

**Be: Total Revenues at €109M (+5.5% vs Q3 2018).
EBITDA +31.7% and EBIT +18.7% vs. Q3 2018 (post IFRS16).**

Key metrics

- Total Revenues €109.4M (€103.7M as of 30.09.2018)
- EBITDA €16.8M (€12.7M as of 30.09.2018)
- EBIT €9.9M (€8.3M as of 30.09.2018)
- EBT €9.0M (€7.5M as of 30.09.2018).

The Board of Directors of Be Think Solve Execute SPA (“Be” or “the Company”), listed on the STAR Segment of Borsa Italiana, today met at the Company’s headquarters in Milan to approve the **Interim Financial Report as of September 30th 2019**.



Q3 2019 results confirm the growth trend we have seen playing out during the year. We are experiencing continuing strong demand by Financial Industry across Europe for all-round consultancy services in general, and for digital transformation in particular - says Stefano Achermann, CEO of Be. This baseline underpins the Business Plan we published in October, and allows us to hit the road running as we start working on its implementation. YTD Q3 2019 results show increase in Revenues of 5.5%, increase in EBITDA of 31.7% (16.0% net

STOCK DATA

Reuters Code: BET.MI
Bloomberg Code: BET IM

SHAREHOLDERS DATA

No of Ord. Shares (ml): 134,9
Total no of Shares (ml): 134,9
Mkt Cap. (Eur ml): 146,1
Mkt Float. (%): 42,9
Mkt Float. (Eur ml): 62,7
Main Shareholder: T.I.P.

GROUP DATA (as of 31.12.2018)

Total revenues(Eur ml): 150,2
EBITDA (Euro ml): 23,6
EBIT (Euro ml): 11,3
EBT (Euro ml): 10,1
Net profit (Euro ml): 5,5
NFP (Euro ml): 0,9

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of IFRS16 impact) and increase in EBIT of 18.7%. The margin generation is even more satisfactory if we consider that last year, in the same period, we recorded extraordinary positive items in an amount of more than €4.5M. The Net Financial Position, excluding IFRS16 impact, improves by €0.6M (€24.8M as of September 30th 2019 compared to €25.4M as of September 30th 2018). The Buyback programs have, so far, led to the purchase of 2.81% of Be shares (3,794M shares)".

Main consolidated results as of September 30th 2019

Total Revenues stood at €109.4M compared to €103.7 M as of September 30th 2018. **Business Consulting and ICT segments recorded total revenues equalling respectively €81.8M** (€72.9M as of September 30th 2018) and **€27.6M** (€30.3M as of September 30th 2018) as ICT ordinary business growth catches up with its 2018 one-off revenues. Total Revenues by foreign subsidiaries totalled €44.5M (40.6% of total Revenues), compared to €41.1M as of September 30th 2018.

The **Gross Operating Margin (EBITDA) was €16.8M, up 31.7%** on September 30th 2018 (€12.7M), with an *EBITDA margin* of 15.3 % vs. 12.3% as of September 30th 2018 - reflecting a more profitable business mix. Excluding a positive IFRS16 impact of €2,0M, y-o-y growth was 16.0%.

EBIT amounted to **€9.9M, up 18.7%** on September 30th 2018 (€8.3M). Excluding a negative IFRS16 total impact of €0,1M, y-o-y growth was 20.2%.

EBT amounted to **€9.0M, up 19.8%** on September 30th 2018 (€7.5 M), while the **Group pre-tax result** amounted to **€8.3M, up 23.2%** on September 30th 2018 (€6.7M). Excluding a negative IFRS16 total impact of €0,2M on **Group pre-tax result**, y-o-y growth was 26.8%.

Net Financial Debt, excluding pre-IFRS16 off-balance-sheet operating leases, amounts to €24.8M, compared to €25.4M as of September 30th 2018 and to €0.9M positive as of December 31st 2018.

The Net Financial Position improves, year on year, by €0.6M, excluding the IFRS16 impact. The NFP is expected to significantly improve in the last quarter of the year, as payments related to January-September activity are cashed in, in line with Financial Industry's typical procurement cycle.

The application of IFRS16 required the recognition of financial debt for operating leases for €9.6M as of September 30th 2019, which added to the Net Financial Debt above brings total post-IFRS16 net debt to €34.4M.

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Significant events during the period

On September 16th 2019 the Company gave notice of its intention to initiate a new buyback program of treasury shares up to a maximum of 2,250,000 shares, to be completed by December 31st 2019. This is in execution of the relevant buyback resolution of the Shareholders' Meeting of April 18th 2019, pursuant to art. 144-bis of Consob Regulation no. 11971/1999. Subsequent purchases will be considered once the current programme has been completed.

Significant events after the period

On October 16th 2019 Be Group approved and presented to the financial community the guidelines and targets for its 2020-2022 Business Plan, at its headquarters in Piazza Affari, Milan. The Plan, on the back of strong Financial Industry's demand for consulting services, with digitalization in the forefront, aims at taking the Company "to the next level", targeting 2022 Revenues at €250M, inclusive of €60M of potential M&A growth, and EBITDA at €45M, inclusive of €10M of potential M&A contribution.

Business outlook

In light of the period results, it is reasonable to confirm the Company's competitive position.

Further resolutions

The Board of Directors further resolved upon the Group's corporate reorganization with a view to the streamlining of Participations and the set-up of vehicles for the new business lines of Digital Engagement, in keep with the 2020-2022 Business Plan.

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Attached

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

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.

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 Think Solve Execute S.p.A. ("**Be**") is listed on the STAR segment of the Borsa Italiana and is a leading Italian player in the consulting sector, providing business consulting and information technology services. A combination of specialist skills, advanced proprietary technologies and a wealth of experience enables "Be" to advise leading global financial and insurance institutions on how to create and deliver value and boost business growth. "Be" has over 1,200 employees across Europe with offices in Italy, United Kingdom, Germany, Austria, Switzerland, Spain, Romania, Poland and Ukraine. In 2018 "Be" recorded revenues in the amount of € 150.2 million.

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RESTATED CONSOLIDATED INCOME STATEMENT

<i>(amounts in EUR millions)</i>	9M 2019	9M 2018	Δ	Δ (%)
Operating revenue	108,260	102,277	5,983	5.8%
Other operating revenue and income	1,114	1,380	(266)	(19.3%)
Value of production	109,374	103,657	5,717	5.5%
Cost of raw materials and consumables	(204)	(127)	(77)	60.6%
Cost of services and use of third-party assets	(41,217)	(39,837)	(1,380)	3.5%
Personnel costs	(53,631)	(52,951)	(680)	1.3%
Other costs	(935)	(697)	(238)	34.1%
Internal capitalisations	3,382	2,687	695	25.9%
Gross Operating Margin (EBITDA)	16,769	12,732	4,037	31.7%
Amortisation and depreciation	(6,244)	(3,788)	(2,465)	64.8%
Write-downs and provisions	(620)	(600)	(20)	3.3%
Operating Profit (Loss) (EBIT)	9,905	8,344	1,561	18.7%
Net financial income and expense	(912)	(837)	(75)	9.0%
Profit (loss) before tax from continuing operations	8,993	7,507	1,486	19.8%
Net Result from discontinued operations	0	0	0	n.a.
Profit/(Loss) before tax of the period including minority interests	8,993	7,507	1,486	19.8%
Minority interests	728	798	(70)	(8.8%)
Profit/(Loss) before tax for the Group	8,265	6,709	1,556	23.2%

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RESTATED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(amounts in EUR millions)</i>	30.09.2019	31.12.2018	Δ	Δ (%)
Non-current assets	101,650	87,128	14,522	16.7%
Current assets	49,245	31,488	17,757	56.4%
Non-current liabilities	(27,340)	(25,474)	(1,866)	7.3%
Current liabilities	(29,423)	(39,290)	9,867	(25.1%)
Net Invested Capital	94,132	53,852	40,280	74.8%
Shareholders' Equity	59,713	54,776	4,937	9.0%
Net Financial Position	34,419	(924)	35,343	n.a.

CONSOLIDATED NET FINANCIAL POSITION

<i>(amounts in EUR millions)</i>	30.09.2019	31.12.2018	Δ	Δ (%)
Cash and cash equivalents at bank	10,987	36,010	(25,023)	(69.5%)
A Cash and cash equivalents	10,987	36,010	(25,023)	(69.5%)
B Current financial receivables	39	511	(472)	(92.4%)
Current bank payables	(14,030)	(9,644)	(4,386)	45.5%
Current share of medium/long-term indebtedness	(8,587)	(9,980)	1,393	(14.0%)
Current right of use payables	(2,849)	0	(2,849)	n.a.
Other current financial payables	(29)	(490)	461	(94.1%)
C Current financial indebtedness	(25,495)	(20,114)	(5,381)	26.8%
D Net current financial position (A+B+C)	(14,469)	16,407	(30,876)	n.a.
Non-current bank payables	(13,213)	(15,418)	2,205	(14.3%)
Non-current right of use payables	(6,737)	0	(6,737)	n.a.
Other non-current financial payables	0	(65)	65	n.a.
E Net non-current financial position	(19,950)	(15,483)	(4,467)	28.9%
F Net financial position (D+E)	(34,419)	924	(35,343)	n.a.
G Right of use payables	(9,586)	0	(9,586)	n.a.
H Net financial position adj ante IFRS 16 (F-G)	(24,833)	924	(25,757)	n.a.