



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

Esprinet's results as at 30 September 2014 to be approved by the Board

First nine months 2014 results:

Consolidated sales: € 1,535.4 million (+10% vs € 1,391.3 million of the first nine months of 2013)
Gross profit: € 96.3 million (+13% vs € 85.0 million)
Operating income (EBIT): € 24.3 million (+17% vs € 20.8 million)
Net income: € 17.4 million (+29% vs € 13.5 million)

Net financial position as at 30 September 2014 negative by € 44.0 million
(vs Net financial position as 31 December 2013 positive by € 141.7 million)

Third quarter 2014 results:

Consolidated sales: € 502.4 million (+17% vs € 431.0 million of the third quarter of 2013)
Gross profit: € 31.3 million (+22% vs € 25.6 million)
Operating income (EBIT): € 7.2 million (+28% vs € 5.6 million)
Net income: € 4.1 million (+28% vs € 3.2 million)

Vimercate (Monza Brianza), 13 November 2014 - The Board of Directors of Esprinet S.p.A. (Italian Stock Exchange: PRT) met today under the chairmanship of Francesco Monti to examine and approve Group's financial results for the nine-month period ending 30 September 2014 prepared in accordance to IFRS.

A) Esprinet Group's financial highlights

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

(euro/000)	9 months		9 months		Var.	Var. %
	2014	%	2013 restated*	%		
Sales	1,535,383	100.00%	1,391,312	100.00%	144,071	10%
Cost of sales	(1,439,096)	-93.73%	(1,306,294)	-93.89%	(132,802)	10%
Gross profit	96,287	6.27%	85,018	6.11%	11,269	13%
Sales and marketing costs	(27,260)	-1.78%	(22,321)	-1.60%	(4,939)	22%
Overheads and administrative costs	(44,714)	-2.91%	(41,872)	-3.01%	(2,842)	7%
Operating income (EBIT)	24,313	1.58%	20,825	1.50%	3,488	17%
Finance costs - net	(1,334)	-0.09%	(1,632)	-0.12%	298	-18%
Other investments expenses / (incomes)	(23)	0.00%	(6)	0.00%	(17)	283%
Profit before income taxes	22,956	1.50%	19,187	1.38%	3,769	20%
Income tax expenses	(7,450)	-0.49%	(6,823)	-0.49%	(627)	9%
Profit from continuing operations	15,506	1.01%	12,364	0.89%	3,142	25%
Income/(loss) from disposal groups	1,844	0.12%	1,134	0.08%	710	63%
Net income	17,350	1.13%	13,498	0.97%	3,852	29%
Earnings per share - continuing operations	0.30		0.24		0.06	25%
Earnings per share - basic (euro)	0.34		0.26		0.08	30%

* Different amounts from those published in the Interim management statement as at 30 September 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)	Q3 2014	%	Q3 2013 restated*	%	Var.	Var. %
Sales	502,413	100.00%	431,012	100.00%	71,401	17%
Cost of sales	(471,139)	-93.78%	(405,443)	-94.07%	(65,696)	16%
Gross profit	31,274	6.22%	25,569	5.93%	5,705	22%
Sales and marketing costs	(9,793)	-1.95%	(6,900)	-1.60%	(2,893)	42%
Overheads and administrative costs	(14,247)	-2.84%	(13,032)	-3.02%	(1,215)	9%
Operating income (EBIT)	7,234	1.44%	5,637	1.31%	1,597	28%
Finance costs - net	(1,020)	-0.20%	(483)	-0.11%	(537)	111%
Other investments expenses / (incomes)	(8)	0.00%	-	0.00%	(8)	0%
Profit before income taxes	6,206	1.24%	5,154	1.20%	1,052	20%
Income tax expenses	(1,920)	-0.38%	(2,406)	-0.56%	486	-20%
Profit from continuing operations	4,286	0.85%	2,748	0.64%	1,538	56%
Income/(loss) from disposal groups	(200)	-0.04%	433	0.10%	(633)	-146%
Net income	4,086	0.81%	3,181	0.74%	905	28%
Earnings per share - continuing operations	0.08		0.05		0.03	56%
Earnings per share - basic (euro)	0.08		0.06		0.02	34%

* Different amounts from those published in the Interim management statement as at 30 September 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**, equal to € 1,535.4 million, showed an increase of +10% (€ 144.1 million) compared to € 1,391.3 million of the first nine months 2013. In the third quarter consolidated sales increase of +17% compared to the same period of the previous year;
- **Consolidated gross profit** is equal to € 96.3 million showing an increase (equal to +13% or € 11.3 million) compared to the same period of 2013 as a consequence of both higher sales and higher gross profit margin. In the third quarter gross profit, equal to € 31.3 million, showed an increase of +22% compared to the same period of the previous year;
- **Consolidated operating income (EBIT)** totalled € 24.3 million, showing an increase of +17% compared to the first nine months of 2013 (€ 20.8 million), with an EBIT margin increased to 1.58% from 1.50%, notwithstanding a € 7.8 million growth in operating costs compared to the same period of 2013. In the third quarter EBIT was equal to € 7.2 million with an increase of +28% (€ 1.6 million) compared to the third quarter 2013 showing an EBIT margin growth (from 1.31% to 1.44%);
- **Consolidated profit before income taxes** equal to € 23.0 million, benefitting lower financial costs of € 0.3 million showed an increase of +20% compared to the first nine months of 2013. In the third quarter profit before income taxes registered an increase of +20% (€ 1.1 million) reaching the value of € 6.2 million;
- **Consolidated net income from continuing operation** was equal to € 15.5 million, with an increase of +25% (€ 3.1 million) compared to the first nine months of 2013. In the third quarter net income from continuing operation rose of € 1.5 million (+56%) compared to the same period of 2013;
- **Consolidated net income** was equal to € 17.4 million, with a growth of +29% (€ 3.9 million) compared to the first nine months of 2013 benefitting of € 1.8 million from "Profit/(Loss) from disposal groups" increased of € 0.7 million (+63%) compared to the same period of 2013. In the third quarter consolidated net income increased of € 0.9 million (+28%) compared to the same period of 2013 despite a € 0.2 million negative effect in the "Profit/(Loss) from disposal groups" worsened by € 0.6 million compared to the same period of 2013;
- **Basic earnings per share from continuing operations** as at 30 September 2014 was equal to € 0.30, showing an increase of +25% compared to the first nine months of 2013. In third quarter this value was equal to € 0.08 compared to € 0.05 of the same quarter in 2013;
- **Basic earnings per ordinary share** as at 30 September 2014 equal to € 0.34, showed an increase of + 30% compared to the first nine months of 2013. In the third quarter basic earnings per ordinary share was equal to € 0.08 compared to € 0.06 of the corresponding quarter of 2013.



(euro/000)	30/09/2014	%	31/12/2013	%	Var.	Var. %
Fixed assets	98,836	31.92%	96,753	81.87%	2,084	2%
Operating net working capital	246,497	79.61%	49,457	41.85%	197,040	398%
Other current assets/liabilities	(23,389)	-7.55%	(15,665)	-13.26%	(7,725)	49%
Other non-current assets/liabilities	(12,313)	-3.98%	(12,371)	-10.47%	58	0%
Total assets	309,631	100.00%	118,174	100.00%	191,457	162%
Short-term financial liabilities	23,489	7.59%	38,569	32.64%	(15,080)	-39%
Current financial (assets)/liabilities for derivatives	-	0.00%	174	0.15%	(174)	-100%
Financial receivables from factoring companies	(643)	-0.21%	(2,829)	-2.39%	2,186	-77%
Customers financial receivables	(469)	-0.15%	(572)	-0.48%	102	-18%
Cash and cash equivalents	(53,797)	-17.37%	(176,893)	-149.69%	123,096	-70%
Net current financial debt	(31,420)	-10.15%	(141,551)	-119.78%	110,130	-78%
Borrowings	68,574	22.15%	3,356	2.84%	65,218	1943%
Debts for investments in subsidiaries	9,927	3.21%	-	0.00%	9,927	N.S.
Customers financial receivables	(3,085)	-1.00%	(3,457)	-2.93%	373	-11%
Net financial debt (A)	43,996	14.21%	(141,652)	-119.87%	185,648	-131%
Net equity (B)	265,635	85.79%	259,826	219.87%	5,809	2%
Total sources of funds (C=A+B)	309,631	100.00%	118,174	100.00%	191,457	162%

- **Consolidated net working capital** as at 30 September 2014 is equal to € 246.5 million, compared to € 49.5 million as at 31 December 2013;
- **Consolidated net financial position** as at 30 September 2014, is negative by € 44.0 million, compared to a cash surplus equal to € 141.7 million as of 31 December 2013.
The financial indebtedness growth was connected to the increase of consolidated net working capital as of 30 September 2014 influenced both 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 approx. € 107 million as at 30 September (approx. € 154 million as at 31 December 2013 and € 59 million as at 30 September 2013);

- **Consolidated net equity** as at 30 September 2014 was € 265.6 million, increasing by € 5.8 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 September 2014 are hereby summarized:

(euro/000)	9 months		9 months		Var.	Var. %
	2014	%	2013 restated*	%		
Sales to third parties	1,153,531		1,053,553		99,978	9%
Intercompany sales	32,908		33,135		(227)	-1%
Sales	1,186,439		1,086,688		99,751	9%
Cost of sales	(1,106,771)		(1,017,043)		(89,728)	9%
Gross profit	79,668	6.71%	69,645	6.41%	10,023	14%
Sales and marketing costs	(23,212)	-1.96%	(18,580)	-1.71%	(4,632)	25%
Overheads and administrative costs	(36,175)	-3.05%	(33,069)	-3.04%	(3,106)	9%
Operating income (EBIT)	20,281	1.71%	17,996	1.66%	2,285	13%

* Different amounts from those published in the Interim management statement as at 30 September 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)	Q3		Q3		Var.	Var. %
	2014	%	2013 restated*	%		
Sales to third parties	365,190		318,861		46,329	15%
Intercompany sales	11,496		10,056		1,440	14%
Sales	376,686		328,917		47,769	15%
Cost of sales	(350,851)		(308,356)		(42,495)	14%
Gross profit	25,835	6.86%	20,561	6.25%	5,274	26%
Sales and marketing costs	(8,525)	-2.26%	(5,672)	-1.72%	(2,853)	50%
Overheads and administrative costs	(11,479)	-3.05%	(10,235)	-3.11%	(1,244)	12%
Operating income (EBIT)	5,831	1.55%	4,654	1.41%	1,177	25%

* Different amounts from those published in the Interim management statement as at 30 September 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 € 1,186.4 million, with an increase of +9% compared to € 1,086.7 million of the first nine months of 2013. The third quarter registered an increase of +15% compared to the third quarter 2013;
- **Gross profit** was € 79.7 million showing an increase of +14% compared to € 69.6 million of the first nine months of 2013 thanks to the combination of the increasing gross profit margin (from 6.41% to 6.71%) and higher sales. In the third quarter 2014 gross profit was € 25.8 million (+26% compared to the third quarter 2013);
- **Operating income (EBIT)** was € 20.3 million, with an increase of + 13% compared to the same period of 2013 and EBIT margin increased from 1.66% to 1.71% despite an increase of operating costs (€ 7.7 million). EBIT of the third quarter 2014 registered an increase of +25% reaching € 5.8 million compared to € 4.7 million of 2013 with an increase of EBIT margin (to 1.55% from 1.41% of the same period of 2013).



(euro/000)	30/09/2014	%	31/12/2013	%	Var.	Var. %
Fixed assets	92,799	32.02%	90,227	77.28%	2,573	3%
Operating net working capital	174,467	60.19%	31,900	27.32%	142,567	447%
Other current assets/liabilities	32,237	11.12%	4,500	3.85%	27,736	616%
Other non-current assets/liabilities	(9,664)	-3.33%	(9,869)	-8.45%	205	-2%
Total assets	289,839	100.00%	116,758	100.00%	173,081	148%
Short-term financial liabilities	13,349	4.61%	31,118	26.65%	(17,769)	-57%
Current financial (assets)/liabilities for derivatives	-	0.00%	70	0.06%	(70)	-100%
Financial receivables from factoring companies	(643)	-0.22%	(2,829)	-2.42%	2,186	-77%
Financial (assets)/liab. From/to Group companies	-	0.00%	(40,000)	-34.26%	40,000	-100%
Customers financial receivables	(469)	-0.16%	(572)	-0.49%	102	-18%
Cash and cash equivalents	(52,834)	-18.23%	(122,354)	-104.79%	69,520	-57%
Net current financial debt	(40,597)	-14.01%	(134,567)	-115.25%	93,969	-70%
Borrowings	68,574	23.66%	3,356	2.87%	65,218	1943%
Debts for investments in subsidiaries	9,927	3.43%	-	0.00%	9,927	N.S.
Customers financial receivables	(3,085)	-1.06%	(3,457)	-2.96%	373	-11%
Net Financial debt (A)	34,819	12.01%	(134,668)	-115.34%	169,487	-126%
Net equity (B)	255,020	87.99%	251,426	215.34%	3,594	1%
Total sources of funds (C=A+B)	289,839	100.00%	116,758	100.00%	173,081	148%

- **Operating net working capital** as at 30 September 2014 was € 174.5 million, compared to € 31.9 million as at 31 December 2013;
- **Net financial position** as at 30 September 2014 was negative by € 34.8 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 September 2014 was € 36 million (approx. € 68 million as at 31 December 2013 and € 36 million as at 30 September 2013).

B.2) Esprinet Iberica

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

(euro/000)	9 months 2014	%	9 months 2013	%	Var.	Var. %
Sales to third parties	381,852		337,759		44,093	13%
Intercompany sales	-		-		-	0%
Sales	381,852		337,759		44,093	13%
Cost of sales	(365,105)		(322,372)		(42,733)	13%
Gross profit	16,747	4.39%	15,387	4.56%	1,360	9%
Sales and marketing costs	(3,761)	-0.98%	(3,387)	-1.00%	(374)	11%
Overheads and administrative costs	(8,833)	-2.31%	(9,162)	-2.71%	329	-4%
Operating income (EBIT)	4,153	1.09%	2,838	0.84%	1,315	46%



(euro/000)	Q3 2014	%	Q3 2013	%	Var.	Var. %
Sales to third parties	137,224		112,151		25,073	22%
Intercompany sales	-		-		-	0%
Sales	137,224		112,151		25,073	22%
Cost of sales	(131,645)		(107,145)		(24,500)	23%
Gross profit	5,579	4.07%	5,006	4.46%	573	11%
Sales and marketing costs	(1,208)	-0.88%	(1,110)	-0.99%	(98)	9%
Overheads and administrative costs	(2,831)	-2.06%	(2,912)	-2.60%	81	-3%
Operating income (EBIT)	1,540	1.12%	984	0.88%	556	57%

- **Sales** amounted to € 381.9 million showing an increase of +13% compared to € 337.8 million of the first nine months of 2013. In the third quarter sales registered an increase of + 22% (+ € 25.1 million) compared the same period of 2013;
- **Gross profit** as at 30 September 2014 was € 16.8 million, with an increase of +9% compared to € 15.4 million of the corresponding period of 2013, with a gross profit margin decrease from 4.56% to 4.39%. In the third quarter the gross profit increased by 11% compared to the previous period, with a gross profit margin from 4.46% to 4.07%;
- **Operating income (EBIT)**, equal to € 4.2 million, increased of € 1.3 million compared to the first nine months of 2013, with EBIT margin increasing from 0.84% to 1.09%. In the third quarter 2014 EBIT was € 1.5 million compared to € 1.0 million of the third quarter 2013 with EBIT margin from 0.88% to 1.12%.

(euro/000)	30/09/2014	%	31/12/2013	%	Var.	Var. %
Fixed assets	66,846	55.35%	67,373	108.11%	(527)	-1%
Operating net working capital	72,206	59.78%	17,611	28.26%	54,595	310%
Other current assets/liabilities	(15,626)	-12.94%	(20,165)	-32.36%	4,539	-23%
Other non-current assets/liabilities	(2,649)	-2.19%	(2,502)	-4.01%	(147)	6%
Total assets	120,777	100.00%	62,317	100.00%	58,460	94%
Short-term financial liabilities	50,140	41.51%	7,451	11.96%	42,689	573%
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	(963)	-0.80%	(54,539)	-87.52%	53,576	-98%
Net current financial debt	49,177	40.72%	(6,984)	-11.21%	56,161	-804%
Net Financial debt (A)	49,177	40.72%	(6,984)	-11.21%	56,161	-804%
Net equity (B)	71,600	59.28%	69,301	111.21%	2,299	3%
Total sources of funds (C=A+B)	120,777	100.00%	62,317	100.00%	58,460	94%

- **Operating net working capital** as at 30 September 2014 totalled € 72.2 million compared to € 17.6 million as at 31 December 2013;
- **Net financial position** as at 30 September 2014 is negative by € 49.2 million, compared to a cash surplus of € 7.0 million as at 31 December 2013. The impact of 'without-recourse' sale of both account receivables or advancing cash-in of credits as at 30 September 2014 is equal to approx. € 71 million (approx. € 85 million as at 31 December 2013 and € 23 million as at 30 September 2013).



C) Significant events occurred in the period

The significant events occurred in the nine months ended at 30 September 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.



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.

D) Subsequent events

No significant events occurred after 30 September 2014.

E) 2014 Outlook

Most of the largest economies in Europe continue to have major structural problems. So far, there are no strong signs that this will change significantly in the coming months and neither that Governments are starting to undertake and, above all, to fully enact necessary reforms.

Recent political tensions are contributing to an overall climate of uncertainty, which is causing an investment restraint by companies and the bank credit crunch currently in place. This tough situation is reflected even in the Ifo Business Climate Index (Source: Ifo - Institut für Wirtschaftsforschung, November 2014) which measures the climate of confidence among German companies and anticipate the economic development in September this index dropped to its lowest value since April 2013.

Notwithstanding the abovementioned, the Information Technology industry showed a significant degree of vivacity among other major industries. Windows XP phasing out along the year - with customers' assistance no longer granted by Microsoft since April - has been causing a revamping of the mature PC-desktop business which is also benefitting from the launch of new products by main suppliers. Positive demand for computing supported revenues especially in the business sector whereas retailers partially suffered due to deteriorated creditworthiness.

Such trend in PCs was coupled by a similar favourable trend in mobility (smartphones and mobile phones), also pushed by Apple's decision to vehicle iPhone sales along the indirect channel (which will positively affect the Group's sales in Italy starting from the current quarter).

In the first nine months of 2014 the European distribution market (source: Global Tech Distribution Council - Context, October 2014) achieved an even higher level of growth with respect to the first half (+9% year-on-year) despite a sudden stop in Germany (+1% in the third quarter of 2014), while UK (+16% in the same period) and all other Countries showed a significant level of growth.

In the same period Spain and Italy, the two countries where the Group operates, grew respectively by +19% and +12% as compared to the previous year, with even better results in the third quarter (+29% and +14% respectively).

Esprinet Italy's market share was stable as compared to the first nine months in 2013, thus confirming its clear leadership among Italian IT distributors. Also Esprinet Iberica could maintain intact its market share in the third quarter of 2014, a good indicator considering that iPhones are not distributed by the Group in this country.



In the light of the results delivered and of the persistent favourable trend in sales both in Italy and in Spain, the Group expects a significant sales growth in 2014 full fiscal year compared to the 2013.

Despite the persistent pressure expectations on product gross margin percentage, even in the last part of the fiscal year, and considering that the costs structure is under strict control, the Group's profitability is supposed to grow in the current fiscal year with constant perimeter.

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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Esprinet (Italian Stock Exchange: PRT) is engaged in the wholesale distribution of IT and consumer electronics in Italy and Spain, with ~40.000 resellers customers served and 600 brands supplied. Consolidated 2013 sales of € 2.0 billion rank the Company No. 1 in Italy and No. 2 in Spain (No. 5 in Europe). Uniquely enabled by its internet-based business model (www.esprinet.com), Esprinet is especially focused on delivering technology to resellers mainly addressing the small-to-midsize businesses (SMB).



Summary of main Group's results

(euro/000)	9 months							Q3					
	notes	2014	%	2013	notes	%	% var. 14/13	2014	%	2013	notes	%	% var. 14/13
<u>Profit & Loss</u>													
Sales		1,535,383	100.0%	1,391,312	(2)	100.0%	10%	502,413	100.0%	431,012	(2)	100.0%	17%
Gross profit		96,287	6.3%	85,018	(2)	6.1%	13%	31,274	6.2%	25,569	(2)	5.9%	22%
EBITDA	(1)	26,874	1.8%	23,065	(2)	1.7%	17%	7,387	1.5%	6,369	(2)	1.5%	16%
Operating income (EBIT)		24,313	1.6%	20,825	(2)	1.5%	17%	7,234	1.4%	5,637	(2)	1.3%	28%
Profit before income tax		22,956	1.5%	19,187	(2)	1.4%	20%	6,206	1.2%	5,154	(2)	1.2%	20%
Net income		17,350	1.1%	13,498		1.0%	29%	4,086	0.8%	3,181		0.7%	28%
<u>Financial data</u>													
Cash flow	(3)	19,748		15,474	(2)								
Gross investments		2,211		1,961									
Net working capital	(4)	223,108		34,364	(5)								
Operating net working capital	(6)	246,497		49,457	(5)								
Fixed assets	(7)	98,836		96,753	(5)								
Net capital employed	(8)	312,714		122,203	(5)								
Net equity		265,635		259,826	(5)								
Tangible net equity	(9)	189,403		185,840	(5)								
Net financial debt	(10)	43,996		(141,652)	(5)								
<u>Main indicators</u>													
Net financial debt / Net equity		0.2		(0.5)	(5)								
Net financial debt / Tangible net equity		0.2		(0.8)	(5)								
EBIT / Finance costs - net		18.2		12.8	(2)								
EBITDA / Finance costs - net		20.1		14.1	(2)								
Net financial debt/ EBITDA		0.8		(3.5)	(5)								
<u>Operational data</u>													
N. of employees at end-period		979		976									
Average number of employees	(11)	978		974									
<u>Earnings per share (euro)</u>													
- From continuing operations - basic		0.30		0.24			25%	0.08		0.05			60%
- Basic		0.34		0.26	(2)		31%	0.08		0.06	(2)		33%
- From continuing operations - diluted		0.30		0.24			25%	0.08		0.05			60%
- Diluted		0.33		0.26	(2)		27%	0.08		0.06	(2)		33%

(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 interim management statement as at 30 September 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 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.



Consolidated statement of financial position

(euro/000)	30/09/2014	related parties	31/12/2013	related parties
ASSETS				
Non-current assets				
Property, plant and equipment	9,660		9,877	
Goodwill	74,982		73,219	
Intangible assets	1,250		767	
Investments in associates	26		-	
Deferred income tax assets	11,374		11,369	
Receivables and other non-current assets	4,629	1,188	4,978	1,188
	101,921	1,188	100,210	1,188
Current assets				
Inventory	293,516		217,304	
Trade receivables	206,718	27	232,519	35
Income tax assets	2,085		1,723	
Other assets	10,004		10,621	
Cash and cash equivalents	53,797		176,893	
	566,120	27	639,060	35
Disposal groups assets	-		-	
Total assets	668,041	1,215	739,270	1,223
EQUITY				
Share capital	7,861		7,861	
Reserves	237,798		228,870	
Group net income	17,518		23,095	
Group net equity	263,177		259,826	
Non-controlling interests	2,458		-	
Total equity	265,635		259,826	
LIABILITIES				
Non-current liabilities				
Borrowings	68,574		3,356	
Deferred income tax liabilities	5,100		5,331	
Retirement benefit obligations	4,469		4,707	
Debts for investments in subsidiaries	9,927		-	
Provisions and other liabilities	2,744		2,333	
	90,814		15,727	
Current liabilities				
Trade payables	253,737	-	400,366	-
short-term financial liabilities	23,489		38,569	
Income tax liabilities	3,201		664	
Derivative financial liabilities	-		174	
Provisions and other liabilities	31,165		23,944	
	311,592	-	463,717	-
Disposal groups liabilities	-		-	
Total liabilities	402,406	-	479,444	-
Total equity and liabilities	668,041	-	739,270	-

Consolidated separate income statement

(euro/000)	9 months			9 months		
	2014	non-recurring	related parties**	2013 restated*	non-recurring	related parties**
Sales	1,535,383	-	10	1,391,312	-	11
Cost of sales	(1,439,096)	-	-	(1,306,294)	-	-
Gross profit	96,287	-	-	85,018	-	-
Sales and marketing costs	(27,260)	-	-	(22,321)	-	-
Overheads and administrative costs	(44,714)	(893)	(2,543)	(41,872)	(98)	(2,544)
Operating income (EBIT)	24,313	(893)	-	20,825	(98)	-
Finance costs - net	(1,334)	-	22	(1,632)	(66)	22
Other investments expenses/(incomes)	(23)	-	-	(6)	-	-
Profit before income tax	22,956	(893)	-	19,187	(164)	-
Income tax expenses	(7,450)	295	-	(6,823)	(495)	-
Profit from continuing operations	15,506	(598)	-	12,364	(659)	-
Income/(loss) from disposal groups	1,844	-	-	1,134	-	-
Net income	17,350	(598)	-	13,498	(659)	-
- of which attributable to non-controlling interests	(168)	-	-	-	-	-
- of which attributable to owners of the parent	17,518	(598)	-	13,498	(659)	-
Earnings continuing operation per share - basic	0.30	-	-	0.24	-	-
Earnings per share - basic (euro)	0.34	-	-	0.26	-	-
Earnings continuing operation per share - diluted	0.30	-	-	0.24	-	-
Earnings per share - diluted (euro)	0.33	-	-	0.26	-	-

(*) Different amounts from those published in the interim management statement as at 30 September 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)	Q3			Q3		
	2014	non-recurring	related parties**	2013 restated*	non-recurring	related parties**
Sales	502,413	-	4	431,012	-	-
Cost of sales	(471,139)	-	-	(405,443)	-	-
Gross profit	31,274	-	-	25,569	-	-
Sales and marketing costs	(9,793)	-	-	(6,900)	-	-
Overheads and administrative costs	(14,247)	-	(847)	(13,032)	(98)	(850)
Operating income (EBIT)	7,234	-	-	5,637	(98)	-
Finance costs - net	(1,020)	-	7	(483)	(66)	7
Other investments expenses/(incomes)	(8)	-	-	-	-	-
Profit before income tax	6,206	-	-	5,154	(164)	-
Income tax expenses	(1,920)	-	-	(2,406)	(495)	-
Profit from continuing operations	4,286	-	-	2,748	(659)	-
Income/(loss) from disposal groups	(200)	-	-	433	-	-
Net income	4,086	-	-	3,181	(659)	-
- of which attributable to non-controlling interests	(169)	-	-	-	-	-
- of which attributable to owners of the parent	4,255	-	-	3,181	(659)	-
Earnings continuing operation per share - basic	0.08	-	-	0.05	-	-
Earnings per share - basic (euro)	0.08	-	-	0.06	-	-
Earnings continuing operation per share - diluted	0.08	-	-	0.05	-	-
Earnings per share - diluted (euro)	0.08	-	-	0.06	-	-

(*) Different amounts from those published in the interim management statement as at 30 September 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)	9 months		Q3	
	2014	2013 restated*	2014	2013 restated*
Net income	17,350	13,498	4,086	3,181
<i>Other comprehensive income:</i>				
- Changes in "cash flow hedge" equity reserve	(161)	492	51	-
- Taxes on changes in 'cash flow hedge' equity reserve	(51)	(148)	(51)	-
<i>Other comprehensive income not to be reclassified in the separate income statement</i>				
- Changes in 'TFR' equity reserve	(375)	(50)	206	(3)
- Taxes on changes in 'TFR' equity reserve	103	14	(57)	1
Other comprehensive income	(484)	308	149	(2)
Total comprehensive income	16,866	13,806	4,235	3,179
- of which, attributable to owners of the parent	17,034	13,806	4,404	3,179
- of which, attributable to non-controlling interests	(168)	-	(169)	-

(*) Different amounts from those published in the interim management statement as at 30 September 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)	-	308	-	13,498	13,806	-	13,806
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	-	(473)	-	-	(473)	-	(473)
Assignment of Esprinet own shares	-	(666)	1,865	-	1,199	-	1,199
Balance at 30 September 2013	7,861	241,559	(13,070)	13,498	249,847	-	249,847
Balance at 31 December 2013	7,861	241,941	(13,070)	23,095	259,826	-	259,826
Total comprehensive income/(loss)	-	(484)	-	17,350	16,866	(168)	17,034
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	-	684	-	-	684	-	684
Variation in IAS / FTA reserve	-	(128)	-	-	(128)	(51)	(77)
Other variations	-	(68)	-	-	(68)	(27)	(41)
Variation in reserve on 40% Celly option	-	(9,691)	-	-	(9,691)	-	(9,691)
Balance at 30 September 2014	7,861	253,494	(13,070)	17,350	265,635	2,458	263,177



Consolidated net financial position

(euro/000)	30/09/2014	31/12/2013	Var.	30/09/2013	Var.
Short-term financial liabilities	23,489	38,569	(15,080)	85,254	(61,765)
Customer financial receivables	(469)	(572)	102	-	(469)
Current financial (assets)/liabilities for derivatives	-	174	(174)	521	(521)
Financial receivables from factoring companies	(643)	(2,829)	2,186	(1,537)	894
Cash and cash equivalents	(53,797)	(176,893)	123,096	(10,145)	(43,652)
Net current financial debt	(31,420)	(141,551)	110,130	74,093	(105,044)
Borrowings	68,574	3,356	65,218	-	68,574
Debts for investments in subsidiaries	9,927	-	9,927	-	9,927
Customer financial receivables	(3,085)	(3,457)	373	-	(3,085)
Net financial debt	43,996	(141,652)	185,648	74,093	(30,097)

Consolidated statement of cash flows

(euro/000)	9 months 2014	9 months 2013 restated*
Cash flow provided by (used in) operating activities (D=A+B+C)	(171,922)	(128,903)
Cash flow generated from operations (A)	28,935	25,252
Operating income (EBIT)	24,313	20,826
Net income from disposal groups	2,002	1,665
Depreciation, amortisation and other fixed assets write-downs	2,398	1,975
Net changes in provisions for risks and charges	(26)	296
Net changes in retirement benefit obligations	(436)	(235)
Stock option/grant costs	684	725
Cash flow provided by (used in) changes in working capital (B)	(194,345)	(150,147)
Inventory	(74,031)	(20,150)
Trade receivables	15,259	19,427
Other current assets	(4,538)	5,257
Trade payables	(143,615)	(159,290)
Other current liabilities	12,580	4,609
Other cash flow provided by (used in) operating activities (C)	(6,512)	(4,008)
Interests paid, net	449	(931)
Foreign exchange (losses)/gains	(780)	(144)
Net results from associated companies	(12)	-
Gain on Monclick disposal	(2,452)	-
Comprel write-down	1,141	-
Income taxes paid	(4,858)	(2,933)
Cash flow provided by (used in) investing activities (E)	1,717	(1,570)
Net investments in property, plant and equipment	(1,325)	(1,545)
Net investments in intangible assets	(799)	(146)
Changes in other non current assets and liabilities	471	121
Celly business combination	(12,336)	-
Monclick selling	2,787	-
Comprel selling	12,919	-
Cash flow provided by (used in) financing activities (F)	47,109	29,519
Medium/long term borrowing	67,000	-
Repayment/renegotiation of medium/long-term borrowings	(13,274)	(12,140)
Net change in financial liabilities	(4,322)	44,979
Net change in financial assets and derivative instruments	2,487	895
Deferred price Celly acquisition	9,927	-
Option on 40% Celly shares	(9,691)	-
Dividend payments	(4,559)	(4,559)
Increase/(decrease) in 'cash flow hedge' equity reserve	(212)	344
Other movements	(247)	-
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	(123,096)	(100,954)
Cash and cash equivalents at year-beginning	176,893	111,099
Net decrease (increase) in cash and cash equivalents	(123,096)	(100,954)
Cash and cash equivalents at year-end	53,797	10,145

(*) Different amounts from those published in the interim management statement as at 30 September 2013 due to reclassification, recurred even in the comparative figures, of the profit and loss values into 'Income/loss from disposal Group' item.