

**INTERIM REPORT FOR THE
THREE MONTHS ENDED 31 MARCH 2016**



Registered office in Via della Valle dei Fontanili 29/37 – 00168 Rome, Italy
Share capital: €1,084,200.00 fully paid-in
Rome Companies' Register,
Tax Code and VAT number: 06075181005

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CORPORATE OFFICERS

Board of Directors

Claudio Carnevale
Chairman and CEO

Francesco Ago ^{(1), (2), (3)}
Director

Margherita Argenziano
Director

Rubens Esposito ^{(1), (2)}
Director

Giovanni Galoppi
Director

- (1) Member of the Remuneration Committee
- (2) Member of the Internal Audit Committee
- (3) Lead Independent Director

Board of Statutory Auditors

Sandro Lucidi
Chairman

Antonio Mastrangelo
Auditor

Monica Rispoli
Auditor

Independent auditors

Reconta Ernst & Young SpA

The Board of Directors and the Board of Statutory Auditors of Acotel Group SpA were elected on 24 April 2015 by the Annual General Meeting of shareholders, which also elected Claudio Carnevale as Chairman. Both boards will remain in office until approval of the financial statements for the year ended 31 December 2017.

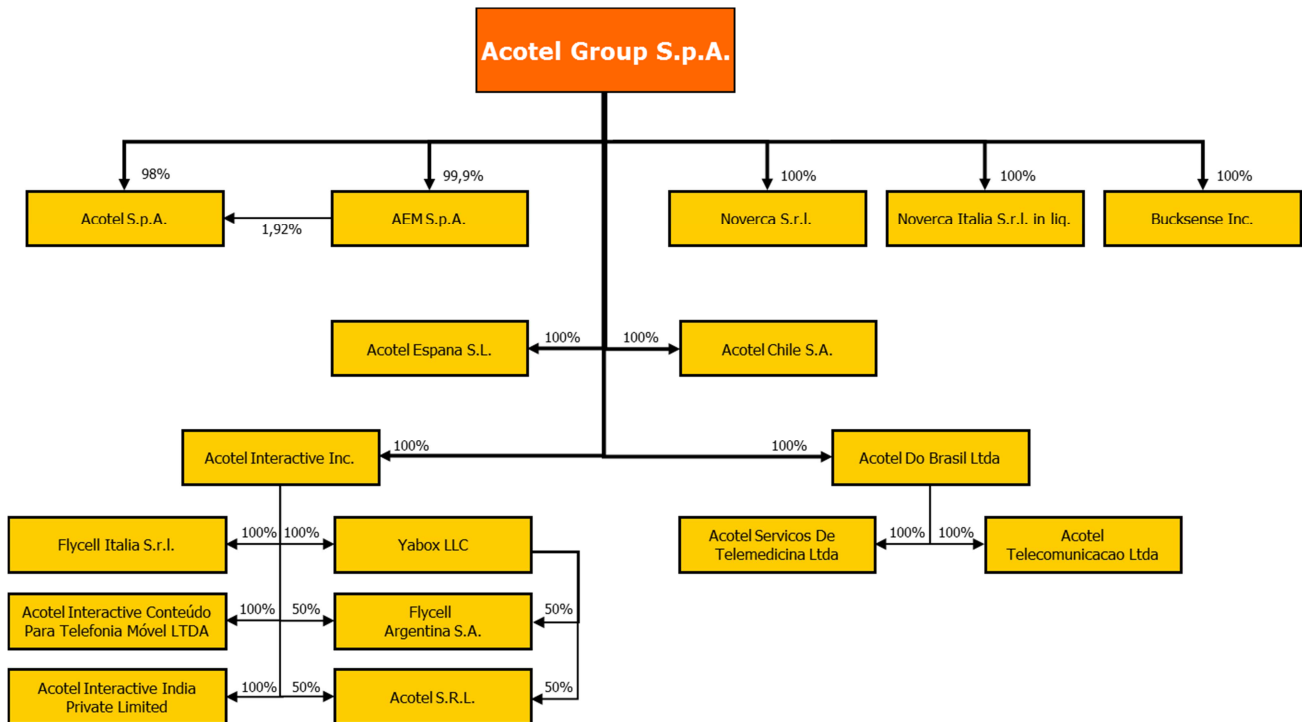
The Board of Directors' meeting of 15 May 2015 elected:

- Claudio Carnevale as the Company's CEO, granting him the powers necessary to ensure effective and timely management of the Company;
- Francesco Ago as Lead Independent Director;
- Francesco Ago and Professor Rubens Esposito to serve as members of the Remuneration Committee and the Internal Audit Committee. Francesco Ago was appointed Chairman of the Remuneration Committee, whilst Professor Esposito was appointed Chairman of the Internal Audit Committee;
- Giovanni Galoppi as the Director with responsibility for the internal control system;
- Davide Carnevale as Head of Investor Relations,

and assigned the Director, Margherita Argenziano, executive powers in line with her role within the Company.

THE GROUP

The following chart shows the structure of the Acotel Group at 31 March 2016:



The parent of Acotel Group SpA is Clama Srl, which at 31 March 2016 holds 1,727,915 ordinary shares, representing 41.4% of the share capital.

Clama Srl does not carry out management and coordination activities pursuant to art. 2497 of the Italian Civil Code, as, despite holding sufficient voting rights to submit the majority list for election of the Board of Directors, Acotel Group SpA's Board of Directors is operationally independent.

BASIS OF PRESENTATION

The Acotel Group's interim report for the three months ended 31 March 2016 has been prepared in compliance with the requirements of article 2.2.3, paragraph 3 of the Regulations for Markets organised and managed by Borsa Italiana SpA.

The interim report has been prepared under the international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union.

The accounting standards applied are consistent with those adopted for preparation of the Acotel Group's consolidated financial statements for the year ended 31 December 2015, integrated where necessary by the application of standards to take account of aspects not present at that date.

The consolidated financial statements for the three months ended 31 March 2016 have been prepared on the basis of the underlying accounting records at that date, as adjusted in accordance with the matching principle.

Preparation of this report required management to make estimates and assumptions which, based primarily on internal records, essentially have an effect on revenues and costs that have yet to be confirmed by customers and suppliers, any impairments of goodwill and inventories, and provisions for bad debts, litigation and taxation.

Above all, a portion of the turnover generated by Digital Entertainment services, and a number of related cost items, include preliminary figures, derived primarily from internal reporting systems, and estimates that have yet to be confirmed by mobile transaction network providers and/or operators.

Certain measurement processes, above all those of a complex nature relating to the estimate of potential impairments of fixed assets, are generally only fully carried out during preparation of the annual financial statements, unless events or changes in circumstances indicate that there may be an impairment requiring an immediate measurement of any loss.

This interim report is unaudited.

BASIS OF CONSOLIDATION

The following table provides key information on consolidated companies held, directly or indirectly, by *Acotel Group SpA*, the Parent Company.

Company	Date of acquisition	Group's % interest	Registered office	Share capital	
				Currency	Amount
Acotel SpA	28 April 2000	99.9% (2)	Rome	EURO	13,000,000
AEM Acotel Engineering and Manufacturing SpA	28 April 2000	99.9%	Rome	EURO	858,000
Acotel Chile SA	28 April 2000	100%	Santiago, Chile	USD	17,330
Acotel Espana SL	28 April 2000	100%	Madrid	EURO	3,006
Acotel Do Brasil Ltda	8 August 2000 (1)	100%	Rio de Janeiro	BRL	1,868,250
Acotel Interactive, Inc.	28 June 2003 (1)	100%	Wilmington	USD	10,000
Acotel Interactive Conteúdo Para Telefonía Móvel LTDA	6 June 2006 (1)	100% (3)	Rio de Janeiro	BRL	250,000
Yabox LLC	24 October 2007 (1)	100% (3)	Wilmington	USD	1
Flycell Italia Srl	10 July 2008 (1)	100% (3)	Rome	EURO	90,000
Flycell Argentina SA	26 October 2009	100% (4)	La Plata	ARS	12,000
Acotel Serviços De Telemedicina Ltda.	28 March 2011 (1)	100% (5)	Rio de Janeiro	BRL	400,000
Acotel Telecomunicação Ltda.	28 March 2011 (1)	100% (5)	Rio de Janeiro	BRL	400,000
Bucksense, Inc.	28 June 2011 (1)	100%	Nevada	USD	10,000
Noverca Srl	10 July 2002 (6)	100% (7)	Rome	EURO	10,000
Noverca Italia Srl (in liquidation)	9 May 2008 (1)	100% (7)	Rome	EURO	10,000
Acotel SRL	30 July 2013 (1)	100% (4)	Buenos Aires	ARS	20,000

Acotel Interactive India Private Limited	22 August 2013 (1)	100% (3)	Mumbai	Rs	100,000
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- (1) The date of the company's entry into the Group coincides with its incorporation.
- (2) AEM Acotel Engineering and Manufacturing owns 1.92% of the share capital.
- (3) Controlled via Acotel Interactive Inc.
- (4) Controlled via Acotel Interactive Inc. and Yabox LLC.
- (5) Controlled via Acotel do Brasil Ltda.
- (6) Prior to this date the Group owned 50% of this company, accounted for in investments in associates.
- (7) Since 20 May 2013, the Group has full control of this company.

The basis of consolidation has not changed during the first quarter of 2016.

SIGNIFICANT EVENTS DURING THE FIRST QUARTER

In addition to the commercialisation of existing products and services in the relevant markets, during the first quarter of 2016, the Group focused on the development of its energy management products and services and programmatic advertising services, as well on its participation in the relevant trade events in order to publicise the Group's new commercial offerings.

As a result of the Group's current restructuring, from 2016, the accounts include a new business area named **Bucksense**, with the aim of giving greater visibility to the web advertising services offered by the Group.

As the following table shows, compared with the results for the same period of 2015, the Acotel Group's results for the first quarter of 2016 reveal a reduction in revenue and an improvement in earnings from continuing operations.

(€000)	Q1 2016					
	ACOTEL INTERACTIVE	ACOTEL TLC	ACOTEL NET	BUCKSENSE	Eliminations / Other	Total
Revenue	5,578	755	584	100	-	7,017
Gross operating profit/(loss) (EBITDA)	9	(329)	(701)	(698)	34	(1,685)
Profit/(Loss) before tax from continuing operations	100	(542)	(787)	(784)	(50)	(2,063)

(€000)	Q1 2015 (*)					
	ACOTEL INTERACTIVE	ACOTEL TLC	ACOTEL NET	BUCKSENSE	Eliminations / Other	Total
Revenue	9,065	259	424	47	-	9,795
Gross operating profit/(loss) (EBITDA)	(1,048)	(2,071)	(467)	103	1,234	(2,249)
Profit/(Loss) before tax from continuing operations	(955)	(2,432)	(493)	98	1,619	(2,163)

(*): In accordance with IFRS 5, amounts for 2015 have been reclassified to take into account the cessation of Noverca's retail business, the current liquidation of Noverca Italia Srl and the sale of the subsidiaries, Flycell Telekomunikasyon Hizmetler AS and Info2cell.com FZ-LLC.

An analysis of the Group's quarterly results shows that:

- total turnover is down 28% from €9.8 million in the first quarter of 2015 to €7 million in the first quarter of 2016;
- the Group has registered a gross operating loss (negative EBITDA) of €1.7 million, compared with a loss of €2.2 million in the same period of 2015.

The reduction in turnover essentially reflects reduced turnover at the **Acotel Interactive** business area. The significant improvement in earnings generated by this business, compared with the same period of 2015, is due to reduced promotional expenditure in the first quarter of 2016.

Revenue generated by the **Acotel TLC** business area is up 191% on the same period of the previous year, reflecting higher turnover at the Mobile Virtual Network Aggregator segment, where the Group is engaged in enabling parties interested in becoming Mobile Virtual Network Operators (MVNOs). Earnings in this business area for the period just ended also show an improvement compared with the same period of 2015.

In addition to continuing with the development of products and services for managing the consumption of electricity, water and gas, the **Acotel Net** business area focused on concluding ongoing talks with a number of major commercial partners.

In the same period, ENI continued to market its myEnergy service to its SOHO and Small Business customers, supplied in partnership with Acotel. Approximately 6,400 of ENI's customers have chosen the service at 31 March 2016 (around 2,700 in the first three months of 2016), including approximately 2,900 (around 1,900 in the first three months of 2016) to whom Acotel has shipped its My Energy Meter (MEM), which enables the customer to access the platform in order to use the service.

In March, Acotel took part, with its own stand, in the National Facilities Management and Technology Conference & Exposition (NFMT) held in Baltimore. After participating in other major events in the sector, the NFMT provided an opportunity to show off the versatility and benefits provided by Acotel Net's products and services to an international audience.

Despite the positive market response to the services offered, the revenue generated by this business area are not yet sufficient to cover the related costs and make a positive contribution to the Group's consolidated results.

The Group presented the programmatic advertising services offered by the new business area, named **Bucksense**, at the Affiliate Summit West in Las Vegas in January 2016 and at the Mobile World Congress in Barcelona in February. A significant number of contacts resulted from the work carried out at the two fairs and around a hundred of the contacts have been converted into customers who are already using the services offered by the Group. The business area's overall performance, in terms of operating results, continues to be impacted by the cost of the staff and investment in the technologies needed to complete and market the offering in the relevant market.

RESULTS OF OPERATIONS

(€000)	Q1 2016	Q1 2015	Increase/ (Decrease)
Revenues	7,017	9,795	(2,778)
Other income	24	36	(12)
Total	7,041	9,831	(2,790)
Movements in work in progress, semi-finished and finished goods	(18)	(26)	8
Raw materials	(126)	(70)	(56)
External services	(5,611)	(8,594)	2,983
Rentals and leases	(244)	(306)	62
Staff costs	(3,100)	(3,059)	(41)
Internal capitalised costs	508	226	282
Other costs	(135)	(251)	116
Gross operating profit/(loss)	(1,685)	(2,249)	564
Amortisation and depreciation	(504)	(365)	(139)
Operating profit/(loss)	(2,189)	(2,614)	425
Net finance income/(costs)	126	451	(325)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	(2,063)	(2,163)	100
Taxation	(297)	(512)	215
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	(2,360)	(2,675)	315
Profit/(Loss) from assets held for sale and discontinued operations	(8)	1,730	(1,738)
PROFIT/(LOSS) FOR THE PERIOD BEFORE NON-CONTROLLING INTERESTS	(2,368)	(945)	(1,423)
Profit/(Loss) attributable to non-controlling interests	-	(82)	82
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	(2,368)	(863)	(1,505)
Earnings per share	(0.58)	(0.21)	
Diluted earnings per share	(0.58)	(0.21)	

(*): In accordance with IFRS 5, amounts for 2015 have been reclassified to take into account the cessation of Noverca's retail business, the current liquidation of Noverca Italia Srl and the sale of the subsidiaries, Flycell Telekomunikasyon Hizmetler AS and Info2cell.com FZ-LLC.

Note 1 - Revenue

Revenue for the first quarter of 2016 amounts to €7,017 thousand, down on the €9,795 thousand of the same period of the previous year.

As shown in the table below, the decrease in revenue essentially reflects reduced turnover in the Acotel Interactive business area (down 38%).

(€000)	Q1 2016		Q1 2015	
		%		%
ACOTEL INTERACTIVE	5,578	79.5%	9,065	92.6%
ACOTEL TLC	755	10.8%	259	2.6%
ACOTEL NET	584	8.3%	424	4.3%
BUCKSENSE	100	1.4%	47	0.5%
Total	7,017	100%	9,795	100%

ACOTEL INTERACTIVE

The Acotel Interactive business area includes the services provided directly to consumers (Digital Entertainment), and those supplied to telephone operators and commercial companies (Mobile Services), and has the primary purpose of supplying value added content and services over mobile phones and the web.

A breakdown of this business area's revenues is given in the following table:

(€000)	Q1 2016	Q1 2015	Increase/ (Decrease)
Digital Entertainment	4,592	7,338	(2,746)
Mobile Services	986	1,727	(741)
Total	5,578	9,065	(3,487)

In the first quarter of 2016, Digital Entertainment services generated revenue of €4,592 thousand, down 37% on the same period of 2015. These services are supplied by *Acotel Interactive Inc.* and its direct subsidiaries, accounting for a total of €3,816 thousand and by *Acotel SpA*, accounting for €776 thousand.

Mobile Service revenue, amounting to €986 thousand, is down 43% on the same period of 2015. This includes revenue from services rendered by the subsidiary, *Acotel do Brasil*, to the Brazilian operator, *TIM Celular*, amounting to €785 thousand, and revenue generated by the services provided to *Telecom Italia* by the subsidiary, *Acotel SpA*, totalling €201 thousand.

ACOTEL TLC

Revenue generated by the *Acotel TLC* business area amounts to €755 thousand, up 191% on the same period of 2015, as shown in the following table:

(€000)	Q1 2016	Q1 2015	Increase/ (Decrease)
Mobile Virtual Network Aggregator services	730	194	536
Mobile Communications	25	65	(40)
Total	755	259	496

The Group generated revenue of €730 thousand from the provision of Mobile Virtual Network Aggregator services in the first quarter of 2016, reflecting the phone traffic generated by the customers of *Noitel Italia Srl*, *Ringo Mobile SpA* and *Linkem SpA* and the services provided to *Nextus Telecom* and *Digitel Italia* in order to enable them to operate as MVNOs.

Mobile Communications revenue of €25 thousand is essentially attributable to the operations of *Acotel SpA*.

ACOTEL NET

Revenues generated by the *Acotel NET* business area, totalling €584 thousand, are up 38% on the same period of 2015, as shown in the following table:

(€000)	Q1 2016	Q1 2015	Increase/ (Decrease)
Energy	354	153	201
Security Systems	230	271	(41)
Total	584	424	160

The Energy segment generated revenue of €354 thousand in the first quarter, generated primarily by the Group's contracts with *Poste Italiane SpA*, relating to energy management at 8,500 post offices, and *ENI SpA*, in relation to provision of its *myEnergy* service.

The Security Systems segment generated revenue of €230 thousand. These revenues relate to the design, production and maintenance of electronic security systems and are generated entirely in Italy by the subsidiary, *AEM Acotel Engineering and Manufacturing SpA*. They derive from the installation, supply, servicing and maintenance of remote surveillance equipment primarily installed at certain provincial branches of the Bank of Italy and at Italian police headquarters.

BUCKSENSE

Turnover generated by the new business area, named **Bucksense**, amounts to €100 thousand.

The following table provides an analysis of the Group's sales in the various geographical segments, regardless of the nature of the goods and services sold:

(€000)	Q1 2016		Q1 2015	
		%		%
LATIN AMERICA	2,715	38.7%	5,290	54.0%
ITALY	2,634	37.5%	3,044	31.1%
INDIA	1,583	22.6%	1,279	13.1%
OTHER EUROPEAN COUNTRIES	65	0.9%	156	1.6%
OTHER	20	0.3%	26	0.2%
	7,017	100%	9,795	100%

Note 2 – External services

The cost of external services totals €5,611 thousand, down 35% on the first quarter of 2015.

A breakdown of the service costs is shown below:

(€000)	Q1 2016	Q1 2015	Increase/ (Decrease)
Interconnection and billing services	2,381	3,926	(1,545)
Advertising	1,217	2,663	(1,446)
Telecommunications services	414	19	395
Professional consultants	382	504	(122)
Connectivity and sundry utilities	309	245	64
Remuneration of corporate officers	195	210	(15)
Content providers	183	427	(244)
Routine maintenance	63	85	(22)
Travel expenses	55	93	(38)
Auditors' fees	49	46	3
Outsourcing	38	51	(13)
Other minor expenses	325	325	-
Total	5,611	8,594	(2,983)

The decrease primarily reflects a reduction in the cost of interconnection and billing services, linked to the performance of Digital Entertainment revenue, a decrease in advertising expenses and a reduction in the cost of content provision.

The cost telecommunications services, totalling €44 thousand, regards the cost of interconnection and mobile termination charges for calls originating from the MVNOs enabled during 2015 and made to the customers of other operators, in addition to the cost of using Telecom Italia's network infrastructure in providing MVNA services.

Note 3 – Rentals and leases

Rentals and leases amount to €244 thousand and primarily include rentals on offices occupied by Group companies.

Note 4 – Staff costs

Staff costs include:

(€000)	Q1 2016	Q1 2015	Increase/ (Decrease)
Salaries and wages	2,233	2,225	8
Social security contributions	569	515	54
Staff termination benefits	124	112	12
Finance costs	(19)	(16)	(3)
Other costs	193	223	(30)
Total	3,100	3,059	41

Other staff costs include charges incurred in relation to professional training and refresher courses, prevention and health care expenses, and contributions for defined-contribution pension plans for the staff of foreign subsidiaries.

The number of staff by category at 31 March 2016 and a comparison of the average numbers for the first quarters of 2016 and 2015 are reported in the following table:

	At 31 March 2016	Average Q1 2016	Average Q1 2015
Managers	14	14	14
Supervisors	41	42	46
White- and blue-collar staff	150	153	176
Total	205	209	236

The geographical distribution of the Group's staff is shown in the table below:

	At 31 March 2016	At 31 March 2015
Italy	136	141
Brazil	37	55
USA	22	27
Spain	7	11
India	3	-
Total	205	234

Note 5 – Capitalised internal costs

Capitalised internal costs, totalling €508 thousand essentially relate to the cost of staff employed in the development of software and new functions used in delivering NET, advertising and MVNA services.

Note 6 - Amortisation and depreciation

Details of the amortisation and depreciation of assets are given below:

(€000)	<u>Q1 2016</u>	<u>Q1 2015</u>	<u>Increase/ (Decrease)</u>
Amortisation of non-current intangible assets	178	12	166
Depreciation of property, plant and equipment	326	353	(27)
Total	<u>504</u>	<u>365</u>	<u>139</u>

Amortisation of intangible assets mainly refers to amortisation of the software and licences utilised by various Group companies, and the expenses paid to Telecom Italia in return for preparation and configuration of the technology infrastructure used in delivering MVNA services.

Depreciation of property, plant and equipment primarily refers to depreciation of the telecommunications equipment and infrastructure used by Group companies.

Note 7 - Finance income and costs

Net finance income for the first quarter of 2016 totals €126 thousand and breaks down as follows:

(€000)	Q1 2016	Q1 2015	Increase/ (Decrease)
Foreign exchange gains	222	230	(8)
Income from investments	143	679	(536)
Interest income on bank deposits	-	1	(1)
Total finance income	365	910	(545)
Foreign exchange losses	(174)	(426)	252
Interest expense and bank charges	(30)	(8)	(22)
Other interest expense	(35)	(25)	(10)
Total finance costs	(239)	(459)	220
Net finance income/(costs)	126	451	(325)

Foreign exchange gains and losses essentially regard realised and unrealised gains and losses generated by *Acotel Interactive Inc.* and its subsidiaries.

Income from investments includes gains on investment of the Group's liquidity in short-term instruments.

Note 8 - Taxation

Taxation for the period, amounting to €297 thousand, reflects estimated income tax expense and deferred tax income and expense recognised by Group companies, net of the related reversals.

Note 9 – Profit/(Loss) from assets held for sale and discontinued operations

This item, consisting of a loss of €8 thousand, regards the costs and income resulting from the liquidation of *Noverca Italia Srl*.

Note 10 - Earnings per share

The calculation of basic and diluted earnings per share is based on the following data:

<i>(€000)</i>	<u>Q1 2016</u>	<u>Q1 2015</u>
Profit/(loss) for the period (€000)	(2,368)	(863)
Number of shares ('000)		
Shares in circulation at the start of the period*	4,114 *	4,114 *
Weighted average of treasury shares acquired/sold in the period	-	-
Weighted average of ordinary shares in circulation	<u>4,114</u>	<u>4,114</u>
Basic and diluted earnings per share **	(0.58)	(0.21)

* : net of treasury shares held at the same date.

** : basic earnings for the first quarters of 2016 and 2015 coincide with diluted earnings per share as the conditions provided for by IAS 33 do not exist.

FINANCIAL POSITION

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€000)	31 March 2016	31 December 2015	Increase/ (Decrease)
Non-current assets:			
Property, plant and equipment	5,167	5,281	(114)
Intangible assets	2,245	2,027	218
Other assets	2,620	2,590	30
TOTAL NON-CURRENT ASSETS	10,032	9,898	134
Net current assets:			
Inventories	521	585	(64)
Trade receivables	4,636	5,554	(918)
Other current assets	1,633	2,036	(403)
Trade payables	(5,205)	(6,778)	1,573
Other current liabilities	(3,862)	(4,120)	258
TOTAL NET CURRENT ASSETS	(2,277)	(2,723)	446
TOTAL ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS LESS RELATED LIABILITIES	(699)	(807)	108
PROVISIONS FOR STAFF TERMINATION AND OTHER EMPLOYEE BENEFITS	(3,671)	(3,321)	(350)
NON-CURRENT PROVISIONS	(226)	(240)	14
NET INVESTED CAPITAL	3,159	2,807	352
Equity:			
Share capital	1,084	1,084	-
Reserves and retained earnings/(accumulated losses)	13,301	24,000	(10,699)
Profit/(Loss) for the period	(2,368)	(10,671)	8,303
Non-controlling interests	30	30	-
TOTAL EQUITY	12,047	14,443	(2,396)
Net cash and cash equivalents:			
Current financial assets	(10,444)	(11,034)	590
Cash and cash equivalents	(4,338)	(6,172)	1,834
Cash and cash equivalents held for sale and included in discontinued operations	(171)	(395)	224
Current financial liabilities held for sale and included in discontinued operations	6,065	5,965	100
	(8,888)	(11,636)	2,748
NET FUNDS	(8,888)	(11,636)	2,748
TOTAL EQUITY AND NET FUNDS	3,159	2,807	352

The Acotel Group's net invested capital at 31 March 2016 amounts to €3,159 thousand, consisting of non-current assets of €10,032 thousand, net current liabilities of €2,277 thousand, assets and liabilities held for sale and related to discontinued operations, amounting to net liabilities of €699 thousand, provisions for staff termination benefits of €3,671 thousand and other non-current provisions of €226 thousand.

Net invested capital is financed by consolidated equity of €12,047 thousand and net funds of €8,888 thousand.

A detailed analysis of changes in the principal components of the financial position shows that:

- the value of non-current assets has not undergone material changes;
- the changes in net current liabilities are also primarily linked to the Acotel Group's performance;
- net funds at 31 March 2016 total €8,888 thousand and are down 24% on the figure for 31 December 2015, reflecting the financial impact on the Group of the losses incurred by Group companies during the period.

NET FUNDS

(€000)

	31 March 2016	31 December 2015	Increase/ (Decrease)
A. Cash and cash equivalents	4,509	6,567	(2,058)
B. Assets held for trading	8,844	9,434	(590)
C. Liquidity (A + B)	13,353	16,001	(2,648)
D. Other current financial receivables	1,600	1,600	-
E. Current financial assets (D)	1,600	1,600	-
F. Current bank borrowings	(6,065)	(5,965)	(100)
G. Current financial liabilities (F)	(6,065)	(5,965)	(100)
H. Net funds (C+E+G)	8,888	11,636	(2,748)

At 31 March 2016:

- cash and cash equivalents include €171 thousand attributable to *Noverca Italia Srl (in liquidation)* and classified in "discontinued operations" in accordance with IFRS 5;
- provisions of €329 thousand have been made for risks associated with other current financial assets, amounting to €1,600 thousand;
- current financial liabilities regard use of an overdraft facility granted to *Noverca Italia Srl (in liquidation)* by *Intesa Sanpaolo SpA*, classified in "Liabilities directly associated with discontinued operations" in accordance with IFRS 5.

DECLARATION BY THE MANAGER RESPONSIBLE FOR FINANCIAL REPORTING

The manager responsible for the Group's financial reporting, Luca De Rita, hereby declares, pursuant to article 154-*bis*, paragraph 2 of Legislative Decree 58/1998 (the Consolidated Law on Finance), that the information in this consolidated interim report is consistent with the underlying accounting records.