Press release in accordance with Consob Regulation no. 11971/99

Esprinet to approve first half-consolidated results as at 30 June 2018

2018 first half:

Consolidated sales: € 1,538.2 million (+7% vs € 1,436.8 million as at first half 2017)
Gross profit: € 77.0 million (-4% vs € 79.8 million)
Operating income (EBIT): € 10.9 million (+11% vs € 9.8 million)
Net income: € 6.2 million (-1% vs € 6.3 million)

Net financial position as at 30 June 2018 negative by € 24.6 million
(vs Net financial position as at 31 December 2017 positive by € 123.1 million and vs Net financial position as at 30 June 2017 negative by € 143.2 million)

2018 second quarter:

Consolidated sales: € 756.9 million (+9% vs € 691.4 million of the second quarter 2017)
Gross profit: € 38.0 million (-6% vs € 40.2 million)
Operating income (EBIT): € 5.6 million (+10% vs € 5.1 million)
Net income: € 2.8 million (-20% vs € 3.5 million)

Vimercate (Monza Brianza), 11 September 2018 - The Board of Directors of Esprinet S.p.A. (Italian Stock Exchange: PRT) met today under the chairmanship of Maurizio Rota to examine and approve the Group's financial results for the six-month period ending 30 June 2018, prepared in accordance to IFRS.

A) Esprinet Group's financial highlights

The Group's main economic, financial and asset results as at 30 June 2018 are hereby summarised:

(euro/000)	H1 2018	%	H1 2017	%	Var.	Var. %
Sales	**1,538,159**	**100.00%**	**1,436,842**	**100.00%**	**101,317**	***7%***
Cost of sales	(1,461,207)	-95.00%	(1,357,083)	-94.45%	(104,124)	*8%*
Gross profit	**76,952**	**5.00%**	**79,759**	**5.55%**	**(2,807)**	***-4%***
Sales and marketing costs	(26,804)	-1.74%	(28,485)	-1.98%	1,681	*-6%*
Overheads and administrative costs	(39,211)	-2.55%	(41,444)	-2.88%	2,233	*-5%*
Operating income (EBIT)	**10,937**	**0.71%**	**9,830**	**0.68%**	**1,107**	***11%***
Finance costs - net	(2,403)	-0.16%	(1,867)	-0.13%	(536)	*29%*
Other investments expenses / (incomes)	-	0.00%	(16)	0.00%	16	*-100%*
Profit before income taxes	**8,534**	**0.55%**	**7,947**	**0.55%**	**587**	***7%***
Income tax expenses	(2,343)	-0.15%	(1,680)	-0.12%	(663)	*39%*
Net income	**6,191**	**0.40%**	**6,267**	**0.44%**	**(76)**	***-1%***
Earnings per share - basic (euro)	0.12		0.12		0.00	*0%*

(euro/000)	Q2 2018	%	Q2 2017	%	Var.	Var. %
Sales	**756,885**	**100.00%**	**691,428**	**100.00%**	**65,457**	***9%***
Cost of sales	(718,885)	-94.98%	(651,204)	-94.18%	(67,681)	*10%*
Gross profit	**38,000**	**5.02%**	**40,224**	**5.82%**	**(2,224)**	***-6%***
Sales and marketing costs	(13,414)	-1.77%	(14,109)	-2.04%	695	*-5%*
Overheads and administrative costs	(19,000)	-2.51%	(21,037)	-3.04%	2,037	*-10%*
Operating income (EBIT)	**5,586**	**0.74%**	**5,078**	**0.73%**	**508**	***10%***
Finance costs - net	(1,695)	-0.22%	(879)	-0.13%	(816)	*93%*
Other investments expenses / (incomes)	-	0.00%	(14)	0.00%	14	*-100%*
Profit before income taxes	**3,891**	**0.51%**	**4,185**	**0.61%**	**(294)**	***-7%***
Income tax expenses	(1,113)	-0.15%	(711)	-0.10%	(402)	*57%*
Net income	**2,778**	**0.37%**	**3,474**	**0.50%**	**(696)**	***-20%***
Earnings per share - basic (euro)	0.05		0.07		(0.02)	*-29%*

- **Consolidated sales**, equal to € 1,538.2 million, showed an increase of +7% (€ 101.3 million) compared with € 1,436.8 million of the first half 2017. In the second quarter, consolidated sales increased by +9% compared with the same period of the previous year (from € 691.4 million to € 756.9 million);

- **Consolidated gross profit**, equal to € 77.0 million, showed a decrease of -4% (€ -2.8 million) compared with the same period of 2017 as a consequence of a worsening in the gross profit margin. In the second quarter, Gross profit, equal to € 38.0 million, decreased by -6% compared to the same period of previous year;

- **Consolidated operating income (EBIT)** of the first half 2018, equal to € 10.9 million, showed an increase of +11% compared with the first half 2017 (€ 9.8 million), with an EBIT margin up to 0.71% from 0.68%, due to an improvement in operating costs margin (-4.29% in 2018 vs -4.87% in 2017). In the second quarter, consolidated EBIT, equal to € 5.6 million, increased by 10% (€ 0.5 million) compared with the second quarter 2017, with an EBIT margin up from 0.73% to 0.74%;

- **Consolidated profit before income taxes**, equal to € 8.5 million, increased by +7% compared with the first half 2017, thus showing a positive change though to a lesser extent than EBIT, due to both higher financial charges and particularly to a negative change in foreign exchange management with, conversely, an improvement in net interest payable to banks. In the second quarter profit before income taxes showed an opposite trend, down -7% (€ -0.3 million), as the foreign exchange management recorded a concentration of negative change in the two-month period April-May corresponding to the dramatic drop of the euro exchange rate vs US Dollar.

- **Consolidated net income** was equal to € 6.2 million, showing a decrease of -1% (€ -0.1 million) compared with the first half 2017. In the second quarter 2018, consolidated net income amounted to € 2.8 million compared with € 3.5 million of the same period 2017 (-20%);

- **Basic earnings per ordinary share** as at 30 June 2018, is equal to € 0.12, in line with the value of first half 2017. In the second quarter basic earnings per ordinary share was € 0.05 compared with € 0.07 of the corresponding quarter in 2017 (-29%).

(euro/000)	30/06/2018	%	31/12/2017	%	Var.	*Var. %*
Fixed assets	118,721	32.81%	122,403	56.90%	(3,682)	*-3%*
Operating net working capital	269,296	74.42%	104,175	48.42%	165,121	*159%*
Other current assets/liabilities	(11,676)	-3.23%	2,958	1.38%	(14,634)	*-495%*
Other non-current assets/liabilities	(14,472)	-4.00%	(14,406)	-6.70%	(66)	*0%*
Total uses	**361,869**	**100.00%**	**215,130**	**100.00%**	**146,739**	***68%***
Short-term financial liabilities	49,455	13.67%	155,960	72.50%	(106,505)	*-68%*
Current financial (assets)/liabilities for derivatives	420	0.12%	663	0.31%	(243)	*-37%*
Financial receivables from factoring companies	(769)	-0.21%	(1,534)	-0.71%	765	*-50%*
Current debts for investments in subsidiaries	1,309	0.36%	-	0.00%	1,309	*N.S.*
Other current financial receivables	(3,622)	-1.00%	(510)	-0.24%	(3,112)	*611%*
Cash and cash equivalents	(123,563)	-34.15%	(296,969)	-138.04%	173,406	*-58%*
Net current financial debt	(76,770)	-21.21%	(142,390)	-66.19%	65,620	*-46%*
Borrowings	102,518	28.33%	19,927	9.26%	82,591	*414%*
Non - current debts for investments in subsidiaries	-	0.00%	1,311	0.61%	(1,311)	*-100%*
Non-current financial (assets)/liab. for derivatives	241	0.07%	(36)	-0.02%	277	*-769%*
Other non - current financial receivables	(1,411)	-0.39%	(1,870)	-0.87%	459	*-25%*
Net financial debt (A)	24,578	6.79%	(123,058)	-57.20%	147,636	*-120%*
Net equity (B)	337,291	93.21%	338,188	157.20%	(897)	*0%*
Total sources of funds (C=A+B)	**361,869**	**100.00%**	**215,130**	**100.00%**	**146,739**	***68%***

- **Operating net working capital** as at 30 June 2018 was equal to € 269.3 million compared with € 104.2 million as at 31 December 2017;

- **Consolidated net financial position** as at 30 June 2018, was negative by € 24.6 million, compared with a cash surplus of € 123.1 million as at 31 December 2017. The worsening of the spot net financial position as at period end was mainly due to the performance of consolidated net working capital as at 30 June 2018 which in turn was influenced by technical events often not related to the average level of working capital and by the level of utilisation both 'without – recourse' factoring programs referring to the trade receivables and of the corresponding securization programme.

  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 30 June 2018 was approx. € 302 million (approx. € 424 million as at 31 December 2017);

- **Consolidated net equity** as at 30 June 2018 equal to € 337.3 million, showed a decrease of € -0.9 million compared with € 338.2 million as at 31 December 2017.

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

B.1) Subgroup Italy

The main earnings, financial and net assets position for the Italian subgroup (Esprinet, V-Valley, EDSlan, Mosaico, Nilox Deutschland and Celly Group) as at 30 June 2018 are hereby summarised:

(euro/000)	H1 2018	%	H1 2017	%	Var.	Var. %
Sales to third parties	1,007,641		930,415		77,226	*8%*
Intercompany sales	26,133		23,771		2,362	*10%*
Sales	**1,033,774**		**954,186**		**79,588**	***8%***
Cost of sales	(977,026)	-94.51%	(894,763)	-86.55%	(82,263)	*9%*
Gross profit	**56,748**	**5.49%**	**59,423**	**6.23%**	**(2,675)**	***-5%***
Sales and marketing costs	(20,873)	-2.02%	(22,750)	-2.38%	1,877	*-8%*
Overheads and administrative costs	(29,470)	-2.85%	(30,522)	-3.20%	1,052	*-3%*
Operating income (EBIT)	**6,405**	**0.62%**	**6,151**	**0.64%**	**254**	***4%***

(euro/000)	Q2 2018	%	Q2 2017	%	Var.	Var. %
Sales to third parties	484,578		436,020		48,558	*11%*
Intercompany sales	13,667		11,306		2,361	*21%*
Sales	**498,245**		**447,326**		**50,919**	***11%***
Cost of sales	(470,228)	-94.38%	(417,581)	-93.35%	(52,647)	*13%*
Gross profit	**28,017**	**5.62%**	**29,745**	**6.65%**	**(1,728)**	***-6%***
Sales and marketing costs	(10,503)	-2.11%	(11,099)	-2.48%	596	*-5%*
Overheads and administrative costs	(14,136)	-2.84%	(15,508)	-3.47%	1,372	*-9%*
Operating income (EBIT)	**3,378**	**0.68%**	**3,138**	**0.70%**	**240**	***8%***

- **Sales** were equal to € 1,033.8 million, showing an increase of +8% compared with € 954.2 million of the first half 2017. In the second quarter 2018, sales showed an increase of +11% compared with the second quarter of 2017;

- **Gross profit**, equal to € 56.8 million, showed a worsening of -5% compared with € 59.4 million of the first half 2017, with a gross profit margin down from 6.23% to 5.49%. In the second quarter 2018, gross profit, equal to € 28.0 million, decreased by -6% compared with the second quarter 2017;

- **Operating income (EBIT)**, equal to € 6.4 million, increased by +4% compared with the same period of 2017, thanks to operating cost cuts (€ -2.9 million), while the EBIT margin remained nearly stable. In the second quarter 2018, EBIT showed an increase of +8% reaching € 3.4 million compared with € 3.1 million of 2017 with an EBIT margin of 0.68% compared with 0.70% of the same period of 2017;

(euro/000)	30/06/2018	%	31/12/2017	%	Var.	Var. %
Fixed assets	113,487	38.30%	117,075	64.89%	(3,588)	*-3%*
Operating net working capital	188,805	63.72%	55,494	30.76%	133,311	*240%*
Other current assets/liabilities	3,659	1.23%	17,699	9.81%	(14,040)	*-79%*
Other non-current assets/liabilities	(9,643)	-3.25%	(9,857)	-5.46%	214	*-2%*
Total uses	**296,308**	**100.00%**	**180,411**	**100.00%**	**115,897**	***64%***
Short-term financial liabilities	45,745	15.44%	150,364	83.35%	(104,619)	*-70%*
Current financial (assets)/liabilities for derivatives	419	0.14%	644	0.36%	(225)	*-35%*
Financial receivables from factoring companies	(769)	-0.26%	(1,534)	-0.85%	765	*-50%*
Financial (assets)/liab. from/to Group companies	(102,500)	-34.59%	(112,500)	-62.36%	10,000	*-9%*
Other financial receivables	(3,622)	-1.22%	(510)	-0.28%	(3,112)	*611%*
Cash and cash equivalents	(52,129)	-17.59%	(184,912)	-102.49%	132,783	*-72%*
Net current financial debt	(111,547)	-37.65%	(148,448)	-82.28%	36,901	*-25%*
Borrowings	101,633	34.30%	18,163	10.07%	83,470	*460%*
Non - current debts for investments in subsidiaries	-	0.00%	1,311	0.73%	(1,311)	*-100%*
Non-current financial (assets)/liab. for derivatives	253	0.09%	-	0.00%	253	*N.S.*
Other financial receivables	(1,411)	-0.48%	(1,870)	-1.04%	459	*-25%*
Net Financial debt (A)	(11,072)	-3.74%	(130,844)	-72.53%	119,772	*-92%*
Net equity (B)	307,380	103.74%	311,255	172.53%	(3,875)	*-1%*
Total sources of funds (C=A+B)	**296,308**	**100.00%**	**180,411**	**100.00%**	**115,897**	***64%***

- **Operating net working capital** as at 30 June 2018 was equal to € 188.8 million compared with € 55.5 million as at 31 December 2017;

- **Net financial position** as at 30 June 2018, was positive by € 11.1 million, compared with a cash surplus of € 130.8 million as at 31 December 2017. The impact of both 'without-recourse' sale and securization programmes of trade receivables as at 30 June 2018 was € 159 million (approx. € 184 million as at 31 December 2017).

B.2) Subgroup Iberica

The main earnings, financial and net assets position for the Subgroup Iberica (Esprinet Iberica, Esprinet Portugal, Tape, Vinzeo Technologies and V-Valley Iberian) as at 30 June 2018 are hereby summarised:

(euro/000)	H1 2018	%	H1 2017	%	Var.	Var. %
Sales to third parties	530,519		506,427		24,092	*5%*
Intercompany sales	-		-		-	*0%*
Sales	**530,519**		**506,427**		24,092	***5%***
Cost of sales	(510,401)	-96.21%	(486,080)	-95.98%	(24,321)	*5%*
Gross profit	**20,118**	**3.79%**	**20,347**	**4.02%**	**(229)**	***-1%***
Sales and marketing costs	(5,931)	-1.12%	(5,690)	-1.12%	(241)	*4%*
Overheads and administrative costs	(9,753)	-1.84%	(10,974)	-2.17%	1,221	*-11%*
Operating income (EBIT)	**4,434**	**0.84%**	**3,683**	**0.73%**	**751**	***20%***

(euro/000)	Q2 2018	%	Q2 2017	%	Var.	Var. %
Sales to third parties	272,308		255,408		16,900	*7%*
Intercompany sales	-		-		-	*0%*
Sales	**272,308**		**255,408**		**16,900**	***7%***
Cost of sales	(262,343)	-96.34%	(244,928)	-95.90%	(17,415)	*7%*
Gross profit	**9,965**	**3.66%**	**10,480**	**4.10%**	**(515)**	***-5%***
Sales and marketing costs	(2,910)	-1.07%	(2,976)	-1.17%	66	*-2%*
Overheads and administrative costs	(4,873)	-1.79%	(5,565)	-2.18%	692	*-12%*
Operating income (EBIT)	**2,182**	**0.80%**	**1,939**	**0.76%**	**243**	***13%***

- **Sales** were equal to € 530.5 million, showing an increase of +5% compared with € 506.4 million of the first half 2017. In the second quarter, sales recorded an increase of +7% (equal to € 16.9 million) compared with the same period of the previous year;

- **Gross profit** as at 30 June 2018 totalled € 20.1 million (-1% vs first half 2017), with a gross profit margin decreased from 4.02% to 3.79%. In the second quarter, gross profit decreased by -5% compared with the second quarter of the previous year, with an EBIT margin down to 3.66% from 4.10%;

- **Operating income (EBIT)**, equal to € 4.4 million, increased by € 0.8 million compared with the first half 2017, with an EBIT margin increased to 0.84% from 0.73%. In the second quarter 2018, Operating income (EBIT) totalled € 2.2 million compared with € 1.9 million of the second quarter 2017, showing an EBIT margin increased from 0.76% to 0.80%;

(euro/000)	30/06/2018	%	31/12/2017	%	Var.	*Var. %*
Fixed assets	79,781	56.72%	80,051	72.87%	(270)	*0%*
Operating net working capital	80,813	57.45%	49,102	44.69%	31,711	*65%*
Other current assets/liabilities	(15,098)	-10.73%	(14,742)	-13.42%	(356)	*2%*
Other non-current assets/liabilities	(4,829)	-3.43%	(4,549)	-4.14%	(280)	*6%*
Total uses	**140,667**	**100.00%**	**109,862**	**100.00%**	**30,805**	***28%***
Short-term financial liabilities	3,710	2.64%	5,596	5.09%	(1,886)	*-34%*
Current financial (assets)/liabilities for derivatives	1	0.00%	19	0.02%	(18)	*-95%*
Financial (assets)/liab. from/to Group companies	102,738	73.04%	112,500	102.40%	(9,762)	*-9%*
Cash and cash equivalents	(71,434)	-50.78%	(112,057)	-102.00%	40,623	*-36%*
Net current financial debt	35,015	24.89%	6,058	5.51%	28,957	*478%*
Borrowings	885	0.63%	1,764	1.61%	(879)	*-50%*
Non-current financial (assets)/liab. for derivatives	(12)	-0.01%	(36)	-0.03%	24	*-67%*
Net Financial debt (A)	35,888	25.51%	7,786	7.09%	28,102	*361%*
Net equity (B)	104,779	74.49%	102,076	92.91%	2,703	*3%*
Total sources of funds (C=A+B)	**140,667**	**100.00%**	**109,862**	**100.00%**	**30,805**	***28%***

- **Operating net working capital** as at 30 June 2018 was equal to € 80.8 million compared with € 49.1 million as at 31 December 2017;

- **Net financial position** as at 30 June 2018, was negative by € 35.9 million, compared with a negative financial position of € 7.8 million as at 31 December 2017. The impact of both 'without-recourse' sale and receivable financing programmes was approx. € 143 million (approx. € 240 million as at 31 December 2017).

C) Separate income statement by legal entity

Please find below the separate income statement showing the contribution of the individual group companies regarded as significant:[1]

(euro/000)	H1 2018													
	Italy						Iberian Peninsula						Elim. and other	Group
	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		
Sales to third parties	982,660	9,556	10,677	4,748	-	1,007,641	291,164	12,885	4,374	222,095	-	530,519	-	1,538,159
Intersegment sales	26,233	2,193	1,560	8,093	(11,946)	26,133	9,200	-	82	1,358	(10,641)	-	(26,133)	-
Sales	**1,008,893**	**11,749**	**12,237**	**12,841**	**(11,946)**	**1,033,774**	**300,364**	**12,885**	**4,456**	**223,453**	**(10,641)**	**530,519**	**(26,133)**	**1,538,159**
Cost of sales	(959,621)	(10,778)	(6,733)	(11,851)	11,957	(977,026)	(289,325)	(12,570)	(4,026)	(215,119)	10,639	(510,401)	26,220	(1,461,207)
Gross profit	**49,272**	**971**	**5,504**	**990**	**11**	**56,748**	**11,039**	**315**	**430**	**8,334**	**(2)**	**20,118**	**87**	**76,952**
Gross Profit %	*4.88%*	*8.26%*	*44.98%*	*7.71%*	*-0.09%*	*5.49%*	*3.68%*	*2.44%*	*9.65%*	*3.73%*		*3.79%*		*5.00%*
Sales and marketing costs	(16,500)	(420)	(3,654)	(303)	4	(20,873)	(2,829)	(183)	(708)	(2,236)	26	(5,931)	-	(26,804)
Overheads and admin. costs	(27,715)	(126)	(1,461)	(166)	(2)	(29,470)	(6,271)	(358)	(165)	(2,935)	(25)	(9,753)	12	(39,211)
Operating income (Ebit)	**5,057**	**425**	**389**	**521**	**13**	**6,405**	**1,939**	**(226)**	**(443)**	**3,163**	**(1)**	**4,434**	**99**	**10,937**
EBIT %	*0.50%*	*3.62%*	*3.18%*	*4.06%*	*-0.11%*	*0.62%*	*0.65%*	*-1.75%*	*-9.94%*	*1.42%*		*0.84%*		*0.71%*
Finance costs - net														(2,403)
Share of profits of associates														-
Profit before income tax														**8,534**
Income tax expenses														(2,343)
Net income														**6,191**
- of which attributable to non-controlling interests														65
- of which attributable to Group														6,126

(euro/000)	H1 2017													
	Italy						Iberian Peninsula						Elim. and other	Group
	E.Spa + V-Valley	Mosaico	Celly*	EDSlan	Elim. and other	Total	Esprinet Iberica	Esprinet Portugal	V-Valley Iberian	Vinzeo + Tape	Elim. and other	Total		
Sales to third parties	866,154	23,500	12,483	28,278	-	930,415	281,200	12,840	3,687	208,700	-	506,427	-	1,436,842
Intersegment sales	32,406	839	338	860	(10,672)	23,771	9,247	10	-	1,681	(10,939)	-	(23,771)	-
Sales	**898,560**	**24,339**	**12,821**	**29,138**	**(10,672)**	**954,186**	**290,447**	**12,850**	**3,687**	**210,381**	**(10,939)**	**506,427**	**(23,771)**	**1,436,842**
Cost of sales	(849,967)	(22,353)	(7,413)	(25,700)	10,670	(894,763)	(278,303)	(12,516)	(3,313)	(202,886)	10,939	(486,080)	23,760	(1,357,083)
Gross profit	**48,593**	**1,986**	**5,408**	**3,438**	**(2)**	**59,423**	**12,144**	**334**	**374**	**7,495**	**-**	**20,347**	**(11)**	**79,759**
Gross Profit %	*5.41%*	*8.16%*	*42.18%*	*11.80%*	*0.02%*	*6.23%*	*4.18%*	*2.60%*	*10.14%*	*3.56%*		*4.02%*		*5.55%*
Sales and marketing costs	(15,123)	(671)	(4,631)	(2,331)	6	(22,750)	(3,211)	(170)	(524)	(1,786)	2	(5,690)	(45)	(28,485)
Overheads and admin. costs	(26,470)	(439)	(1,588)	(2,027)	2	(30,522)	(6,895)	(298)	(145)	(3,635)	(2)	(10,974)	52	(41,444)
Operating income (Ebit)	**7,000**	**876**	**(811)**	**(920)**	**6**	**6,151**	**2,038**	**(134)**	**(295)**	**2,074**	**-**	**3,683**	**(4)**	**9,830**
EBIT %	*0.78%*	*3.60%*	*-6.33%*	*-3.16%*	*-0.06%*	*0.64%*	*0.70%*	*-1.04%*	*-8.00%*	*0.99%*		*0.73%*		*0.68%*
Finance costs - net														(1,867)
Share of profits of associates														(16)
Profit before income tax														**7,947**
Income tax expenses														(1,680)
Net income														**6,267**
- of which attributable to non-controlling interests														(113)
- of which attributable to Group														6,380

* Refers to the subgroup made up of Celly S.p.A., Celly Nordic OY, Celly Swiss S.a.g.l. and Celly Pacific Limited.

D) Reclassified income statement

Please find below the consolidated income statement showing the reclassification of charges attributable to the without-recourse revolving factoring in the period under the item finance costs (both factoring and securitisazion):

1 V-Valley S.r.l. (since is a mere 'commission sales agent' of Esprinet S.p.A.), Tape S.L.U. and Nilox Deutschland GmbH (since both not significant) are not shown separately.

(euro/000)	H1 2018	%	H1 2018 reclassified	%	Var.	Var. %
Sales	**1,538,159**	**100.00%**	**1,538,159**	**100.00%**	**-**	***0%***
Cost of sales	(1,461,207)	-95.00%	(1,458,657)	-94.83%	(2,550)	*0%*
Gross Profit	**76,952**	**5.00%**	**79,502**	**5.17%**	**(2,550)**	***-3%***
Sales and marketing costs	(26,804)	-1.74%	(26,804)	-1.74%	-	*0%*
Overheads and administrative costs	(39,211)	-2.55%	(39,211)	-2.55%	-	*0%*
Operating income (EBIT)	**10,937**	**0.71%**	**13,487**	**0.88%**	**(2,550)**	***-19%***
Finance costs - net	(2,403)	-0.16%	(4,953)	-0.32%	2,550	*-51%*
Profit before income taxes	**8,534**	**0.55%**	**8,534**	**0.55%**	**-**	***0%***
Income tax expenses	(2,343)	-0.15%	(2,343)	-0.15%	-	*0%*
Net income	**6,191**	**0.40%**	**6,191**	**0.40%**	**-**	***0%***

(euro/000)	Q2 2018	%	Q2 2018 reclassified	%	Var.	Var. %
Sales	**756,885**	**100.00%**	**756,885**	**100.00%**	**-**	***0%***
Cost of sales	(718,885)	-94.98%	(717,567)	-94.81%	(1,318)	*0%*
Gross Profit	**38,000**	**5.02%**	**39,318**	**5.19%**	**(1,318)**	***-3%***
Sales and marketing costs	(13,414)	-1.77%	(13,414)	-1.77%	-	*0%*
Overheads and administrative costs	(19,000)	-2.51%	(19,000)	-2.51%	-	*0%*
Operating income (EBIT)	**5,586**	**0.74%**	**6,904**	**0.91%**	**(1,318)**	***-19%***
Finance costs - net	(1,594)	-0.21%	(2,912)	-0.38%	1,318	*-45%*
Profit before income taxes	**3,992**	**0.53%**	**3,992**	**0.53%**	**-**	***0%***
Income tax expenses	(1,141)	-0.15%	(1,141)	-0.15%	-	*0%*
Net income	**2,851**	**0.38%**	**2,851**	**0.38%**	**-**	***0%***

E) Significant events occurring in the period

Signing of business lease agreements with the subsidiaries EDSlan S.r.l. and Mosaico S.r.l.

Esprinet S.p.A. signed two different business lease agreements, on 26 January with EDSlan S.r.l. and on 26 March with Mosaico S.r.l., with a view to the subsequent merger of the above-mentioned subsidiaries.
Under these agreements, since 1 February 2018 and 1 April 2018 respectively, Esprinet S.p.A. has managed these businesses as lessee having replaced the lessors in all legal relationships existing with customers and suppliers, except for receivables and payables outstanding at the signing date of the lease agreements, that shall be retained by the subsidiaries until the merger date.

Grant of waiver and renegotiation of covenant of the 5-year senior loan

The Group financing structure includes a medium/long-term senior loan granted to Esprinet S.p.A. in February 2017 by a pool of banks, consisting of a 5-year amortised facility in the original amount of € 145.0 million and a 5-year revolving facility for € 65.0 million, both including covenants.
As at 31 December 2017, 3 out of 4 covenants were met while the remaining one was breached.
Thus, pursuant to the accounting standards in force, the entire outstanding amount of the amortised facility - as well as the liability from the 'fair value' of 'IRS-Interest Rate Swap' contracts signed to hedge the loan interest rate risk - were booked under the current financial liabilities.
On 30 April 2018, Esprinet S.p.A. reached an agreement with the pool of lending banks to get a waiver in relation to the breached covenant, under which the banks waived to exercise their rights arising from said breach.
Later, on 2 May 2018 an agreement was reached to renegotiate the design of these covenants, that now provide for higher thresholds till 2021, in order to give the Group more flexibility to reach its development targets

Esprinet S.p.A. Annual Shareholders Meeting

On 4 May 2018, Esprinet Shareholders' Meeting approved the separate financial statements for the fiscal year ended at 31 December 2017 and the distribution of a dividend of € 0.135 per ordinary share, corresponding to a pay-out ratio of 27%.[2]
The dividend payment was scheduled from 16 May 2018, with issue of coupon no.13 on 14 May 2018 and record date on 15 May 2018.

Following the expiry of previous term of office, the Shareholder's Meeting appointed the new Board of Directors and the Board of Statutory Auditors which will remain in office until approval of the financial statements for the 2020 fiscal year.
The new Board is made up as follows: Maurizio Rota (Chairman), Alessandro Cattani, Valerio Casari, Marco Monti, Tommaso Stefanelli, Matteo Stefanelli, Mario Massari, Renata Maria Ricotti, Cristina Galbusera, Chiara Mauri, Emanuela Prandelli and Ariela Caglio.
The new Board of Statutory Auditors is made up as follows: Bettina Solimando (Chairman), Patrizia Paleologo Oriundi (standing statutory auditor), Franco Aldo Abbate (standing statutory auditor), Antonella Koenig (alternate statutory auditor) and Mario Conti (alternate statutory auditor).

The Annual Shareholders' Meeting has also:

- approved the first section of the Report on Remuneration under Art.123-ter, paragraph 6 of the Legislative Decree 58/1998;
- resolved to authorize the acquisition and disposal of own shares, within 18 months from the resolution date, up to 2,620,217 ordinary shares (5% of the Company's share capital), simultaneously revoking the former authorization resolved by the Shareholder's Meeting on 4 May 2017 with respect to the unused portion;
- approved a Long Term Incentive Plan, in relation to remuneration policies and in accordance with article 114-bis of legislative decree 58/1998, for the members of the Company's Board of Directors and other executives for the period 2018/2019/2020. The object of the plan is the free allocation of ordinary shares in the Company ('performance stock grant') to beneficiaries designated by the Board of Directors, up to a maximum of 1,150,000 Company's shares.
- authorized the Company to update the financial conditions of the statutory auditors engagement granted to EY S.p.A. within the measure of (i) € 32,110 for the financial years 2017 and 2018 each, for recurring additional activities concerning the consolidated financial statements and of (ii) € 22,500 only for the financial year 2017 for activities relating to the first-time adoption of the new accounting standard IFRS 15.

Approval of the draft terms of merger of Edslan S.r.l. and Mosaico S.r.l. into Esprinet S.p.A..

On 14 May 2017 the draft terms of merger of the subsidiaries Edslan S.r.l. and Mosaico S.r.l. into Esprinet S.p.A. were approved:
The merger is to be effected by year end, with retrospective accounting and tax effects from 1st January 2018, being a transaction among subsidiaries wholly-controlled by the Parent company.
This transaction forms part of process aimed at maximising synergies from the acquisition transactions carried out in 2016 through the above-mentioned subsidiaries, from distribution activities in the market segments of networking, cabling, VoIP and UCC-Unified Communication as regards EDSlan S.r.l., and ICT Security, Enterprise Software, Virtualisation and OpenSource/Linux solutions as regards Mosaico S.r.l.

Granting of shares to beneficiaries pursuant to the 2015-2017 Long Term Incentive Plan

On 12 June 2018, following the presentation and approval of the Group consolidated financial statements as at 31 December 2017 at the AGM of 4 May 2018, and taking into account also the successful achievement of targets set for the fiscal years 2015-2017, the free stock grants of Esprinet. S.p.A. ordinary shares referring to the Long Term Incentive Plan approved by the AGM of 30 April 2015 became exercisable.

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

Consequently, 535,134 rights were granted to the members of the Company's Board of Directors and Company executives, using shares already owned by Esprinet S.p.A..

20% of the shares granted to the beneficiaries is subject to a lock-up period of one year from the grant date.

As a consequence of this transaction, own shares on hand decreased to 111,755, equal to 0.21% of the share capital.

Share buy-back program

Pursuant to the Esprinet AGM resolution of 4 May 2018, the Company purchased a total of 224.500 ordinary shares of Esprinet S.p.A. (corresponding to 0.43% of total share capital) along the period between 14 and 28 June 2018, with an average purchase price of € 3.64 per share, net of fees.
As a consequence of the above-mentioned purchases, the Company owned 336,255 own shares (equal to 0.64% of share capital) as of 30 June 2018.

New 2018-2020 Long term incentive plan: grant of free share rights

On 25 June 2018, pursuant to the AGM resolution of 4 May 2018 concerning the new Long Term Incentive Plan in favour of Board Members of Esprinet S.p.A. and Group executives, 1,150,000 rights (equal to the number of rights resolved by the AGM) were freely granted.
The exercise of the stock plan is conditional upon the achievement of some financial targets for the period 2018-20 and the beneficiary being still employed by the Group at the date of presentation of the 2020 Consolidated Financial Statement.

Developments in tax disputes

Esprinet S.p.A. has some tax disputes concerning indirect taxes claimed from the Company, with a total amount of € 5.9 million, plus penalties and interest, with respect to transactions occurred between 2010 and 2012. Since some customers had filed declarations of intent but, subsequent to a tax audit, failed to fulfil the requirements needed to qualify as a frequent exporter, the tax authority is now claiming VAT from the Company on those sales transactions.
The main events occurred from the 1 January 2018 till the date of this financial report are as follows:
- On 10 January 2018 the Provincial Tax Commission issued an unfavourable first instance decision for the year 2011 in relation to a tax dispute where the Company had to pay tax advances amounting to € 1.9 million, of which € 1.5 million were paid on 23 February 2018;
- On 23 March 2018 the Regional Tax Commission issued a favourable appeal judgement for the year 2010, in relation to a tax dispute where the Company had paid tax advances for € 4.5 million as of 31 December 2017;
- On 18 May 2018, the hearing relating to the year 2012 was held before the Provincial Tax Commission, where additional documents were requested from the Company and the next hearing was set for 21 September 2018;

Some Italian subsidiaries of Esprinet S.p.A. have ongoing court and out-of-court disputes with Tax Authorities, relating to the amount of register tax to be paid on some extraordinary transactions effected in prior years.
The main events occurred from the 1 January 2018 till the date of this financial report are as follows:
- On 12 January 2018, Celly S.p.A. paid additional € 4 thousand for registration fees, claimed on the transfer deed of the business unit Rosso Garibaldi, in lieu of its counterparty that went bankrupt;
- On 15 May 2018, Mosaico S.r.l. appealed against a correction and settlement notice of higher registration fees, equal to € 48 thousand, relating to the 2016 acquisition agreement of a business unit from ITWAY S.p.A.;
- On 19 June 2018, the hearing relating to the correction and settlement notice of higher registration fees, equal to € 182 thousand, relating to the 2016 acquisition agreement of a business unit from EDSlan S.p.A. (now I-Trading S.r.l.) was held in the Provincial Tax Commission.

On 25 May 2018, tax assessment notices relating to direct and indirect taxes against V-Valley S.r.l. for the tax period 2011 of € 74 thousand (plus penalties and interest) were settled with legal conciliation.

As regards all proceedings, the Group is assessing the appropriate course of action (with the help of its advisors) or has filed appeal or is awaiting a decision.

F) Subsequent events

Relevant events occurred after period end are briefly described below:

Share buy-back program

Under the ongoing share buy-back program, which was resolved by the Esprinet S.p.A. AGM of 4 May 2018, the Company purchased a total of 635.500 ordinary shares of Esprinet S.p.A. (corresponding to 1.21% of total share capital), along the period between 1 July 2018 and 2 August 2018, with an average purchase price of € 3.85 per share, net of fees.

Following these purchases, Esprinet S.p.A. owns 971,755 own shares (or 1.85% of share capital) as of the date of this report.

Renewal of an agreement for securitization of trade receivables for a maximum amount of 100.0 million

On 18 July 2018, Esprinet S.p.A. and its wholly owned subsidiary V-Valley S.r.l. renewed a securitization transaction involving the transfer of their trade receivables started in July 2015 as originators.

The transaction, which has been structured by UniCredit Bank AG as arranger, involves the assignment on a 'non recourse' revolving basis of trade receivables to a 'special purpose vehicle' under L. n. 130/99 named Vatec S.r.l., over an additional period 3 years.

The total amount of the program was increased to € 100.0 million from the original € 80.0 million.

The purchase of trade receivables by Vatec S.r.l. is being funded through the issue of different classes of notes: class A notes (senior), subscribed by a conduit sponsored by UniCredit Group, class B notes (mezzanine) and class C notes (junior) subscribed by specialised investors.

This transaction complements the unsecured senior loan of € 181.0 million maturing in February 2022, consisting of an amortising Term Loan facility for € 116 million and a revolving facility for € 65,0 million - whose covenant structure was reviewed in May by setting higher thresholds, thus allowing the Group to extend considerably the average duration of its financial indebtedness.

Closing and de-registering of the subsidiary Celly Swiss SAGL in liquidation

On 16 July 2018, the competent office of the commercial register of Canton Ticino announced the closing and de-registering of the company Celly Swiss SAGL, wholly controlled by Celly S.p.A. which had been in liquidation from 30 June 2018.

Developments in tax disputes

On 31 July 2018, Esprinet S.p.A. was served an assessment notice relating to indirect taxes for € 66 thousand, plus penalties and interest, on sales transactions effected in 2013 without applying VAT in reliance of declarations of intent issued by a customer that, subsequent to a tax audit, failed to fulfil the requirements needed to qualify as a frequent exporter. The Company will appeal against the notice of assessment.

On 20 July 2018 the Regional Tax Commission upheld the appeal filed by the Tax Authority against the first instance judgement issued in favour of Monclick S.r.l. with reference to tax year 2012 (when this company was still part of the Esprinet Group) in relation to direct tax claims amounting to € 82 thousand, plus penalties and interest.

The Company is assessing the proper course of action with the help of its advisors.

On 4 September 2018, the Tax Authority put forward a mediation proposal with reference to higher registration fees for € 48 thousand that it claims on the acquisition of a business unit from ITWAY S.p.A. by Mosaico S.r.l. in 2016. The proposal is being assessed by the Company.

G) Outlook

In the first half of 2018 the Italian IT wholesale distribution market grew more than +8% compared to the same period of the preceding year (Source: company elaboration on Context data)[1].
The PC segment (desktop and notebook) is the only one slightly decreasing (-1.5%). Printing (printers and consumables) grew +2.5% and all the other segments grew high-single digit with mobile phones being again the growth driver of the whole distribution sector (+31%).
In such a scenario, the Esprinet Group confirmed its market share thanks to the very brilliant result of the Value distribution sector as well as of printing and PC. The mobile phone market was still growing double digit but below the market average.
In the Italian market, sales to the retailers grew by +10% while the business resellers sales were up +7% compared to 2017.
The Esprinet Group recorded the same sales trend in both customer segments.
The Spanish market grew +7% in the first half of 2018, while our Group recorded a +4% hence losing share.
Mobile phones were the main growth driver with +32% on H1-2017. PCs decreased by -3% while the other segments grew mid-single digit with printing at +3%.
The Esprinet Group sales were down -9% in the PC segment while growing +31% in mobile phones.
Sales to business resellers were up +3% and the Esprinet Group performed in line hence maintaining its market share.
The performance of retailers was much more brilliant (almost +14%) while Esprinet decided to skip low margin sales in this segment, growing only +2%.
During the first half of 2018 gross profit margins in the geographies where the Group is active were again under strong pressure due to a high level of competition which is anyway apparently slowing down.
All the main product lines reduced gross profit margins by -30/-40 bps against the previous year, apart from the 'value' distribution/datacenter products with substantially stable gross profits margins.
During the second quarter, the cost synergies arising from the rationalization plan started in 2017 fully deployed its positive effects.
The reduction of SG&A was mainly driven by the cost of personnel (-5%), renting costs (-6%) and a significant decrease of marketing expenses.
Net working capital management was positively affected by the reduction of the stock levels while payment terms of customers and suppliers didn't change significantly.

During July and August, the Group sales were strongly up, probably driving a recovery of market share especially in the Spanish retailers' segment.
Stock levels rationalization are still positively in place and we are not witnessing any significant impact on customer spending trends.
In the upcoming months we expect many important product launches in the consumer area, mostly supporting the mobile phone market.
The Group is not foreseeing any major deviations in the cost structure optimization plans, while the pressure on product margins is still on-going even if apparently stabilizing.

Taking into consideration all of the above and the forecasts for the current fiscal year, excluding any unforeseeable negative event, the Groups expects the full year EBIT aligned to the low range of the target of € 39-41 million communicated to the market even if the gross profit margins are below the initially budgeted values.

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[1] The categorization of customers as "professional/business" and "consumer/retail" used in this section is the Context one and, as such, is not completely omogeneous with the categorization used internally by the Group

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 June 2018.

For further information:

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Esprinet (based in Vimercate Italy; Borsa Italiana: PRT), is the holding of a Group engaged in the "B2B" distribution of technology products at the top of the market in Italy and Spain. The 2017 turnover of € 3.2 billion places Esprinet among the top 50 Italian industrial groups and the top 10 distributors worldwide. Thanks to a business model based on the coexistence of different sales channels tailored to the specific characteristics of 36.000 reseller clients, Esprinet markets about 700 brands and over 57,000 products available in 130,000 square meters of managed warehouses. Through the V-Valley division, Esprinet is able to distribute value-added products, services and IT solutions. The Group's activities also cover Portugal, and the production and sales of the named brands "Celly" (smartphones accessories) and "Nilox" (outdoor technology).

Summary of main Group's results

(euro/000)	6 months							Q2					
	notes	2018	%	2017 *	notes	%	% var. 18/17	2018	%	2017 *	notes	%	% var. 18/17
Profit & Loss													
Sales		1,538,159	100.0%	1,436,842		100.0%	7%	756,885	100.0%	691,428		100.0%	9%
Gross profit		76,952	5.0%	79,759		5.6%	-4%	38,000	5.0%	40,224		5.8%	-6%
EBITDA	(1)	13,351	0.9%	12,335	(1)	0.9%	8%	6,780	0.9%	6,417		0.9%	6%
Operating income (EBIT)		10,937	0.7%	9,830		0.7%	11%	5,586	0.7%	5,078		0.7%	10%
Profit before income tax		8,534	0.6%	7,947		0.6%	7%	3,891	0.5%	4,185		0.6%	-7%
Net income		6,191	0.4%	6,267		0.4%	-1%	2,778	0.4%	3,474		0.5%	-20%
Financial data													
Cash flow	(2)	8,519		8,554	(2)								
Gross investments		1,272		2,127									
Net working capital	(3)	257,620		107,133	(3)								
Operating net working capital	(4)	269,296		104,175	(4)								
Fixed assets	(5)	118,721		122,403	(5)								
Net capital employed	(6)	361,869		215,128	(6)								
Net equity		337,291		338,188									
Tangible net equity	(7)	245,823		246,522	(7)								
Net financial debt	(8)	24,578		(123,058)	(8)								
Main indicators													
Net financial debt / Net equity		0.1		(0.4)									
Net financial debt / Tangible net equity		0.1		(0.5)									
EBIT / Finance costs - net		4.6		5.3									
EBITDA / Finance costs - net		5.6		6.6									
Net financial debt/ EBITDA		1.8		(3.1)									
Operational data													
N. of employees at end-period		1,250		1,320									
Avarage number of employees	(9)	1,250		1,324	(9)								
Earnings per share (euro)													
- Basic		0.12		0.12			0%	0.05		0.07			-29%
- Diluted		0.12		0.12			0%	0.05		0.07			-29%

(*) Financial indicators have been calculated on 31 December 2017 figures.

(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) Sum of trade receivables, inventory and trade payables.
(5) Equal to non-current assets net of non-current financial assets for derivatives.
(6) 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.
(7) Equal to net equity less goodwill and intangible assets.
(8) Sum of financial debts, cash availability, assets/liabilities for financial derivatives and financial receivables from factoring.
(9) 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)	30/06/2018	related parties	31/12/2017	related parties
ASSETS				
Non-current assets				
Property, plant and equipment	13,756		14,634	
Goodwill	90,595		90,595	
Intangible assets	873		1,070	
Investments in associates	-		-	
Deferred income tax assets	11,511		11,262	
Derivative financial assets	12		36	
Receivables and other non-current assets	3,397	1,553	6,712	1,553
	120,144	**1,553**	**124,309**	**1,553**
Current assets				
Inventory	428,854		481,551	
Trade receivables	324,489	5	313,073	11
Income tax assets	2,041		3,116	
Other assets	26,426	379	27,778	10
Cash and cash equivalents	123,563		296,969	
	905,373	**384**	**1,122,487**	**21**
Disposal groups assets	-		-	
Total assets	**1,025,517**	**1,937**	**1,246,796**	**1,574**
EQUITY				
Share capital	7,861		7,861	
Reserves	322,186		303,046	
Group net income	6,126		26,235	
Group net equity	**336,173**		**337,142**	
Non-controlling interests	1,118		1,046	
Total equity	**337,291**		**338,188**	
LIABILITIES				
Non-current liabilities				
Borrowings	102,518		19,927	
Derivative financial liabilities	253		-	
Deferred income tax liabilities	7,702		7,088	
Retirement benefit obligations	4,532		4,814	
Debts for investments in subsidiaries	-		1,311	
Provisions and other liabilities	2,238		2,504	
	117,243		**35,644**	
Current liabilities				
Trade payables	484,047	-	690,449	-
Short-term financial liabilities	49,455		155,960	
Income tax liabilities	1,321		693	
Derivative financial liabilities	420		663	
Debts for investments in subsidiaries	1,309		-	
Provisions and other liabilities	34,431	451	25,199	1,510
	570,983	**451**	**872,964**	**1,510**
Disposal groups liabilities	-		-	
Total liabilities	**688,226**	**451**	**908,608**	**1,510**
Total equity and liabilities	**1,025,517**	**451**	**1,246,796**	**1,510**

Consolidated separate income statement

(euro/000)	H1 2018	non-recurring	related parties*	H1 2017	non-recurring	related parties*
Sales	**1,538,159**	**-**	5	**1,436,842**	**-**	18
Cost of sales	(1,461,207)	-	-	(1,357,083)	-	-
Gross profit	**76,952**	**-**		**79,759**	**-**	
Sales and marketing costs	(26,804)	-	-	(28,485)	-	-
Overheads and administrative costs	(39,211)	-	(2,447)	(41,444)	(1,133)	(2,425)
Operating income (EBIT)	**10,937**	**-**		**9,830**	**(1,133)**	
Finance costs - net	(2,403)	-	2	(1,867)	-	-
Other investments expenses / (incomes)	-	-		(16)	-	
Profit before income taxes	**8,534**	**-**		**7,947**	**(1,133)**	
Income tax expenses	(2,343)	-	-	(1,680)	144	-
Net income	**6,191**	**-**		**6,267**	**(989)**	
- of which attributable to non-controlling interests	65			(113)		
- of which attributable to Group	6,126	-		6,380	(989)	
Earnings per share - basic (euro)	0.12			0.12		
Earnings per share - diluted (euro)	0.12			0.12		

(euro/000)	Q2 2018	non-recurring	related parties	Q2 2017	non-recurring	related parties
Sales	**756,885**	**-**	2	**691,428**	**-**	18
Cost of sales	(718,885)	-	-	(651,204)	-	-
Gross profit	**38,000**	**-**		**40,224**	**-**	
Other income	-	-		-	-	
Sales and marketing costs	(13,414)	-	-	(14,109)	-	-
Overheads and administrative costs	(19,000)	-	(1,223)	(21,037)	(640)	(1,217)
Operating income (EBIT)	**5,586**	**-**		**5,078**	**(640)**	
Finance costs - net	(1,695)	-	-	(879)	-	-
Other investments expenses / (incomes)	-	-		(14)	-	
Profit before income taxes	**3,891**	**-**		**4,185**	**(640)**	
Income tax expenses	(1,113)	-	-	(711)	15	-
Net income	**2,778**	**-**		**3,474**	**(625)**	
- of which attributable to non-controlling interests	25			(38)		
- of which attributable to Group	2,753	-		3,512	(625)	
Earnings per share - basic (euro)	0.05			0.07		
Earnings per share - diluted (euro)	0.05			0.07		

Consolidated statement of comprehensive income

(euro/000)	H1 2018	H1 2017	Q2 2018	Q2 2017
Net income	**6,191**	**6,267**	**2,778**	**3,474**
Other comprehensive income:				
- Changes in 'cash flow hedge' equity reserve	(5)	(247)	(58)	(293)
- Taxes on changes in 'cash flow hedge' equity reserve	(4)	71	8	79
- Changes in translation adjustment reserve	5	2	2	(1)
Other comprehensive income not to be reclassified in the separate income statement				
- Changes in 'TFR' equity reserve	136	136	79	82
- Taxes on changes in 'TFR' equity reserve	(30)	(30)	(18)	(18)
Other comprehensive income	**103**	**(68)**	**13**	**(151)**
Total comprehensive income	**6,294**	**6,199**	**2,791**	**3,323**
- of which attributable to Group	6,219	6,310	2,758	3,359
- of which attributable to non-controlling interests	75	(111)	33	(36)

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 2016	**7,861**	**288,371**	**(5,145)**	**26,870**	**317,957**	**999**	**316,958**
Total comprehensive income/(loss)	**-**	**(68)**	**-**	**6,267**	**6,199**	**(111)**	**6,310**
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)**
Currently active Share plans	-	725	-	-	**725**	-	**725**
Other variations	-	4	-	-	**4**	1	**3**
Balance at 30 June 2017	**7,861**	**308,915**	**(5,145)**	**6,267**	**317,898**	**889**	**317,009**
Balance at 31 December 2017	**7,861**	**309,192**	**(5,145)**	**26,280**	**338,188**	**1,046**	**337,142**
Total comprehensive income/(loss)	**-**	**103**	**-**	**6,191**	**6,294**	**75**	**6,219**
Allocation of last year net income/(loss)	-	19,293	-	(19,293)	**-**	-	**-**
Dividend payment	-	-	-	(6,987)	**(6,987)**	-	**(6,987)**
Purchases of own shares	-	-	(818)	-	**(818)**	-	**(818)**
Transactions with owners	**-**	**19,293**	**(818)**	**(26,280)**	**(7,805)**	**-**	**(7,805)**
Grant of share under share plans	-	(3,814)	4,274	-	**460**	-	**460**
FTA New accounting standards IFRS	-	133	-	-	**133**	-	**133**
Other variations	-	21	-	-	21	(3)	**24**
Balance at 30 June 2018	**7,861**	**324,928**	**(1,689)**	**6,191**	**337,291**	**1,118**	**336,173**

Consolidated net financial position

(euro/000)	30/06/2018	31/12/2017	Var.	30/06/2017	Var.
Short-term financial liabilities	49,455	155,960	(106,505)	71,968	(22,513)
Current debts for investments in subsidiaries	1,309	-	1,309	5,072	(3,763)
Current financial (assets)/liabilities for derivatives	420	663	(243)	281	139
Financial receivables from factoring companies	(769)	(1,534)	765	(8,850)	8,081
Other financial receivables	(3,622)	(510)	(3,112)	(462)	(3,160)
Cash and cash equivalents	(123,563)	(296,969)	173,406	(78,332)	(45,231)
Net current financial debt	**(76,770)**	**(142,390)**	**65,620**	**(10,323)**	**(66,447)**
Borrowings	102,518	19,927	82,591	151,380	(48,862)
Non - current debts for investments in subsidiaries	-	1,311	(1,311)	3,934	(3,934)
Non-current financial (assets)/liabilities for derivatives	241	(36)	277	127	114
Other financial receivables	(1,411)	(1,870)	459	(1,870)	459
Net financial debt	**24,578**	**(123,058)**	**147,636**	**143,248**	**(118,670)**

Consolidated statement of cash flows

(euro/000)	H1 2018	H1 2017
Cash flow provided by (used in) operating activities (D=A+B+C)	**(141,096)**	**(237,333)**
Cash flow generated from operations (A)	**13,299**	**12,422**
Operating income (EBIT)	10,937	9,830
Depreciation, amortisation and other fixed assets write-downs	2,330	2,287
Net changes in provisions for risks and charges	(266)	(215)
Net changes in retirement benefit obligations	(161)	(205)
Stock option/grant costs	459	725
Cash flow provided by (used in) changes in working capital (B)	**(152,353)**	**(248,871)**
Inventory	52,697	(109,550)
Trade receivables	(11,416)	80,588
Other current assets	4,520	2,370
Trade payables	(206,605)	(223,793)
Other current liabilities	8,451	1,514
Other cash flow provided by (used in) operating activities (C)	**(2,042)**	**(884)**
Interests paid, net	(817)	(700)
Foreign exchange (losses)/gains	(253)	217
Income taxes paid	(972)	(401)
Cash flow provided by (used in) investing activities (E)	**1,049**	**(2,668)**
Net investments in property, plant and equipment	(1,151)	(1,849)
Net investments in intangible assets	(104)	(242)
Changes in other non current assets and liabilities	3,121	(577)
Own shares acquisition	(817)	-
Cash flow provided by (used in) financing activities (F)	**(33,359)**	**32,400**
Medium/long term borrowing	-	165,000
Repayment/renegotiation of medium/long-term borrowings	(19,217)	(73,383)
Net change in financial liabilities	(5,801)	(50,381)
Net change in financial assets and derivative instruments	(1,855)	(1,906)
Deferred price Celly acquisition	-	(12)
Deferred price Vinzeo acquisition	-	355
Dividend payments	(6,987)	(6,987)
Increase/(decrease) in 'cash flow edge' equity reserve	(9)	(176)
Changes in third parties net equity	81	(110)
Other movements	429	-
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**(173,406)**	**(207,601)**
Cash and cash equivalents at year-beginning	**296,969**	**285,933**
Net increase/(decrease) in cash and cash equivalents	**(173,406)**	**(207,601)**
Cash and cash equivalents at year-end	**123,563**	**78,332**