

PRESS RELEASE

PITECO approves H1 2016 results: RECORD PROFIT (+39%) and POSITIVE NFP

Starting business with PAGAFLEX, a company operating in the credit cards industry for Mexican Corporates

- **Revenues €6.7 million, +10% (H1 2015: €6,1 million)**
- **+22% recurring revenues (compared to H1 2015)**
- **EBITDA €2.5 million, 37% of revenues (H1 2015: €2,6 million)**
- **Pre-tax profit: €2,2 million, +22% vs H1 2015, 34% of revenues**
- **Net profit: €1,8 million, +39% vs H1 2015, 27% of revenues**
- **Operating Cash Flow: €4,3 million, +58% vs H1 2015**
- **NFP: positive €1,9 million (FY 2015: negative €0,3 million)**

Milan, 28th September 2016

The Board of Directors of Piteco, a company listed on AIM Italia, leader in Italy in the development and implementation of software solutions for Treasury and Financial Planning, has today presented and approved the interim report as at 30 June 2016, prepared in accordance with IAS/IFRS accounting standards.

Marco Podini, Chairman of Piteco:

"The company confirms and strengthens its competitive position on the Italian market and lays the foundation for rapid growth at international level. These are the drivers of the first half-year 2016, record 27% Net Profit Margin and strong growth in recurring revenues. There are already 21 new customers who chose PITECO solutions in this year. PITECO aiming at quickly penetrating the Mexican market, has signed a major distribution agreement with PAGAFLEX, a company operating in the credit cards industry for Mexican corporates. We established a rewarding business relationship that has already helped to launch a "cloud" solution pilot project. The results to August 31, with turnover +11% yoy and orders backlog +27% yoy, make us confident of further growth in 2016."

Main results at 30 June 2016

Revenues amounted to €6.7 million, and recorded an increase of 10% compared to €6,1 million at 30 June 2015; very positive dynamic of recurring revenues that increased by 22% compared to 30 June 2015.

EBITDA amounted to €2.5 million, in line with the same period of last year in spite of investments carried out by the company to start commercial activities in the new markets USA and Mexico and due to the introduction of Piteco's "cloud" solution. Notable the strengthening of the internal structure to support the "global growth" of the company and the listing costs of €0,1 million, not present in H1 2015.

Pre-tax Profit, €2.2 million, recorded a 22% increase (€1,8 million at 30 June 2015) with a 34% margin, an improvement thanks to the lower financial and extraordinary costs (30% to 30 June 2015).

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Net Income amounted to €1,8 million, increased by 39% (€ 1,3 million at 30 June 2015), 27% margin compared to 21% at 30 June 2015, thanks also to the tax benefits linked to the "Patent Box" legislation on a part of the revenues.

Cash Flow confirmed the high cash conversion capabilities of the company in the first half year. The **Operating Cash Flow** amounts to €4,3 million, increased 58% compared to 30 June 2015. Further confirmations, Free Cash Flow to Firm (after investments) amounted to €4.3 million, increased of 108%.

Positive **Net Financial Position** of €1,9 million, improved by €2,2 million compared to 31 December 2015 (€0,3 million negative), thanks to the Cash Conversion though the distribution of dividends of Euro 1,8 million.

Significant events subsequent to 30 June 2016 and predictable business evolution

Following the closure of H1 2016, PITECO signed important trade agreements in the domestic market with New Customers namely Arnoldo Mondadori Editore, Carrefour, Unieuro, Eataly etc. Up today there are already 21 New Clients which joined references club Piteco.

The first evidence of the second half, showing at 31 August 2016 a Turnover of €10.4 million (+ 11% compared to 31 August 2015) and Orders backlog of €2 million (+ 27% compared to 31 August 2015) make the company confident of further growth in the current year.

The Half-Year Report to 30 June 2016 will be available on the website www.pitecolab.it, Investor Relations - Financial Reports, within the terms provided by the AIM Italia rules for issuers.

The press release is available on the websites www.pitecolab.it and www.linfo.it

PITECO, on the market for over 30 years, is a Software House. Piteco is the leader in Italy for proprietary solutions in the management of Corporate Treasury and Financial Planning for large and medium-sized enterprises in the fields of industry and services. Its proprietary software products are flexible and open applications, which interact with major corporate information systems (SAP, Oracle, Microsoft) and are recognized as standard of excellence from the market. Piteco software is already operational and used in 40 countries worldwide. With 85 highly qualified professionals and 3 operating locations (Milan, Rome, Padua), Piteco ensures high performance and excellent service levels to more than 650 Italian and international groups operating in all industrial sectors. The large number of the customers and the particular business model based on recurring fees, allow the company to have high visibility on future revenues. The company name PITECO originates from the name of the treasury information system PI.TE.CO. (Planificazione TESoreria COmputerizzata), the first treasury products made in Italy at the beginning of the 80s.

Ordinary shares have been assigned the following identification codes: ISIN Code IT0004997984, Alphanumeric Code PITE. Convertible Bond Loan was assigned the following identification codes: ISIN Code IT0005119083.

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All the attached documents are prepared in accordance with the International Accounting Standard (IAS/IFRS). All the financial statements as of 30 June 2016 have been subject to limited review by Baker Tilly Revisa Spa:

- Profit & Loss al 30 June 2016
- Balance Sheet al 30 June 2016
- Net Financial Position al 30 June 2016
- Cash Flow Statement al 30 June 2016

ATTACHMENTS

PROFIT AND LOSS	H1 2016	% on turnover	H1 2015	% on turnover	2016/2015	% 16/15
Net Sales Revenues	6.547.029	98%	5.923.264	97%	623.765	11%
Other Revenues	163.643	2%	163.606	3%	37	0%
Work in Progress (change)	-5.885	0%	7.111	0%	-12.997	-183%
TURNOVER	6.704.786	100%	6.093.981	100%	610.805	10%
Raw Materials	61.012	1%	40.429	1%	20.583	51%
Services	1.200.189	18%	916.749	15%	283.440	31%
Personnel Costs	2.976.484	44%	2.525.971	41%	450.513	18%
Other Costs	5.670	0%	15.655	0%	-9.985	-64%
EBITDA	2.461.432	37%	2.595.177	43%	-133.746	-5%
Depreciation and Amortization	124.559	2%	58.558	1%	66.001	113%
EBIT	2.336.872	35%	2.536.620	42%	-199.747	-8%
Financial Incomes (Costs)	-184.759	-3%	-368.854	-6%	184.095	-50%
Extraordinary Incomes (Costs)	95.501	1%	-324.276	-5%	419.777	-129%
EBT	2.247.615	34%	1.843.490	30%	404.124	22%
Tax	463.864	7%	559.779	9%	-95.915	-17%
NET PROFIT (Loss)	1.783.750	27%	1.283.711	21%	500.039	39%

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BALANCE SHEET	H1 2016	FY2015
Tangible Assets	1.397.167	1.420.807
Intangible Assets	747.800	830.815
Goodwill	27.690.778	27.690.778
Other Financial assets	12.857	14.497
Tax Accounts	121.430	97.721
Total non current assets	29.970.033	30.054.619
Work in progress	147.753	153.638
Trade and other receivable	5.132.209	4.319.496
Tax receivables	8.528	8.445
Other receivables	32.368	40.600
Cash and Deposits	11.611.571	10.198.104
Accrued revenues & prepaid expenses	338.611	125.567
Total current assets	17.271.039	14.845.850
TOTAL ASSETS	47.241.072	44.900.469
Share Capital	18.125.500	18.125.500
Reserves	7.057.067	5.443.732
Profit (loss) previous years + reserves FTA/IAS	2.318.374	2.383.770
Profit (loss) of the year	1.783.750	3.425.884
Total Equity	29.284.691	29.378.887
Convertible Bond	4.531.744	4.483.833
Bank Debts over 12 months	3.477.774	4.341.306
Severance pay and other funds	1.209.082	1.109.629
Other non current Funds	47.024	43.332
Deferred Tax	137.466	135.704
Total non current Liabilities	9.403.091	10.113.804
Bank Debts within 12 months	1.724.503	1.719.787
Accounts payable	564.713	405.231
Tax Debts	301.254	294.660
Other current Debts	3.023.018	2.735.089
Accrued liabilities and deferred incomes	2.939.802	253.011
Total current Liabilities	8.553.291	5.407.778
TOTAL LIABILITIES	47.241.072	44.900.469

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CASH FLOW STATEMENT	H1 2016	FY2015
EBIT	2.432.374	5.462.758
Taxes paid	-479.300	-1.145.651
NOPAT	1.953.073	4.317.107
Depreciation and amortization	124.559	256.153
Total changes N.W.C.	2.124.203	-420.171
Total changes in funds	103.146	80.138
Operating Cash Flow	4.304.981	4.233.227
Capex	-17.904	-1.301.603
Free Cash Flow to Firm	4.287.077	2.931.624
Extraordinary Incomes (Costs)	0	-322.595
Interest paid	-184.759	-584.729
Free Cash Flow Before Debt Repairment	4.102.318	2.024.300
Loan Repairment	-810.905	-1.348.719
Equity changes	-1.877.946	7.671.096
Free Cash Flow to Equity	1.413.466	8.346.677
Cash beginning of the year	10.198.104	1.851.427
Cash at the end of the year	11.611.570	10.198.104

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NET FINANCIAL POSITION	H1 2016	FY 2015	2016/2015	% 16/15
Deposits	11.611.458	10.197.658	1.413.800	13,9%
Cash and equivalents	113	446	-333	-74,8%
CASH	11.611.571	10.198.104	1.413.467	13,9%
Bank Debts within 12 months	-1.724.503	-1.719.787	-4.716	0,3%
Debts to other lenders within 12 months	0	0	0	
Current Financial Position	-1.724.503	-1.719.787	-4.716	0,3%
Current NET Financial Position	9.887.068	8.478.317	1.408.751	16,6%
Long Term Financial Credits	9.557	9.557	0	0,0%
Bank Debts over 12 months	-3.477.774	-4.341.306	863.532	-19,9%
Debts to other lenders over 12 months	-4.531.744	-4.483.833	-47.911	1,1%
Non Current Financial Position	-7.999.961	-8.815.582	815.621	-9,3%
Net Financial Position	1.887.107	-337.265	2.224.372	-659,5%