

## Be: Total Revenues equal to €/mln 36 (+7.7% vs Q12018). EBITDA +24.2% and EBIT +12.7% vs 2018

### Business at a glance

- **Total Revenues** equals to **€/mln 36** (€/mln 33.5 as of 31.03.2018)
- **EBITDA** equals to **€/mln 6** (€/mln 4.8 as of 31.03.2018)
- **EBIT** equals to **€/mln 4** (€/mln 3.6 as of 31.03.2018)
- **EBT** equals to **€/mln 3.3** (€/mln 3.1 as of 31.03.2018)

The Board of Directors of Be Think Solve Execute S.p.A. (the **Company**), listed to the STAR Segment of Borsa Italiana, today convened at the Company registered office in Milan and approved the **Interim Financial Report as of March 31st, 2019**.

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*The best first quarter result ever – says **Stefano Achermann, CEO of Be** - but above all a decisive strengthening of our competitive capacity and a solid contracts basis for the full year. Revenues increased by 7.7% without any extraordinary component, an increasing contribution from the international operations (+ 5.5% y / y), an EBITDA up to 24.2% confirm the good current trend. All the companies in different countries recorded positive performances. The result also includes € 0.5 mln of extra costs for the last part of a restructuring turn-around carried out last year on the Operations business. Also the NFP - excluding the IFRS accounting effects - improved by € 1.4 mln compared to*

#### STOCK DATA

Reuters code: BET.MI  
Bloomberg code: BET IM

#### SHAREHOLDERS DATA

No. of ordinary shares (mln): 134.9  
Total no. of shares (mln): 134.9  
Market cap. (Euro mln): 133.5  
Floating (%): 43.3  
Floating (Euro mln): 57.8  
Main Shareholder: T.I.P.

#### GROUP DATA (as of 31.12.2018)

Total Revenues (Euro mmln): 150.2  
EBITDA (Euro mln): 23.6  
EBIT (Euro mln): 11.3  
EBT (Euro mln): 10.1  
Net Profit (Euro mln): 5.5  
Net Financial Position (Euro ml.): 0.9

#### HEADQUARTER

Rome

#### MAIN OFFICES

Milan  
London  
Munich  
Frankfurt  
Madrid  
Vienna  
Warsaw  
Bucharest  
Kyiv

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—— May 9th, 2019 // Milan

*the same period last year. The challenge of our Group is all in our ability to attract high-quality talents, professionals and companies to satisfy a market demand that digital transformation has made stable in the medium-long term”.*

### **Main consolidated results as of March 31st, 2019**

Total Revenues stood at € 36 million compared to € 33.5 million as of March 31st, 2018. Business Consulting and ICT segments recorded revenues equalling respectively € 27.2 million (€ 22.1 million as of March 31st, 2018) and € 8.9 million (€ 11.4 million as of March 31st, 2018). The operating revenue earned by foreign subsidiaries totalled € 14.3 million (39.6% of total Revenues), compared to € 12.2 million recorded on March 31st, 2018.

The Gross Operating Margin (EBITDA) came to € 6 million, up 24.2% on March 31st, 2018 (€ 4.8 million).

EBIT amounted to € 4 million, up to 12.7% on March 31st, 2018 (€ 3.6 million).

The Group pre-tax result amounted to € 3.3 million, up 6.7% compared to € 3.1 million as of March 31st, 2018.

Net Financial Position, excluding pre-IFRS-16 off-balance sheet operating leases, amounts to Euro -14.5 million, compared to Euro 0.9 million (positive) as of December 31st, 2018.

The application of IFRS 16 required the recognition of financial debt for operating leases as of March 31st 2019 for Euro 9.4 million, which added to the Net Financial Debt brings total post-IFRS 16 net debt to Euro 23.9 million.

The Net Financial Position figure reflects the cyclical trend that sees the first quarter of the year influenced by the slow start of the customers procurement process.

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## **Significant events in the period**

In **January 2019** Be completed the full acquisition of its German subsidiary R&L AG, reaching the ownership of 100% of its share capital. The transaction has been finalized through Be TSE GmbH, the sub-holding of Be in the DACH Region, which already owned 58.8% of R&L AG; it is preparatory to the integration of the German subsidiaries in Bavaria in a unique specialized hub counting more than Eur 25 million revenues.

In **February 2019** Be acquired 5% of the share capital of Tesla Consulting, Italian company specialized in Cyber Security and Digital Forensics; by July 2019 Be will buy a further 55% of the share capital. The first tranche already grants Be the complete operating governance over the Company through the appointment of the majority of the members in the Company's Board of Directors.

## **Significant facts after the period**

In **April 2019** Be Group and Yolo have signed a strategic partnership agreement in the areas of technology innovation and domestic/international marketing to accelerate the transformation of the Insurance market, in the On-Demand Insurance segment. Yolo's innovative capacity and different offering dimensions (B2C, B2B, B2B2C) will be fully supported by labs, teams of specialists and industry experts from Be.

The shareholders' meeting of Be has been held on **April 18th 2019**, in first call, resolving about the following:

- consolidated economic and financial results at December 31st 2018,
- economic and financial results of Be S.p.A. as of December 31st 2018,
- allocation of profit for the year 2018,
- report on remuneration pursuant to Article 123-ter of Legislative Decree no. 58 of 24 February 1998,
- purchase and disposal of treasury shares subject to revocation of the authorization by the Ordinary Shareholders' Meeting on April 26th, 2018.

## **Business outlook**

According to the results recorded in the first quarter of 2019, it is reasonable to confirm the overall scenario of growth for the rest next quarters of the year.

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*The Executive in charge of preparing the company's accounting documents, Manuela Mascarini, declares, in accordance with art. 154 bis, paragraph 2 of Italian Legislative Decree no. 58 dated 24 February 1998, that the accounting disclosures contained in this press release correspond to that recorded in company documents, ledgers and accounting entries.*



## In attachment

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1. Restated consolidated income statement as of March 31st, 2019
2. Restated consolidated statement of financial position as of March 31st, 2019
3. Consolidated net financial position as of March 31st, 2019

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*This press release is available on the Company's website [www.be-tse.it](http://www.be-tse.it) and on the centralized storage mechanism "eMarket STORAGE" at [www.emarketstorage.com](http://www.emarketstorage.com).*

## About Be

**Be Group** is listed in the STAR segment of Borsa Italiana and is one of the leading Italian players in the Consulting sector. The company provides Business Consulting and Information Technology services. A combination of specialist skills, advanced proprietary technologies and a wealth of experience enable the Group to work with leading international financial and insurance institutions to create value and boost business growth. With more than 1,100 employees and branches in Italy, United Kingdom, Germany, Austria, Switzerland, Spain, Romania, Poland and Ukraine, in 2018 the Group recorded revenues in the amount of Euro 150.2 million.

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**RESTATED CONSOLIDATED INCOME STATEMENT AS OF MARCH 31st, 2019**

<i>(amounts in EUR millions)</i>	<b>1Q 2019</b>	<b>1Q 2018</b>	<b>Δ</b>	<b>Δ (%)</b>
Operating revenue	35,633	33,328	2,305	6.9%
Other operating revenue and income	424	159	265	n.a.%
<b>Value of production</b>	<b>36,057</b>	<b>33,487</b>	<b>2,570</b>	<b>7.7%</b>
Cost of raw materials and consumables	(121)	(50)	(71)	n.a.
Cost of services and use of third-party assets	(12,868)	(12,498)	(370)	3.0%
Personnel costs	(17,937)	(16,766)	(1,171)	7.0%
Other costs	(330)	(161)	(169)	n.a.
Internal capitalisations	1,198	820	378	46.1%
<b>Gross Operating Margin (EBITDA)</b>	<b>5,999</b>	<b>4,832</b>	<b>1,167</b>	<b>24.2%</b>
Amortisation and depreciation	(1,990)	(1,274)	(716)	56.2%
<b>Operating Profit (Loss) (EBIT)</b>	<b>4,009</b>	<b>3,558</b>	<b>451</b>	<b>12.7%</b>
Net financial income and expense	(228)	(272)	44	(16.2%)
<b>Profit (loss) before tax from continuing operations</b>	<b>3,781</b>	<b>3,286</b>	<b>495</b>	<b>15.1%</b>
Net Result from discontinued operations	0	0	0	n.a.
<b>Profit/(Loss) before tax of the period including minority interests</b>	<b>3,781</b>	<b>3,286</b>	<b>495</b>	<b>15.1%</b>
Minority interests	472	186	286	n.a.
<b>Profit/(Loss) before tax for the Group</b>	<b>3,309</b>	<b>3,100</b>	<b>209</b>	<b>6.7%</b>

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**RESTATED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF MARCH 31st, 2019**

<i>(amounts in EUR millions)</i>	31.03.2019	31.12.2018	Δ	Δ (%)
Non-current assets	101,431	87,128	14,303	16.4%
Current assets	42,465	31,488	10,977	34.9%
Non-current liabilities	(26,941)	(25,474)	(1,467)	5.8%
Current liabilities	(34,759)	(39,290)	4,531	(11.5%)
<b>Net Invested Capital</b>	<b>82,196</b>	<b>53,852</b>	<b>28,344</b>	<b>52.6%</b>
<b>Shareholders' Equity</b>	<b>58,276</b>	<b>54,776</b>	<b>3,500</b>	<b>6.4%</b>
<b>Net Financial Position</b>	<b>23,920</b>	<b>(924)</b>	<b>24,844</b>	<b>n.a.</b>

**CONSOLIDATED NET FINANCIAL POSITION AS OF MARCH 31st, 2019**

<i>(amounts in EUR millions)</i>	31.03.2019	31.12.2018	Δ	Δ (%)
Cash and cash equivalents at bank	20,129	36,010	(15,881)	(44.1%)
<b>A Cash and cash equivalents</b>	<b>20,129</b>	<b>36,010</b>	<b>(15,881)</b>	<b>(44.1%)</b>
<b>B Current financial receivables</b>	<b>47</b>	<b>511</b>	<b>(464)</b>	<b>(90.8%)</b>
Current bank payables	(11,926)	(9,644)	(2,282)	23.7%
Current share of medium/long-term indebtedness	(9,289)	(9,980)	691	(6.9%)
Other current financial payables	(202)	(490)	288	(58.8%)
<b>C Current financial indebtedness</b>	<b>(21,417)</b>	<b>(20,114)</b>	<b>(1,303)</b>	<b>6.5%</b>
<b>D Net current financial position (A+B+C)</b>	<b>(1,241)</b>	<b>16,407</b>	<b>(17,648)</b>	<b>n.a.</b>
Non-current bank payables	(13,212)	(15,418)	2,206	(14.3%)
Other non-current financial payables	(60)	(65)	5	(7.7%)
<b>E Net non-current financial position</b>	<b>(13,272)</b>	<b>(15,483)</b>	<b>2,211</b>	<b>(14.3%)</b>
<b>F Net financial position ANTE IFRS 16 (D+E)</b>	<b>(14,512)</b>	<b>924</b>	<b>(15,436)</b>	<b>n.a.</b>
Current right of use payables	(2,289)	0	(2,289)	n.a.
Non current right of use payables	(7,118)	0	(7,118)	n.a.
<b>G Total right of use payables</b>	<b>(9,407)</b>	<b>0</b>	<b>(9,407)</b>	<b>n.a.</b>
<b>H Net financial position POST IFRS 16 (F+G)</b>	<b>(23,919)</b>	<b>924</b>	<b>(24,843)</b>	<b>n.a.</b>