



PRESS RELEASE

ACOTEL GROUP SpA: General Meeting of shareholders approves 2016 Annual Report

Consolidated results 2016¹

- **Revenue approximately €22.2 million (€35.8 million in 2015)**
- **Negative EBITDA approximately €5.9 million (negative €6.7 million in 2015)**
- **Negative EBIT approximately €7.4 million (negative €7.8 million in 2015)**
- **Net loss €5.5 million (loss of €10.7 million in 2015)**
- **Net funds €8 million (€11.6 million in 2015)**

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 2016 and examined the Consolidated Report. The General Meeting also approved the Remuneration Report.

Consolidated financial statements 2016

The Acotel Group reports revenue of approximately €28 million for 2016, down 38% on the approximately €36 million of 2015. This reflects reduced turnover at the Acotel Interactive business area, primarily caused by a slowdown in its Italian and South American markets.

In terms of operating segment, 82% of revenue was generated by the Acotel Interactive business area, 10% by the Acotel Net business area and the remaining 8% by the Bucksense business area.

In terms of earnings, the Group reports a consolidated gross operating loss (negative EBITDA) of approximately €5.9 million (a loss of €6.7 million in 2015). After amortisation and depreciation (€1.3 million) and goodwill impairment (€0.3 million), the Group reports an operating loss (negative EBIT) of €7.4 million (a loss of €7.8 million for the previous year).

After net finance income (€0.5 million), estimated tax expense (€2.5 million) and the profit from assets held for sale and discontinued operations (€4 million), which reflects the impact of the sale of *Nòverca Srl*, together with the revenue and costs resulting from the liquidation of *Noverca Italia Srl*, the loss attributable to owners of the Parent for the year amounts to approximately €5.5 million (a loss of €10.7 million in 2015).

¹ *In accordance with IFRS 5, revenue and cost items for 2016 and, for comparative purposes, for 2015, attributable to Noverca Srl and Noverca Italia Srl (in liquidation), have been classified in "Profit/(Loss) from assets held for sale and discontinued operations" in the income statement. Revenue and cost items for 2015 attributable to Flycell Telekomunikasyon Hizmetler AS and Info2cell.com FZ-LLC, which were sold during the previous year, have also been classified in this item.*

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.



Net funds at 31 December 2016 amount to approximately €8 million, down 31% on the €11.6 million of 31 December 2015. This reflects the financial impact of the losses incurred by Group companies during the year.

Parent Company's separate financial statements 2016

The Parent Company, *Acotel Group SpA*, generated total revenue of approximately €4,011 thousand, with €3,999 thousand resulting from the services provided by the Acotel Interactive and Acotel Net business areas.

The Company reports a gross operating loss (negative EBITDA) of €2,771 thousand, marking deterioration with respect to 2015, as a result of the decline in revenue during the year.

The operating loss (negative EBIT) amounts to €4,676 thousand, compared with a loss of €7,195 thousand in 2015 pro-forma. This figure was significantly impacted by the impairment loss of €1,836 thousand on the carrying amount of the investment in *AEM Acotel Engineering and Manufacturing SpA*.

After the profit and loss on investments, net finance income, income tax expense for the year and the loss from discontinued operations (*Noverca Srl*), the loss for 2016 amounts to €10,982 thousand.

The profit on investments, totalling €2,753 thousand, includes €2,238 thousand relating to the dividend paid by *Acotel do Brasil Ltda* in 2016 and a reduction of €515 thousand in provisions made to cover future charges that the Company may incur following completion of the process of liquidating *Noverca Italia Srl (in liquidation)*.

The loss on investments, totalling €3,377 thousand, regards the cost of covering the losses incurred by *AEM Acotel Engineering and Manufacturing SpA* (€2,065 thousand) and *Noverca Srl* (€1,312 thousand).

Other resolutions

In the ordinary session, the Shareholders' Meeting of Acotel Group SpA approved the Remuneration Report pursuant to article 123-ter of TUF.

For further information contact:

<p>Acotel Group Davide Carnevale Investor relations Tel. +39 06 61141000 e-mail: investor.relator@acotel.com</p>
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