Interim Financial Report
at 30 June 2016

(TRANSLATION FROM ITALIAN ORIGINAL WHICH REMAINS THE DEFINITIVE VERSION)

Table of contents

Think, Solve, Execute

Interim Management Report at 30 June 2016

Registered office:
Viale dell'Esperanto 71 - Rome
Share capital:
€ 27,109,164.85, fully paid up
Rome Register of Companies
Tax code and VAT number 01483450209

1. Corporate Bodies

Board of Directors

- **Antonio Taverna**	*Chairman*
- **Stefano Achermann**	*Chief Executive Officer*
- **Carlo Achermann**	*Director*
- **Claudio Berretti**	*Director*
- **Anna Lambiase**	*Director*
- **Bernardo Attolico**	*Director*
- **Anna Zattoni**	*Independent Director*
- **Cristina Spagna**	*Independent Director*
- **Umberto Quilici**	*Independent Director*

The Board of Directors was appointed by the Shareholders' Meeting of 12 June 2014 and will remain in office until the date of approval of the financial statements at 31 December 2016.

Board of Statutory Auditors

- **Giuseppe Leoni**	*Chairman*
- **Rosita Natta**	*Standing Auditor*
- **Stefano De Angelis**	*Standing Auditor*
- **Roberta Pirola**	*Alternate Auditor*
- **Biones Ferrari**	*Alternate Auditor*

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of 23 April 2015 for 3 years, with term of office expiring on approval of the financial statements at 31 December 2017.

Control and Risk Committee

- **Umberto Quilici**	*Independent Chairman*
- **Bernardo Attolico**	*Member*
- **Anna Zattoni**	*Independent Member*

The Control and Risk Committee was appointed by Board of Directors' resolution on 18 June 2014 for 3 years, expiring on approval of the financial statements at 31 December 2016.

Remuneration and Appointments Committee

- **Cristina Spagna**	*Independent Chairman*
- **Claudio Berretti**	*Member*
- **Umberto Quilici**	*Independent Member*

The Remuneration and Appointments Committee was appointed by Board of Directors' resolution on 18 June 2014 for 3 years, expiring on approval of the financial statements at 31 December 2016.

Independent Auditors

- **Deloitte & Touche S.p.A.**

The independent auditors received their assignment at the Shareholders' Meeting of 10 May 2012

2. Summary income statement and statement of financial position

(amounts in EUR millions)

Key profitability indicators

	1H 2016	1H 2015
Value of production	66.2	52.9
EBITDA	8.0	7.1
EBIT	5.2	4.3
Profit (loss) before tax	4.3	3.4
Net profit (loss)	2.6	2.1

Key equity and financial indicators

	30.06.2016	31.12.2015
Group Shareholders' equity	48.5	48.4
Net Invested Capital	66.3	56.3
Net Operating Working Capital (NOWC)	19.9	10.1
Net Financial Position	(17.0)	(7.1)

Value of production by operating segment

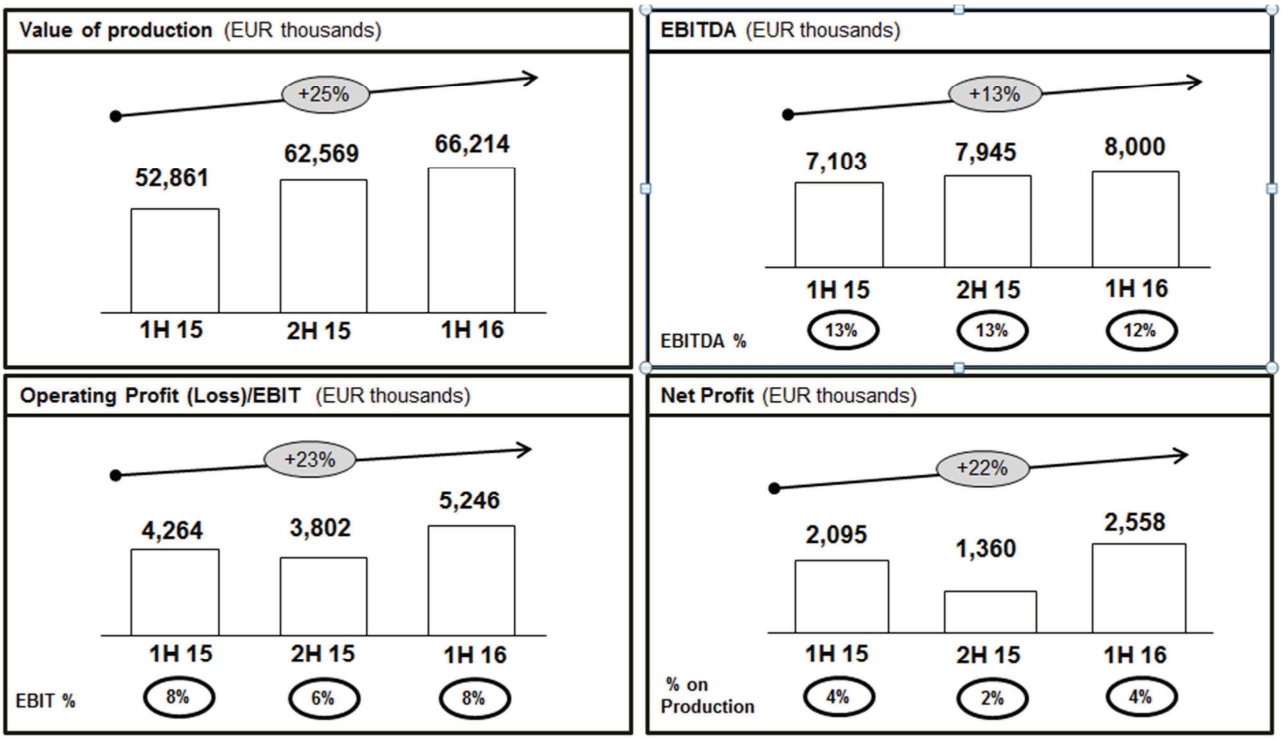
	1H 2016	1H 2015
Business Consulting	50.0	33.8
ICT Solutions	14.4	17.1
ICT Professional Services	1.8	1.6
Other	0.0	0.4
TOTAL	**66.2**	**52.9**

Value of production by customer type

	1H 2016	1H 2015
Banks	55.5	40.2
Insurance	6.4	7.2
Industry	4.2	5.0
Public Administration	0.1	0.1
Other	0.0	0.4
TOTAL	**66.2**	**52.9**

Group Headcount

	30.06.2016	31.12.2015
Executives	93	86
Middle Managers	119	112
White collar	914	841
Blue collar	2	2
Apprentices	16	16
TOTAL	**1,144**	**1,057**


Value of production (EUR thousands)
+25%
52,861
62,569
66,214
1H 15
2H 15
1H 16
EBITDA (EUR thousands)
+13%
7,103
7,945
8,000
1H 15
2H 15
1H 16
EBITDA %
13%
13%
12%
Operating Profit (Loss)/EBIT (EUR thousands)
+23%
4,264
3,802
5,246
1H 15
2H 15
1H 16
EBIT %
8%
6%
8%
Net Profit (EUR thousands)
+22%
2,095
1,360
2,558
1H 15
2H 15
1H 16
% on Production
4%
2%
4%

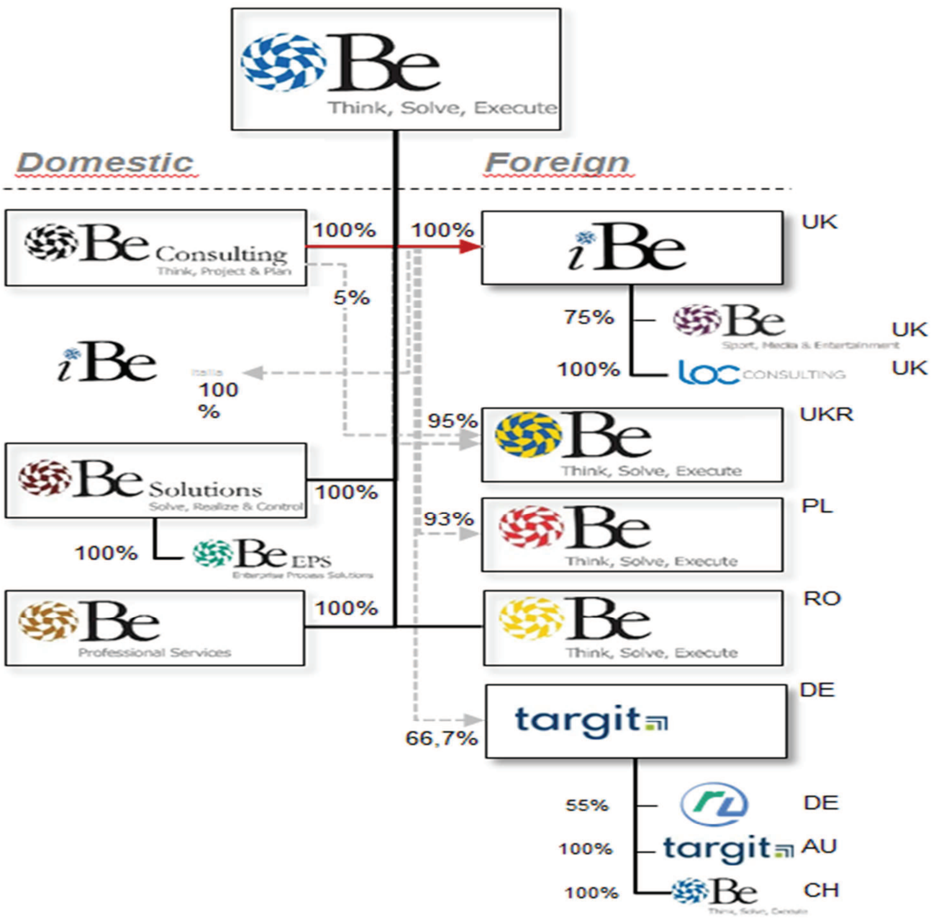
3. Group Structure and Shareholders

The Be Group is one of the leading Italian players in the IT Consulting sector. The Group provides Business Consulting, Information Technology and Professional services. A combination of specialist skills, advanced proprietary technologies and a wealth of experience enable the Group to work with leading financial and insurance institutions and Italian industry to improve their competitive capacity and their potential to create value. With more than 1,140 employees and branches in Italy, Germany, United Kingdom, Switzerland, Austria, Poland, the Ukraine and Romania, in the first half of 2016 the Group recorded total revenue of Euro 66.2 million.

Be Think, Solve, Execute S.p.A. (**Be S.p.A.** for short), listed in the Segment for High Requirement Shares (STAR) of the Electronic Share Market (MTA), performs management and coordination activities for the Group companies pursuant to art. 2497 et seq. of the Italian Civil Code, through control and coordination of operating, strategic and financial decisions of the subsidiaries and through management and control of reporting flows in readiness for preparation of both annual and interim accounting documents.

The following chart shows the Group organisation at 30 June 2016.

• Tamburi Investment Partners S.p.A.	23,41%
• iFuture Power in Action S.r.l.	10,02%
• BNY Mellon Kapitalanlage GmbH	9,86%
• Achermann Stefano	5,76%
• Other Shareholders <2%	50,95%



(*) The above chart does not include the subsidiary A&B S.p.A. in liquidation, 95% owned by the Parent Company Be S.p.A. and the remaining 5% by private shareholders. This company provided services for local public administration and is currently inactive. The liquidation procedure began in the first half of 2015.

At 30 June 2016, the number of shares outstanding totalled 134,897,272, and the shareholding structure - as indicated in disclosures pursuant to art. 120 of the "Consolidated Law on Finance" (TUF) and in relation to notices received in accordance with internal dealing regulations - was as follows:

Shareholders

	Nationality	No. of Shares	% Ordinary capital
Tamburi Investment Partners S.p.A.	Italian	31,582,225	23.41
iFuture Power in Action S.r.l.	Italian	13,519,265	10.02
BNY Mellon Service Kapitalanlage GmbH	Italian	13,300,000	9.86
Stefano Achermann	Italian	7,771,132	5.76
Float		**68,724,650**	**50.95**
Total		**134,897,272**	**100.00**

4. Business Model and operating segments

"Be" is a group specialising in the IT Consulting segment of the Financial Services sector. The organisation is divided by design into different specialisations: Business Consulting, ICT Solutions and platforms, and ICT Professional Services.

I. BUSINESS CONSULTING

The business consulting segment focuses on the capacity to support the financial services industry in implementing business strategies and/or creating important plans for change. Its specialist skills are in constant development in the areas of payment systems, planning & control methods, regulatory compliance, information gathering and corporate governance systems for financial processes and asset management.

No. of employees	555 at 30 June 2016.
Core business	Banking, Insurance.
Segment revenue at 30 June 2016	Euro 50.0 million
Operating units	Rome, Milan, London, Kiev, Warsaw, Munich, Vienna, Zurich.

The Group's Business Consulting segment operates through the following subsidiaries:

- **Be Consulting S.p.A.** Established in 2008, the company operates in the sector of management consulting for Financial Institutions. Its aim is to provide support to the Systemically Important Financial Institutions (SIFIs) in creating value, with a particular focus on changes that affect business, the IT platforms and corporate processes. Be Think, Solve, Execute is the 100% owner of Be Consulting's share capital;
- **iBe TSE Limited.** Based in London, this company operates on the UK and European market, focusing on financial services consulting, with a customer base with high profiles on the UK and international markets. It specialises in the banking and financial sectors, particularly providing support in the field of innovation and payment services. Since 2012, Be Consulting has been 100% owner of the company's share capital. In 2014, the company changed its name from the previous Bluerock Consulting Ltd.

- **Be Ukraine LLC.** Established in Kiev in December 2012, this company is 95% owned by iBe TSE Limited and 5% by Be Consulting S.p.A. It performs consulting and development activities for core banking systems and in the areas of accounting and bank reporting.
- **Be Poland Think, Solve and Execute, sp zo.o.** Established in Warsaw in January 2013, this company is 93% owned by iBe TSE Limited and 7% by its own management.
- **Targit Group.** This Group specialises in ICT consulting services, primarily on the German and Austrian markets and operating through its Parent Company Munich-based Targit GmbH and the two 100% subsidiaries Targit GmbH Wien with offices in Vienna and Be TSE Switzerland based in Zurich (created from the merger between Targitfs AG and OSS Unternehmensberatung AG, a company acquired in August 2015). At 31 December 2015 iBe TSE Limited controlled the Group with a 66.67% interest.
- **Be Sport, Media & Entertainment Ltd.** Established in August 2014 and based in London, this company is 75% owned by iBe TSE Limited, and provides data analysis and enhancement services, loyalty programmes, digital distribution of proprietary content and the transformation of sports venues and large museums into cashless operations.
- **LOC Consulting Ltd.** A company whose registered office is in London, specialises in consulting services for the management of complex transformation programmes in the financial and public sectors in the UK.
- **R&L AG.** A company whose registered office is close to Munich, specialises in Consulting and IT solutions in the Payments sector and specifically as regards SWIFT.

II. ICT SOLUTIONS

The ICT Solutions segment is able to bring together business skills and technology solutions, products and platforms, creating theme-based business lines also as part of highly specialised segment-leading applications;

No. of employees	425 at 30 June 2016.
Core Businesses	Banking, Insurance, Energy and Public Administration.
Segment revenue at 30 June 2016	Euro 14.4 million.
Operating units	Rome, Milan, Turin, Spoleto, Pontinia, Bucharest.

The Be Group operates in the ICT Solutions segment through the following subsidiaries:

- **Be Solutions S.p.A.** Aims to offer specialised system integration services for proprietary products/platforms or those of third-party market leaders. In recent years, special skills have been developed in corporate control and governance systems, in the insurance sector, the management of multi-channel systems and billing systems for the utilities segment. Cooperation agreements and partnerships are currently in place with a number of the major players in the ICT industry (Oracle, Microsoft, IBM). The partnerships regard: retailing of catalogue software products, access to training courses and HR certification, as well as professional training on the main product developments in the sector of the two providers. Be Solutions is 100% owner of Be Enterprise Process Solutions S.p.A.
- **Be Enterprise Process Solutions S.p.A.** A company dedicated to the development of services, solutions and platforms in the BPO/DMO area with the aim of implementing/managing:
    - Business Process Outsourcing (BPO) activities through the use of technology solutions and input from specialist resources (e.g. management of incoming and outgoing correspondence or the management of sector-specific processes);
    - Value Added Services, i.e. innovative solutions to solve specific problems through new service models that are mainly outsourced.

- **Be Think Solve Execute RO S.r.l.** Established in July 2014 and based in Bucharest. The company develops the Group's "near shoring" operations involving high complexity projects in the System Integration segment.

III. ICT PROFESSIONAL SERVICES

A pool of resources specialised in languages and technology, able to lend its professionalism to supporting critical systems or wide-scale technology upgrade plans.

No. of employees	121 at 30 June 2016.
Core Businesses	Banking, Industry and Public Administration.
Segment revenue at 30 June 2016	Euro 1.8 million.
Operating units	Rome, Milan, Turin.

Be Professional Services S.p.A. gathers together the Group's expertise in the most common development languages. The aim is to be involved in major developments for the leading financial institutions, providing highly-specialised professional resources.

5. Events involving the Group in the first half of 2016

Important resolutions of the Shareholders' Meeting

On 26 April 2016, the Shareholders' Meeting resolved to approve the financial statements at 31 December 2015 of Be S.p.A. and to allocate the Euro 2,546,304.73 profit for the year as Euro 1,500,000.00 in gross dividend distribution, amounting to Euro 0.01112 per share (gross of statutory withholding tax), Euro 127,315.24 to the Legal Reserve and the remaining Euro 918,989.49 to the Extraordinary Reserve.

The payment date of the dividend was 25 May 2016 on coupon no. 6, with coupon date of 23 May 2016 and record date of 24 May 2016.

Events important to business development

In February 2016, the Be Group extended its range of banking services by acquiring 55% of R&L AG and 100% of LOC Consulting Ltd, continuing with its strategy that seeks to create a European IT Consulting Group to serve the financial services industry.

R&L AG, whose registered office is close to Munich, specialises in Consulting and IT solutions in the Payments sector and specifically as regards SWIFT. The transaction was finalised through the subsidiary Targit GmbH, which already operates in Germany. For further details regarding the transaction, please refer to paragraph "2.7. Business combinations in the reporting period" in the Notes to this report.

LOC Consulting Ltd, whose registered office is in London, specialises in consulting services for the management of complex transformation programmes in the financial and public sectors in the UK and played an important role in "eGov Framework", a digitalisation programme of the British government, which has high ambitions at European level. The acquisition was finalised through the subsidiary iBe Ltd, which already operates in the UK. For further details regarding the transaction, please refer to paragraph "2.7. Business combinations in the reporting period" in the Notes to this report.

6. Group economic performance

The following table illustrates the Be Group income statement for the first half of 2016 compared with the same period of the previous year, both originating from half-year condensed consolidated financial statements prepared according to IAS/IFRS.

One of the main indicators adopted to assess the economic and financial performance of the Group is the Gross Operating Margin, or Earnings before Interests, Taxes, Depreciation & Amortisation (EBITDA) - an indicator not envisaged by the IFRS (Communication CERS/05-178b).

The Consolidated Income Statement is shown below, restated at 30 June 2016, and is compared with the corresponding period of the previous year.

Restated Consolidated Income Statement

Amounts in EUR thousands	**1H 2016**	**1H 2015**	**Δ**	**Δ (%)**
Operating revenue	65,558	52,014	13,544	26.0%
Other operating revenue and income	656	847	(191)	(22.6%)
Value of production	**66,214**	**52,861**	**13,353**	**25.3%**
Cost of raw materials and consumables	(124)	(295)	171	(58.0%)
Cost of services and use of third-party assets	(29,498)	(20,342)	(9,156)	45.0%
Personnel costs	(29,265)	(25,399)	(3,866)	15.2%
Other costs	(503)	(530)	27	(5.1%)
Internal capitalisations	1,176	808	368	45.5%
Gross Operating Margin (EBITDA)	**8,000**	**7,103**	**897**	**12.6%**
Amortisation and depreciation	(2,602)	(2,665)	63	(2.4%)
Write-downs and provisions	(152)	(174)	22	(12.6%)
Operating Profit (Loss) (EBIT)	**5,246**	**4,264**	**982**	**23.0%**
Net financial income and expense	(942)	(870)	(72)	8.3%
Profit (loss) before tax from continuing operations	**4,304**	**3,394**	**910**	**26.8%**
Taxes	(1,440)	(1,183)	(257)	21.7%
Net profit (loss) from continuing operations	**2,864**	**2,211**	**653**	**29.5%**
Net profit (loss) from discontinued operations	0	0	0	n.a.
Consolidated net profit (loss) including minority interests	**2,864**	**2,211**	**653**	**29.5%**
Net profit (loss) attributable to minority interests	306	116	190	163.8%
Group net profit (loss)	**2,558**	**2,095**	**463**	**22.1%**

The Value of Production amounted to Euro 66.2 million compared to Euro 52.9 million at 30 June 2015, up 25.3%.

Operating revenue was Euro 65.6 million, up 26.0% compared to 30 June 2015 (Euro 52.0 million).

This significant improvement is mainly attributable to the Business Consulting segment, which recorded revenue of Euro 49.6 million (+47.5% compared to the first half of 2015).

The revenue recorded by foreign subsidiaries amounted to Euro 26.2 million, corresponding to around 40.0% of operating revenue.

At 30 June 2016, operating costs increased by around Euro 12.5 million compared to the first half of the previous year (+27.2%). In particular:

- service costs increased by around Euro 9.2 million (+45.0%);
- personnel costs increased by around Euro 3.9 million (+15.2%);
- the capitalisation of costs, mainly related to personnel working on projects to develop in-house software platforms, amounted to Euro 1.2 million (+45.5%).

The gross operating margin (EBITDA) was Euro 8.0 million, up 12.6% compared to 30 June 2015 (Euro 7.1 million). The EBITDA Margin stood at 12.1%, down slightly compared to the first half of 2015 (13.4%).

Amortisation and depreciation totalled Euro 2.6 million, whilst allocations and write-downs amounted to Euro 0.2 million.

Operating profit (loss) (EBIT) was Euro 5.2 million, up 23.0% compared to 30 June 2015 (Euro 4.3 million). The EBIT Margin stood at 7.9%, down slightly on the 8.1% at 30 June 2015.

Profit before tax from continuing operations was Euro 4.3 million, up 26.8% compared to Euro 3.4 million recorded at 30 June 2015. Tax for the first half of 2016 totalled Euro 1.4 million, compared to Euro 1.2 million for the first half of 2015.

Net profit was Euro 2.6 million, up 22.1% compared to Euro 2.1 million at 30 June 2015.

At 30 June 2016, discontinued operations had no impact on the income statement, therefore the costs and revenue recognised in the restated consolidated income statement refer solely to "continuing operations".

The breakdown of the Value of Production by operating segment is provided below:

Value of production by operating segment

Amounts in EUR millions	**1H 2016**	**%**	**1H 2015**	**%**	**Δ (%)**
Business Consulting	50.0	75.5%	33.8	63.9%	47.9%
ICT Solutions	14.4	21.8%	17.1	32.3%	(15.8%)
ICT Professional Services	1.8	2.7%	1.6	3.0%	12.5%
Other	0.0	0.0%	0.4	0.8%	n.a.
TOTAL	**66.2**	**100.0%**	**52.9**	**100.0%**	**25.1%**

An analysis of the breakdown of the Value of Production by operating segment shows the following:

- in the Consulting segment, the increase in revenue (+47.5%) recorded in 2016 benefits from the new acquisitions during the first half of the year and the resulting increase in the turnover volumes of foreign companies.
- ICT activities overall recorded a value of production down slightly in the first half of the year (-13.4%) compared to the first half of 2015.

The breakdown of the Value of Production by customer type is also provided below:

Value of production by customer type

Amounts in EUR millions	**1H 2016**	**%**	**1H 2015**	**%**	**Δ (%)**
Banks	55.5	83.8%	40.2	76.0%	38.1%
Insurance	6.4	9.7%	7.2	13.6%	(11.1%)
Industry	4.2	6.3%	5.0	9.5%	(16.0%)
Public Administration	0.1	0.2%	0.1	0.2%	0.0%
Other	0.0	0.0%	0.4	0.8%	n.a.
TOTAL	**66.2**	**100.0%**	**52.9**	**100.0%**	**25.3%**

7. Breakdown of Group equity and financial positions

A summary consolidated statement of financial position at 30 June 2016 is shown below, compared to the same statement at 31 December 2015.

Restated Consolidated Statement of Financial Position

Amounts in EUR thousands	**30.06.2016**	**31.12.2015**	**Δ**
Non-current assets	81,442	77,917	3,525
Current assets	34,402	25,237	9,165
Non-current liabilities	(22,819)	(19,785)	(3,034)
Current liabilities	(26,753)	(27,062)	309
Net Invested Capital	**66,272**	**56,307**	**9,965**
Shareholders' Equity	**49,239**	**49,212**	**27**
Net Financial Position	**17,033**	**7,095**	**9,938**

Non-current assets are represented by goodwill (Euro 56.9 million), recognised at the time of business combinations, intangible assets (Euro 16.0 million) mostly relating to software, technical fixed assets (Euro 1.9 million), deferred tax assets (Euro 5.3 million) and receivables and other non-current assets (Euro 1.4 million).

Current assets recorded a rise of Euro 9.2 million compared to 31 December 2015, due mainly to the increase in trade receivables for Euro 9.3 million and the reduction in tax receivables for Euro 0.1 million.

Non-current liabilities mostly refer to payables for post-employment benefits (TFR) of Euro 7.0 million, deferred tax liabilities of Euro 5.0 million and provisions for risks and charges of Euro 1.9 million, plus other liabilities of Euro 8.9 million, of which Euro 5.0 million refers to the guarantee deposit received on signing the "Master Agreement" with Unicredit Business Integrated Solution (UBIS), Euro 1.2 million to the remaining share of the discounted price for the future acquisition of minority interests in Targit GmbH, Euro 0.8 million to the remaining share of the discounted price for the future acquisition of minority interests in R&L AG and Euro 1.2 million to the residual share of the price payable to former shareholders of Loc Consulting Ltd.

Current liabilities - mostly comprised of trade payables of Euro 10.9 million and other liabilities, including advances and payables for indirect taxes totalling Euro 15.9 million - recorded a fall of Euro 0.3 million.

Consolidated shareholders' equity was Euro 49.23 million, compared to Euro 49.21 million at 31 December 2015. The breakdown of Net working capital is shown below:

Amounts in EUR thousands	**30.06.2016**	**31.12.2015**	**Δ**
Inventories	41	39	2
Trade receivables	30,670	21,354	9,316
Trade payables	(10,818)	(11,263)	445
Net Operating Working Capital (NOWC)	**19,893**	**10,130**	**9,763**
Other short-term receivables	3,691	3,844	(153)
Other short-term liabilities	(15,935)	(15,799)	(136)
Net Working Capital (NWC)	**7,649**	**(1,825)**	**9,474**

Net financial indebtedness at 30 June 2016 was Euro 17.0 million, marking an increase of around Euro 9.9 million with respect to 31 December 2015 (Euro 7.1 million).

	Amounts in EUR thousands	**30.06.2016**	**31.12.2015**	**Δ**
	Cash and cash equivalents at bank	10,059	19,626	(9,567)
A	**Cash and cash equivalents**	**10,059**	**19,626**	**(9,567)**
B	**Current financial receivables**	**804**	**198**	**606**
	Current bank payables	(8,139)	(8,861)	722
	Current share of medium/long-term indebtedness	(8,508)	(8,767)	259
	Other current financial payables	(12)	(5)	(7)
C	**Current financial indebtedness**	**(16,659)**	**(17,633)**	**974**
D	**Net current financial indebtedness (A+B+C)**	**(5,796)**	**2,191**	**(7,987)**
	Non-current bank payables	(11,200)	(9,286)	(1,914)
	Other non-current financial payables	(37)	0	(37)
E	**Net non-current financial indebtedness**	**(11,237)**	**(9,286)**	**(1,951)**
F	**Net financial position (D+E)**	**(17,033)**	**(7,095)**	**(9,938)**

With regard to items in the table on the consolidated net financial position, in addition to cash and cash equivalents of Euro 10.1 million, we also draw attention to:

- financial receivables amounting to Euro 0.8 million resulting from receivables due from factoring companies on receivables assigned up to 30 June 2016, the disbursement of which took place by that date and to receivables for accrued interest on factoring paid but not relating to the first half of 2016;
- current payables to banks at 30 June 2016 amounting to around Euro 16.7 million, relating to:
    - current bank payables for Euro 8.1 million (Euro 8.9 million at 31 December 2015), of which:
        a) Euro 6.2 million in short-term credit facilities classed as “advances on invoices”, “current account overdrafts” and “advances to suppliers”;
        b) Euro 1.9 million referring to:
            - the short-term loan granted by Monte dei Paschi di Siena to the Parent Company in the second half of 2015 of Euro 2 million, repayable in nine instalments from 29 February 2016. During the first half of 2016, around Euro 1.1 million was repaid and the residual debt at 30 June 2016 was Euro 0.9 thousand;
            - the short-term loan granted by Unicredit to the Parent Company in the second half of 2016 of Euro 1 million, repayable in one lump sum in February 2017.
    - around Euro 8.5 million as the current portion of loans received.
- non-current financial payables of Euro 11.2 million referred mainly to payables to banks for unsecured medium/long-term loans due beyond 12 months.

The repayment plan for medium/long-term loans outstanding at 30 June 2016:

M/L term loans outstanding at 30 June 2016

Bank	Maturity	Balance at 30.06.2016	<1 year	>1<2 years	>2<3 years	>3<4 years	>4 years
Banca Popolare dell'Emilia Romagna	2018	2,263	996	1,011	255	0	0
Banca Popolare di Milano 1	2020	5,551	1,370	1,402	1,435	1,344	0
Banca Popolare di Milano 2	2019	2,754	990	1,003	761	0	0
Banca Nazionale del Lavoro 1	2017	882	706	176	0	0	0
Banca Nazionale del Lavoro 2	2019	2,500	750	1,000	750	0	0
Unicredit 1	2018	2,225	873	896	457	0	0
Unicredit 2	2019	1,071	381	391	300	0	0
Unicredit Factoring	2016	2,442	2,442	0	0	0	0
TOTAL LOANS		**19,688**	**8,508**	**5,879**	**3,957**	**1,344**	**0**

8. Related Party Transactions

With regard to Related party transactions, including therein intercompany transactions, note that the same cannot be quantified as atypical or unusual, as part of the normal course of operations of Group companies. Said transactions are settled at arm's length, on the basis of the goods and services provided.

In the Notes to the Half-year Condensed Consolidated Financial Statements, the company provides the information requested by art. 154-ter of the Consolidated Law on Finance, as indicated by Consob regulation no. 17221 of 12 March 2010.

9. Other disclosures and Corporate Governance

9.1 Main risks and uncertainties to which the Be Group is exposed

Detailed below are the main risks and uncertainties that could affect the business activities, financial conditions and prospects of the Company and the Group.

- **Risks associated with "Operating Performance"**

  In order to further improve operating performance, the Company believes it is important to achieve the strategic objectives of the 2016-2018 Plan. This Plan was prepared by the Directors on the basis of forecasts and assumptions inherent to future trends in operations and the reference market. The forecasts represent the best estimate of future events expected to arise and of action that management intends to take. These were estimated on the basis of final figures, orders already received or sales to be made to established customers, as such presenting a lower degree of uncertainty and therefore a higher probability of actually occurring. Vice versa, the assumptions relate to future events and action, fully or partly independent from management action. Consequently, the Directors acknowledge that the strategic objectives identified in the 2016-2018 Plan, though reasonable, present profiles of uncertainty due to the chance nature of future events occurring and the characteristics of the reference market, and also as regards the occurrence of events represented in the plan and their extent and timing.

- **Risks associated with the "Financial Position"**

  The Be Group is exposed to financial risks associated with its operations, particularly interest rate risk, liquidity risk, credit risk and the risk of cash flow fluctuations. In addition, essential upkeep of the bank credit facilities held is important to the Group in order to meet its overall current funding needs and to achieve the objectives of the 2016-2018 Plan.

- **Risks associated with "Goodwill Impairment"**

  The Be Group could have a negative impact on the value of its shareholders' equity if there should be any impairment to goodwill recognised in the financial statements at 30 June 2016 because of the incapacity to generate sufficient cash flows to satisfy those forecast and envisaged in the 2016-2018 Plan.

- **Risks associated with "Litigation Liabilities"**

  The Be Group is involved in proceedings before various judicial authorities, divided into litigation cases as defendant - i.e. where the Company has been summoned by third parties - and cases as plaintiff where the Company has summonsed third parties.

- **Risks associated with "Restructuring" activities**

  In recent years, the Be Group began a restructuring of its area of business with action necessary to reduce personnel, also through transfers. There is a risk of appeals against such action and the proceedings have given rise to prudential allocation of provisions in the company financial statements. Uncertainty remains in any event regarding the decisions of the authorities involved.

- **Risks associated with "Competition"**

  The ICT consulting market is highly competitive. A number of competitors could be able to expand their product mix to our detriment. In addition, an intensification of the level of competition could affect Group business and the option of consolidating or widening its competitive position in the reference sectors, with subsequent repercussions on business and on the income, equity and financial positions.

- **Risks associated with "Technological Change"**

  The Group operates in a market characterised by profound and continuous technological changes that call for a Group capacity to adapt quickly and successfully to such developments and to the changing technology needs of its customers. Any inability of the Group in adapting to new technologies and therefore to changes in the needs of its customers could have a negative impact on operating performance.

- **Risks related to dependence on key personnel**

  The Group's success depends largely on certain key personnel that have been a determining factor in its development, in particular the executive directors of the Parent Company. The Group companies also have an executive team with many years of experience in the field, playing a crucial role in managing the Group's activities. The loss of any of these key figures without a suitable replacement, and the inability to attract and retain new, qualified resources, could have a negative impact on the Group's prospects, business activities, operating performance and financial position. Management considers in any event that the Company has an operational and executive structure capable of ensuring management of corporate affairs as a going concern.

- **Risks associated with internationalisation**

  As part of its internationalisation strategy the Group could be exposed to risks typical of international operations, including those relating to changes in the political, macroeconomic, tax and/or regulatory frameworks and to fluctuating exchange rates. In view of the events associated with the United Kingdom's process of exiting from the European Union ("Brexit"), the Group could be exposed to potential risks, at present not quantifiable or foreseeable, linked amongst other things to a write-down of its assets held in GBP. Management has implemented appropriate monitoring activities in order to react quickly to any negative effects.

9.2 Research and Development: investment

The Group's research and development activities have always aimed to consolidate customer relations, develop new forms of business for them and acquire new customers. The main research and development conducted entails developing the Group-owned technological platforms. In particular, during the first half of 2016 investments were made for the development and upgrade of the technological platforms "Universo Sirius", by Be Solutions and relating to the management of Life and Non-life insurance portfolios, "Archivia" by Be Eps for the management of document processes, and the platforms owned by the Targit Group specialised in various areas of the banking industry, for a total of Euro 1.2 million. The "Be" Group will continue to invest in research and development, and also plan other project opportunities. These new initiatives will aim to expand the product mix, creating technology platforms for the provision of services to its customers.

10. Events after 30 June 2016 and business outlook

In July the Be Group acquired 51% of IQUII S.r.l., a digital company set up in 2011 and specialised in web and mobile app development, the design of wearables and the management of the "Internet of Things". In addition, IQUII has significant expertise in managing social media, integrated marketing and digital PR. This acquisition will allow Be to channel all its digital development activities (web and mobile) requested by its customers to a specialised player. The established price paid for the 51% interest was Euro 400,000. The parties also established two subsequent put/call options to acquire a further 29% by 2021 and the option of achieving 100% of the capital with the purchase in 2025 of the residual share capital.

In view of the positive results recorded by the Group in the first half of 2016, the intention of presenting the new targets for 2017-2019 on 15 September 2016 is confirmed, earlier than the due date indicated in the previous 2015-2017 Business Plan.

Milan, 2 August 2016

/signed/ Stefano Achermann

For the Board of Directors
Chief Executive Officer

Think, Solve, Execute

Half-year Condensed Consolidated Financial Statements at 30 June 2016

Registered office:
Viale dell'Esperanto 71 - Rome
Share capital:
€ 27,109,164.85, fully paid up
Rome Register of Companies
Tax code and VAT number 01483450209

Consolidated Statement of Financial Position

Amounts in EUR thousands	***Notes***	**30.06.2016**	**31.12.2015**
NON-CURRENT ASSETS			
Property, plant and equipment	*1*	1,896	1,277
Goodwill	*2*	56,907	53,353
Intangible assets	*3*	16,009	16,795
Loans and other non-current assets	*4*	1,377	1,260
Deferred tax assets	*5*	5,253	5,232
Total non-current assets		**81,442**	**77,917**
CURRENT ASSETS			
Inventories	*6*	41	39
Trade receivables	*7*	30,670	21,354
Other assets and receivables	*8*	2,914	2,944
Direct tax receivables	*9*	777	900
Financial receivables and other current financial assets	*10*	804	198
Cash and cash equivalents	*11*	10,059	19,626
Total current assets		**45,265**	**45,061**
Total discontinued operations		**0**	**0**
TOTAL ASSETS		**126,707**	**122,978**
SHAREHOLDERS' EQUITY			
Share capital		27,109	27,109
Reserves		18,807	17,864
Net profit (loss) attributable to owners of the Parent Company		2,558	3,455
Group Shareholders' equity		**48,474**	**48,428**
Minority interests:			
Capital and reserves		459	437
Net profit (loss) attributable to minority interests		306	347
Minority interests		**765**	**784**
TOTAL SHAREHOLDERS' EQUITY	*12*	**49,239**	**49,212**
NON-CURRENT LIABILITIES			
Financial payables and other non-current financial liabilities	*13*	11,237	9,286
Provision for non-current risks	*18*	1,915	2,106
Post-employment benefits (TFR)	*15*	6,963	6,146
Deferred tax liabilities	*16*	4,970	4,655
Other non-current liabilities	*17*	8,971	6,878
Total Non-current liabilities		**34,056**	**29,071**
CURRENT LIABILITIES			
Financial payables and other current financial liabilities	*14*	16,659	17,633
Trade payables	*19*	10,818	11,263
Provision for current risks	*18*	30	29
Tax payables	*20*	682	432
Other liabilities and payables	*21*	15,223	15,338
Total Current liabilities		**43,412**	**44,695**
Total Discontinued operations		**0**	**0**
TOTAL LIABILITIES		**77,468**	**73,766**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**126,707**	**122,978**

The effects of related party transactions and non-recurring transactions on the consolidated income statement in accordance with Consob Resolution no. 15519 of 27 July 2006 are illustrated in a specific statement of financial position in paragraph 5.3.

Consolidated Income Statement

Amounts in EUR thousands	*Notes*	1H 2016	1H 2015
Operating revenue	*22*	65,558	52,014
Other operating revenue and income	*23*	656	847
Total Revenue		**66,214**	**52,861**
Raw materials and consumables	*24*	(124)	(295)
Service costs	*25*	(29,498)	(20,342)
Personnel costs	*26*	(29,265)	(25,399)
Other operating costs	*27*	(503)	(530)
Cost of internal work capitalised	*28*	1,176	808
Amortisation, depreciation and write-downs:			
Depreciation of property, plant and equipment	*29*	(273)	(322)
Amortisation of intangible assets	*29*	(2,329)	(2,343)
Impairment loss on fixed assets	*30*	0	(170)
Allocations to provisions	*31*	(152)	(4)
Total Operating costs		**(60,968)**	**(48,597)**
Operating Profit (Loss) (EBIT)		**5,246**	**4,264**
Financial income		153	31
Financial expense		(1,095)	(901)
Total Financial income/expense	***32***	**(942)**	**(870)**
Profit (loss) before tax		**4,304**	**3,394**
Current income taxes	*33*	(971)	(844)
Deferred tax assets and liabilities	*33*	(469)	(339)
Total Income taxes		**(1,440)**	**(1,183)**
Net profit (loss) from continuing operations		**2,864**	**2,211**
Net profit (loss) from discontinued operations		**0**	**0**
Net profit (loss)		**2,864**	**2,211**
Net profit (loss) attributable to minority interests	*12*	**306**	**116**
Net profit (loss) attributable to owners of the Parent Company		**2,558**	**2,095**
Earnings (loss) per share:			
Basic earnings per share (Euro)	*34*	**0.02**	**0.02**
Diluted earnings per share (Euro)	*34*	**0.02**	**0.02**

The effects of related party transactions and non-recurring transactions on the consolidated income statement in accordance with Consob Resolution no. 15519 of 27 July 2006 are illustrated in a specific statement of financial position in paragraph 5.3.

Consolidated Statement of Comprehensive Income

Amounts in EUR thousands	**1H 2016**	**1H 2015**
Net profit (loss)	**2,864**	**2,211**
Items not subject to reclassification in the income statement:		
Actuarial gains (losses) on employee benefits	(621)	239
Tax effect on actuarial gains (losses)	171	(66)
Items subject to reclassification in the income statement		
when certain conditions are met:		
Gains (losses) on cash flow hedges	(25)	50
Translation gains (losses)	(528)	77
Other items of comprehensive income	**(1,003)**	**300**
Net comprehensive profit (loss)	**1,861**	**2,511**
Attributable to:		
Owners of the Parent Company	1,546	2,401
Minority interests	315	110

Consolidated Statement of Cash Flows

Amounts in EUR thousands	***Notes***	**1H 2016**	**1H 2015**
Net profit (loss)		2,864	2,211
Amortisation, depreciation and write-downs	*29-30*	2,602	2,835
Non-monetary changes in post-employment benefits (TFR)		501	381
Net financial expense in the income statement	*32*	990	1,045
Taxes for the year	*33*	971	844
Deferred tax assets and liabilities	*33*	469	339
Losses on current assets and provisions	*31*	152	4
Increase in internal work capitalised	*28*	(1,176)	(808)
Other non-monetary changes		(18)	0
Exchange rate conversion differences		672	(237)
Cash flow from operating activities		**8,027**	**6,614**
Change in inventories	*6*	1	149
Change in trade receivables	*7*	(7,403)	(11,852)
Change in trade payables	*19*	(1,809)	2,734
Use of bad debt provisions	*18*	(342)	(120)
Other changes in current assets and liabilities		(2,019)	(5,028)
Post-employment benefits paid	*15*	(428)	(509)
Other changes in non-current assets and liabilities		(287)	4,615
Change in net working capital		**(12,287)**	**(10,011)**
Cash flow from (used in) operating activities		**(4,260)**	**(3,397)**
(Purchase) of property, plant and equipment net of disposals	*1*	(884)	(459)
(Purchase) of intangible assets net of disposals	*3*	(35)	(159)
Cash flow from business combinations net of cash acquired		(1,984)	0
Cash flow from (used in) investing activities		**(2,903)**	**(618)**
Change in current financial assets	*10*	(606)	287
Change in current financial liabilities	*14*	(1,021)	(4,613)
Change in non-current financial assets		0	1
Financial expense paid		(895)	(974)
Change in non-current financial liabilities	*13*	1,951	8,683
Contributions from minority interests		0	13
Distribution of dividends paid to Group shareholders	*12*	(1,500)	(750)
Distribution of dividends paid to minority interests	*12*	(333)	(150)
Cash flow from (used in) financing activities		**(2,404)**	**2,497**
Cash flow from (used in) discontinued operations		**0**	**0**
Cash and cash equivalents		**(9,567)**	**(1,518)**
Net cash and cash equivalents - opening balance	*11*	19,626	8,521
Net cash and cash equivalents - closing balance	*11*	10,059	7,003
Net increase (decrease) in cash and cash equivalents		**(9,567)**	**(1,518)**

Statement of Changes in Consolidated Shareholders' Equity

Amounts in EUR thousands	Share capital	Reserves and retained earnings	Profit (loss) for the year	Group Shareholders' equity	Minority interests	Total
SHAREHOLDERS' EQUITY AT 31.12.2014	**27,109**	**17,546**	**1,042**	**45,697**	**488**	**46,185**
Net profit (loss)			2,095	2,095	116	2,211
Other items of comprehensive income		306		306	(6)	300
Group net comprehensive profit (loss)		**306**	**2,095**	**2,401**	**110**	**2,511**
Allocation of prior year profit (loss)		1,042	(1,042)	0		0
Dividend distribution		(750)		(750)	(150)	(900)
Capital contributions					126	126
SHAREHOLDERS' EQUITY AT 30.06.2015	**27,109**	**18,145**	**2,095**	**47,349**	**574**	**47,923**

Amounts in EUR thousands	Share capital	Reserves and retained earnings	Profit (loss) for the year	Group Shareholders' equity	Minority interests	Total
SHAREHOLDERS' EQUITY AT 31.12.2015	**27,109**	**17,864**	**3,455**	**48,428**	**784**	**49,212**
Net profit (loss)			2,558	2,558	306	2,864
Other items of comprehensive income		(1,012)	0	(1,012)	9	(1,003)
Group net comprehensive profit (loss)		**(1,012)**	**2,558**	**1,546**	**315**	**1,861**
Allocation of prior year profit (loss)		3,455	(3,455)	0		0
Dividend distribution		(1,500)		(1,500)	(333)	(1,833)
SHAREHOLDERS' EQUITY AT 30.06.2016	**27,109**	**18,807**	**2,558**	**48,474**	**765**	**49,239**

Notes to the consolidated financial statements

1. Corporate information

The Be Group is one of the leading Italian players in the IT Consulting sector. The Group provides Business Consulting, Information Technology and Professional services. A combination of specialist skills, advanced proprietary technologies and a wealth of experience enable the Group to work with leading financial and insurance institutions and Italian industry to improve their competitive capacity and their potential to create value. With around 1,140 employees and branches in Italy, Germany, United Kingdom, Switzerland, Austria, Poland, the Ukraine and Romania, in the first half of 2016 the Group recorded total revenue of Euro 66.2 million.

Be Think, Solve, Execute S.p.A. (**Be S.p.A.** for short), listed in the Segment for High Requirement Shares (STAR) of the Electronic Share Market (MTA), performs management and coordination activities for the Group companies pursuant to art. 2497 et seq. of the Italian Civil Code, through control and coordination of operating, strategic and financial decisions of the subsidiaries and through management and control of reporting flows in readiness for preparation of both annual and interim accounting documents.

The half-year condensed consolidated financial statements at 30 June 2016 were approved for publication by the parent company Board of Directors on 2 August 2016.

2. Measurement criteria and accounting standards

2.1. Presentation criteria

The half-year condensed consolidated financial statements at 30 June 2016 (also referred to as the "Half-year Consolidated Financial Statements") were prepared in application of art. 154-ter of the Consolidated Law on Finance and in accordance with IAS 34 - Interim Financial Reporting. Therefore they do not include all information required for annual financial statements and must be read together with the financial statements prepared at 31 December 2015.

The Be Group consolidated income statement presents a classification of individual components based on their nature. This format complies with the management reporting method adopted by the Group and is therefore considered more representative than a presentation by item allocation, providing more reliable and more significant indications for the business sector concerned. With reference to the statement of financial position, a presentation format has been adopted that divides assets and liabilities into current and non-current, as permitted by IAS 1.

The consolidated statement of cash flows indicates cash flows during the year and classified as operating, investing or financing activities. Cash flows from operating activities are recognised using the indirect method.

The consolidated statement of changes in shareholders' equity was prepared in compliance with IAS 1.

With regard to segment reporting in accordance with IFRS 8, note that in view of the Group's business operations the reference format is that for operating segments, a better description of which can be found in paragraph 2.8 "Segment reporting".

The Half-year Condensed Consolidated Financial Statements and the notes to the financial statements are presented in thousands of Euro unless otherwise indicated. There could be differences in the unit amounts shown in the tables below due to rounding.

In preparing these financial statements, the Directors used going concern assumptions and therefore prepared the statements on the basis of standards and criteria applying to fully operative companies. For further information, please refer to paragraph 2.3 "Disclosure on going concern assumptions".

The accounting principles adopted are the same as for the previous year and therefore reference should be made to the consolidated financial statements at 31 December 2015, except for the effects of application of the new accounting principles illustrated below and in force from 1 January 2016:

- Amendments to **IAS 19 Defined Benefit Plans: Employee Contributions** (published on 21 November 2013): relating to recognition in the financial statements of contributions paid by employees or third parties into defined benefit plans. **The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**
- Amendments to **IFRS 11 Joint Arrangements - Accounting for acquisitions of interests in joint operations** (published on 6 May 2014): relating to accounting for the acquisition of an interest in a joint operation whose activities constitute a business. **The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**
- Amendments to **IAS 16 Property, plant and equipment and IAS 41 Agriculture - Bearer Plants** (published on 30 June 2014): bearer plants, i.e. fruit-bearing trees harvested annually (for example, vines, hazelnut trees), must be accounted for in accordance with IAS 16 requirements (rather than IAS 41). **The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**
- Amendments to **IAS 16 - Property, plant and equipment and IAS 38 Intangible Assets - Clarification of acceptable methods of depreciation and amortisation** (published on 12 May 2014): according to which a revenue-based depreciation or amortisation criterion is normally considered inappropriate, in that revenue generated by an asset which includes use of the asset subject to amortisation or depreciation generally reflects factors other than just the consumption of the economic benefits of said asset, a requirement instead necessary for depreciation or amortisation. **The adoption of this amendment has had no effect on the Group's Consolidated Financial Statements.**
- Amendment to **IAS 1 - Disclosure Initiative** (published on 18 December 2014): the objective of the changes is to provide clarification on elements of disclosure that may be perceived as preventing the clear and intelligible preparation of financial statements. **The adoption of this amendment has had no effect on the Group's Consolidated Financial Statements.**

Lastly, as part of its annual improvements cycle for the standards, on 12 December 2013 the IASB published **"Annual Improvements to IFRSs: 2010-2012 Cycle** (including IFRS 2 Share-based payment - Definition of vesting condition, IFRS 3 Business Combinations - Accounting for contingent consideration, IFRS 8 Operating segments - Aggregation of operating segments and Reconciliation of the total of the reportable segments' assets to the entity's assets, IFRS 13 Fair value measurement - Short-term receivables and payables), then on 25 September 2014 published **"Annual Improvements to IFRSs: 2012-2014 Cycle"** (including IFRS 5 Non-current assets held for sale and discontinued operations, IFRS 7 - Financial instruments: Disclosure and IAS 19 - Employee benefits) which partially supplement the pre-existing standards. **The adoption of these amendments has had no effect on the Group's Consolidated Financial Statements.**

At the date of these Half-year Consolidated Financial Statements of the Group, the competent bodies of the European Union have not yet completed the endorsement process required for adoption of the amendments and standards listed below:

- IFRS 15 - Revenue from Contracts with Customers;
- final version of IFRS 9 - Financial Instruments;
- IFRS 16 - Leases;
- amendment to IFRS 10 and IAS 28 – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture;

- amendments to IFRS 10, IFRS 12 and IAS 28;
- amendments to IAS 12MM;
- amendments to IAS 7;
- amendments to IFRS 2.

2.2. Discretionary measurements and significant accounting estimates

Preparation of the financial statements and related notes in application of IFRS requires that management perform discretionary measurements and accounting estimates that have an effect on the value of assets, liabilities, revenue and costs in the financial statements and disclosures. The final results could differ from such estimates. The estimates are used in measuring goodwill, in recognising credit risk provisions, in measuring property, plant and equipment and intangible assets, in determining amortisation and depreciation and in calculating taxes and provisions for risks and charges. Also note that the directors have exercised their discretion in assessing the prerequisites for going concern assumptions. The estimates and assumptions are periodically reviewed and the effects of any change are immediately reflected in the income statement.

For further information on the main accounting estimates, reference should be made to the Consolidated Financial Statements at 31 December 2015.

2.3. Disclosure on going concern assumptions

The 2016-2018 Plan was prepared on the basis of forecasts and assumptions inherent to future trends in operations and the reference market. Though reasonable, these do show profiles of uncertainty due to the questionable nature of future events and the characteristics of the market in which the Group operates.

Given the above and given the contents of the paragraph 6 “Events after 30 June 2016 and business outlook” in the Management Report, the Directors consider going concern assumptions to be appropriate in preparing the Half-year Condensed Consolidated Financial Statements as no uncertainties have emerged associated with events or circumstances which, taken individually or as a whole, could give rise to doubts about the company as a going concern.

2.4. Scope of consolidation

The scope of consolidation includes the Parent Company Be S.p.A. and the companies under its direct or indirect control.

Taking previous considerations into account, a list of investments in companies included in the scope of consolidation is provided below, as required by Consob Communication no. 6064293 of 28 July 2006:

Company name	Registered office	Share Capital	Currency	Parent Company	% interest	Minority interests
Be S.p.A.	Rome	27,109,165	EUR			
Be Professional Service S.p.A.	Rome	351,900	EUR	Be S.p.A.	100%	0%
Be Consulting S.p.A.	Rome	120,000	EUR	Be S.p.A.	100%	0%
Be Solutions S.p.A.	Rome	7,548,441	EUR	Be S.p.A.	100%	0%
A&B S.p.A.	Rome	2,583,000	EUR	Be S.p.A.	95%	5%
Be Think Solve Execute RO S.r.l.	Bucharest	22,000	RON	Be S.p.A.	100%	0%
Be Enterprise Process Solutions S.p.A.	Rome	500,000	EUR	Be Solutions S.p.A.	100%	0%
iBe Think Solve Execute Ltd	London	1,691,898	GBP	Be Consulting S.p.A.	100%	0%
Be Ukraine LLC	Kiev	20,116	UAH	iBe Think Solve Execute Ltd	95%	0%
Be Ukraine LLC				Be Consulting S.p.A.	5%	0%
Targit Group	Munich	92,033	EUR	iBe Think Solve Execute Ltd	67%	33%
Be Sport, Media & Entertainment Ltd	London	318,774	GBP	iBe Think Solve Execute Ltd	75%	25%
R&L AG	Munich	1,882,000	EUR	Targit GmbH	55%	45%
LOC Consulting Ltd	London	200,900	GBP	iBe Think Solve Execute Ltd	100%	0%
Be Poland Think, Solve and Execute sp z.o.o	Warsaw	1,000,000	PLN	iBe Think Solve Execute Ltd	93%	7%

Compared to 31 December 2015, the scope of consolidation has been altered by the following events:

- acquisition of R&L AG, through the subsidiary Targit GmbH;
- acquisition of Loc Consulting Ltd, through the subsidiary iBe Ltd;
- by merger deed dated 23 March 2016, the company Be Sport, Media & Entertainment S.p.A. was merged into Be Consulting S.p.A. The effects of the merger were backdated to 1 January 2016 and the merging entity Be Consulting S.p.A. took full ownership of the assets and liabilities of the merged entity and all legal relations previously managed by Be Sport, Media & Entertainment S.p.A.

2.5. Conversion of financial statements in currencies other than the Euro

The assets and liabilities of foreign subsidiaries are converted into Euro at the exchange rate in force on the date of the financial statements. Income and expense are converted at average exchange rates for the year. The differences resulting from exchange rates are recorded under "Translation reserve" in Shareholders' Equity. This reserve is recognised in the Income Statement as income or as expense for the period in which the relative subsidiary was transferred.

2.6. Transactions and balances in foreign currency

Transactions in foreign currencies are recognised at the exchange rate in force on the date of the transaction. Monetary assets and liabilities, denominated in foreign currencies on the reference date of the financial statements, are converted at the exchange rate in force on said date. The exchange rate differences generated by the derecognition of monetary items or by their conversion at different rates to those at which they were converted at the time of initial recognition are booked to the income statement.

Exchange rates

Currency	2016 average	30.06.2016	2015 average	31.12.2015
British Pound (GBP)	0.7784	0.8265	0.7260	0.73395
Polish Zloty (PNL)	4.3684	4.4362	4.1831	4.2639
Ukrainian Hryvnia (UAH)	28.392	27.5638	24.2522	26.1587
Romanian Leu (RON)	4.4957	4.5234	4.4471	4.5240
Swiss Franc (CHF)	1.0960	1.0867	1.0683	1.0835

2.7. Business combinations in the reporting period

As described previously, in the first half of 2016 the Be Group acquired 55% of R&L AG through the subsidiary Targit GmbH and 100% of Loc Consulting Ltd through the subsidiary iBe Ltd, confirming its consolidation strategy for the European market.

- With regard to the 55% acquisition of R&L AG, the Company paid Euro 1.5 million at the time of closing. The reference values for the transaction were as follows:

Reference amount for the R&L AG acquisition transaction

Amounts in EUR thousands	Book value of the business acquired	Fair value adjustments	Fair Value
Intangible assets	364		364
Inventories	3		3
Trade receivables	698		698
Other assets and receivables	85		85
Cash and cash equivalents	670		670
Post-employment benefits (TFR)	(123)		(123)
Trade payables	(137)		(137)
Tax payables	(61)		(61)
Other liabilities and payables	(283)		(283)
NET TOTAL OF ASSETS ACQUIRED	**1,216**		**1,216**
GOODWILL			**1,147**
ACQUISITION PRICE			**2,363**
broken down as follows, (amounts include discounting as at the acquisition date):			
2016 fee			(1,470)
Extended fee discounted including earn-out			(893)
CASH FLOW FROM THE ACQUISITION			
Payment already made			(1,470)
Cash and cash equivalents acquired			670
NET CASH FLOWS			**(800)**

Note that the agreement between the parties potentially envisages an "extra price consideration" based on positive results achieved by the subsidiary in 2016 and 2017, plus a compulsory buy-out on the residual 45.00% of the shares. In particular, the put & call option envisages a basic fee (floor) of Euro 0.7 million, to be increased up to a maximum (cap) of Euro 2.0 million based on any positive results achieved by the subsidiary in 2018 and 2019.

The above-mentioned earn-out was calculated on the basis of currently available estimates of Euro 1,019 thousand (corresponding to a discounted amount at the acquisition date of Euro 893 thousand).

The remainder will be paid as follows: Euro 105 thousand by 31 December 2017, Euro 32 thousand by 31 March 2018 and Euro 882 thousand by 31 March 2020.

The transaction was accounted for using the purchase cost method with effect from the date of acquisition of control. The gain of Euro 1,147 thousand generated by the acquisition was provisionally allocated to goodwill, in accordance with IFRS 3.45 and 3.46, pending a more in-depth assessment of the assets acquired.

- With regard to the 100% acquisition of Loc Consulting Ltd, the Company paid Euro 4.4 million at the time of closing. The reference values for the transaction were as follows:

Reference amount for the Loc Consulting Ltd acquisition transaction

Amounts in EUR thousands	Book value of the business acquired	Fair value adjustments	Fair Value
Property, plant and equipment	27		27
Trade receivables	1,215		1,215
Cash and cash equivalents	3,213		3,213
Trade payables	(1,227)		(1,227)
NET TOTAL OF ASSETS ACQUIRED	**3,227**	**0**	**3,227**
GOODWILL			**3,324**
ACQUISITION PRICE			**6,551**
broken down as follows, (amounts include discounting as at the acquisition date):			
2016 fee			(4,397)
Extended fee discounted including earn-out			(2,154)
CASH FLOW FROM THE ACQUISITION			
Payment already made			(4,397)
Cash and cash equivalents acquired			3,213
NET CASH FLOWS			**(1,184)**

Note that the agreement between the parties envisages the payment of an earn-out.

The fee - including the estimated earn-out - was calculated on the basis of currently available estimates of Euro 2,303 thousand (corresponding to a discounted amount at the acquisition date of Euro 2,154 thousand).

The residual amount will be paid as follows: Euro 750 thousand by 31 January 2017, Euro 150 thousand by 30 April 2017, Euro 750 thousand by 31 January 2018, Euro 272 thousand by 30 April 2018 and Euro 281 thousand by 30 April 2019.

The transaction was accounted for using the purchase cost method with effect from the date of acquisition of control. The gain of Euro 3,324 thousand generated by the acquisition was provisionally allocated to goodwill, in accordance with IFRS 3.45 and 3.46, pending a more in-depth assessment of the assets acquired.

In the period between the date of acquisition of control by the Be Group and the closing date of the Half-year Condensed Consolidated Financial Statements at 30 June 2016 the two companies achieved a total revenue of Euro 5.3 million and total profit of Euro 0.6 million.

2.8. Segment reporting

The disclosure required by IFRS 8 is provided, taking into account the organisational structure of the Group, which includes the following operating segments:

- **Business Consulting:**

  Business Unit: active in the business consulting sector. This business unit operates through Be Consulting Think, Project & Plan S.p.A, iBe Solve Execute Ltd, Be Ukraine Think, Solve, Execute S.A., Be Poland Think, Solve, Execute Sp.zo.o., Targit Group, Be Sport, Media & Entertainment Ltd, Loc Consulting Ltd and R&L AG.

- **ICT Solutions:**

  Business Unit: active in the provision of integrated solutions and systems for the financial services, insurance and utilities sectors. This business unit covers the activities performed by Be Solutions Solve Realize & Control S.p.A., Be Enterprise Process Solutions S.p.A. and Be Think Solve Execute RO S.r.l.

- **ICT Professional Services:**

  Business Unit: active in the provision of specialised programming language, solutions and ICT architecture expertise. This business unit relates to activities performed by "Be Professional Services S.p.A."

The structure of the disclosure reflects that of the reports periodically analysed by management and by the Board of Directors to manage the business and is the subject of periodic management reporting and planning.

The Parent Company's activities and those of residual businesses are indicated separately.

The economic position of the Group for the first half of 2016, compared with that of the first half of 2015, is reported below, separating continuing operations from discontinued operations.

The operating segment values illustrated are gross of intercompany transactions with other Group companies from different segments, whilst the value of production by operating segment and by customer type indicated in the Management Report is shown net of all intercompany transactions between Group companies.

At present, the Group does not believe that a segment analysis by geographic area is relevant for its reporting purposes, even though in the first half of 2016 the operating revenue reported by foreign subsidiaries amounted to Euro 26.2 million, equal to 40.0% of total operating revenue.

Breakdown by operating segment 1 January 2016-30 June 2016

	Consulting	IT Service	Professional Services	Corporate and other	Discontinued	Infra-segment consolidation adjustments	Minority interests	Total
Operating revenue	49,763	14,684	4,438	2,144	0	(5,471)	0	65,558
Other revenue	576	494	148	373	0	(935)	0	656
Value of production	50,339	15,178	4,586	2,517	0	(6,406)	0	66,214
Operating Profit (Loss) (EBIT)	6,799	(191)	(89)	(1,272)	0	0	0	5,246
Net financial expense	(337)	(363)	(53)	2,952	0	(3,141)	0	(942)
Net profit (loss)	4,444	(597)	(214)	2,347	0	(3,115)	(306)	2,558

Breakdown by operating segment 1 January 2015-30 June 2015

	Consulting	IT Service	Professional Services	Corporate and other	Discontinued	Infra-segment consolidation adjustments	Minority interests	Total
Operating revenue	34,274	18,146	4,310	2,001	0	(6,716)	0	52,014
Other revenue	489	490	59	512	0	(703)	0	847
Value of production	34,762	18,635	4,368	2,513	0	(7,418)	0	52,861
Operating Profit (Loss) (EBIT)	4,552	748	109	(720)	0	(425)	0	4,264
Net financial expense	(224)	(645)	(130)	3,742	0	(3,612)	0	(870)
Net profit (loss)	2,662	(754)	(105)	3,663	0	(3,256)	(116)	2,095

3. Breakdown of the main items of the Statement of Financial Position

Note 1.
Property, plant and equipment

At 30 June 2016, property, plant and equipment recorded a balance of Euro 1,896 thousand, net of cumulative depreciation, compared to Euro 1,277 thousand at 31 December 2015.

Change in historical cost

	Historical cost 31.12.2015	Increases	Decreases	Business combinations	Exchange gains/losses	Historical cost 30.06.2016
Plant and equipment	10,299	66	(5)	184	(21)	10,524
Fixtures and fittings, tools and other equipment	2,738					2,738
Other assets	22,321	875	(63)	96	(61)	23,169
Assets under development and advances	43		(40)			3
TOTAL	**35,401**	**941**	**(108)**	**280**	**(81)**	**36,433**

Change in accumulated depreciation

	Accumulated depreciation 31.12.2015	Depreciation	Decreases	Business combinations	Exchange gains/losses	Accumulated depreciation 30.06.2016
Plant and equipment	10,232	23	(3)	180	(20)	10,412
Fixtures and fittings, tools and other equipment	2,738					2,738
Other assets	21,154	250	(48)	73	(42)	21,387
TOTAL	**34,124**	**273**	**(51)**	**253**	**(62)**	**34,537**

Net book value

	Net value 31.12.2015	Net value 30.06.2015
Plant and equipment	67	111
Fixtures and fittings, tools and other equipment	0	0
Other assets	1,167	1,782
Assets under development and advances	43	3
TOTAL	**1,277**	**1,896**

The value of fixtures and fittings, tools and other equipment includes all the Group-owned operating assets used in the production of data processing services.

The figure for other assets includes the following:

- vehicles;
- passenger cars;
- ordinary office furniture and machines;

- electronic office machines;
- leasehold improvements.

The increase in other assets during the period mainly refers to the purchase of furniture and fittings by Be Consulting for office modernisation, in addition to electronic machines by Be Professional. The decreases refer to the disposal of obsolete assets during the first half of the year.

Note 2.
Goodwill

Goodwill stood at Euro 56,907 thousand at 30 June 2016. The cash generating units (CGUs) were identified for impairment testing purposes based on the Group's organisation and consistent with the former IFRS 8 reporting structure described in the paragraph 2.8 "Segment reporting".

The breakdown is as follows:

Goodwill

	Balance at 31.12.2015	Increases	Decreases	Exchange gains/losses	Balance at 30.06.2016
Cash generating unit (CGU)					
Business Consulting	25,894	4,471		(916)	29,448
ICT Services	26,711				26,711
ICT Professional Services	748				748
Total	**53,353**	**4,471**		**(916)**	**56,907**

The increase in goodwill of Euro 4,471 thousand refers to the 55% acquisition by the Be Group in the first half of 2016 of R&L AG through the subsidiary Targit GmbH and 100% of Loc Consulting Ltd through the subsidiary iBe Ltd.

When preparing this Interim Financial Report, Company Management verified the continued reliability of the forecasts for revenue, investments and operating costs contained in the 2016-2018 Plan used to estimate value in use at 31 December 2015, in order to determine the recoverable amount of goodwill of the various cash generating units. The Directors then confirmed that the book value of goodwill recognised at 30 June 2016 is sustainable.

The analysis conducted, which takes into account the market environment, showed no signs of impairment and allows confirmation of the assumptions made in formulating the plans. For further information and a description of the impairment test procedure, reference should be made to the Notes to the "Annual Financial Report at 31 December 2015".

Note 3.
Intangible assets

At 30 June 2016, intangible assets recorded a balance of Euro 16,009 thousand, net of cumulative amortisation, compared to Euro 16,795 thousand at 31 December 2015.

The changes during the reporting period, changes in cumulative amortisation and the historic cost are provided below, with amounts expressed in thousands of Euro.

Change in historical cost

	Historical cost 31.12.2015	Increases	Decreases	Reclassifications	Business combinations	Exchange gains/losses	Historical cost 30.06.2016
Research and development costs	1,135						1,135
Rights, patents and intellectual property	219						219
Concessions, licences and trademarks	8,931	2					8,933
Assets under development and advances	2,182	1,177		(1,346)			2,013
Other (including proprietary SW)	36,260	142	(110)	1,346	379	(51)	37,966
TOTAL	**48,727**	**1,321**	**(110)**	**0**	**379**	**(51)**	**50,266**

Change in accumulated amortisation

	Accumulated amortisation 31.12.2015	Amortisation/Write-downs	Decreases	Business combinations	Exchange gains/losses	Accumulated amortisation 2015
Research and development costs	830	67				897
Rights, patents and intellectual property	219					219
Concessions, licences and trademarks	8,777	49				8,826
Other (including proprietary SW)	22,106	2,213		15	(19)	24,315
TOTAL	**31,932**	**2,330**	**0**	**15**	**(19)**	**34,257**

Net book value

	Net value 31.12.2015	Net value 30.06.2015
Research and development costs	305	238
Rights, patents and intellectual property	0	0
Concessions, licences and trademarks	154	107
Assets under development and advances	2,182	2,013
Other (including proprietary SW)	14,154	13,651
TOTAL	**16,795**	**16,009**

The residual values of individual intangible assets are considered justified on the basis of their estimated useful lives and profitability.

The increases in assets under development at 30 June 2016 mainly refer to development of the following ICT platforms: "Universo Sirius" by Be Solutions relating to the management of Life and Non-Life insurance portfolios, "Archivia" by Be Eps for the management of document processes, Be Professional's corporate ICT system and the platform owned by the Targit Group, specialised in various areas of the banking industry.

Note 4.
Loans and other non-current assets

Receivables and other non-current assets refer mainly to guarantee deposits paid for Euro 332 thousand and advances paid to employees in past years to be recovered on termination of their employment contracts for Euro 116 thousand.

Among other non-current receivables, Euro 556 thousand refer to the receivable due from a customer but not yet paid at the reporting date. A balancing entry to this receivable is recognised under other non-current liabilities as a payable for the same amount in relation to penalties demanded by the same customer and challenged by the Group.

Non-current prepaid expenses amounted to Euro 197 thousand at 30 June 2016 and mainly refer to costs incurred by Be Solutions relating to the increase of the rent payable for 2017-2019 for the Milan head office in via dei Valtorta.

Other assets and receivables

	Balance at 30.06.2016	Balance at 31.12.2015
Guarantee deposits	332	311
Receivables from employees due beyond 12 months	116	122
Receivables from social security and welfare organisations	27	27
Other non-current receivables	705	556
Non-current prepaid expenses	197	244
TOTAL	**1,377**	**1,260**

Note 5.
Deferred tax assets

The deferred tax assets in the financial statements refer mainly to the Parent Company and are recognised based on the reasonable assumption that they will be recoverable, in accordance with future taxable income forecast in the three-year plan. They are calculated on the basis of prior year losses considered recoverable and on the temporary tax differences on taxable provisions for risks and differences between the book value and value for tax purposes on goodwill recognised.

Deferred tax assets are calculated using the current tax rates (IRES 27.5% until 31 December 2016 then 24% from 1 January 2017, and IRAP 3.9%-4.37%).

Deferred tax assets

	Balance at 31.12.2015	Allocation	Utilisation	Other changes	Exchange difference	Balance at 30.06.2016
Deferred tax assets	5,232	61	(187)	156	(9)	5,253
TOTAL	**5,232**	**61**	**(187)**	**156**	**(9)**	**5,253**

Deferred tax assets and liabilities relating to the Group's Italian companies have been measured taking the change in the IRES rate into account, which as of 1 January 2017 will be 24% instead of the current 27.5%.

Note 6.
Inventories

Inventories refer mainly to the inventories of consumables of Be Eps for Euro 41 thousand.

Inventories

	Balance at 30.06.2016	Of which business combinations	Balance at 31.12.2015
Raw materials and consumables	41	3	39
TOTAL	**41**	**3**	**39**

Note 7.
Trade receivables

Trade receivables arise from goods and services produced and provided by the Group but not yet collected at 30 June 2016.

Trade receivables

	Balance at 30.06.2016	Of which business combinations	Balance at 31.12.2015
Receivables due from customers	32,126	1,913	22,810
Bad debt provision for receivables due from customers	(1,456)		(1,456)
TOTAL	**30,670**	**1,913**	**21,354**

The amount allocated in the financial statements is considered fair coverage of the credit risk.

Bad debt provision

	Balance at 30.06.2016	Balance at 31.12.2015
Opening balance	1,456	915
Allocations	0	569
Utilisation	0	(28)
TOTAL	**1,456**	**1,456**

The breakdown of receivables is shown below, by due date, net of invoices/credit notes to be issued for Euro 17,106 thousand and before the bad debt provision of Euro 1,456 thousand.

	Due	0-30 days	31-60 days	61-90 days	91-180 days	Over 180 days	Total
Receivables due from customers	5,652	3,300	529	343	711	4,486	15,020
Bad debt provision						(1,456)	(1,456)
TOTAL	**5,652**	**3,300**	**529**	**343**	**711**	**4,030**	**13,564**

The amount outstanding for over 180 days mostly regards receivables due from the Italian Public Administration for which the appropriate credit collection measures have been taken.

Note 8.
Other assets and receivables

Other assets and receivables at 30 June 2016 amount to Euro 2,914 and break down as follows:

Other assets and receivables

	Balance at 30.06.2016	Of which business combinations	Balance at 31.12.2015
Advances to suppliers for services	96	77	101
Receivables due from social security organisations	872		1,272
Receivables due from employees	273		96
VAT credits and other indirect taxes	464	8	686
Accrued income and prepaid expenses	972		651
Other receivables	237		138
TOTAL	**2,914**	**85**	**2,944**

Advances to suppliers refer to payments on account mainly to suppliers of services provided to Group companies.

Receivables due from social security organisations refer mainly to the receivable due to Be Eps for the recovery of costs for welfare support systems and due to Be Consulting for the recovery of social security contributions paid in excess in prior years.

Prepaid expenses amount to Euro 884 thousand and include the portions of costs incurred during the period but due in the next period, relating to support and maintenance fees, rents, insurance premiums and lease instalments.

Accrued income totals Euro 88 thousand and refers to revenue for the reporting period to be invoiced in the next period.

Note 9.
Tax receivables

Tax receivables primarily include amounts due from Italian Tax Authorities for IRAP and IRES, as well as other tax receivables due to iBe Ltd.

Tax receivables

	Balance at 30.06.2016	Balance at 31.12.2015
Tax receivables	770	816
Other tax receivables	7	84
TOTAL	**777**	**900**

Note 10.
Financial receivables and other current financial assets

Financial receivables amounting to Euro 804 thousand refer to receivables due from factoring companies on assignments made up to 30 June 2016, but settled after that date, and receivables for accrued interest on factoring paid but not related to the first half of 2016.

Financial receivables and other current financial assets

	Balance at 30.06.2016	Balance at 31.12.2015
Other financial receivables	804	198
TOTAL	**804**	**198**

Note 11.
Cash and cash equivalents

The balance represents cash held in current accounts at banks and post offices, and to a residual extent to cash on hand at 30 June 2016.

The balance at the end of June was Euro 10,059 thousand compared to Euro 19,626 thousand at 31 December 2015.

Note that the Be Group has adopted a national and international zero balance cash pooling system with the banks in order to optimise financial resources at Group level.

Cash and cash equivalents

	Balance at 30.06.2016	Of which business combinations	Balance at 31.12.2015
Bank and post office deposits	10,038	3,883	19,616
Cash on hand	21		10
TOTAL	**10,059**	**3,883**	**19,626**

Note 12.
Shareholders' Equity

At 30 June 2016 the Parent Company's fully paid-up share capital totalled Euro 27,109 thousand, divided into 134,897,272 ordinary shares.

On 26 April 2016, the Shareholders' Meeting resolved to approve the financial statements at 31 December 2015 of Be S.p.A. and to allocate the Euro 2,546,304.73 profit for the year as Euro 1,500,000.00 in gross dividend distribution, amounting to Euro 0.01112 per share (gross of statutory withholding tax), Euro 127,315.24 to the Legal Reserve and the remaining Euro 918,989.49 to the Extraordinary Reserve.

The payment date of the dividend was 25 May 2016 on coupon no. 6, with coupon date of 23 May 2016 and record date of 24 May 2016.

Consolidated equity reserves at 30 June 2016 amount to Euro 18,807 thousand and include the following:

- the Share Premium Reserve of the Parent Company for Euro 15,168 thousand;
- Legal Reserve of the Parent Company for Euro 376 thousand;
- Other Reserves of the Parent Company for Euro 4,223 thousand;

- IAS Reserves (FTA and IAS 19R) for a negative Euro 283 thousand;
- other negative Consolidation Reserves for Euro 677 thousand.

Stock option plans

The company has no stock option plans.

Treasury shares

At 30 June 2016 the company holds no treasury shares.

Minority interests

Minority interests amount to Euro 765 thousand, compared to Euro 784 thousand at 31 December 2015.

Disclosure on the Group's Minority shareholders (Non-Controlling Interests)

The following paragraphs contain financial information on companies not fully controlled by the Group, as required by the new standard IFRS 12.

The following amounts are shown prior to consolidation adjustments:

Company	% interest	Local currency	Total assets	Total Shareholders' Equity	Net Revenue	Group net profit (loss)	Total dividends distributed
A&B S.p.A.	5.00%	EUR	5,886	5,381	5	9	0
R&L AG	45.00%	EUR	1,758	1,440	1,628	223	0
Targit Group (including R&L)	33.33%	EUR	9,874	4,221	14,309	688	333
Be Sport, Media & Entertainment Ltd	25.00%	GBP	642	(405)	0	(121)	0
Be Poland Think, Solve and Execute sp z.o.o	7.00%	PLN	1,183	981	1,017	92	0

Net Financial Position

The net financial position at 30 June 2016 was Euro 17,033 thousand compared to Euro 7,095 thousand at 31 December 2015. Note that the cash flow generation is affected by a certain degree of seasonality as regards the outlay necessary to advance activities in progress, the billing cycle and related collections, which traditionally lead to arranging cash outflows in advance in the first half of the year whereas collections are focused in the final quarter of the year.

The breakdown of this item is provided below. For comments on individual items, please refer to the contents of notes 10 and 11 above and notes 13 and 14.

Consolidated net financial position

	Amounts in EUR thousands	30.06.2016	31.12.2015	Δ
	Cash and cash equivalents at bank	10,059	19,626	(9,567)
A	**Cash and cash equivalents**	**10,059**	**19,626**	**(9,567)**
B	**Current financial receivables**	**804**	**198**	**606**
	Current bank payables	(8,139)	(8,861)	722
	Current share of medium/long-term indebtedness	(8,508)	(8,767)	259
	Other current financial payables	(12)	(5)	(7)
C	**Current financial indebtedness**	**(16,659)**	**(17,633)**	**974**
D	**Net current financial indebtedness (A+B+C)**	**(5,796)**	**2,191**	**(7,987)**
	Non-current bank payables	(11,200)	(9,286)	(1,914)
	Other non-current financial payables	(37)	0	(37)
E	**Net non-current financial indebtedness**	**(11,237)**	**(9,286)**	**(1,951)**
F	**Net financial position (D+E)**	**(17,033)**	**(7,095)**	**(9,938)**

Note 13.
Financial payables and other non-current financial liabilities

Non-current financial payables of Euro 11,237 thousand refer mainly to payables to banks for unsecured medium/long-term loans due beyond 12 months.

Non-current financial payables

	Balance at 30.06.2016	Balance at 31.12.2015
Non-current financial payables	11,237	9,286
TOTAL	**11,237**	**9,286**

During the first half of 2016 the Group stipulated the following new loans:

- in January the Parent Company stipulated a new 36-month floating rate loan with Banca Nazionale del Lavoro of Euro 2,500 thousand, including 6 months pre-amortisation. The aforementioned BNL Loan envisages a commitment by the Group to ensure that the NFP-EBITDA ratio does not exceed 3 and the NFP-Equity ratio does not exceed 1, with covenants that will be checked every six months on the basis of the Group' Annual and Interim Consolidated Financial Statements.
- in March the Parent Company stipulated a second 3-year floating rate loan with Banca Popolare di Milano of Euro 3,000 thousand. The aforementioned BPM Loan envisages a commitment by the Group to ensure that the NFP-EBITDA ratio does not exceed 3.5 and the NFP-Equity ratio does not exceed 1, with covenants that will be checked each year on the basis of the Group' Annual Consolidated Financial Statements. During the first half of the year, around Euro 246 thousand was repaid and the residual debt at 30 June 2016 was Euro 2,754 thousand, Euro 1,764 thousand of which is long-term.
- in March a further 18-month floating rate loan was stipulated by Be Consulting with Banca Nazionale del Lavoro of Euro 1.0 million. During the first half of the year, around Euro 118 thousand was repaid and the residual debt at 30 June 2016 was Euro 882 thousand, Euro 176 thousand of which is long-term.

In the first half of 2015 a 60-month floating rate loan was stipulated with Banca Popolare di Milano of Euro 7,000 thousand. In relation to this BPM loan, around Euro 674 thousand was repaid in the first half of 2016 and the residual debt at 30 June 2016 was Euro 5,551 thousand, of which Euro 4,181 thousand long-term.

In addition, with regard to this loan, an IRS contract was set in place in July to hedge the risk of a rise in interest rates.

Then in September 2015 a 36-month floating rate loan was obtained from Banca Popolare dell'Emilia Romagna of Euro 3,000 thousand. During the first half of the year, around Euro 493 thousand was repaid and the residual debt at 30 June 2016 was Euro 2,263 thousand, Euro 1,266 thousand of which is long-term.

In 2013, the Parent Company signed a five-year floating rate loan agreement with Unicredit for Euro 4,100 thousand. The Unicredit loan envisages a commitment by the Company to ensure that the NFP to EBITDA ratio does not exceed 3.6, a covenant that will be checked every six months on the basis of the Group's Annual Consolidated Financial Statements and Interim Consolidated Financial Statements.

In September 2015 the aforementioned loan was renegotiated at better terms, extending the expiry date. During the first half of the year, around Euro 428 thousand was repaid and the residual debt at 30 June 2016 was Euro 2,225 thousand, Euro 1,352 thousand of which is long-term.

To part-finance the purchase of the Targit Group, in 2014 Be Consulting signed a new five-year floating rate loan agreement with Unicredit of Euro 1,800 thousand, guaranteed by Sace S.p.A., with quarterly repayments. The residual debt at 31 December 2014 was Euro 1,530 thousand. In September 2015 it was renegotiated at better terms, with settlement and simultaneous granting of a new loan for an amount equal to the residual debt of the previous loan of Euro 1,350 thousand. During the first half of 2016, around Euro 187 thousand was repaid and the residual debt at 30 June 2016 was Euro 1,071 thousand, Euro 690 thousand of which is long-term.

In 2014, Be Consulting signed a loan for the amount of Euro 5,100 thousand on an advance foreign service agreement in a pool between Unicredit and Unicredit Factoring. In 2015, the Group achieved an increase of the facility of up to Euro 13,000 thousand for contractual advances in relation to the new Master Agreement signed with UBIS. In 2015 around Euro 8,000 thousand was repaid, and a further Euro 2,744 thousand in the first half of 2016. The residual debt at 30 June 2016 was Euro 2,442 thousand, which is expected to be repaid by the end of the year.

The above-mentioned bank loans entered into with leading banks envisage floating rates (generally based on the Euribor) plus spreads ranging from 1.2% to 2.6%.

The lending terms, particularly the spread, represent terms negotiated at different times and which mirror the loan duration, any guarantees given, market conditions and the Group's credit rating at the date of signing.

As regards the first half of 2016, the covenants illustrated previously were fully complied with.

Long-term financial payables include the overall negative impact of the application of the amortising cost, the valuation of the derivative of Euro 20 thousand and a lease payable of Euro 37 thousand.

The loans outstanding at 30 June 2016 and relative maturities were as follows:

M/L term loans outstanding at 30 June 2016

Bank	Maturity	Balance at 30.06.2016	<1 year	>1<2 years	>2<3 years	>3<4 years	>4 years
Banca Popolare dell'Emilia Romagna	2018	2,263	996	1,011	255	0	0
Banca Popolare di Milano 1	2020	5,551	1,370	1,402	1,435	1,344	0
Banca Popolare di Milano 2	2019	2,754	990	1,003	761	0	0
Banca Nazionale del Lavoro 1	2017	882	706	176	0	0	0
Banca Nazionale del Lavoro 2	2019	2,500	750	1,000	750	0	0
Unicredit 1	2018	2,225	873	896	457	0	0
Unicredit 2	2019	1,071	381	391	300	0	0
Unicredit Factoring	2016	2,442	2,442	0	0	0	0
TOTAL LOANS		**19,688**	**8,508**	**5,879**	**3,957**	**1,344**	**0**

Note 14.
Financial payables and other current financial liabilities

Current payables to banks at 30 June 2016 totalled around Euro 16,659 thousand (Euro 17,633 thousand at 31 December 2015) and relate mainly to:

- current bank payables for Euro 8,138 thousand, of which:
    - Euro 6,250 thousand in short-term credit facilities classed as "advances on invoices", "current account overdrafts" and "advances to suppliers";
    - Euro 1,888 thousand referred to:
        - the short-term loan granted by Monte dei Paschi di Siena to the Parent Company in the second half of 2015 of Euro 2,000 thousand, repayable in nine instalments from 29 February 2016. During the first half of 2016, around Euro 1,110 thousand was repaid and the residual debt at 30 June 2016 was Euro 888 thousand;
        - the short-term loan granted by Unicredit to the Parent Company in the second half of 2016 of Euro 1,000 thousand, repayable in one lump sum in February 2017.
- Euro 8,508 thousand as the current portion of loans received;
- Euro 12 thousand as the current portion of finance lease payables.

Financial payables and other current financial liabilities

	Balance at 30.06.2016	Balance at 31.12.2015
Current financial payables	16,659	17,633
TOTAL	**16,659**	**17,633**

Note 15.
Employee benefits

Post-employment benefits are recognised in compliance with IAS 19 as “Defined benefit plans” and were determined on the basis of an expert actuarial calculation in line with the provisions of international accounting standards. Changes in Post-employment benefits (TFR) regard allocations to provisions made during the period by Group companies, to the portions of TFR paid following the resignation of some employees as well as advances and the adjustment of the Provision in accordance with IAS/IFRS standards.

Post-employment benefits (TFR)

	Balance at 31.12.2015	Of which business combinations	Increases - Allocation	Decreases - Utilisation	Balance at 30.06.2016
Post-employment benefits (TFR)	**6,146**	123	1,245	**(428)**	**6,963**
TOTAL	**6,146**	**123**	**1,245**	**(428)**	**6,963**

The actuarial assumptions used for the purposes of the adjustment of the TFR provision according to IAS/IFRS standards are illustrated below.

Main Actuarial Assumptions	
Annual discount rate	1.05%
Annual inflation rate	1.50%
Annual rate increase in post-employment benefits	2.63%
Annual increase in remuneration	1.00%
Frequency of benefit advances/no. of years' service	2.00%
No. of years’ service/annual turnover rate: up to 10 years	4.00%
No. of years’ service/annual turnover rate: from 10 to 30 years	4.00%
No. of years' service/annual turnover rate: over 30 years	6.00%

The additional information required by IAS 19, as amended*, is shown below:

- sensitivity analysis:

		changes in assumptions					
Company	*Post-employment Benefits (TFR)*	*turnover rate*		*inflation rate*		*discounting rate*	
		+1%	*-1%*	*+ 1/4 %*	*- 1/4 %*	*+ 1/4 %*	*- 1/4 %*
Be S.P.A.	211	209	213	214	208	206	216
Be Professional S.p.A.	707	701	715	718	697	691	724
Be Consulting S.p.A.	2,175	2,111	2,253	2,245	2,108	2,094	2,261
Be Enterprise S.p.A.	2,623	2,599	2,650	2,662	2,585	2,562	2,687
Be Solutions S.p.A.	765	760	771	775	755	749	782

* the sensitivity analysis only refers to the Group’s Italian companies, as not relevant or applicable to Foreign companies.

- indication of the contribution to the next* year and the average financial duration of the obligation for defined benefit plans:

Company	Service Cost	Duration of the plan
Be S.P.A.	0	9.8
Be Professional S.p.A.	0	10.4
Be Consulting S.p.A.	898	23.6
Be Enterprise S.p.A.	0	10.1
Be Solutions S.p.A.	0	9.0

* The service cost is zero, in application of the approach adopted by the Company with an average of at least 50 employees over the course of 2006.

Note 16.
Deferred tax liabilities

The deferred tax liabilities and related changes during the period are mainly attributable to temporary differences between the book value and the value recognised for tax purposes to goodwill and post-employment benefits.

Specifically, with regard to goodwill, the difference arises - in application of IAS/IFRS - because these assets are not amortised whereas they are tax deductible to the extent of 1/18 per year.

Deferred tax liabilities were calculated using the current tax rates (IRES 27.5% until 31 December 2016 then 24% from 1 January 2017, and IRAP 3.9%-4.37%).

Deferred tax liabilities

	Balance at 31.12.2015	Increases	Utilisation	Other changes	Exchange difference	Balance at 30.06.2016
Deferred tax liabilities	4,655	374	(32)	(24)	(3)	4,970
TOTAL	**4,655**	**374**	**(32)**	**(24)**	**(3)**	**4,970**

Note 17.
Other non-current liabilities

This item includes Euro 5 million relating to the guarantee deposit received in relation to the “Master Agreement” signed with Unicredit Business Integrated Solution (UBIS), Euro 1.2 million to the residual portion of the discounted price for the future acquisition of minority interests in Targit Gmbh, Euro 0.8 million as the residual portion of the discounted price for the future acquisition of minority interests in R&L AG and Euro 1.2 million relating to the residual portion of the price payable to former shareholders of Loc Consulting Ltd.

Other liabilities include Euro 95 thousand as the acquisition price for minority interests of Be Poland.

Other non-current liabilities

	Balance at 30.06.2016	Balance at 31.12.2015
Other non-current liabilities	8,971	6,878
TOTAL	**8,971**	**6,878**

Note 18.
Current and non-current risk provisions

At 30 June 2016, provisions for risks and charges refer to the following:

- provisions for pending disputes with employees for Euro 714 thousand, of which Euro 465 thousand relating to the Parent Company, Euro 49 thousand to the subsidiary Be Professional and Euro 200 thousand to the subsidiary Be Solutions. The utilisation of provisions during the period relate to the Parent Company and the subsidiary Be Professional, essentially referring to the conclusion of disputes with employees.
- other provisions for risks and charges refer to pending disputes with third parties in proceedings before Judicial Authorities, mostly related to the Parent Company. The table below shows the changes that occurred in the period in question:

Current and non-current provisions

	Balance at 31.12.2015	Reclassification	Increases	Decreases	Balance at 30.06.2016
Provision for risks - penalties	28		2		30
Provision for personnel risks	905		100	(291)	714
Other provisions for risks and charges	1,201				1,201
TOTAL	**2,134**		**102**	**(291)**	**1,945**

Note 19.
Trade Payables

Trade payables arise from the purchase of goods or services with payment due within 12 months. These amounts refer essentially to the services and equipment supplied and lease instalments.

Trade payables

	Balance at 30.06.2016	Of which business combinations	Balance at 31.12.2015
Trade payables	10,818	1,364	11,263
TOTAL	**10,818**	**1,364**	**11,263**

Note 20.
Tax Payables

The balance at 30 June 2016 relates to residual tax payables and to the allocation of the portion for 2015 of IRES and IRAP, in addition to the income tax of foreign companies.

Tax payables

	Balance at 30.06.2016	Of which business combinations	Balance at 31.12.2015
IRES tax payables	131		6
IRAP tax payables	74		20
Other tax payables	477	61	406
TOTAL	**682**	**61**	**432**

Note 21.
Other liabilities and payables

Other liabilities and payables totalled Euro 15,223 thousand at 30 June 2016, as shown below:

Other liabilities and payables

	Balance at 30.06.2016	Of which business combinations	Balance at 31.12.2015
Social security and welfare payables	1,645		2,198
Payables to employees	6,212		3,329
Payables for VAT and withholding tax	2,851		4,754
Accrued expenses and deferred income	1,371	38	1,988
Other payables	3,144	245	3,069
TOTAL	**15,223**	**283**	**15,338**

Social security and welfare payables amounting to Euro 1,645 thousand relate to contributions payable by the company.

Payables to employees include amounts due for additional months' salaries accrued at 30 June 2016 and for leave and permitted absences accrued but not used.

Accrued expenses and deferred income, amounting to Euro 1,371 thousand mainly refer to deferred revenue receivable on invoices collectible in the next reporting period.

Other payables, totalling Euro 3,144 thousand, mainly include advances from customers and payments on account on multi-year contracts, together with outstanding payables on exit incentives already established during the year and those due to directors. This item also includes Euro 781 thousand relating to the short-term consideration for the acquisition of minority interests payable to former shareholders of Loc Consulting Ltd, and Euro 102 thousand relating to the portion of the residual discounted price for the acquisition of minority interests in R&L AG.

4. Breakdown of the main items of the Income Statement

Note 22.
Operating revenue

Revenue accrued during the reporting period was from activities, projects and services performed on behalf of Group customers and amounts to Euro 65,558 thousand, compared to Euro 52,014 thousand last year.

If we compare with last year, the first half of this year recorded an increase of Euro 13,544 thousand in revenue from sales and services, of which Euro 10,901 thousand relate to the portion of revenue originating from foreign companies.

Note that the revenue from the top two customers accounts for 56% of operating revenue.

For further details on business performance, reference should be made to the "Management Report".

Operating revenue

	H1 2016	H1 2015
Operating revenue	65,558	52,014
TOTAL	**65,558**	**52,014**

Note 23.
Other operating revenue and income

The Group's other revenue and income totalled Euro 656 thousand at 30 June 2016, compared to Euro 847 thousand at 30 June 2015.

This item includes ordinary contingent assets, the recovery of costs advanced to customers, insurance reimbursements, invoicing to employees for the use of company cars and other income of a residual nature.

Other operating revenue and income

	H1 2016	H1 2015
Other operating revenue and income	656	847
TOTAL	**656**	**847**

Note 24.
Cost of raw materials and consumables

This item includes the costs incurred and related changes for the purchase of consumables such as stationery, paper, toner, etc., and to goods purchased for resale as part of the services provided to customers.

Cost of raw materials and consumables

	H1 2016	H1 2015
Change in inventories of raw materials and consumables	1	151
Purchase of raw materials and consumables	123	144
TOTAL	**124**	**295**

Note 25.
Service costs

Service costs include all costs incurred for services received from professionals and businesses. They also include the fees paid to Directors.

Service costs

	H1 2016	H1 2015
Service costs	29,498	20,342
TOTAL	**29,498**	**20,342**

Service costs break down as follows:

Service costs

	H1 2016	H1 2015
Transport	45	56
Outsourced and consulting services	20,320	11,828
Remuneration of directors and statutory auditors	1,338	764
Marketing costs	1,516	1,555
Cleaning, surveillance and other general services	404	364
Maintenance and support services	161	174
Utilities and telephone charges	690	768
Consulting - administrative services	1,418	931
Other services (chargebacks, commissions, etc.)	977	1,427
Bank and factoring charges	378	410
Insurance	121	120
Rental and leasing	2,129	1,945
TOTAL	**29,498**	**20,342**

Note that outsourced and consulting services include the costs of services received from technical and ICT professionals used by the Group to provide its own services to customers.

Rental and leasing regards the costs incurred by the Group for the use of registered securities and properties it does not own, based on signed lease and rental agreements.

Note 26.
Personnel costs

The figure shown represents the total personnel-related cost incurred by the Group in the first half of 2016.

Wages and salaries include amounts due to employees for additional months' salaries accrued and for leave and permitted absences accrued but not used. Social security contributions include all the legal contributions payable on remuneration.

Social security contributions include all pay-related contributions envisaged by law; Post-employment benefits relate to the provision accrued during the first half of the year (in this regard see also note 15 "Employee benefits"), while Other personnel costs include personnel-related costs such as membership fees paid on behalf of employees, indemnities and compensation, fringe benefits disbursed by the company in various forms to certain employee categories and luncheon vouchers.

Personnel costs

	H1 2016	H1 2015
Wages and salaries	21,660	18,474
Social security contributions	5,487	5,302
Post-employment benefits	1,376	1,162
Other personnel costs	742	461
TOTAL	**29,265**	**25,399**

The number of employees at 30 June 2016, broken down by category, is illustrated in the following table:

Description	No. in current period
Executives	93
Middle Managers	119
White collar	914
Blue collar	2
Apprentices	16
Total	**1,144**

Note 27.
Other operating costs

This item includes all costs of a residual nature, other than those recognised under items that have already been commented upon.

Specifically, the item includes contingent liabilities for Euro 266 thousand mainly referring to undeclared contingent assets relating to this half of the year and other operating costs for Euro 141 thousand referring to membership fees, fines, penalties on services provided and indirect taxes for Euro 96 thousand.

Other operating costs

	H1 2016	H1 2015
Other operating expense	503	530
TOTAL	**503**	**530**

Note 28.
Cost of internal work capitalised

Capitalised costs refer to the suspension of costs relating mainly to personnel involved in the development of proprietary software platforms, described in more detail in note 3.

Cost of internal work capitalised

	H1 2016	H1 2015
Cost of internal work capitalised	1,176	808
TOTAL	**1,176**	**808**

Note 29.
Amortisation, depreciation and write-downs

Amortisation and depreciation are calculated according to the deterioration of assets and recognised to a specific provision, reducing the value of the individual assets.

Amortisation, depreciation and write-downs

	H1 2016	H1 2015
Depreciation of property, plant and equipment	273	322
Amortisation of intangible assets	2,329	2,343
TOTAL	**2,602**	**2,665**

Note 30.
Impairment loss on fixed assets

In the first half of the year no impairment losses on fixed assets were recorded, whereas Euro 170 thousand was recorded in the first half of the previous year due to adjustment of the value of a software platform resulting from an independent appraisal.

Impairment loss on fixed assets

	H1 2016	H1 2015
Impairment loss on fixed assets	0	170
TOTAL	**0**	**170**

Note 31.
Allocations to provisions

Allocations to provisions for risks mainly concern Be Solutions and Be Consulting for disputes with employees, customers and suppliers. A more complete description can be found in notes 7 and 18, and paragraph 5.1.

Allocations to provisions

	H1 2016	H1 2015
Allocation to other provisions for future risks and charges	152	4
TOTAL	**152**	**4**

Note 32.
Financial income and expense

Financial income and expense can be broken down as follows:

Financial income and expense

	H1 2016	H1 2015
Financial income	153	31
Financial expense	(696)	(1,077)
Revaluation (Write-down) of financial assets	0	0
Gains (Losses) on foreign currency transactions	(399)	176
TOTAL	**(942)**	**(870)**

Financial income is largely represented by bank interest income, whilst the financial expense includes bank interest expense for advances on invoices and current account overdrafts, factoring transactions and interest expense due on outstanding loans, in addition to the financial component of post-employment benefits measured according to IAS/IFRS.

Note 33.
Current and deferred taxes

Current taxes relating to the period include Euro 500 thousand for IRAP tax and Euro 471 thousand for IRES tax. Note that the Parent Company and Italian subsidiaries have jointly adopted the national tax consolidation regime pursuant to Article 117 et seq. of the Consolidated Income Tax Act (TUIR).

Current and deferred taxes

	H1 2016	H1 2015
Current taxes	971	844
Deferred tax assets and liabilities	469	339
TOTAL	**1,440**	**1,183**

Note 34.
Earnings per share

The basic earnings per share are calculated by dividing the profit/loss for the period pertaining to owners of the Parent Company by the average number of ordinary shares outstanding during the period. The result and disclosures on shares used to calculate the basic negative earnings per share are provided below.

Earnings per share

	H1 2016	H1 2015
Profit (loss) from continuing operations pertaining to owners of the Company	2,558	2,095
Profit (loss) from discontinued operations pertaining to owners of the Company	0	0
Profit (loss) attributable to owners of the Parent Company	2,558	2,095
Total no. shares	134,897,272	134,897,272
Average number of treasury shares held	-	-
Average number of ordinary shares outstanding	134,897,272	134,897,272
Basic earnings per share pertaining to owners of the Parent Company	EUR 0.02	EUR 0.02
Diluted earnings per share	EUR 0.02	EUR 0.02

5. Other disclosures

5.1. Potential liabilities and disputes pending

The "Be" Group is involved in certain legal proceedings before various judicial authorities brought by third parties, and in labour law disputes relating to dismissals challenged by Company employees. Also on the basis of opinions expressed by its legal advisors, the Group has allocated provisions for risks totalling Euro 1.9 million, considered sufficient to cover liabilities that could arise from these disputes.

5.1.1. Litigation with Group as defendant

The Group is involved in certain legal proceedings before various judicial authorities:

- provisions relating to litigation with employees were supplemented, following utilisation of the provision during the year. These provisions cover appeals against redundancy and transfers brought in previous months;
- other disputes: with regard to the Bassilichi Group (formerly Saped Servizi S.p.A.), with relation to which a trade receivable due to the group is being disputed, at this stage of proceedings, there are reasonable grounds that the arguments submitted by Be S.p.A. will be accepted, while no developments can be reported as regards the dispute for the AIPA dossier. Due to the solidity of the arguments brought forward - no further allocation to provisions for the ongoing disputes with Vitrociset and KS were retained necessary.

5.2. Non-recurring income and charges

In the period under analysis, the Be Group recognised non-recurring charges pursuant to Consob Resolution no. 15519 of 27 July 2006. The non-recurring charges refer to non-recurring costs incurred for staff-leaving incentives.

5.3. Related Party Transactions

The Company's Board of Directors adopted new "Regulations on Related Parties" on 1 March 2014, replacing those previously approved on 12 March 2010. For further details, this document is published on the Company web site (www.be-tse.it).

The Be Group's related parties with which economic and equity transactions were recognised at 30 June 2016 are: T.I.P. Tamburi Investment Partners S.p.A. and IR Top S.r.l.

With regard to the Intesa Sanpaolo Group, note that in the second quarter of 2016 Imi Investimenti sold its Be S.p.A. shares on the market, lowering its percentage interest to below the significant threshold of 5%. Consequently, from the second quarter of this year the Intesa Sanpaolo Group no longer qualifies as a "related party" of Be, pursuant to the regulations on related party transactions adopted by Consob with Resolution no. 17221 of 12 March 2010, as amended, and the related procedure adopted by Be in compliance with the provisions of said Consob Regulation.

With regard to Messrs Stefano Achermann and Carlo Achermann and the companies controlled by them - Carma Consulting S.r.l., iFuture S.r.l. and Innishboffin S.r.l. - the economic transactions that took place in the period refer only to fees paid for the positions of Company Director of Group companies and, like remuneration for other members of the Board of Directors and Board of Statutory Auditors, are not included in the following tables.

The following tables illustrate the Group's costs and revenue, payables and receivables due to/from related parties at 30 June 2016.

Receivables and payables with related parties at 30 June 2016

	Receivables			***Payables***		
	Trade receivables other	**Other receivables**	***Financial receivables***	**Trade and other payables**	***Other payables***	***Financial payables***
Related Parties						
IR Top				19		
T.I.P. S.p.A.	6			55		
Total Related Parties	**6**	**0**	**0**	**74**	**0**	**0**

Receivables and payables with related parties at 31 December 2015

	Receivables			***Payables***		
	Trade receivables other	**Other receivables**	***Financial receivables***	**Trade and other payables**	***Other payables***	***Financial payables***
Related Parties						
IR Top				40		
T.I.P. S.p.A.				55		
Intesa Sanpaolo Group	1,355	3	1,372	69		3,487
Total Related Parties	**1,355**	**3**	**1,372**	**164**	**0**	**3,487**

Revenue and costs with related parties in the first half of 2016

	Revenue			Costs		
	Revenue	Other revenue	*Financial income*	Services	*Other costs*	*Financial expense*
Related Parties						
IR Top				22		
T.I.P. S.p.A.				37		
S. Achermann				20		
Total Related Parties	**0**	**0**	**0**	**79**	**0**	**0**

Revenue and costs with related parties in the first half of 2015

	Revenue			Costs		
	Revenue	Other revenue	*Financial income*	Services	*Other costs*	*Financial expense*
Related Parties						
IR Top				53		
T.I.P. S.p.A.				37		
Intesa Sanpaolo Group	8,169			194	19	127
Total Related Parties	**8,169**	**0**	**0**	**284**	**19**	**127**

Pursuant to Consob Communication DEM/6064293 of 28 July 2006, the impact of related party transactions is illustrated below in table format:

Relevance of related party transactions

STATEMENT OF FINANCIAL POSITION	**31.06.2016**	**Absolute value**	**%**	**31.12.2015**	**Absolute value**	**%**
Trade receivables	30,670	6	0.0%	21,354	1,355	6.3%
Other assets and receivables	2,914	0	0.0%	2,944	3	0.1%
Cash and cash equivalents	10,059	0	0.0%	19,626	1,372	7.0%
Financial payables and other liabilities	52,090	0	0.0%	49,135	3,487	7.1%
Trade payables	10,818	74	0.7%	11,263	164	1.5%
INCOME STATEMENT	**1H 2016**	**Absolute value**	**%**	**1H 2015**	**Absolute value**	**%**
Operating revenue	65,558	0	0.0%	52,014	8,169	15.7%
Service and other costs	30,001	79	0.3%	20,872	303	1.5%
Net financial expense	942	0	0.0%	870	127	14.6%

The consolidated statement of financial position and statement of comprehensive income indicating the related parties, in accordance with Consob Resolution no. 15519 of 27 July 2006, is provided below.

Consolidated Statement of Financial Position

Amounts in EUR thousands	**30.06.2016**	**Of which related parties**	**31.12.2015**	**Of which related parties**
NON-CURRENT ASSETS				
Property, plant and equipment	1,896		1,277	
Goodwill	56,907		53,353	
Intangible assets	16,009		16,795	
Loans and other non-current assets	1,377		1,260	
Deferred tax assets	5,253		5,232	
Total non-current assets	**81,442**	**0**	**77,917**	**0**
CURRENT ASSETS				
Inventories	41		39	
Trade receivables	30,670	6	21,354	1,355
Other assets and receivables	2,914		2,944	
Direct tax receivables	777		900	
Financial receivables and other current financial assets	804		198	3
Cash and cash equivalents	10,059		19,626	1,372
Total current assets	**45,265**	**6**	**45,061**	**2,730**
Total discontinued operations	**0**		**0**	
TOTAL ASSETS	**126,707**		**122,978**	
SHAREHOLDERS' EQUITY				
Share capital	27,109		27,109	
Reserves	18,807		17,864	
Net profit (loss) attributable to owners of the Parent Company	2,558		3,455	
Group Shareholders' equity	**48,474**		**48,428**	
Minority interests:				
Capital and reserves	459		437	
Net profit (loss) attributable to minority interests	306		347	
Minority interests	**765**		**784**	
TOTAL SHAREHOLDERS' EQUITY	**49,239**	**0**	**49,212**	**0**
NON-CURRENT LIABILITIES				
Financial payables and other non-current financial liabilities	11,237		9,286	
Provisions for risks	1,915		2,106	
Post-employment benefits (TFR)	6,963		6,146	
Deferred tax liabilities	4,970		4,655	
Other non-current liabilities	8,971		6,878	
Total Non-current liabilities	**34,056**	**0**	**29,071**	**0**
CURRENT LIABILITIES			**0**	
Financial payables and other current financial liabilities	16,659		17,633	3,487
Trade payables	10,818	74	11,263	164
Provision for current risks	30		29	
Tax payables	682		432	
Other liabilities and payables	15,223		15,338	0
Total Current liabilities	**43,412**	**74**	**44,695**	**3,651**
Total Discontinued operations	**0**		**0**	
TOTAL LIABILITIES	**77,468**	**74**	**73,766**	**3,651**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**126,707**		**122,978**	

Consolidated Income Statement

Amounts in EUR thousands	1H 2016	*Of which related parties*	*Of which non-recurring income (charges)*	1H 2015	Of which related parties	Of which non-recurring income (charges)
Operating revenue	65,558	0		52,014	8,169	
Other operating revenue and income	656	0		847		
Total Operating revenue	**66,214**	**0**	**0**	**52,861**	**8,169**	**0**
Raw materials and consumables	(124)			(295)		
Service costs	(29,498)	(79)		(20,342)	(284)	
Personnel costs	(29,265)		(255)	(25,399)		
Other operating costs	(503)			(530)	(19)	
Cost of internal work capitalised	1,176			808		
Amortisation, depreciation and write-downs:						
Depreciation of property, plant and equipment	(273)			(322)		
Amortisation of intangible assets	(2,329)			(2,343)		
Impairment loss on fixed assets	0		0	(170)		(170)
Allocations to provisions	(152)			(4)		
Total Operating costs	**(60,968)**	**(79)**	**(255)**	**(48,597)**	**(303)**	**(170)**
Operating Profit (Loss) (EBIT)	**5,246**	**(79)**	**(255)**	**4,264**	**7,866**	**(170)**
Financial income	153			31		
Financial expense	(1,095)			(901)	(127)	
Write-down of financial assets	0			0		
Total Financial income/expense	**(942)**	**0**	**0**	**(870)**	**(127)**	**0**
Profit (loss) before tax	**4,304**	**(79)**	**(255)**	**3,394**	**7,739**	**(170)**
Current income taxes	(971)			(844)		
Deferred tax assets and liabilities	(469)			(339)		
Total Income taxes	**(1,440)**	**0**	**0**	**(1,183)**	**0**	**0**
Net profit (loss) from continuing operations	**2,864**		**(255)**	**2,211**	**7,739**	**(170)**
Net profit (loss) from discontinued operations	**0**			**0**		
Net profit (loss)	**2,864**			**2,211**		
Net profit (loss) attributable to minority interests	**306**			**116**		
Net profit (loss) attributable to owners of the Parent Company	**2,558**			**2,095**		

5.4. Management of financial risk: objectives and criteria

The Company's main financial instruments, other than derivatives, include bank loans, finance leases and rental agreements with a purchase option, demand and short-term bank deposits. The main objective of these instruments is to fund the operations of the Company and of the Group. The Company and the Group have various financial instruments, such as trade payables and receivables, resulting from its operations.

The Company and the Group have not performed any transactions in derivatives, unless to hedge interest rate risk.

- **Exchange rate risk**

  The Company and the Group are exposed to the risk of fluctuations in the following exchange rates: Euro/GBP, Euro/UAH, Euro/PLN, Euro/RON and Euro/CHF, with regard to consolidation of the economic and equity amounts of iBe Solve Execute Ltd, Be Sport, Media & Entertainment Ltd, Be Ukraine Think, Solve, Execute S.A., Be Poland Think, Solve, Execute Sp.zo.o., Be Think Solve Execute RO and the Targit Group.

  In view of the events associated with the United Kingdom's process of exiting from the European Union ("Brexit"), the Group could be exposed to potential risks, at present not quantifiable or foreseeable, linked amongst other things to a write-down of its assets held in GBP. Management has implemented appropriate monitoring activities in order to react quickly to any negative effects.

- **Credit risk**

  Credit risk represents the Group's exposure to potential losses resulting from the failure of the counterparty to fulfil its commercial and financial obligations.

  Given the nature of its customers (mainly banks and the public administration), credit risk mainly relates to delays in collecting receivables from Public Administration customers and to any disputes (see note 8 and paragraph 5.1). In this regard, the Company and the Group carefully consider the use of all instruments, including any legal action, to ensure the prompt collection of receivables from Public Administration customers.

  The maximum theoretical exposure to credit risk for the group at 30 June 2016 is represented by the book value of the financial assets taken from the condensed financial statements.

  The Group has ongoing transactions to free up trade receivables without recourse.

- **Interest rate risk**

  As the Company has loans in Euro at a floating interest rate, it does not believe that its exposure to any rise in interest rates may increase future financial expense. A swap contract has been drawn up to hedge interest rate risk on an unsecured loan obtained of Euro 7 million, for a duration of 5 years. The tables included in the sections on current and non-current financial payables show the book value, by maturity, of the Company's and Group's financial instruments that are exposed to interest rate risk.

- **Liquidity risk**

  Liquidity risk is defined as the possibility that the Group is not able to maintain its payment commitments, due to the inability to raise new funds, or to be forced to incur very high costs to meet its commitments. The Be Group's exposure to this risk is represented above all by the loan agreements in place. At present, it has short and medium/long-term loans with banking financial counterparties. In addition, in the event of need, the Group may arrange other short-term bank loans. For details of the features of current and non-current financial liabilities, see notes 13 and 14 relating to "Financial liabilities". The two main factors that determine the group's liquidity situation are on one hand, the resources generated or absorbed by operating and investing activities, and on the other the maturity and renewal characteristics of the payable or of the liquidity of the financial loans and market conditions. From an operating perspective, the Group manages liquidity risk by monitoring cash flows, obtaining adequate credit lines and maintaining an adequate level of available resources. The management of operating cash flows, of the main loan transactions and of the company's liquidity is centralised and performed by the Group's treasury companies, with the objective of guaranteeing the effective and efficient management of the financial resources. The maturity characteristics of financial payables are illustrated in notes 13 and 14, while with regard to trade payables, the amount due within the following year is shown on the financial statements.

Management retains that the funds currently available, in addition to those that will be generated by operating and funding activities, including therein the current funds available on credit lines, will enable the Group to meet its requirements relating to investment, the management of working capital and the repayment of debts when the same are due, and will assure an appropriate level of operating and strategic flexibility.

5.5. Positions deriving from atypical or unusual transactions

In the first half of 2016, the Group did not undertake any atypical or unusual transactions as defined in Consob Communication DEM/6064293.

6. Events after the reporting period

In July the Be Group acquired 51% of IQUII S.r.l., a digital company set up in 2011 and specialised in web and mobile app development, the design of wearables and the management of the "Internet of Things". In addition, IQUII has significant expertise in managing social media, integrated marketing and digital PR. This acquisition will allow Be to channel all its digital development activities (web and mobile) requested by its customers to a specialised player.

The established price paid for the 51% interest was Euro 400,000. The parties also established two subsequent put/call options to acquire a further 29% by 2021 and the option of achieving 100% of the capital with the purchase in 2025 of the residual share capital.

In view of the positive results recorded by the Group in the first half of 2016, the intention of presenting the new targets for 2017-2019 on 15 September 2016 is confirmed, earlier than the due date indicated in the previous 2015-2017 Business Plan.

Milan, 2 August 2016

/signed/ Stefano Achermann
For the Board of Directors
Chief Executive Officer

Certification of the Half-year Condensed Consolidated Financial Statements pursuant to art. 81-ter, Consob Regulation no. 11971 of 14 May 1999, as amended

1. Having considered the provisions of art. 154-bis, paragraphs 3 and 4, Italian Legislative Decree no. 58 of 24 February 1998, the undersigned, Stefano Achermann as Chief Executive Officer and Manuela Mascarini as Executive in charge of preparing the company's accounting documents of “Be Think, Solve, Execute S.p.A.”, or “Be S.p.A.”, hereby confirm:

- the adequacy in relation to the business characteristics, and
- the effective application of administrative accounting procedures adopted in the first half of 2016 when preparing the half-year condensed financial statements.

2. It is also confirmed that:

2.1. the half-year condensed financial statements:

a) were prepared in compliance with international accounting standards endorsed by the European Union pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council dated 19 July 2002;

b) correspond with the accounting entries and records;

c) provide a true and fair view of the equity, economic and financial position of the issuer and its consolidated companies;

2.2. the interim management report contains a reliable analysis of references to significant events occurring in the first half of the year and their impact on the results of operations, as well as of the position of the issuer and its consolidated companies, together with a description of the main risks and uncertainties to which they are exposed.

Milan, 2 August 2016

/signed/ Manuela Mascarini

Executive in charge of preparing
the company's accounting documents

Manuela Mascarini

/signed/ Stefano Achermann

Chief Executive Officer

Stefano Achermann

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RELAZIONE DI REVISIONE CONTABILE LIMITATA SUL BILANCIO CONSOLIDATO SEMESTRALE ABBREVIATO

Agli Azionisti della
BE THINK, SOLVE, EXECUTE S.p.A.

Introduzione

Abbiamo svolto la revisione contabile limitata del bilancio consolidato semestrale abbreviato, costituito dalla situazione patrimoniale-finanziaria consolidata, dal conto economico consolidato, dal conto economico complessivo consolidato, dal prospetto delle variazioni del patrimonio netto consolidato, dal rendiconto finanziario consolidato e dalle relative note esplicative della Be Think, Solve, Execute S.p.A. e controllate ("Gruppo Be") al 30 giugno 2016. Gli Amministratori sono responsabili per la redazione del bilancio consolidato semestrale abbreviato in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea. E' nostra la responsabilità di esprimere una conclusione sul bilancio consolidato semestrale abbreviato sulla base della revisione contabile limitata svolta.

Portata della revisione contabile limitata

Il nostro lavoro è stato svolto secondo i criteri per la revisione contabile limitata raccomandati dalla Consob con Delibera n. 10867 del 31 luglio 1997. La revisione contabile limitata del bilancio consolidato semestrale abbreviato consiste nell'effettuare colloqui, prevalentemente con il personale della società responsabile degli aspetti finanziari e contabili, analisi di bilancio ed altre procedure di revisione contabile limitata. La portata di una revisione contabile limitata è sostanzialmente inferiore rispetto a quella di una revisione contabile completa svolta in conformità ai principi di revisione internazionali (ISA Italia) e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti significativi che potrebbero essere identificati con lo svolgimento di una revisione contabile completa. Pertanto, non esprimiamo un giudizio sul bilancio consolidato semestrale abbreviato.

Conclusioni

Sulla base della revisione contabile limitata svolta, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il bilancio consolidato semestrale abbreviato del Gruppo Be al 30 giugno 2016, non sia stato redatto, in tutti gli aspetti significativi, in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea.

DELOITTE & TOUCHE S.p.A.

Stefano Marnati
Socio

Milano, 5 agosto 2016