



PRESS RELEASE

ACOTEL GROUP SpA: General Meeting of shareholders approves 2014 Annual Report

Consolidated results:

- **Revenue approximately €69.8 million (€103.7 million in 2013)**
- **Negative EBITDA approximately €11.4 million (negative €3.9 million in 2013)**
- **Negative EBIT approximately €14.7 million (negative €9.3 million in 2013)**
- **Net loss €19.3 million (loss of €10.7 million in 2013)**
- **Net funds €23.1 million (€18.2 million in 2013)**

Today's session of the ordinary Annual General Meeting of shareholders of Acotel Group SpA, which met today on the first call under the Chair of Claudio Carnevale, at the company's Rome headquarters has approved the Annual Report for the year ended 31 December 2014 and examined the Consolidated Report. The General Meeting also approved the Remuneration Report and elected the Board of Directors and the Board of Statutory Auditors.

Consolidated financial statements 2014

The Acotel Group reports revenue of approximately €70 million for 2014, down 33% on the approximately €104 million of 2013. The performance primarily reflects reduced turnover at the Acotel Interactive business area, hit by the decision, taken by US mobile operators at the end of 2013, not to sell value added services created by third parties to their customers, and by a slowdown in the Italian, South American and Middle Eastern markets. The latter decline is due to regulatory interventions, which have altered the way in which the sector operates, technical and commercial issues, which have resulted in falling turnover, and a general decline in demand for VAS services due to the growth in smartphone use.

In terms of operating segment, 77% of revenue was generated by the Acotel Interactive business area, 21% by the Acotel TLC business area and the remaining 2% by the Acotel Net business area.

The geographical revenue breakdown shows that 41% of revenue was generated in Italy, 36% in Latin America, 17% in the Middle East, 3% in other European countries, 2% in India and the remaining 1% in North America.

In terms of earnings, the Group reports a consolidated gross operating loss (negative EBITDA) of approximately €11.4 million (a loss of €3.9 million in 2013). After amortisation and depreciation (€3.3 million), the Group reports an operating loss (negative EBIT) of €14.7 million (a loss of €9.3 million for the previous year).

After net finance cost of €0.1 million, estimated tax expense for the period (€1 million), the loss from discontinued operations (€3.6 million), reflecting the impact of the sale of the investment in Jinny Software and its direct subsidiaries, and the loss attributable to non-controlling interests (€0.1 million), the loss attributable to owners of the Parent for the period amounts to approximately €19.3 million (a loss of €10.7 million for 2013).

Net funds at 31 December 2014 amount to approximately €23.1 million, up 27% on the €18.2 million of 31 December 2013, essentially due to the proceeds from the sale of Jinny Software.



Parent Company's separate financial statements 2014

The Parent Company, *Acotel Group SpA*, generated total revenue of approximately €2,217 thousand, generated by Service Provisioning for the subsidiary, *Acotel SpA*.

The Company reports a gross operating loss (negative EBITDA) of €705 thousand, marking a deterioration with respect to 2013, as a result of the decline in revenue during the year.

The operating loss (negative EBIT) amounts to €6,642 thousand, compared with a loss of €6,370 thousand in 2013. This margin was significantly impacted by impairment losses totalling €5,851 thousand recognised in order to adjust the carrying amounts of the investments in *Acotel do Brasil Ltda* (€3,136 thousand) and *Acotel Interactive Inc.* (€2,715 thousand) to their recoverable amounts.

After the Company's share of the profit/(loss) of associates and joint ventures, net finance income, income tax expense for the year and the loss from discontinued operations (*Jinny Software*), the loss for 2014 amounts to €20,728 thousand.

Other resolutions

In the ordinary session, the Shareholders' Meeting of Acotel Group SpA:

- approved the Remuneration Report stipulated in the Regulations for Issuers of the Italian Stock Exchange;
- elected the Board of Directors for the next three years, until the approval of Annual Report 2017. Members are Claudio Carnevale (Chairman), Margherita Argenziano and Giovanni Galoppi (Directors), Francesco Ago and Rubens Esposito (Independent Directors). All the members of the Board of Directors were elected from the sole list submitted by the shareholder, CLAMA Srl, which 57.38% of the share capital voted in favour of;
- elected the Board of Statutory Auditors for the next three years, until the approval of Annual Report 2017. Members are Sandro Lucidi (Chairman), Monica Rispoli and Antonio Mastrangelo (Regular Statutory Auditors), Gabriele Perrotti and Paola Donatelli (Alternate Statutory Auditors). All the members of the Board of Statutory Auditors were elected from the sole list submitted by the shareholder, CLAMA Srl, which 57.39% of the share capital voted in favour of.

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