3,171)	-11%
Earnings per share - basic (euro)	0.52		0.59		(0.07)	-2%

- **Consolidated sales** equal to € 3,042.3 million showed an increase of +13% (€ 348.3 million) compared to € 2,694.1 million as at 31 December 2015. With equal consolidation perimeter, estimated consolidated sales would have been equal to € 2,654.0 million, decreased by -1.49% compared to 2015;
- **Gross profit** equal to € 163.9 million showed an increase of +4% (€ 7.0 million) compared to 2015 as consequence of higher sales only partially offset by a decrease in the gross profit margin. With equal consolidation perimeter, estimated consolidated gross profit would have been equal to € 145.0 million, decreased by -7,56% compared to 2015;
- **Other income**, amounting to € 2.8 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 € 38.6 million, showed a reduction of -17% compared to 31 December 2015 (€ 46.5 million) as consequence of higher operating costs, affected by € 4.8 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 1.27% from 1.73% %, due to a lower consolidated gross profit margin, being substantially in line the incidence of operating costs (-4,21% in 2016 vs -4,09% in 2015). With the same consolidation perimeter, net of business combinations non-recurring costs and income, estimated EBIT would have been equal to € 31.8 million (-31.59) due to, mainly, the EBIT margin decrease;
- **Profit before income taxes** equal to € 35.7 million, (-15% compared to 31 December 2015), showed a lower decrease than the one registered in EBIT thanks to a € 1.4 million improvement in financial charges;
- **Net income** equal to € 26.9 million, showing a reduction of -11% (€ -3.2 million) compared to the value at 31 December 2015;
- **Basic earnings per ordinary share** as at 31 December 2016, equal to € 0.52, showed a reduction of -12% compared to the value at 31 December 2015 (€ 0.59).

(euro/000)	31/12/2016	%	31/12/2015	%	Var.	Var. %
Fixed assets	124,516	58.59%	101,083	90.50%	23,434	23%
Operating net working capital	102,046	48.01%	34,512	30.90%	67,534	196%
Other current assets/liabilities	276	0.13%	(12,607)	-11.29%	12,883	-102%
Other non-current assets/liabilities	(14,305)	-6.73%	(11,296)	-10.11%	(3,009)	27%
Total uses	212,533	100.00%	111,692	100.00%	100,841	90%
Short-term financial liabilities	141,885	66.76%	29,314	26.25%	112,571	384%
Current financial (assets)/liabilities for derivatives	483	0.23%	195	0.17%	288	148%
Financial receivables from factoring companies	(1,492)	-0.70%	(2,714)	-2.43%	1,222	-45%
Other financial receivables	(5,596)	-2.63%	(507)	-0.45%	(5,089)	1004%
Cash and cash equivalents	(285,933)	-134.54%	(280,089)	-250.77%	(5,844)	2%
Net current financial debt	(150,653)	-70.88%	(253,801)	-227.23%	103,148	-41%
Borrowings	38,833	18.27%	65,138	58.32%	(26,305)	-40%
Debts for investments in subsidiaries	8,660	4.07%	5,222	4.68%	3,438	66%
Non-current financial (assets)/liab. for derivatives	28	0.01%	224	0.20%	(196)	-88%
Other financial receivables	(2,292)	-1.08%	(2,696)	-2.41%	405	-15%
Net financial debt (A)	(105,424)	-49.60%	(185,913)	-166.45%	80,489	-43%
Net equity (B)	317,957	149.60%	297,605	266.45%	20,352	7%
Total sources of funds (C=A+B)	212,533	100.00%	111,692	100.00%	100,841	90%

- **Consolidated net working capital** as at 31 December 2016 equal to € 102.0 million compared to € 34.5 million as at 31 December 2015;
- **Net financial position** as at 31 December 2016, positive by € 105.4 million, compared with a cash surplus equal to € 185.9 million as 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);

- **Consolidated net equity** as at 31 December 2016 equal to € 318.0 million, showed an increase of € 20.4 million compared to € 297.6 million as at 31 December 2015.

B) Esprinet S.p.A. financial highlights

The main economic, financial, asset result of Esprinet S.p.A. are hereby summarized:

(euro/000)	2016	%	2015	%	Var.	Var. %
Sales	1,951,845	100.00%	2,015,161	100.00%	(63,316)	-3%
Cost of sales	(1,848,573)	-94.71%	(1,901,464)	-94.36%	52,891	-3%
Gross profit	103,272	5.29%	113,697	5.64%	(10,425)	-9%
Sales and marketing costs	(30,204)	-1.55%	(29,457)	-1.46%	(747)	3%
Overheads and administrative costs	(53,556)	-2.74%	(49,803)	-2.47%	(3,753)	8%
Operating income (EBIT)	19,512	1.00%	34,437	1.71%	(14,925)	-43%
Finance costs - net	(1,909)	-0.10%	(1,989)	-0.10%	80	-4%
Other investments expenses / (incomes)	-	0.00%	(19)	0.00%	19	-
Profit before income taxes	17,603	0.90%	32,429	1.61%	(14,826)	-46%
Income tax expenses	(4,865)	-0.25%	(9,486)	-0.47%	4,621	-49%
Net income	12,738	0.65%	22,943	1.14%	(10,205)	-44%

- **Sales** equal to € 1,951.8 million, decreased by -3% compared to € 2,015.2 million as at 31 December 2015;
- **Gross profit** equal to € 103.3 million showed a decrease of -9% compared to € 113.7 million of 31 December 2015 as a consequence of lower sales and a gross profit margin decreased from 5.64% to 5.29%;
- **Operating income (EBIT)** equal to € 19.5 million, showed a decrease of -43% compared to 2015 with an Ebit margin decreased from 1.71% to 1.00% as consequence of higher operating costs (€ 4.5 million);
- **Profit before income taxes** equal to € 17.6 million, decreased by -46% (€ 14.8 million) compared to 31 December 2015;
- **Net income** equal to € 12.7 million, showed a decrease of -44% (€ 10.2 million) compared to 31 December 2015.

(euro/000)	31/12/2016	%	31/12/2015	%	Var.	Var. %
Fixed assets	121,958	65.31%	113,698	97.17%	8,261	7%
Operating net working capital	16,801	9.00%	(13,511)	-11.55%	30,312	-224%
Other current assets/liabilities	55,702	29.83%	24,398	20.85%	31,304	128%
Other non-current assets/liabilities	(7,721)	-4.13%	(7,580)	-6.48%	(141)	2%
Total uses	186,740	100.00%	117,005	100.00%	69,735	60%
Short-term financial liabilities	108,779	58.25%	26,197	22.39%	82,582	315%
Current financial (assets)/liabilities for derivatives	428	0.23%	195	0.17%	233	119%
Financial receivables from factoring companies	(1,176)	-0.63%	(1,152)	-0.98%	(24)	2%
Financial (assets)/liab. From/to Group companies	(151,500)	-81.13%	(55,000)	-47.01%	(96,500)	175%
Customers financial receivables	(509)	-0.27%	(507)	-0.43%	(2)	0%
Cash and cash equivalents	(80,109)	-42.90%	(205,993)	-176.06%	125,884	-61%
Net current financial debt	(124,087)	-66.45%	(236,260)	-201.92%	112,173	-47%
Borrowings	12,252	6.56%	61,138	52.25%	(48,886)	-80%
Non-current financial (assets)/liab. for derivatives	(377)	-0.20%	(145)	-0.12%	(232)	160%
Customers financial receivables	(2,292)	-1.23%	(2,696)	-2.30%	405	-15%
Net Financial debt (A)	(114,504)	-61.32%	(177,963)	-152.10%	63,459	-36%
Net equity (B)	301,244	161.32%	294,968	252.10%	6,276	2%
Total sources of funds (C=A+B)	186,740	100.00%	117,005	100.00%	69,735	60%

- **Consolidated net working capital** as at 31 December 2016 was equal to € 16.8 million compared to € -13.5 million as at 31 December 2015;
- **Net financial position** as at 31 December 2016, was positive by € 114.5 million, compared with a cash surplus equal to € 178.0 million as at 31 December 2015. The impact of both 'without-recourse' sale and the securitization program of trade receivables as at 31 December 2016 was equal to € 131 million (approx. € 145 million as at 31 December 2015);
- **Net equity** as at 31 December 2016 equal to € 301.2 million, increased by 6.3 million (+2%) compared to 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 significant³.

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)	2016													
	Italy						Iberian Peninsula						Elim. and other	Group
	E.Spa + V-Valley	Mosaico	Celly*	EDSlan	Elim. and other	Total	Esprinet Iberian	Esprinet Portugal	V-Valley Iberian	Vinzeo + Tape	Elim. and other	Total		
Sales to third parties	1,900,972	11,042	30,415	53,212	-	1,995,640	690,275	26,785	741	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	11,042	32,326	54,890	(7,932)	2,042,146	711,120	26,810	741	330,158	(22,139)	1,046,689	(46,506)	3,042,330
Cost of sales	(1,848,942)	(10,128)	(18,071)	(47,172)	7,948	(1,916,365)	(683,589)	(26,320)	(673)	(319,961)	22,139	(1,008,404)	46,334	(2,878,435)
Gross profit	102,879	914	14,255	7,718	16	125,781	27,531	490	68	10,197	-	38,285	(172)	163,895
Gross Profit %	5.3%	8.3%	44.1%	14.1%	-0.2%	6.2%	3.9%	1.8%	9.2%	3.1%	-	3.7%	-	5.4%
Other incomes	-	-	-	2,838	-	2,838	-	-	-	-	-	-	-	2,838
Sales and marketing costs	(28,706)	(130)	(8,882)	(4,193)	(2)	(41,913)	(5,916)	(310)	(60)	(1,654)	-	(7,940)	(18)	(49,871)
Overheads and admin. costs	(54,463)	(122)	(3,640)	(2,816)	74	(60,967)	(13,355)	(515)	(50)	(3,438)	-	(17,357)	28	(78,296)
Operating income (Ebit)	19,710	662	1,733	3,547	88	25,739	8,260	(335)	(42)	5,105	-	12,988	(162)	38,566
EBIT %	1.0%	6.0%	5.4%	6.5%	-1.1%	1.3%	1.2%	-1.2%	-5.7%	1.5%	-	1.2%	-	1.3%
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

³ V-Valley S.r.l. and Tape 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)	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
<i>Gross Profit %</i>	<i>5.6%</i>	<i>45.1%</i>	<i>6.3%</i>	<i>6.2%</i>	<i>4.4%</i>	<i>0.8%</i>		<i>4.4%</i>		<i>5.8%</i>
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
<i>EBIT %</i>	<i>1.7%</i>	<i>-4.1%</i>	<i>5.5%</i>	<i>1.7%</i>	<i>1.9%</i>	<i>-2.1%</i>		<i>1.8%</i>		<i>1.7%</i>
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.

E) Subsequent events

Relevant events occurred after 31 December 2016 are briefly described below:

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 to € 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 loan agreement was signed on 28 February 2016.

Renounce by Giuseppe Cali and Stefania Caterina Cali to the challenge of some resolutions of the Shareholders' Meeting and the Board of Directors

The Company informs that the shareholders Mr. Giuseppe Cali and Mrs. Stefania Caterina Cali, which had challenged certain resolutions of the Shareholders' Meeting of the Company taken on 30th April 2015 (see, on this respect, the press release dated 30th July 2015), have agreed to renounce the challenge brought.

Mr. Giuseppe Cali and Mrs. Stefania Caterina Cali took said decision after having compared with the Company, in the context of the judicial proceeding, the respective positions on a juridical ground. Thereafter, Mr. Giuseppe Cali and Mrs. Stefania Caterina Cali agreed on the fairness of the said resolutions taken by the Shareholders' Meeting of the Company.

E) Outlook

Referring to current fiscal year, Italian and Spanish economy are expected to grow respectively at a 1% and 2.7% YoY pace (source: consensus, Bain estimates, March 2017), with Italy lagging compared to the expected EU average.

In Italy, the ICT end user demand, both in the consumer and the business segment is expected stable after years of growth driven by mobility and smartphone. PC market will continue to be affected by volume reductions only partially counterbalanced by pricing stabilization connected to the shortage of components like memories and displays, increasingly absorbed by vendors of smartphone and consumer electronics. The IT 'Value' market is expected to grow mainly referring to datacenter solutions, software, cloud and cybersecurity.

Considering the distribution market, where Esprinet operates, it will grow at a moderate pace, confirming its capability to gaining share out of the total ICT market spending. The Italian operations positively integrated the recently acquired EDSLan and ITWay VAD as well as normalized the level of stock, being now focused on deploying the synergies arising from both the acquired competences and the other commercial initiatives presented in the industrial plan.

The trends of both Spanish ICT end user demand and distribution market (where Esprinet is active with its subsidiaries Esprinet Iberica and Vinzeo Technologies) are expected similar to what above-mentioned for Italy. Closed 2016 with the market leadership, which was missing by almost ten years, the Spanish operations are following the plan of focalization on value-added markets (i.e. IT Value and accessories) coupled by the cost optimization arising from to the integration of Vinzeo and ITWay Vad, with positive effects to be tangible both in the current year and in the next one.

Considering the industrial plan presented at the beginning of October 2016, for the current fiscal year of Italian operations, Esprinet expects grow of sales even due to the full consolidation of the acquisition made during 2016 (EDSLan and ITWay Vad). The overstock phenomenon is mostly disappeared, net of some punctual situations.

A noticeable price competition within many categories is still underway, while the plans of commercial innovation are starting to show the first positive results, benefitting the percentage gross margin, as expected by the management.

The initiatives of cost optimization are in track, showing its positive effects within 2017 and 2018.

Also for the Spanish operations Esprinet expects strong growth of sales, even thanks to the full consolidation of the acquisitions made during 2016 (Vinzeo and ITWay Vad). In line with what observed in Italy, the level of overstock of PC experienced in the first part of 2016 has almost disappeared, thus improving the stock rotation index and generating the return of many PC vendors proposing incentive plans to distributors who can support their growth in the high-end models.

Compared to the Italian market, a significant price competition is currently on-going even boosted by the higher share of the retailers' channel, while the re-focalization on higher margin business, like IT Value, accessories and the corporate channel, as well as the plans of commercial innovation are starting to show the first positive signs.

The integration of Vinzeo and ITWay VAD in the Group is on track, the arising synergies are expected to be significant both in 2017 and 2018.

All in all, the Groups confirms the 2018 targets of the Industrial Plan communicated in October 2016.

F) Dividend proposal

The Board of Directors will submit to the approval of the Shareholders Meeting the distribution of a dividend of € 0.135 for each ordinary share. The dividend shall be paid out from 10 May 2017 (ex-coupon no. 12 on 8 May 2017 and record date on 9 May 2017).

G) 2017 Shareholders' Meeting Call

The Ordinary and Extraordinary Meeting will be held at the Cosmo Hotel, Via Torri Bianche n. 4, Vimercate (MB), at 10:00 a.m. on 28 April 2017 (first call), and if necessary a second meeting will be called at 15 on 4 May 2017, to discuss the following:

Agenda

Ordinary Agenda

1. Financial Statement of Esprinet S.p.A. as at December 2016:
 - 1.1 Approval of 2016 Financial Statement; Directors' Report on Operations, Statutory Auditors' Report, Independent Auditors' Report, presentation of the Consolidated Financial Statement of Esprinet Group as at 31 December 2016.
 - 1.2 Allocation of income of the year.
2. Report on Remuneration. Resolutions on the first section of the Report on Remuneration pursuant to par. 6 of the art. 123-ter of the legislative decree 58/1998.
3. Resolutions on the Board of Directors composition; any relevant and corresponding resolutions.
4. Proposal for authorization of a buy-back plan of owned shares; correlated repeal of the authorization for the plan, or the unused portion of it, resolved during the Shareholders' Meeting of 4 May 2016.
5. Integration of fees for the legal accounting support of the Esprinet S.p.A. consolidated financial statement.

Extraordinary Agenda

1. Proposal for change of articles: 4, 5, 8, 11, 13, 16, 19 of the Company By Laws; any relevant and corresponding resolutions.

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 (Group/Esprinet S.p.A.).

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<p>Esprinet (Borsa Italiana: 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.</p>
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Summary of main Group's results

(euro/000)	notes	2016	%	2015	notes	%	% var. 16/15	2014	notes	%
Profit & Loss										
Sales		3,042,330	100.0%	2,694,054		100.0%	13%	2,291,141		100.0%
Gross profit		163,895	5.4%	156,864		5.8%	4%	141,836		6.2%
EBITDA	(1)	43,072	1.4%	50,558		1.9%	-15%	45,139		2.0%
Operating income (EBIT)		38,566	1.3%	46,499		1.7%	-17%	41,086		1.8%
Profit before income tax		35,720	1.2%	42,247		1.6%	-15%	39,100		1.7%
Net income		26,870	0.9%	30,041		1.1%	-11%	26,813		1.2%
Financial data										
Cash flow	(2)	30,820		33,378				30,080		
Gross investments		11,710		5,731				3,593		
Net working capital	(3)	102,322		21,905				58,627		
Operating net working capital	(4)	102,046		34,512				77,431		
Fixed assets	(5)	124,516		101,083				98,058		
Net capital employed	(6)	212,535		111,692				144,588		
Net equity		317,956		297,606				274,872		
Tangible net equity	(7)	225,299		221,695				198,605		
Net financial debt	(8)	(105,424)		(185,913)				(130,284)		
Main indicators										
Net financial debt / Net equity		(0.3)		(0.6)				(0.5)		
Net financial debt / Tangible net equity		(0.5)		(0.8)				(0.7)		
EBIT / Finance costs - net		13.5		11.0				20.7		
EBITDA / Finance costs - net		15.1		11.9				22.7		
Net financial debt/ EBITDA		(2.4)		(3.7)				(2.9)		
Operational data										
N. of employees at end-period		1,327		1,016				969		
Average number of employees	(9)	1,173		993				972		
Earnings per share (euro)										
- Basic		0.52		0.59			-12%	0.53		
- Diluted		0.51		0.58			-12%	0.52		

(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	91,189		75,246	
Intangible assets	1,469		664	
Investments in associates	39		47	
Deferred income tax assets	11,931		8,347	
Derivative financial assets	38		-	
Receivables and other non-current assets	6,896	1,286	7,345	1,285
	126,846	1,286	103,779	1,285
Current assets				
Inventory	328,886		305,455	
Trade receivables	388,672	9	251,493	13
Income tax assets	6,175		3,490	
Other assets	32,091	-	17,509	-
Cash and cash equivalents	285,933		280,089	
	1,041,757	9	858,036	13
Disposal groups assets				
	-		-	
Total assets	1,168,603	1,295	961,815	1,298
EQUITY				
Share capital	7,861		7,861	
Reserves	282,430		258,626	
Group net income	26,667		30,321	
Group net equity	316,958		296,808	
Non-controlling interests	999		797	
Total equity	317,957		297,605	
LIABILITIES				
Non-current liabilities				
Borrowings	38,833		65,138	
Derivative financial liabilities	66		224	
Deferred income tax liabilities	6,100		4,757	
Retirement benefit obligations	5,185		4,044	
Debts for investments in subsidiaries	3,942		5,222	
Provisions and other liabilities	3,020		2,495	
	57,146		81,880	
Current liabilities				
Trade payables	615,512	12	522,436	-
Short-term financial liabilities	141,885		29,314	
Income tax liabilities	740		751	
Derivative financial liabilities	483		195	
Debiti per acquisto partecipazioni correnti	4,718		-	
Provisions and other liabilities	30,162	-	29,634	-
	793,500	12	582,330	-
Disposal groups liabilities				
	-		-	
Total liabilities	850,646	12	664,210	-
Total equity and liabilities	1,168,603	12	961,815	-

Consolidated separate income statement

(euro/000)	2016	non-recurring	related parties*	2015	non-recurring	related parties*
Sales	3,042,330	-	15	2,694,054	-	25
Cost of sales	(2,878,435)	-	-	(2,537,190)	-	-
Gross profit	163,895	-		156,864	-	
Other income	2,838	2,838		-	-	
Sales and marketing costs	(49,871)	-	-	(43,974)	-	-
Overheads and administrative costs	(78,296)	(4,754)	(3,782)	(66,391)	(657)	(3,611)
Operating income (EBIT)	38,566	(1,916)		46,499	(657)	
Finance costs - net	(2,847)	-	2	(4,243)	-	7
Other investments expenses/(incomes)	1	-		(9)	-	
Profit before income tax	35,720	(1,916)		42,247	(657)	
Income tax expenses	(8,850)	141	-	(12,206)	292	-
Net income	26,870	(505)		30,041	(365)	
- of which attributable to non-controlling interests	203			(280)	(27)	
- of which attributable to Group	26,667	(505)		30,321	(338)	
Earnings per share - basic (euro)	0.52			0.59		
Earnings per share - diluted (euro)	0.51			0.58		

* Emoluments to key managers excluded.

Consolidated statement of comprehensive income

(euro/000)	2016	2015
Net income	26,870	30,041
<i>Other comprehensive income:</i>		
- Changes in 'cash flow hedge' equity reserve	(79)	(157)
- Taxes on changes in 'cash flow hedge' equity reserve	17	43
- Changes in translation adjustment reserve	(1)	(10)
<i>Other comprehensive income not to be reclassified in the separate income statement</i>		
- Changes in 'TFR' equity reserve	(139)	272
- Taxes on changes in 'TFR' equity reserve	30	(75)
Other comprehensive income	(172)	73
Total comprehensive income	26,698	30,114
- of which attributable to Group	26,499	30,371
- of which attributable to non-controlling interests	199	(257)

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)	-	74	-	30,041	30,115	(257)	30,372
Change in equity by Celly group acquisition	-	(1,990)	-	-	(1,990)	(1,086)	(904)
Allocation of last year net income/(loss)	-	20,410	-	(20,410)	-	-	-
Dividend payment	-	-	-	(6,403)	(6,403)	-	(6,403)
Transactions with owners	-	18,420	-	(26,813)	(8,393)	(1,086)	(7,307)
Increase/(decrease) in 'stock grant' plan reserve	-	(1,662)	-	-	(1,662)	-	(1,662)
Assignment of Esprinet own shares	-	(9,985)	7,925	-	(2,060)	-	(2,060)
Increase/(decrease) in IAS 7 FTA reserve	-	(87)	-	-	(87)	(17)	(70)
Other variations	-	(59)	-	-	(59)	(36)	(23)
Variation in reserve on 40% Celly option	-	4,879	-	-	4,879	-	4,879
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)
Other variations	-	15	-	-	15	3	12
Balance at 31 December 2016	7,861	288,372	(5,145)	26,870	317,957	999	316,958

Consolidated net financial position

(euro/000)	31/12/2016	31/12/2015	Var.
Short-term financial liabilities	141,885	29,314	112,571
Current financial (assets)/liabilities for derivatives	483	195	288
Financial receivables from factoring companies	(1,492)	(2,714)	1,222
Other financial receivables	(5,596)	(507)	(5,089)
Cash and cash equivalents	(285,933)	(280,089)	(5,844)
Net current financial debt	(150,653)	(253,801)	103,148
Borrowings	38,833	65,138	(26,305)
Debts for investments in subsidiaries	8,660	5,222	3,438
Non-current financial (assets)/liabilities for derivatives	28	224	(196)
Other financial receivables	(2,292)	(2,696)	405
Net financial debt	(105,424)	(185,913)	80,489

Consolidated statement of cash flows

(euro/000)	2016	2015
Cash flow provided by (used in) operating activities (D=A+B+C)	34,413	74,058
Cash flow generated from operations (A)	40,986	50,357
Operating income (EBIT)	38,566	46,499
Income from business combinations	(2,838)	-
Depreciation, amortisation and other fixed assets write-downs	3,954	3,337
Net changes in provisions for risks and charges	171	(239)
Net changes in retirement benefit obligations	(271)	(316)
Stock option/grant costs	1,404	1,076
Cash flow provided by (used in) changes in working capital (B)	3,447	39,034
Inventory	37,760	(51,746)
Trade receivables	(38,454)	24,490
Other current assets	(12,321)	(7,385)
Trade payables	18,354	70,447
Other current liabilities	(1,892)	3,228
Other cash flow provided by (used in) operating activities (C)	(10,020)	(15,333)
Interests paid, net	(644)	(1,038)
Foreign exchange (losses)/gains	(760)	(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)	(105,981)	(14,695)
Net investments in property, plant and equipment	(6,010)	(4,703)
Net investments in intangible assets	(1,098)	(136)
Changes in other non current assets and liabilities	73	(3,069)
Celly business combination	-	(1,990)
EDSIan business combination	(17,065)	-
Itway business combination	(8,731)	-
Vinzeo business combination	(73,150)	-
Own shares acquisition	-	(4,797)
Cash flow provided by (used in) financing activities (F)	77,412	(4,448)
Medium/long term borrowing	-	15,000
Repayment/renegotiation of medium/long-term borrowings	(23,078)	(1,707)
Net change in financial liabilities	108,043	(9,795)
Net change in financial assets and derivative instruments	(7,328)	(1,397)
Deferred price Celly acquisition	(1,280)	(4,536)
Deferred price Vinzeo acquisition	4,718	-
Deferred price Itway acquisition	3,957	-
Option on 40% Celly sharesd	-	4,879
Dividend payments	(7,764)	(6,403)
Increase/(decrease) in 'cash flow edge' equity reserve	(61)	(114)
Changes in third parties net equity	205	(456)
Other movements	-	81
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	5,844	54,915
Cash and cash equivalents at year-beginning	280,089	225,174
Net increase/(decrease) in cash and cash equivalents	5,844	54,915
Cash and cash equivalents at year-end	285,933	280,089

Esprinet S.p.A. statement of financial position.

(euro/000)	31/12/2016	related parties	31/12/2015	related parties
ASSETS				
Non-current assets				
Property, plant and equipment	11,464		9,958	
Goodwill	10,626		10,626	
Intangible assets	1,252		610	
Investments in associates	-		9	
Investments in others	92,420		85,688	
Deferred income tax assets	1,975		2,368	
Derivative financial assets	377		369	
Receivables and other non-current assets	6,513	1,286	7,135	1,285
	124,627	1,286	116,763	1,285
Current assets				
Inventory	207,876		211,620	
Trade receivables	190,146	9	162,618	13
Income tax assets	4,543		3,296	
Other assets	216,952	194,372	95,243	81,517
Cash and cash equivalents	80,109		205,993	
	699,626	194,381	678,770	81,530
Non-current assets held for sale	-			
Total assets	824,253	195,667	795,533	82,815
EQUITY				
Share capital	7,861		7,861	
Reserves	280,645		264,164	
Net income for the period	12,738		22,943	
	301,244		294,968	
Total equity	301,244		294,968	
LIABILITIES				
Non-current liabilities				
Borrowings	12,252		61,138	
Derivative financial liabilities	-		224	
Deferred income tax liabilities	2,354		2,248	
Retirement benefit obligations	3,682		3,587	
Provisions and other liabilities	1,685		1,745	
	19,973		68,942	
Current liabilities				
Trade payables	381,221		387,749	-
Short-term financial liabilities	108,779		26,197	
Income tax liabilities	-		36	
Derivative financial liabilities	428		195	
Provisions and other liabilities	12,608	1,244	17,446	1324
	503,036	1,244	431,623	1,324
Total liabilities	523,009	1,244	500,565	1,324
Total equity and liabilities	824,253	1,244	795,533	1,324

Esprinet S.p.A. separate income statement

(euro/000)	2016	non-recurring	related parties*	2015	non-recurring	related parties*
Sales	1,951,845	-	50,520	2,015,161	-	43,441
Cost of sales	<u>(1,848,573)</u>	-	(2,585)	<u>(1,901,464)</u>	-	(1,858)
Gross profit	103,272	-		113,697	-	
Sales and marketing costs	(30,204)	-	(1,438)	(29,457)	-	(1,198)
Overheads and administrative costs	<u>(53,556)</u>	(3,447)	(1,722)	<u>(49,803)</u>	(322)	(1,652)
Operating income (EBIT)	19,512	(3,447)		34,437	(322)	
Finance costs - net	(1,909)	-	1,144	(1,989)	-	766
Other investments expenses/(incomes)	-	-	-	(19)	-	-
Profit before income tax	17,603	(3,447)		32,429	(322)	
Income tax expenses	<u>(4,865)</u>	1,064	-	<u>(9,486)</u>	187	-
Net income	12,738	(2,383)		22,943	(135)	
- of which attributable to non-controlling interests	-	-		-	-	
- of which attributable to Group	12,738	(2,383)		22,943	(135)	

* Emoluments to key managers excluded.

Esprinet S.p.A. statement of comprehensive income

(euro/000)	2016	2015
Net income	12,738	22,943
<i>Other comprehensive income:</i>		
- Changes in 'cash flow hedge' equity reserve	(16,652)	(157)
- Taxes on changes in 'cash flow hedge' equity reserve	16,656	43
<i>Other comprehensive income not to be reclassified in the separate income statement</i>		
- Changes in 'TFR' equity reserve	(136)	199
- Taxes on changes in 'TFR' equity reserve	30	(55)
Other comprehensive income	(102)	31
Total comprehensive income	12,636	22,974
- of which attributable to Group	12,636	22,974
- of which, attributable to non-controlling interests	-	-

Esprinet S.p.A. statement of changes in equity

(euro/000)	Share capital	Reserves	Own shares	Profit for the period	Total net equity
Balance at 31 December 2014	7,861	247,731	(13,070)	39,597	282,119
Total comprehensive income/(loss)	-	31	-	22,943	22,974
Allocation of last year net income/(loss)	-	33,194	-	(33,194)	-
Dividend payment	-	-	-	(6,403)	(6,403)
Transactions with owners	-	33,194	-	(39,597)	(6,403)
Assignment of Esprinet own shares	-	(9,985)	7,925	-	(2,060)
Other changes	-	1	-	-	1
Increase/(decrease) in 'stock grant' plan reserve	-	(1,662)	-	-	(1,662)
Balance at 31 December 2015	7,861	269,310	(5,145)	22,943	294,968
Total comprehensive income/(loss)	-	(102)	-	12,738	12,636
Allocation of last year net income/(loss)	-	15,180	-	(15,180)	-
Dividend payment	-	-	-	(7,764)	(7,764)
Transactions with owners	-	15,180	-	(22,943)	(7,764)
Changes in 'stock grant' plan reserve	-	1,404	-	-	1,404
Balance at 31 December 2016	7,861	285,790	(5,145)	12,738	301,244

Esprinet S.p.A. net financial position

(euro/000)	31/12/2016	31/12/2015	Var.
Short-term financial liabilities	108,779	26,197	82,582
Customer financial receivables	(509)	(507)	(2)
Current financial (assets)/liabilities for derivatives	428	195	233
Financial receivables from factoring companies	(1,176)	(1,152)	(24)
Financial (assets)/liab. From/to Group companies	(151,500)	(55,000)	(96,500)
Cash and cash equivalents	(80,109)	(205,993)	125,884
Net current financial debt	(124,087)	(236,260)	112,173
Borrowings	12,252	61,138	(48,886)
Non-current financial (assets)/liabilities for derivatives	(377)	(145)	(232)
Customer financial receivables	(2,292)	(2,696)	405
Net financial debt	(114,504)	(177,963)	63,459

Esprinet S.p.A. statement of cash flows

(euro/000)	2016	2015
Cash flow provided by (used in) operating activities (D=A+B+C)	(43,324)	59,924
Cash flow generated from operations (A)	23,645	37,940
Operating income (EBIT)	19,512	34,437
Depreciation, amortisation and other fixed assets write-downs	2,709	2,708
Net changes in provisions for risks and charges	(60)	1
Net changes in retirement benefit obligations	172	(236)
Stock option/grant costs	1,312	1,030
Cash flow provided by (used in) changes in working capital (B)	(60,049)	33,736
Inventory	3,744	(23,607)
Trade receivables	(27,528)	6,945
Other current assets	(26,430)	(4,829)
Trade payables	(6,492)	50,632
Other current liabilities	(3,343)	4,595
Other cash flow provided by (used in) operating activities (C)	(6,920)	(11,752)
Interests paid, net	(434)	(96)
Foreign exchange (losses)/gains	(468)	(839)
Income taxes paid	(6,018)	(10,817)
Cash flow provided by (used in) investing activities (E)	(11,429)	(14,203)
Net investments in property, plant and equipment	(3,912)	(3,997)
Net investments in intangible assets	(945)	(166)
Changes in other non current assets and liabilities	151	(3,147)
Celly business combination	-	(1,990)
Esprinet Portugal establishment	-	(50)
EDSIanl establishment	(6,540)	-
Mosaico establishment	(100)	-
Investment increase from 'stock grant' to subsidiaries	(92)	(46)
Investments in controlled subsidiaries	9	(10)
Share buyback	-	(4,797)
Cash flow provided by (used in) financing activities (F)	(71,131)	(16,776)
Medium/long term borrowing	-	10,000
Repayment/renegotiation of medium/long-term borrowings	(16,638)	(373)
Net change in financial liabilities	49,361	(4,727)
Borrowed due within 12 months granted	(96,500)	(15,000)
Net change in financial assets and derivative instruments	379	(205)
Dividend payments	(7,764)	(6,403)
Increase/(decrease) in 'cash flow edge' equity reserve	(61)	(114)
Increase in 'stock grant' plan reserve to subsidiaries	92	46
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	(125,884)	28,945
Cash and cash equivalents at year-beginning	205,993	177,048
Net increase/(decrease) in cash and cash equivalents	(125,884)	28,945
Cash and cash equivalents at year-end	80,109	205,993