



PRESS RELEASE

ACOTEL GROUP SpA: General Meeting of shareholders approves 2015 Annual Report

Consolidated results 2015¹

- **Revenue approximately €37.1 million (€43.7 million in 2014)**
- **Negative EBITDA approximately €8.6 million (negative €6.6 million in 2014)**
- **Negative EBIT approximately €10.5 million (negative €9.1 million in 2014)**
- **Net loss €10.7 million (loss of €19.3 million in 2014)**
- **Net funds €11.6 million (€23.1 million in 2014)**

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 2015 and examined the Consolidated Report. The General Meeting also approved the Remuneration Report.

Consolidated financial statements 2015

The Acotel Group reports revenue of approximately €37 million for 2015, down 15% on the approximately €44 million of 2014. The performance primarily reflects reduced turnover at the Acotel Interactive business area, hit by a slowdown in its Italian and South American markets, reflecting commercial issues, which have resulted in falling turnover, and regulatory interventions that have altered the way in which the sector operates.

In terms of operating segment, 90% of revenue was generated by the Acotel Interactive business area and the remaining 5% by the Acotel Net and Acotel TLC business areas.

The geographical revenue breakdown shows that 51% of revenue was generated in Latin America, 32% in Italy, 16% in India and the remaining 1% in other European countries.

In terms of earnings, the Group reports a consolidated gross operating loss (negative EBITDA) of approximately €8.6 million (a loss of €6.6 million in 2014). After amortisation and depreciation (€1.6 million) and impairment losses on non-current assets (€0.3 million), the Group reports an operating loss (negative EBIT) of €10.5 million (a loss of €9.1 million for the previous year).

After net finance income (€0.6 million), estimated tax expense for the period (€1.9 million) and the profit from assets held for sale and discontinued operations (€1.1 million), which reflects

¹ *In accordance with IFRS 5, revenue and cost items for 2015 and, for comparative purposes, for 2014, attributable to Nòverca's retail business and the assets and liabilities included in the company's liquidation, to Info2cell and to Flycell Telekomunikasyon Hizmetler AS have been classified in "Profit/(Loss) from assets held for sale and discontinued operations" in the income statement. Cost and revenue items attributable to Jinny Software Ltd. and all its subsidiaries, which were sold in the previous year, have also been classified in this line item for 2014.*

Similarly, the current and non-current assets and liabilities attributable to Noverca Italia Srl's remaining operations, which are in the process of being liquidated, have been consolidated on a line-by-line basis, but reclassified to "Total assets held for sale and discontinued operations less related liabilities" in the statement of financial position.



the impact of the sale of Noverca's retail business, together with the costs and income resulting from the liquidation of Noverca Italia Srl and the sale of the subsidiaries, Flycell Telekomunikasyon Hizmetler AS and Info2cell.com FZ-LLC, the loss attributable to owners of the Parent for the year amounts to approximately €10.7 million (a loss of €19.3 million for 2014).

Net funds at 31 December 2015 amount to approximately €11.6 million, down 50% on the €23.1 million of 31 December 2014. This reflects the financial impact of the losses incurred by Group companies during the year.

Parent Company's separate financial statements 2015

The Parent Company, *Acotel Group SpA*, generated total revenue of approximately €1,367 thousand, generated essentially by Service Provisioning for the subsidiary, Acotel SpA.

The Company reports a gross operating loss (negative EBITDA) of €938 thousand, marking a deterioration with respect to 2014, as a result of the decline in revenue during the year.

The operating loss (negative EBIT) amounts to €7,229 thousand, compared with a loss of €6,642 thousand in 2014. This margin was significantly impacted by the impairment losses of €6,221 thousand recognised in order to adjust the carrying amounts of the investments in Acotel Interactive Inc. (€4,580 thousand) and Acotel SpA (€1,641 thousand) to their recoverable amounts and equity at 31 December 2015.

After the Company's share of the losses of associates and joint ventures, net finance income, income tax expense for the year and the loss from assets held for sale and discontinued operations (Info2cell.com FZ-LLC), the loss for 2015 amounts to €13,779 thousand.

The share of the losses of associates and joint ventures, amounting to €4,090 thousand, reflects provisions for future charges that the Company may incur following completion of the process of liquidating Noverca Italia Srl (€19 thousand) and the cost of covering the losses incurred by the subsidiaries, Noverca Srl (€2,071 thousand) and AEM Acotel Engineering and Manufacturing SpA (€2,000 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.

For further information contact:

Acotel Group

Davide Carnevale

Investor relations

Tel. +39 06 61141000

e-mail: investor.relator@acotel.com

Rome, 22 April 2016