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

Esprinet to approve first half consolidated results as at 30 June 2014

2014 first half:

Consolidated sales: € 1,033 million (+8% vs € 960.3 million of the first half 2013)
Gross profit: € 65.0 million (+9% vs € 59.4 million)
Operating income (EBIT): € 17.1 million (+12% vs € 15.2 million)
Net income: € 13.3 million (29% vs € 10.3 million)

Net financial position as at 30 June 2014 positive by € 29.8 million
(vs Net financial position as at 31 December 2013 positive by € 141.7 million)

2014 second quarter:

Consolidated sales: € 520.4 million (+9% vs € 478.3 million of the second quarter of 2013)
Gross profit: € 34.1 million (+17% vs € 29.2 million)
Operating income (EBIT): € 8.5 million (+8% vs € 7.9 million)
Net income: € 5.0 million (-14% vs € 5.9 million)

First half 2014 financial report available since today

Vimercate (Monza Brianza), 28 August 2014 - The Board of Directors of Esprinet S.p.A. (Italian Stock Exchange: PRT), distributor of IT and consumer electronics in Italy and Spain, met today to examine and approve the Group's financial results for the six-months period ending at 30 June 2014, prepared in accordance to IFRS.

A) Esprinet Group's financial highlights

The Group's main economic, financial and asset results as at 30 June 2014 are hereby summarized:

(euro/000)	H1 2014	%	H1 2013 restated*	%	Var.	Var. %
Sales	**1,032,970**	100.00%	**960,300**	100.00%	**72,670**	*8%*
Cost of sales	(967,957)	-93.71%	(900,851)	-93.81%	(67,106)	*7%*
Gross profit	**65,013**	**6.29%**	**59,449**	**6.19%**	**5,564**	***9%***
Sales and marketing costs	(17,467)	-1.69%	(15,421)	-1.61%	(2,046)	*13%*
Overheads and administrative costs	(30,467)	-2.95%	(28,840)	-3.00%	(1,627)	*6%*
Operating income (EBIT)	**17,079**	**1.65%**	**15,188**	**1.58%**	**1,891**	***12%***
Finance costs - net	(314)	-0.03%	(1,149)	-0.12%	835	*-73%*
Other investments expenses / (incomes)	(15)	0.00%	(6)	0.00%	(9)	*150%*
Profit before income taxes	**16,750**	**1.62%**	**14,033**	**1.46%**	**2,717**	***19%***
Income tax expenses	(5,530)	-0.54%	(4,417)	-0.46%	(1,113)	*25%*
Profit from continuing operations	**11,220**	**1.09%**	**9,616**	**1.00%**	**1,604**	***17%***
Income/(loss) from disposal groups	2,044	0.20%	701	0.07%	1,343	*192%*
Net income	**13,264**	**1.28%**	**10,317**	**1.07%**	**2,947**	***29%***
Earnings per share - continuing operations	0.22		0.19		0.03	*16%*
Earnings per share - basic (euro)	0.26		0.20		0.06	*28%*

* Different amounts from those published in the Half-yearly financial report as at 30 June 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.

(euro/000)	Q2 2014	%	Q2 2013 restated*	%	Var.	Var. %
Sales	**520,392**	100.00%	**478,303**	100.00%	**42,089**	*9%*
Cost of sales	(486,320)	-93.45%	(449,064)	-93.89%	(37,256)	*8%*
Gross profit	**34,072**	**6.55%**	**29,239**	**6.11%**	**4,833**	***17%***
Sales and marketing costs	(9,520)	-1.83%	(7,595)	-1.59%	(1,925)	*25%*
Overheads and administrative costs	(16,083)	-3.09%	(13,791)	-2.88%	(2,292)	*17%*
Operating income (EBIT)	**8,469**	**1.63%**	**7,853**	**1.64%**	**616**	***8%***
Finance costs - net	(128)	-0.02%	(484)	-0.10%	356	*-74%*
Other investments expenses / (incomes)	(15)	0.00%	(6)	0.00%	(9)	*150%*
Profit before income taxes	**8,326**	**1.60%**	**7,363**	**1.54%**	**963**	***13%***
Income tax expenses	(2,673)	-0.51%	(2,098)	-0.44%	(575)	*27%*
Profit from continuing operations	**5,653**	**1.09%**	**5,265**	**1.10%**	**388**	***7%***
Income/(loss) from disposal groups	(612)	-0.12%	624	100.00%	(1,236)	*-198%*
Net income	**5,041**	**0.97%**	**5,889**	**1.23%**	**(848)**	***-14%***
Earnings per share - continuing operations	0.11		0.10		0.01	*7%*
Earnings per share - basic (euro)	0.10		0.12		(0.02)	*-15%*

* Different amounts from those published in the Half-yearly financial report as at 30 June 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.

- **Consolidated sales** of the first half of 2014 were € 1,033.0 million showing an increase of +8% (€ 72.7 million) compared to € 960.3 million of the first half 2013. In the second quarter consolidated sales increased by +9% compared to the same period of the previous year;

- **Consolidated gross profit** was € 65.0 million showing an increase (equal to +9% or € 5.6 million) compared to the same period of 2013 as a consequence of both higher sales and of an increase of gross profit margin. In the second quarter consolidated gross profit, equal to € 34.1 million, increased by +17% compared to the same period in the previous year;

- **Consolidated operating income (EBIT)** was € 17.1 million, showing an increase of +12% compared to the first quarter 2013 (€ 15.2 million), with EBIT margin increasing to 1.65% from 1.58%, despite an increase of € 3.7 million in operational costs compared to the same period of 2013. Consolidated EBIT of the second quarter, equal to € 8.5 million increased by +8% (€ 0.6 million) compared to the second quarter of 2013, showing a soft decrease in EBIT margin (from 1.64% to 1.63%);

- **Consolidated profit before income taxes** was € 16.7 million, benefitting lower financial costs of € 0.8 million and showing an increase of +19% compared to the first semester 2013. In the second quarter consolidated profit before income taxes increased by +13% (equal to € 1,0 million) thus targeting € 8.3 million;

- **Consolidated profit from continuing operations** was € 11.2 million, showing an increase of +17% (€ 1.6 million) compared to the first half of 2013. In the second quarter 2014 consolidated profit from continuing operations increase of € 0.4 million (+7%) compared to the same period in 2013;

- **Consolidated net income** was € 13.3 million, increased by +29% (€ 2.9 million) compared to the first semester 2013 benefitting of € 2.0 million from 'income/loss from disposal groups' increasing of € 1.3 million (or +192%) compared to 30 June 2013. In the second quarter consolidated net income decreased of € 0.8 million (-14%) compared to the same period of 2013 due to a negative impact of € 0.6 million in 'income/loss from disposal groups' decreased of € 1.2 million compared to the same period of 2013;

- **Basic earnings per share continuing operations** as at 30 June 2014 was equal to € 0.22, showing an increase of +16% compared to the value of the first half in 2013. In the second quarter this value was equal to € 0.11 compared to € 0.10 of the same quarter in 2013;

- **Basic earnings per ordinary share** as at 30 June 2014 was € 0.26, showing an increase of +28% compared to the same value in the first half in 2013. In the second quarter this value was equal to € 0.10 compared to € 0.12 of the same period in 2013;

(euro/000)	30/06/2014	%	31/12/2013	%	Var.	Var. %
Fixed assets	98,866	42.66%	96,753	81.87%	2,114	*2%*
Operating net w orking capital	151,359	65.32%	49,457	41.85%	101,902	*206%*
Other current assets/liabilities	(5,790)	-2.50%	(15,665)	-13.26%	9,875	*-63%*
Other non-current assets/liabilities	(12,708)	-5.48%	(12,371)	-10.47%	(337)	*3%*
Total assets	**231,727**	**100.00%**	**118,174**	**100.00%**	**113,553**	***96%***
Short-term financial liabilities	21,376	9.22%	38,569	32.64%	(17,193)	*-45%*
derivatives	-	0.00%	174	0.15%	(174)	*-100%*
Financial receivables from factoring companies	(1,944)	-0.84%	(2,829)	-2.39%	885	*-31%*
Customers financial receivables	(433)	-0.19%	(572)	-0.48%	139	*-24%*
Cash and cash equivalents	(59,373)	-25.62%	(176,893)	-149.69%	117,520	*-66%*
Net current financial debt	(40,374)	-17.42%	(141,551)	-119.78%	101,177	*-71%*
Borrow ings	3,892	1.68%	3,356	2.84%	536	*16%*
Debts for investments in subsidiaries	9,811	4.23%	-	0.00%	9,811	*N.S.*
Customers financial receivables	(3,085)	-1.33%	(3,457)	-2.93%	373	*-11%*
Net financial debt (A)	(29,756)	-12.84%	(141,652)	-119.87%	111,896	*-79%*
Net equity (B)	261,483	112.84%	259,826	219.87%	1,657	*1%*
Total sources of funds (C=A+B)	**231,727**	**100.00%**	**118,174**	**100.00%**	**113,553**	***96%***

- **Consolidated net working capital** as at 30 June 2013 was € 151.4 million, compared to € 49.5 million as at 31 December 2013;

- **Consolidated net financial position** as of 30 June 2014, positive by € 29.8 million, compared to a cash surplus of € 141.7 million as at 31 December 2013.
  The reduction of net cash surplus was connected to the increase of consolidated net working capital as at 30 June 2014 influenced even by technical events often not related to the average level of working capital, particularly by a 'without-recourse' sale of account receivables from customers. This program is aimed at transferring risk and reward to the buyer thus receivables sold are stripped out by balance sheet according to IAS 39.
  Even considering other technicalities from factoring by means of which to obtain the result of advancing cash-in of credits on a "no recourse" basis - such as "confirming" used in Spain –, the impact on financial debt was € 112 million as at 30 June 2014 (€ ~ 154 million as at 31 December 2013);

- **Consolidated net equity** as at 30 June 2014 was € 261.5 million, increasing by € 1.7 million compared to € 259.8 million as at 31 December 2013;

B) *Financial highlights by geographical area*

B.1) Subgroup Italy

The main economic, financial and asset results for the Italian subgroup (Esprinet, V-Valley and Celly Group) as at 30 June 2014 are hereby summarized:

(euro/000)	H1 2014	%	H1 2013 restated*	%	Var.	Var. %
Sales to third parties	788,341		734,692		53,649	*7%*
Intercompany sales	21,412		23,079		(1,667)	*-7%*
Sales	**809,753**		**757,771**		**51,982**	***7%***
Cost of sales	(755,920)		(708,687)		(47,233)	*7%*
Gross profit	**53,833**	**6.83%**	**49,084**	**6.68%**	**4,749**	***10%***
Sales and marketing costs	(14,687)	-1.86%	(12,908)	-1.76%	(1,779)	*14%*
Overheads and administrative costs	(24,696)	-3.13%	(22,834)	-3.11%	(1,862)	*8%*
Operating income (EBIT)	**14,450**	**1.83%**	**13,342**	**1.82%**	**1,108**	***8%***

* Different amounts from those published in the Half-yearly financial report as at 30 June 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.

(euro/000)	Q2 2014	%	Q2 2013 restated*	%	Var.	Var. %
Sales to third parties	395,203		369,434		25,769	*7%*
Intercompany sales	11,348		10,817		531	*5%*
Sales	**406,551**		**380,251**		**26,300**	***7%***
Cost of sales	(378,431)		(356,239)		(22,192)	*6%*
Gross profit	**28,120**	**7.12%**	**24,012**	**6.50%**	**4,108**	***17%***
Sales and marketing costs	(8,079)	-2.04%	(6,328)	-1.71%	(1,751)	*28%*
Overheads and administrative costs	(13,025)	-3.30%	(10,862)	-2.94%	(2,163)	*20%*
Operating income (EBIT)	**7,016**	**1.78%**	**6,822**	**1.85%**	**194**	***3%***

* Different amounts from those published in the Half-yearly financial report as at 30 June 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.

- **Sales** were € 809.8 million, with an increase of +7% compared to € 757.8 million of the first half of 2013. The second quarter registered an increase of +7% compared to the second quarter of 2013;

- **Gross profit** was € 53.8 million showing an increase of +10% compared to € 49.1 million of the first half of 2013 thanks to the combination of the increasing gross profit margin (from 6.68% to 6.83%) and higher sales. In the second quarter 2014 gross profit was € 28.1 million (+17% compared to the second quarter in 2013);

- **Operating income (EBIT)** was € 14.5 million, with an increase of +8% compared to the same period in 2013 and EBIT margin increasing from 1.82% to 1.83% due to higher operational costs (€ 3.9 million). EBIT in the second quarter 2014 registered an increase of +3% or € 7.0 million compared to the € 6.8 million in 2013 despite a slight reduction of EBIT margin (to 1.78% from 1.85% of the same period in 2013);

(euro/000)	30/06/2014	%	31/12/2013	%	Var.	Var. %
Fixed assets	92,564	37.87%	90,227	77.28%	2,338	*3%*
Operating net w orking capital	113,785	46.55%	31,900	27.32%	81,885	*257%*
Other current assets/liabilities	48,212	19.72%	4,500	3.85%	43,712	*971%*
Other non-current assets/liabilities	(10,112)	-4.14%	(9,869)	-8.45%	(243)	*2%*
Total assets	**244,449**	**100.00%**	**116,758**	**100.00%**	**127,691**	***109%***
Short-term financial liabilities	21,112	8.64%	31,118	26.65%	(10,006)	*-32%*
Current financial (assets)/liabilities for derivatives	-	0.00%	70	0.06%	(70)	*-100%*
Financial receivables from factoring companies	(1,944)	-0.80%	(2,829)	-2.42%	885	*-31%*
Financial (assets)/liab. From/to Group companies	-	0.00%	(40,000)	-34.26%	40,000	*-100%*
Customers financial receivables	(433)	-0.18%	(572)	-0.49%	139	*-24%*
Cash and cash equivalents	(36,561)	-14.96%	(122,354)	-104.79%	85,793	*-70%*
Net current financial debt	(17,826)	-7.29%	(134,567)	-115.25%	116,741	*-87%*
Borrow ings	3,892	1.59%	3,356	2.87%	536	*16%*
Debts for investments in subsidiaries	9,811	4.01%	-	0.00%	9,811	*N.S.*
Customers financial receivables	(3,085)	-1.26%	(3,457)	-2.96%	373	*-11%*
Net Financial debt (A)	(7,208)	-2.95%	(134,668)	-115.34%	127,460	*-95%*
Net equity (B)	251,657	102.95%	251,426	215.34%	231	*0%*
Total sources of funds (C=A+B)	**244,449**	**100.00%**	**116,758**	**100.00%**	**127,691**	***109%***

- **Operating net working capital** as at 30 June 2014 was € 113.8 million, compared to € 31.9 million as at 31 December 2013;

- **Net financial position** as at 30 June 2014 was positive by € 7.2 million compared to the cash surplus of € 134.7 million as at 31 December 2013. The impact of ‘without-recourse’ sale of both account receivables as at 30 June 2014 was €~45 million (€~68 million as at 31 December 2013).

B.2) Esprinet Iberica

The main economic, financial and asset results of the Spanish subgroup as at 30 June 2014 are hereby summarized:

(euro/000)	H1 2014	%	H1 2013	%	Var.	Var. %
Sales to third parties	244,628		225,608		19,020	*8%*
Intercompany sales	-		-		-	*0%*
Sales	**244,628**		**225,608**		19,020	***8%***
Cost of sales	(233,460)		(215,227)		(18,233)	*8%*
Gross profit	**11,168**	**4.57%**	**10,381**	**4.60%**	**787**	***8%***
Sales and marketing costs	(2,553)	-1.04%	(2,277)	-1.01%	(276)	*12%*
Overheads and administrative costs	(6,002)	-2.45%	(6,250)	-2.77%	248	*-4%*
Operating income (EBIT)	**2,613**	**1.07%**	**1,854**	**0.82%**	**759**	***41%***

(euro/000)	Q2 2014	%	Q2 2013	%	Var.	Var. %
Sales to third parties	125,189		108,869		16,320	*15%*
Intercompany sales	-		-		-	*0%*
Sales	**125,189**		**108,869**		**16,320**	***15%***
Cost of sales	(119,240)		(103,641)		(15,599)	*15%*
Gross profit	**5,949**	**4.75%**	**5,228**	**4.80%**	**721**	***14%***
Sales and marketing costs	(1,324)	-1.06%	(1,150)	-1.06%	(174)	*15%*
Overheads and administrative costs	(3,177)	-2.54%	(3,052)	-2.80%	(125)	*4%*
Operating income (EBIT)	**1,448**	**1.16%**	**1,026**	**0.94%**	**422**	***41%***

- **Sales** amounted to € 244.6 million showing an increase of +8% compared to € 225.6 million of the first half of 2013. In the second quarter sales increased by +15% (€ +16.3 million) compared to the same period 2013;

- **Gross profit** as at 30 June 2014 was € 11.2 million, with an increase of +8% compared to € 10.4 million of the corresponding period of 2013, with a gross profit margin decrease from 4.60% to 4.57%. In the second quarter the gross profit increased by 14% compared to the previous period, with a gross profit margin to 4.75% from 4.80%;

- **Operating income (EBIT),** equal to € 2.6 million, increased of € 0.8 million compared to the first half of 2013, with EBIT margin increasing from 0.82% to 1.07%. In the second quarter EBIT was € 1.4 million compared to € 1.0 million of the second quarter of 2013 with EBIT margin to 1.16% from 0.94%;

(euro/000)	30/06/2014	%	31/12/2013	%	Var.	Var. %
Fixed assets	67,153	76.16%	67,373	108.11%	(220)	*0%*
Operating net w orking capital	37,754	42.82%	17,611	28.26%	20,143	*114%*
Other current assets/liabilities	(14,143)	-16.04%	(20,165)	-32.36%	6,022	*-30%*
Other non-current assets/liabilities	(2,596)	-2.94%	(2,502)	-4.01%	(94)	*4%*
Total assets	**88,168**	**100.00%**	**62,317**	**100.00%**	**25,851**	***41%***
Short-term financial liabilities	40,264	45.67%	7,451	11.96%	32,813	*440%*
Current financial (assets)/liabilities for derivatives	-	0.00%	104	0.17%	(104)	*-100%*
Financial (assets)/liab. From/to Group companies	-	0.00%	40,000	64.19%	(40,000)	*-100%*
Cash and cash equivalents	(22,812)	-25.87%	(54,539)	-87.52%	31,727	*-58%*
Net current financial debt	17,452	19.79%	(6,984)	-11.21%	24,436	*-350%*
Net Financial debt (A)	17,452	19.79%	(6,984)	-11.21%	24,436	*-350%*
Net equity (B)	70,716	80.21%	69,301	111.21%	1,415	*2%*
Total sources of funds (C=A+B)	**88,168**	**100.00%**	**62,317**	**100.00%**	**25,851**	***41%***

- **Operating net working capital** as at June 2014 totalled € 37.8 million compared to € 17.6 million as at 31 December 2013;

- **Net financial position** as at June 2014, is negative by 17.5 million, compared to a cash surplus of € 7.0 million as at 31 December 2013. The impact of ‘without-recourse’ sale of account receivables or advancing cash-in of credits is equal to approx. € 66 million (approx. € 85 million as at 31 December 2013).

C) Significant events occurred in the period

The significant events occurred in the first half of 2014 are hereby described:

Esprinet to sale 100% of Monclick's share capital

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

The transaction represents a step forward in the process aimed at further focusing in the technology wholesale distribution business through maximizing "non-core assets" value.
The buyer is Project Informatica S.p.A. - one of the most valuable IT system integrators in the Italian market - through a wholly owned company.

Agreements with Project Informatica S.p.A. include collateral contracts having the purpose of smoothing the process of exiting the Esprinet Group and ruling future commercial relationships between Esprinet and Monclick.

Esprinet S.p.A. Shareholders' General Meeting

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

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

The Shareholders' Meeting resolved to authorise, subject to prior revocation of former authorization resolved in the Shareholder's Meeting on 29 April 2013, the acquisition and disposal of own shares.
During 2013 the company granted n. 168,000 own shares to some Company's managers, in execution of the Long Term Incentive Plan for the 2010-2012 period

The proposed plan represents the re-iteration of the former one and comprises up to 10,480,000 ordinary shares of Esprinet S.p.A. with a nominal value of € 0.15 each, or a maximum of 20% of share capital taking into account the own shares hold by the Company.

Esprinet to purchase 60% of Celly's share capital

On 12 May 2014 Esprinet S.p.A. signed a binding agreement for the acquisition of a 60% stake in the share capital of Celly S.p.A., an Italian company active in the wholesale distribution of accessories for mobile devices.
The aforementioned deal will be executed through a purchase of shares from former shareholders as well as company's own shares and, ultimately, the subscription of a share capital increase.
Total cash-out for Esprinet is € 7.944 million, which corresponds to a pre-money equity value for 100% of share capital of € 13.0 million.
The binding agreement comprises a shareholders' agreement with the owners of 40% of the capital, Stefano Bonfanti, owner of a 20% stake in the company, and Claudio Gottero (owner of the remaining 20% through GIR S.r.l.), aimed at establishing corporate governance rules along the investment period when the minority shareholders will co-manage the operations together with Esprinet. The way-out from investment is regulated through put/call options.

D) Subsequent events

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

On 23 July 2014 Esprinet SpA completed the sale of 100% stake in its subsidiary Comprel S.r.l., distributor of electro-components and subsystems
Buyer is Melchioni S.p.A., one of the largest distributor of electro-components in the Italian market also operating in the supply of spare parts for the automotive industry, in ‘B2B’ distribution of professional electronics and ‘B2C’ distribution of consumer electronics and being active in the renewable energy market (photovoltaic and LED lighting).
Sales of Comprel combines with previous sale of 100% stake in Monclick to Project Informatica, which occurred in February 28th 2014, both being aimed at a further rationalisation of the Esprinet Group.

Signing of a long term syndacated loan

On 31 July 2014 Esprinet S.p.A. signed an unsecured medium-term loan for a total maximum amount of 130.0 million euro split into a Term Loan Facility of up to 65.0 million euro and a Revolving Facility of up to 65.0 million euro with an expiry date fixed on 31 July 2019.
Banca IMI S.p.A. acted as Global Coordinator Bank.
Arrangers and Bookrunners were Banca IMI S.p.A., Unicredit S.p.A. e Banca Nazionale del Lavoro S.p.A..
Underwriters of the loan were primary banks as Intesa Sanpaolo S.p.A., Unicredit S.p.A., Banca Nazionale del Lavoro S.p.A., Banca Monte dei Paschi di Siena S.p.A., UBI Banca Soc. Coop. per azioni, Banco Popolare Soc. Coop., Caixabank, S.A., Cassa di Risparmio di Parma e Piacenza S.p.A..
Agent Bank on behalf of the participating banks is Banca IMI S.p.A..
Main purpose of the loan is to support Group’s financial needs by maintaining an adequate degree of stability and flexibility of the financial structure.

E) Outlook

Expectations about world macroeconomic development for 2014 has been recently downgraded to a slight -0.3% growth (International Monetary Fund - World Economic Outlook, July 2014) mainly due to a less optimistic outlook regarding several emerging markets as well as a weaker first quarter for US economy. Growth in the current year for Euro area is expected to stand at +1.1% compared to the preceding year. It is expected highly uneven throughout the region thus reflecting the ongoing financial fragmentation, mainly in private and public finances, and the high unemployment rate featuring some relevant European economies.

As regards to the markets where Esprinet Group operates, Italy is expected to slightly grow at +0.3%(or -0.3% reduction compared to last April WEO’s estimates) in 2014 and +1.1% in 2015 (unchanged), whereas Spain shall presumably grow at +1.6% (+0.3% compared to previous estimates) in 2014 and +1.6% in 2015 (+0.6%). While Spanish economy confirmed to be more reactive, Italy showed a weaker pace since GDP declined by -0.2% during the second quarter compared to the first quarter of the current year (against -0.1% in the first quarter; source: ISTAT, August 2014). Such result seems to have confirmed commonly perceived uncertainties about timing of exiting economic downturn although Information Technology showed a certain degree of resilience among other major industries.

In the first half of 2014 European distribution market (Global Tech Distribution Council - Context, July 2014) achieved an even higher level of growth (+8.1% year-on-year) than that achieved in the first quarter (+7.4%), such a result is basically due to Germany’s improved trend (+7.8% y-o-y against +5.6% in the first quarter) whereas most of the other national economies substantially confirmed first quarter results. Preliminary output as at July 2014 year-to-date seem to confirm such a favourable trend, being Spain an overperformer and Italy an underperformer within the monitored panel.
In the first half of 2014 Italian and Spanish IT distribution’s growth rate were both higher than the other countries (respectively +11.8% and +18.3%). Overall European result was positively influenced also by Apple iPhone being distributed through indirect channel, hence favourably contributing to Italian and Spanish figures. It is worth noting that after the end of the first half Esprinet Group has been appointed as Apple iPhone’s official distributor in the Italian market.
More in detail, Italian ‘corporate reseller’ proved to be the most reactive customer segment since it increased its market share by 1.5% mainly at the expense of dealers, which confirmed as the largest segment thanks to a share of 44% on total where “retailers” stand at around 30%. Best performers among the vendors were HP, Apple and Lenovo.

Esprinet's market share ended up to be stable compared to the first half of 2013, thus confirming its clear leadership among Italian IT distributors.
Also Spanish distribution industry was positively contributed by the "corporate resellers" which led a growth in market share by more than 2% while the overall scenario remained tough for retailers. Apple, Lenovo and HP were the best performers compared to the first half of 2013.
Esprinet Iberica's market share declined by almost -1.5% mainly due to iPhone's entry in distribution business system. Net of that effect, Iberica's share would should have been substantially stable.

Even taking into consideration the aforementioned overall scenario, Esprinet Group's strategy aims at further focusing on "core-business" represented by wholesale distribution of technology by exiting both "e-tailing" and electronic components distribution activities with the sale of respectively Monclick and Comprel This decision is mainly driven by the acknowledgement that 'traditional' B2B distribution still appears to be a source of development opportunities especially in the "cloud" space, through V-Valley and Assocloud, and the "mobility" area (i.e. smartphones and tablets) where the Group reinforced its presence throu the investment in Celly, a leading distributor of accessories for mobile devices.
The Group also recently strengthened its financial structure by signing a syndicated unsecured 5-year loan for a maximum amount of € 130.0 million aimed at assuring an adequate degree of flexibility thus enabling the achievement of development targets.

In light of the results delivered in the first half of the year, taking into account predictable market recovery and the array of actions put in place so as to further strengthen its competitive position, and considering also favourable sales trend both in Italy and Spain in July and August, the Group expects a significant 'like-for-like' sales growth for 2014 fiscal year, given that any negative external shock on demand is unlikely to occur in the next months. Persistent pressure on gross margin percentage, which dominated also the latest part of the year and is constantly managed, represents the major driver able to impact profitability.
With regard to key operational risks, mainly inventory and credit risk, it's worth noting that stock levels, despite being strictly monitored, are currently under pressure because of some suppliers' censurable practices consisting in transferring inventory risk downwards along the supply chain. Whilst weak consumer demand led some retailers to exit the market and caused deterioration of some credits, credit risk continues to be carefully managed not only through its transfer to factors and/or insurance companies but also thanks to selective assessment of customers' creditworthiness.

Esprinet first half 2014 financial report and auditors' report available today

Esprinet informs that the Group consolidated first half financial report as of June 30th 2014, approved by the Esprinet board of directors and including the auditors' report, will be available by the company office (Vimercate MB, Via Energy Park n.20 and in Borsa Italiana website www.borsaitaliana.it. It also available on the company web site, www.esprinet.com, Investor Relations section.

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.

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Summary of main Group's results

	6 months							Q2					
(euro/000)	notes	2014	%	2013	notes	%	%var. 14/13	2014	%	2013	notes	%	%var. 14/13
Profit & Loss													
Sales		1,032,970	100.0%	960,300	(2)	100.0%	8%	520,392	100.0%	478,303	(2)	100.0%	9%
Gross profit		65,013	6.3%	59,449	(2)	6.2%	9%	34,072	6.5%	29,239	(2)	6.1%	17%
EBITDA	(1)	19,487	1.9%	16,744	(2)	1.7%	16%	10,105	1.9%	13,863	(2)	2.9%	-27%
Operating income (EBIT)		17,079	1.7%	15,188	(2)	1.6%	12%	8,469	1.6%	7,853	(2)	1.6%	8%
Profit before income tax		16,750	1.6%	14,033	(2)	1.5%	19%	8,326	1.6%	7,363	(2)	1.5%	13%
Net income		13,264	1.3%	10,317		1.1%	29%	5,041	1.0%	5,889		1.2%	-14%
Financial data													
Cash flow	(3)	14,832		11,656									
Gross investments		1,544		1,785									
Net w orking capital	(4)	145,569		34,364	(5)								
Operating net w orking capital	(6)	151,359		49,457	(5)								
Fixed assets	(7)	98,866		96,753	(5)								
Net capital employed	(8)	234,812		122,203	(5)								
Net equity		261,483		259,826	(5)								
Tangible net equity	(9)	185,427		185,840	(5)								
Net financial debt	(10)	(29,756)		(141,652)	(5)								
Main indicators													
Net financial debt / Net equity		(0.1)		(0.5)	(5)								
Net financial debt / Tangible net equity		(0.2)		(0.8)	(5)								
EBIT / Finance costs - net		54.3		13.2	(2)								
EBITDA / Finance costs - net		62.0		14.6	(2)								
Net financial debt/ EBITDA		(0.7)		(3.5)	(5)								
Operational data													
N. of employees at end-period		1,035		973									
Avarage number of employees	(11)	1,005		968									
Earnings per share (euro)													
- From continuing operations - basic		0.22		0.19			16%	0.11		0.10			10%
- Basic		0.26		0.20	(2)		30%	0.10		0.12	(2)		-17%
- From continuing operations - diluted		0.21		0.19			11%	0.11		0.10			10%
- Diluted		0.25		0.20	(2)		25%	0.10		0.11	(2)		-9%

(1) EBITDA is equal to the operating income (EBIT) gross of amortisation and depreciation and accruals for risks and charges.
(2) Different amounts from those published in the Half-yearly financial report as at 30 June 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.
(3) Sum of consolidated net profit before minority interests and amortisation and depreciation.
(4) Sum of current assets, non-current assets held for sale and current liabilities, gross of short-term net financial position.
(5) Data/indicator referring as at 31 December 2013.
(6) Sum of trade receivables, inventory and trade payables.
(7) Non-current assets net of non-current financial assets.
(8) Equal to the sum of the net working capital plus fixed assets net of non-current liabilities except of financial liabilities.
(9) Equal to net equity less goodwill and intangible assets.
(10) Sum of borrowings and short term financial liabilities net of cash and cash equivalents, assets/liabilities for financial derivatives and financial receivables.
(11) Average of the balance at period beginning and end of companies consolidated.

The 2014 first half 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 CESR (Committee of European Securities Regulators) recommendation n. CESR/05-178b, basis of calculation adopted are defined below the table.

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Consolidated statement of financial position

(euro/000)	30/06/2014	related parties	31/12/2013	related parties
ASSETS				
Non-current assets				
Property, plant and equipment	10,070		9,877	
Goodwill	74,982		73,219	
Intangible assets	1,074		767	
Investments in associates	34		-	
Deferred income tax assets	11,177		11,369	
Receivables and other non-current assets	4,614	1,188	4,978	1,188
	101,951	**1,188**	**100,210**	**1,188**
Current assets				
Inventory	259,418		217,304	
Trade receivables	205,034	17	232,519	35
Income tax assets	1,964		1,723	
Other assets	13,443		10,621	
Cash and cash equivalents	59,373		176,893	
	539,232	**17**	**639,060**	**35**
Disposal groups assets	21,097		-	
Total assets	**662,280**	**1,205**	**739,270**	**1,223**
EQUITY				
Share capital	7,861		7,861	
Reserves	237,693		228,870	
Group net income	13,263		23,095	
Group net equity	**258,817**		**259,826**	
Non-controlling interests	2,666		-	
Total equity	**261,483**		**259,826**	
LIABILITIES				
Non-current liabilities				
Borrowings	3,892		3,356	
Deferred income tax liabilities	4,976		5,331	
Retirement benefit obligations	4,337		4,707	
	9,811		-	
Provisions and other liabilities	3,395		2,333	
	26,411		**15,727**	
Current liabilities				
Trade payables	313,093	-	400,366	-
short-term financial liabilities	21,376		38,569	
Income tax liabilities	1,244		664	
Derivative financial liabilities	-		174	
Provisions and other liabilities	24,181		23,944	
	359,894	**-**	**463,717**	**-**
Disposal groups liabilities	14,492		-	
Total liabilities	**400,797**	**-**	**479,444**	**-**
Total equity and liabilities	**662,280**	**-**	**739,270**	**-**

Consolidated separate income statement

(euro/000)	H1 2014	non-recurring	related parties**	H1 2013 restated*	non-recurring	related parties**
Sales	**1,032,970**	-	6	**960,300**	-	11
Cost of sales	(967,957)	-	-	(900,851)	-	-
Gross profit	**65,013**			**59,449**		
Sales and marketing costs	(17,467)	-	-	(15,421)	-	-
Overheads and administrative costs	(30,467)	(893)	(1,696)	(28,840)	-	(1,694)
Operating income (EBIT)	**17,079**	**(893)**		**15,188**	**-**	
Finance costs - net	(314)	-	15	(1,149)	-	15
Other investments expenses/(incomes)	(15)	-		(6)	-	
Profit before income tax	**16,750**	**(893)**		**14,033**	**-**	
Income tax expenses	(5,530)	295	-	(4,417)	-	-
Profit from continuing operations	**11,220**	**(598)**		**9,616**	**-**	
Income/(loss) from disposal groups	2,044			701		
Net income	**13,264**	**(598)**		**10,317**	**-**	
- of which attributable to non-controlling interests	1			-		
- of which attributable to owners of the parent	13,263	(598)		10,317	-	
Earnings continuing operation per share - basic	0.22			0.19		
Earnings per share - basic (euro)	0.26			0.20		
Earnings continuing operation per share - diluted	0.21			0.19		
Earnings per share - diluted (euro)	0.25			0.20		

(*) Different amounts from those published in the Half-yearly financial report as at 30 June 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.
(**) Emoluments to key managers excluded.

(euro/000)	Q2 2014	non-recurring	related parties**	Q2 2013 restated*	non-recurring	related parties**
Sales	**520,392**	-	1	**478,303**	-	6
Cost of sales	(486,320)	-	-	(449,064)	-	-
Gross profit	**34,072**			**29,239**		
Sales and marketing costs	(9,520)	-		(7,595)	-	
Overheads and administrative costs	(16,083)	(893)	(856)	(13,791)	-	(847)
Operating income (EBIT)	**8,469**	**(893)**		**7,853**		
Finance costs - net	(128)	-	8	(484)	-	8
Other investments expenses/(incomes)	(15)			(6)		
Profit before income tax	**8,326**	**(893)**		**7,363**		
Income tax expenses	(2,673)	295		(2,098)	-	
Profit from continuing operations	**5,653**	**(598)**		**5,265**	**-**	
Income/(loss) from disposal groups	(612)			624		
Net income	**5,041**	**(598)**		**5,889**	**-**	
- of which attributable to non-controlling interests	1			-		
- of which attributable to owners of the parent	5,040	(598)		5,889		
Earnings continuing operation per share - basic	0.11			0.10		
Earnings per share - basic (euro)	0.10			0.12		
Earnings continuing operation per share - diluted	0.11			0.10		
Earnings per share - diluted (euro)	0.10			0.11		

(*) Different amounts from those published in the Half-yearly financial report as at 30 June 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.
(**) Emoluments to key managers excluded.

Consolidated statement of comprehensive income

(euro/000)	H1 2014	H1 2013 restated*	Q2 2014	Q2 2013 restated*
Net income	**13,264**	**10,317**	**5,041**	**5,889**
Other comprehensive income:				
- Changes in "cash flow hedge" equity reserve	(161)	492	(161)	492
- Taxes on changes in 'cash flow hedge' equity reserve	(51)	(148)	(51)	(148)
Other comprehensive income not to be reclassified in the separate income statement				
- Changes in 'TFR' equity reserve	(288)	(47)	(149)	8
- Taxes on changes in 'TFR' equity reserve	79	13	41	(2)
Other comprehensive income	**(421)**	**310**	**(320)**	**350**
Total comprehensive income	**12,843**	**10,627**	**4,721**	**6,239**
- of which, attributable to owners of the parent	12,842	10,627	4,720	6,239
- of which, attributable to non-controlling interests	1	-	1	-

(*) Different amounts from those published in the Half-yearly financial report as at 30 June 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.

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 2012	**7,861**	**223,231**	**(14,935)**	**23,718**	**239,875**	**-**	**239,875**
Total comprehensive income/(loss)	**-**	**310**	**-**	**10,317**	**10,627**	**-**	**10,627**
Allocation of last year net income/(loss)	-	19,159	-	(19,159)	-	-	**-**
Dividend payment	-	-	-	(4,559)	**(4,559)**	-	**(4,559)**
Transactions with owners	-	19,159	-	**(23,718)**	**(4,559)**	**-**	**(4,559)**
Increase/(decrease) in 'stock grant' plan reserve	-	(701)	-	-	**(701)**	-	**(701)**
Assignment of Esprinet own shares	-	(666)	1,865	-	**1,199**	-	**1,199**
Balance at 30 June 2013	**7,861**	**241,333**	**(13,070)**	**10,317**	**246,441**	**-**	**246,441**
Balance at 31 December 2013	**7,861**	**241,941**	**(13,070)**	**23,095**	**259,826**	**-**	**259,826**
Total comprehensive income/(loss)	**-**	**(421)**	**-**	**13,264**	**12,843**	**1**	**12,842**
Increase in reserve from Celly acquisition		2,704			**2,704**	**2,704**	**-**
Allocation of last year net income/(loss)	-	18,536	-	(18,536)	-	-	**-**
Dividend payment	-	-	-	(4,559)	**(4,559)**	-	**(4,559)**
Transactions with owners	-	18,536	-	**(23,095)**	**(4,559)**	**-**	**(4,559)**
Increase/(decrease) in 'stock grant' plan reserve	-	456	-	-	**456**	-	**456**
Variation in IAS / FTA reserve		(85)			**(85)**	(34)	**(51)**
Other variations	-	(12)	-	-	**(12)**	(5)	**(7)**
Variation in reserve on 40% Celly option	-	(9,691)	-	-	**(9,691)**	-	**(9,691)**
Balance at 30 June 2014	**7,861**	**253,428**	**(13,070)**	**13,264**	**261,483**	**2,666**	**258,817**

Consolidated net financial position

(euro/000)	30/06/2014	31/12/2013	Var.	30/06/2013	Var.
Short-term financial liabilities	21,376	38,569	(17,193)	60,872	(39,496)
Customer financial receivables	(433)	(572)	139	-	(433)
Current financial (assets)/liabilities for derivatives	-	174	(174)	513	(513)
Financial receivables from factoring companies	(1,944)	(2,829)	885	(2,733)	789
Cash and cash equivalents	(59,373)	(176,893)	117,520	(28,874)	(30,499)
Net current financial debt	**(40,374)**	**(141,551)**	**101,177**	**29,778**	**(69,719)**
Borrow ings	3,892	3,356	536	-	3,892
Debts for investments in subsidiaries	9,811	-	9,811	-	9,811
Non-current financial (assets)/liabilities for derivatives	-	-	-	-	-
Customer financial receivables	(3,085)	(3,457)	373	-	(3,085)
Net financial debt	**(29,756)**	**(141,652)**	**111,896**	**29,778**	**(59,534)**

Consolidated statement of cash flows

(euro/000)	H1 2014	H1 2013 restated
Cash flow provided by (used in) operating activities (D=A+B+C)	**(97,890)**	**(84,901)**
Cash flow generated from operations (A)	**21,426**	**18,140**
Operating income (EBIT)	17,079	16,361
Net income from disposal groups	2,081	-
Depreciation, amortisation and other fixed assets write-downs	1,569	1,339
Net changes in provisions for risks and charges	625	197
Net changes in retirement benefit obligations	(384)	(254)
Stock option/grant costs	456	497
Cash flow provided by (used in) changes in working capital (B)	**(113,783)**	**(101,883)**
Inventory	(39,822)	(18,296)
Trade receivables	16,938	13,565
Other current assets	(28,442)	4,927
Trade payables	(83,649)	(102,002)
Other current liabilities	21,192	(77)
Other cash flow provided by (used in) operating activities (C)	**(5,533)**	**(1,158)**
Interests paid, net	351	(592)
Foreign exchange (losses)/gains	(366)	(264)
Net results from associated companies	(12)	-
Gain on Monclick disposal	(2,452)	-
Comprel write-down	1,136	-
Income taxes paid	(4,190)	(302)
Cash flow provided by (used in) investing activities (E)	**(15,383)**	**(1,432)**
Net investments in property, plant and equipment	(1,065)	(1,432)
Net investments in intangible assets	(464)	(133)
Changes in other non current assets and liabilities	(836)	133
Celly business combination	(12,336)	-
Option on 40% Celly shares	(9,691)	-
Monclick selling	2,787	-
Net assets disposal group - Comprel	6,222	-
Cash flow provided by (used in) financing activities (F)	**(4,247)**	**4,108**
Repayment/renegotiation of medium/long-term borrowings	12,624	(12,140)
Net change in financial liabilities	(23,739)	20,772
Net change in financial assets and derivative instruments	1,923	(309)
Deferred price Celly acquisition	9,811	-
Dividend payments	(4,559)	(4,559)
Increase/(decrease) in 'cash flow hedge' equity reserve	(212)	344
Other movements	(95)	-
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**(117,520)**	**(82,225)**
Cash and cash equivalents at year-beginning	**176,893**	**111,099**
Net decrease (increase) in cash and cash equivalents	**(117,520)**	**(82,225)**
Cash and cash equivalents at year-end	**59,373**	**28,874**