

Be: Total Revenues equals €/mln 74 (+7.2% vs H12018). EBITDA +28.8% and EBIT +19.3% vs H12018 (post IFRS16 adj)

Business at a glance

- **Total Revenues** equals **€/mln 74.2** (€/mln 69.1 as of 30.06.2018)
- **EBITDA** equals **€/mln 12** (€/mln 9.3 as of 30.06.2018)
- **EBIT** equals **€/mln 8** (€/mln 6.7 as of 30.06.2018)
- **EBT** equals **€/mln 7.3** (€/mln 6.2 as of 30.06.2018).

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 June 30th, 2019**. Appointed also the new Group Investor Relations Manager.

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*Be is positioning itself more and more as a digital transformation player in the European financial ecosystem - says **Stefano Achermann, CEO of Be** - We envisage a significant growth potential for companies like us. We are working on the new business plan that will show an offer mix based on highly specialized professional services, partnerships with recognized world leaders in digital platforms, alliances with selected providers of services and development of proprietary products for niche markets. First half of 2019 shows the first results of this work: increase in revenues by 7.2%, + 28.8% increase in EBITDA (15.4% net of IFRS16 effect), + 19.3% growth in EBIT. The margin*

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 mln): 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

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generation is even more satisfactory if we consider that last year, in the same period, we recorded extraordinary positive items in the amount of plus € 4.5 ml. The net financial position, net of the IFRS effect, improves by € 3.9 ml (€ 18.1 ml at 30 June 2019 compared to € 22.0 ml on 30 June 2008). The Buyback programme has, so far, led to the purchase of 2.42% of Be shares (3,260 million shares) ".

Main consolidated results as of 30 June 2019

Total Revenues stood at € 74.2 million compared to € 69.1 million as of 30 June 2018. **Business Consulting and ICT segments recorded total revenues equalling respectively € 55.3 million** (€ 48.0 million as of 30 June 2018) and **€ 18.9 million** (€ 21.1 million as of 30 June 2018). The operating revenue earned by foreign subsidiaries totalled € 29.8 million (40.2% of total Revenues), compared to € 27.2 million recorded on 30 June 2018.

The **Gross Operating Margin (EBITDA) came to € 12 million, up 28.8%** on 30 June 2018 (€ 9.3 million).

EBIT amounted to **€ 7.9 million, up to 19.3%** on 30 June 2018 (€ 6.7 million).

The **Group pre-tax result** amounted to **€ 7.3 million, up 18.8%** compared to € 6.2 million as of 30 June 2018.

Net profit equals **Eur 4.2 million, plus 18.8%** compared to Eur 3.6 million as of 30 June 2017.

Net Financial Debt, excluding pre-IFRS-16 off-balance sheet operating leases, amounts to € 18.1 million, compared to € 22.0 million as of 30 June 2018.

The application of IFRS 16 required the recognition of financial debt for operating leases as of 31 March 2019 for € 9.6 million, which added to the Net Financial Debt brings total post - IFRS 16 net debt to € 27.7 million.

The Net Financial Position improves, year on year, by € 3.9 million , not considering the IFRS16 effect. The NFP is expected to significantly improve at the end of the second half of the year, as payments related to January-June activity are cashed in, in line with Financial Industry's typical procurement cycle.

Significant events in the period

The shareholders' meeting of Be was held on **April 19, 2019**, in first call, approving 2018 Financial Statements and resolving on distributing gross dividends equal to € 0.022 per share, drawing from the profits carried over and from part of the extraordinary reserve.

Dividends were paid on May 22, 2019, with no. 9 Coupon detachment on May 20, 2019 and record date on May 21, 2019.

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 wide offer models (B2C, B2B, B2B2C) will be fully supported by labs, teams of specialists and industry experts from Be.

Significant facts after the period

In **July 2019** Be Group bought 55% of the share capital of Tesla Consulting s.r.l., an Italian company specialized in services and solutions for Cyber Security and Digital Forensics. The transaction represents a progressive strengthening of Be's presence in this sector, which will become increasingly important over the next 36 months. The transaction follows the entry in the share capital of Tesla Consulting (February 2019) and brings to 60% the ownership of the share capital.

Business outlook

According to the results recorded in the second quarter of 2019, it is reasonable to confirm a strong competitive capacity also for the next two quarters of the year.

Further resolutions

The Board of Directors today also appointed Mr. Claudio Cornini, a London resident, as the Group's new Investor Relations Manager. Mr Cornini has been working with Group Be since 2013 as Chairman of the British subsidiary and Board Member of the Polish subsidiary. Founder of Cornhill & Harvest, a London-based financial advisory firm, he has gained extensive international experience over the years, in senior roles within credit companies, and in investment banking. The Board thanked Mr. Patrizio Sforza for his work and expressed its wishes to Mr. Claudio Cornini.

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.

The Management Interim Report as at June 30, 2018 will be published by the Company in compliance with the provisions of art.2.2.3 paragraph 3 letter a of the Rules of the Markets organized and managed by Borsa Italiana S.p.A. and its contents have been prepared in continuity with what has been done in the past by the Company.

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———— August 1st, 2019 // Milan



In attachment

1. Restated consolidated income statement as of 30 June 2019
2. Restated consolidated statement of financial position as of 30 June 2019
3. Consolidated net financial position as of 30 June 2019

This press release is available on the Company's website www.be-tse.it and on the centralized storage mechanism "eMarket STORAGE" at 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.

1. RESTATED CONSOLIDATED INCOME STATEMENT

<i>Amounts in EUR / 000</i>	1H 2019	1H 2018	Δ	Δ (%)
Operating Revenues	73,049	68,416	4,633	6.8%
Other Operating Revenues and Incomes	1,102	733	369	50.3%
TOTAL REVENUES	74,151	69,149	5,002	7.2%
Cost of raw materials and consumables	(160)	(106)	(54)	50.9%
Cost of services and use of third-party assets	(27,217)	(26,183)	(1,034)	3.9%
Personnel costs	(36,182)	(34,960)	(1,222)	3.5%
Other costs	(811)	(363)	(448)	n.a.
Internal capitalisations	2,246	1,801	445	24.7%
GROSS OPERATING MARGIN (EBITDA)	12,027	9,338	2,689	28.8%
Amortisation and depreciation	(4,053)	(2,637)	(1,416)	53.7%
Write-downs and provisions	0	(16)	16	(100.0%)
OPERATING PROFIT (EBIT)	7,974	6,685	1,289	19.3%
Net financial income and expense	(664)	(534)	(130)	24.3%
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	7,310	6,151	1,159	18.8%
Taxes	(2,694)	(2,180)	(514)	23.6%
NET PROFIT FROM CONTINUING OPERATIONS	4,616	3,971	645	16.2%
Net profit (loss) from discontinued operations	0	0	0	n.a.
CONSOLIDATED NET PROFIT INCLUDING MINORITY INTERESTS	4,616	3,971	645	16.2%
Net profit (loss) attributable to minority interests	356	385	(29)	(7.5%)
GROUP NET PROFIT	4,260	3,586	674	18.8%

2. RESTATED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>Figures in EUR / 000</i>	30.06.2019	31.12.2018	Δ	Δ (%)
Non-current assets	100,729	87,128	13,601	15.6%
Current assets	48,039	31,488	16,551	52.6%
Non-current liabilities	(27,350)	(25,474)	(1,876)	7.4%
Current liabilities	(38,157)	(39,290)	1,133	(2.9%)
NET INVESTED CAPITAL	83,261	53,852	29,409	54.6%
Shareholders' Equity	55,511	54,776	735	1.3%
Net Financial Position	27,750	(924)	28,674	n.a.

3. CONSOLIDATED NET FINANCIAL POSITION

<i>Amounts in EUR / 000</i>	30.06.2019	31.12.2018	Δ	Δ (%)
Cash and cash equivalents at bank	17,726	36,010	(18,284)	(50.8%)
A CASH AND CASH EQUIVALENTS	17,726	36,010	(18,284)	(50.8%)
B CURRENT FINANCIAL RECEIVABLES	44	511	(467)	(91.4%)
Current bank payables	(11,569)	(9,644)	(1,925)	20.0%
Current share of medium/long-term indebtedness	(9,165)	(9,980)	815	(8.2%)
Current right of use payables	(2,628)	0	(2,628)	n.a.
Other current financial payables	(56)	(490)	434	(88.6%)
C CURRENT FINANCIAL INDEBTEDNESS	(23,418)	(20,114)	(3,304)	16.4%
D NET CURRENT FINANCIAL POSITION (A+B+C)	(5,648)	16,407	(22,055)	n.a.
Non-current bank payables	(15,056)	(15,418)	362	(2.3%)
Non-current right of use payables	(6,998)	0	(6,998)	n.a.
Other non-current financial payables	(48)	(65)	17	(26.2%)
E NET NON-CURRENT FINANCIAL POSITION	(22,102)	(15,483)	(6,619)	42.8%
F NET FINANCIAL POSITION (D+E)	(27,750)	924	(28,674)	n.a.
G Right of use payables	(9,626)	0	(9,626)	n.a.
H NET FINANCIAL POSITION ADJ ANTE IFRS 16 (F-G)	(18,124)	924	(19,048)	n.a.