

**PITECO GROUP APPROVES CONSOLIDATED RESULTS FOR FY2018:
REVENUES +19%, EBITDA +28%, EBITDA Margin 41%**

- **Revenues: € 20.2 million, +19% (FY2017: € 17.0 million)**
- **EBITDA: € 8.3 million, +28% (FY2017: € 6.5 million); EBITDA margin 41% (38% FY2017)**
- **Net Profit: € 5.3 million, +56% (FY2017: € 3.4 million), 26% of revenues**
- **Operating Cash Flow: € 6.2 million, (32% of Net Revenues and 75% of EBITDA)**
- **Net Financial Position: € 15.3 million (FY2017: € 6.5 million)**
- **Net Financial Position with Put Option: € 26.8 million (FY2017: € 9.0 million)**
- **Proposed dividend of € 0.15 p.a. (59% payout ratio) with a yield of 3.6%**

Milan, 25 March 2019

The Board of Directors of Piteco (PITE:IM), a company listed on the MTA, leading player in the financial software sector, approved today the Consolidated Financial Statements and the Draft Separate Financial Statements as at 31 December 2018, drawn up in accordance with the IAS/IFRSs.

Marco Podini, Chairman of **Piteco**:

"The results of FY2018 show an increase in Revenues and profitability in all the companies of the Group. Even the parent company Piteco Spa has started its structural growth again, increasing 4,5% in revenues and 5,7% in EBITDA (with 39,2% Ebitda margin) and acquired 37 new customers, compared to 30 contracted in FY2017.

The US subsidiary Juniper Payments LLC also contributed with excellent results in revenues (€ 4.6 million) and Ebitda (€1.9 million, equal to 41% of revenues), consolidating its strong position in the market.

In addition, we've got the new entry Myrios Srl, in financial software sector too, which contributed to the consolidation only in the last 2,5 months of the year, and however recorded 10% growth in YoY revenues and 17% in Ebitda, reaching in FY2018 an EBITDA margin of 58%.

This acquisition confirms the Group's strategy to proceed with aggregation of "high added value" companies in the Financial Software sector. Myrios Srl, has a business with an expected very high turnover rate, based on revenues from recurring fees and long-term contracts that guarantee a high level of EBITDA.

We are pleased to confirm this year the dividend distribution proposal for a total 2.7 million €, with a 3,6% yield and a payout ratio of 59%, well above the 40% reported during the IPO, supported by the excellent cash generation that characterizes our Group."

Main consolidated results as at 31 December 2018

The consolidated financial statements have been drawn up based on the separate financial statements for the year ended as at 31 December 2018 of the consolidated companies Piteco SpA, Piteco North America Corp, Juniper Payments LLC and Myrios Srl, and are the official consolidated financial statements of the Piteco Group.

Total Revenues amounted to € 20.2 million, +19% compared to € 17 million in 2017. This growth is mainly due to the increase in recurring fees relating to the use of software, feature common to business of all Group companies. The contribution of the US subsidiary Juniper Payments LLC amounted to € 4,6 million, while the 2.5 months contribution (from October 16th 2018) of the Italian subsidiary Myrios Srl amounted to € 0.8 million.

EBITDA amounted to Euro 8.3 million, equal to an EBITDA margin of 41%, up by 28% compared to 2017 (€ 6.5 million). The contribution of the US subsidiary Juniper Payments LLC amounted to € 1.9 million, while the 2.5 months contribution (from October 16th, 2018) of the Italian subsidiary Myrios Srl amounted to € 0.5 million.

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Earnings Before Tax, equal to € 5.7 million, recorded an increase of 66% compared to the € 3.5 million on 2017 nevertheless the extraordinary costs of € 0.7 million connected with the acquisition of majority shareholding of the Myrios Srl and the cost of listing on the MTA.

The **Net Profit** of € 5.3 million, increased by 56% compared to € 3.4 million in FY 2017, stands for 26% of total Revenues (20% in FY 2017).

The **Net Financial Position** was € 15.3 million, compared to € 6.5 million as at 31 December 2017. It is worth noting that in 2018 € 7.7 million was paid to acquire the majority shareholding in Myrios Srl and dividends were distributed for € 2.7 million. In consideration of the PUT Option related to minority options acquisition of Juniper Payments and Myrios (respectively € 2.3 million and € 9.2 million), the Net Financial Position amounts to € 26.8 million, of which € 4.6 million (equal to 50% of the Myrios Put Option value) will be regulated by the issue of Piteco new shares in exchange.

The **Operating Cash Flow** amounted to € 6.2 million and showed exceptional Cash Conversion of 32% of net revenues and 75% of EBITDA.

Main results of the Parent Company Piteco SpA as at 31 December 2018

Total Revenues amounted to € 14.8 million, up by 4,5% compared to FY 2017. It is worth noting the continuous growth in Revenues from recurring fees, which represent 56% of total Revenues.

L'**EBITDA** amounted to € 5.8 million, up by 5,7% compared to FY 2017 and with EBITDA *margin* of 39,2%. The Operating costs increased by 3,7% compared to FY 2017.

The **Net Profit** of € 4.6 million, increased by 22,4%, compared to € 3.8 million in FY 2017 and stands for 31,1% of total Revenues (26,5% in FY2017).

Dividend

The Board of Directors of PITECO SPA resolved to propose to the Ordinary Shareholders' Meeting the following allocation of profit for the year, of € 4,6 million:

- Euro 0.23 million to the legal reserve;
- Euro 0.38 million to unavailable reserves ex art. 2426 paragraph 8-bis of c.c.
- Euro 3.99 million to the extraordinary reserve
- Distribution of a gross dividend of Euro 0.15 for each of the outstanding ordinary shares, drawing from the extraordinary reserve for Euro 2.7 million.

Regarding the dividend to be paid starting on 22 May 2019 - coupon date 20 May 2019 and record date 21 May 2019 - the dividend yield comes to 3,6%, while the payout ratio amounts to 59% of the Parent Company's profit.

Significant events after the end of the year

In February 2019, **Myrios Switzerland SA** company was founded in Geneva, with 100% capital owned by Myrios Srl, aiming the **acceleration of the European corporates market penetration** by offering the Group's software solutions for treasury management, digital payment and financial risk management.

Predictable management evolution

Following the trend of previous years, also in FY 2019 we expect a general increase in results for all the Group, both in terms of volumes and margins. The FY 2019 will moreover be positively conditioned by the complete consolidation of Myrios S.r.l. results, acquired in October 2018.

Appoints new director

The Board of Directors has resolved to co-opt as a new non-executive director Mr. Mauro Rossi, replacing Mr. Gianni Camisa who resigned on March 11th. The new director will remain in office until the next shareholders' meeting for the approval of the financial statements at 31 December 2018. Mauro Rossi, born in 1956, graduated in Economics and Commerce at the University of Pavia, is registered in the Register of Chartered Accountants and Accounting Experts since 1983 and in the Register of Auditors since 1995. He has worked as a Chartered Accountant since 1984. Since 1994 he is partner of Studio Rossi di Rossi, Bresciani & Partners based in Pavia. Studio Rossi carries out the professional activity in the field of consultancy in tax and corporate matters and in the keeping of company accounts. In the past he has served as Board Member of Parboriz spa, Riso Principe spa and Enrico Vigoni srl and Standing Auditor in numerous companies including Riso Scotti Spa, Unione Farmacisti Liguri spa, Cielle Prefabbricati spa. He is currently a Director of Fierre Srl, Mario Boni Foundation and Fabbriceria of the Monumental Cathedral Church of Pavia. As of today, Mr. Mauro Rossi does not hold Piteco SpA shares.

Other resolutions of the Board of Directors

The Board of Directors has approved the *Report on Corporate Governance and Ownership structure* for the year 2018 as required by art.123-bis of TUF. The Report on Corporate Governance and Ownership Structure will be made available to the public at the registered office and on the website www.pitecolab.it within the terms established by current legislation.

The Board of Directors resolved to submit to the Shareholders' Meeting a plan for the purchase and disposal of the Company's shares, subject to revocation of the authorization granted by resolution of November 21, 2017, with the aim of pursuing the following aims : (i) to dispose of Company's shares to be allocated to service future incentive plans in favor of the Board's members, of the employees or collaborators of the Company and (ii) to dispose of a securities portfolio (so-called stock securities) from use, consistently with the Company's strategic guidelines, in the service of any extraordinary transactions. All according to the provisions of Article 5 of Regulation (EU) n. 596/2014 of the European Parliament and of the Council of 16 April 2014 and, where applicable, in accordance with market practices accepted by the supervisory authority, in force at the time, pursuant to and for the purposes of Article 13 of the aforementioned Regulation. The authorization required entails the right to purchase, in one or more transactions and in a freely definable measure - from time to time - with a resolution of the Board of Directors, a maximum number of ordinary shares of the Company, such as not to exceed the limit of 5 % of the share capital, taking into account any Company's shares already in the portfolio, or held by subsidiaries, and in any case allocating resources for a total maximum amount of € 4,000,000.00 to these purchases. It is also envisaged that purchases can be made at a unitary price that cannot deviate, either in decrease or increase, by more than 20% compared to the closing price recorded by the security in the stock exchange session preceding each individual transaction, and in any case in compliance with the other applicable rules. The duration of the authorization to purchase is requested for the maximum term provided for by the applicable legislation, currently set by Article 2357, paragraph 2, of the Civil Code in 18 months from the date of the shareholders' approval resolution.

As of today, the Company holds n. 215,139 Company's shares equal to 1.186% of the share capital.

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Call of the Ordinary Shareholders' Meeting

The Board resolved to call the ordinary shareholders' meeting on 30 April 2019 at 11.00 a.m. at UPTOWN PALACE in Via Santa Sofia 10, Milan, on single call, to discuss and resolve on the following agenda:

- Approval of the Separate financial statements as at December 31, 2018; Reports of the Directors' Board, the Board of Statutory Auditors and the Independent Auditors; allocation of profit for the year; presentation of consolidated financial statements at December 31, 2018; pertaining and consequent resolutions.
- Report on remuneration required by art.123-ter of Legislative Decree 58/1998. Consequent deliberations.
- Resignation of a Director; inherent and consequent resolutions.
- Authorization to purchase and dispose of treasury shares pursuant to articles 2357 and 2357-ter, of the Civil Code and of art. 132 of the TUF, subject to revocation, for the part not yet executed, of the authorization approved by the Shareholders' Meeting on November 21, 2017. Related and consequent resolutions

The documentation regarding the agenda will be made available to the public at the registered office, on the website www.pitecolab.it and on the IInfo (www.linfo.it) authorized storage mechanism within the terms set out by current regulations.

The manager in charge of preparing the corporate accounting documents, Riccardo Veneziani, declares pursuant to art. 154-bis, paragraph 2, of Legislative Decree no. 58/98, that the accounting information contained in this press release corresponds to the document figures, books and accounting records.

The press release can be viewed on the www.pitecolab.it and www.linfo.it websites

PITECO GROUP (PITE:IM), an important player in financial software sector, with a determined internationalization and diversification project led by 2 business lines:

1) PITECO SpA, absolute leader in Italy in proprietary solutions for Treasury management and Financial Planning used by more than 600 national and international groups operating in all industrial sectors (excluding Banks and P.A.). 85 highly qualified professionals and 3 branches (Milan, Rome, Padua), operating for more than 30 years, cover the complete software's value chain: R&D, design, realization, sales and service. Its proprietary software products communicate with the principal company information systems (Sap, Oracle, Microsoft), are customizable to customers' needs and are present in more than 40 countries. Solid customer portfolio and the unique business model based on recurrent fees, enable a high visibility on the turnover forecast.

2) JUNIPER PAYMENTS LLC, Software House, USA leader with proprietary solutions in "digital payment" and clearing house area for 3.500 American bank institutions. Manages the interbank financial transaction accounting (bank transfer and check collection control) for over 3 billion dollars daily. Represents one of the largest USA interbank networks. JUNIPER was established in April 2017 to acquire activities from Landing Tools.com Inc., a USA company active in the industry since 2000.

ISIN ordinary shares: IT0004997984 - ISIN Convertible Bonds "Piteco 4,50% 2015-2020": IT0005119083

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All attached documents (relating to the results of the Piteco Group and the Parent Company Piteco Spa) have been prepared in compliance with the International Accounting Standards (IAS/IFRS). The figures are undergoing certification by the Independent Auditors.

PITECO GROUP

Profit and Loss	31/12/2018	%	31/12/2017	%	Changes	Change %
Net Sales Revenues	19.374	95,9%	16.374	96,1%	3.000	18%
Other Revenues	940	4,6%	707	4,1%	233	33%
Work in Progress (change)	-100	-0,5%	-35	-0,2%	- 65	186%
TURNOVER	20.214	100,0%	17.046	100,0%	3.168	19%
Raw Materials	306	1,5%	267	1,6%	39	15%
Personnel Costs	8.122	40,2%	7.420	43,5%	702	9%
Services	3.442	17,0%	2.835	16,6%	607	21%
Other Costs	78	0,4%	67	0,4%	11	16%
OPERATIVE COSTS	11.948	59,1%	10.589	62,1%	1.359	13%
EBITDA	8.266	40,9%	6.457	37,9%	1.809	28%
Depreciation and Amortization	1.867	9,3%	1.483	8,7%	384	26%
EBIT	6.399	31,6%	4.974	29,2%	1.425	29%
Gain (Loss) Forex	392	1,9%	-1.106	-6,5%	1.498	-135%
Financial Incomes (Costs)	-340	-1,7%	-537	-3,2%	197	-37%
Extraordinary Incomes (Costs)	-719	-3,6%	126	0,7%	- 845	-671%
EBT	5.732	28,4%	3.457	20,3%	2.275	66%
Tax	467	2,3%	72	0,4%	395	549%
NET PROFIT (Loss)	5.265	26,1%	3.385	19,9%	1.880	56%

PITECO GROUP

Balance Sheet	31/12/2018	31/12/2017	Changes
Work in progress	128	103	25
Trade credits	4.680	3.993	687
Tax Credits	28	35	-7
Other current credits	501	241	260
(A) Current Assets	5.337	4.372	965
Accounts payable	673	456	217
Tax Debts	172	294	-122
Other current Debts	3.515	2.736	779
(B) Current Liabilities	4.360	3.486	874
(A-B) Net Working Capital	977	886	91
Tangible Assets	2.098	1.486	612
Intangible Assets	58.301	37.416	20.885
Financial Assets	23	28	-5
Tax Accounts	462	418	44
(C) Non Current Assets	60.884	39.348	21.536
Severance pay and other funds	1.294	1.179	115
Other non current Funds	50	46	4
Deferred Tax	2.587	141	2.446
(D) Non Current Liabilities	3.931	1.366	2.565
(NWC+C-D) Net Invested Capital	57.930	38.868	19.062
Share Capital	18.155	18.155	0
Reserves	5.901	5.933	-32
Profit (loss) previous years + reserves FTA/IAS	1.815	2.443	-628
Profit (loss) of the year	5.265	3.385	1.880
(E) Total Equity	31.136	29.916	1.220
Cash and Deposits	5.572	5.154	418
Current Financial Assets	262	0	262
Bank Debts within 12 months	-1.960	-1.133	-827
Debts to other lenders within 12 months	-4.119	-1.192	-2.927
Put Options over 12 months	-11.512	-2.427	-9.085
Debts to other lenders over 12 months	-5.352	-4.658	-694
Bank Debts over 12 months	-9.685	-4.696	-4.989
(NFP) Net Financial Position	-26.794	-8.952	-17.842
(E+NFP) Total Sources	57.930	38.868	19.062

PITECO GROUP

Net Financial Position	31.12.2018	31.12.2017	Changes	% 2018/2017
Cash and Deposits	5.572	5.154	418	8,1%
CASH	5.572	5.154	418	8,1%
Current Financial Assets	262	0	262	#DIV/0!
Bank Debts within 12 months	-1.960	-1.133	-827	73,0%
Debts to other lenders	-4.119	-1.192	-2.927	245,6%
Current Financial Position	-5.817	-2.325	-3.492	150,2%
Current NET Financial Position	-245	2.829	-3.074	-108,7%
Bank Debts over 12 months	-9.685	-4.696	-4.989	106,2%
Debts to other lenders over 12 months	-5.352	-4.658	-694	14,9%
Non Current Financial Position	-15.037	-9.354	-5.683	60,8%
NET Financial Position	-15.282	-6.525	-8.757	134,2%
Put Options over 12 months	-11.512	-2.427	-9.085	374,3%
NET Financial Position with PUT	-26.794	-8.952	-17.842	199,3%

PITECO GROUP

Cash Flow Statement	31.12.2018	31.12.2017	
NET PROFIT (Loss)	5265	3385	
Financial Incomes (Costs)	338	537	
Taxes	457	-262	
Depreciation and amortization	1862	1302	
increases in fixed assets for internal processing and minus-plus	-607	-359	
Cash Flow from operation before change in NWC	7315	4603	
Financial Incomes (Costs) paid	-336	-538	
Taxes paid	-648	-187	
Total changes N.W.C.	-107	595	
Total changes in funds	15	-9	
Operating Cash Flow	6239	4464	
	% on Net Sales	32%	27%
	% on Ebitda	75%	69%
Capex	-10642	-9824	
Free Cash Flow Before Debt Repairment	-4403	-5360	
Loan Disbursement (Repayment)	9260	2784	
Equity changes	-4438	-3141	
Financial Changes	4822	-357	
Changes in Liquidity	419	-5717	
Cash beginning of the year	5.153	10.870	
Cash at the end of the year	5.572	5.153	

PITECO SpA

Profit and Loss	31/12/2018	%	31/12/2017	%	Changes %
Net Sales Revenues	14.091	95,2%	13.500	95,3%	4%
Other Revenues	728	4,9%	704	5,0%	3%
Work in Progress (change)	-16	-0,1%	-35	-0,2%	-54%
TURNOVER	14.803	100,0%	14.169	100,0%	4%
Raw Materials	312	2,1%	264	1,9%	18%
Personnel Costs	6.306	42,6%	6.127	43,2%	3%
Services	2.317	15,7%	2.225	15,7%	4%
Other Costs	65	0,4%	64	0,5%	2%
OPERATIVE COSTS	9.000	60,8%	8.680	61,3%	4%
EBITDA	5.803	39,2%	5.489	38,7%	6%
Depreciation and Amortization	359	2,4%	483	3,4%	-26%
EBIT	5.444	36,8%	5.006	35,3%	9%
Gain (Loss) Forex	392	2,6%	-1.103	-7,8%	-136%
Financial Incomes (Costs)	-135	-0,9%	-359	-2,5%	-62%
Extraordinary Incomes (Costs)	-719	-4,9%	334	2,4%	-315%
EBT	4.982	33,7%	3.878	27,4%	28%
Tax	384	2,6%	122	0,9%	215%
NET PROFIT (Loss)	4.598	31,1%	3.756	26,5%	22%

PITECO SpA

Balance Sheet	31/12/2018	31/12/2017	Changes
Work in progress	122	103	19
Trade credits	4.011	3.874	137
Tax Credits	0	35	-35
Other current credits	192	227	-35
(A) Current Assets	4.325	4.239	86
Accounts payable	658	414	244
Tax Debts	138	290	-152
Other current Debts	2.944	2.708	236
(B) Current Liabilities	3.740	3.412	328
(A-B) Net Working Capital	585	827	-242
Tangible Assets	1.274	1.316	-42
Intangible Assets	28.874	28.751	124
Equity Investments	13.952	2.818	11.134
Financial Assets	23	28	-5
Tax Accounts	320	366	-46
(C) Non Current Assets	44.443	33.279	11.164
Severance pay and other funds	1.151	1.179	-28
Other non current Funds	50	46	4
Deferred Tax	234	141	93
(D) Non Current Liabilities	1.435	1.366	69
(NWC+C-D) Net Invested Capital	43.593	32.740	10.853
Share Capital	18.155	18.155	0
Reserves	8.889	8.674	215
Profit (loss) previous years + reserves	2.400	2.443	-43
FTA/IAS			
Profit (loss) of the year	4.598	3.756	842
(E) Total Equity	34.042	33.028	1.014
Cash and Deposits	2.386	3.039	-653
Short Term Financial Credits	1.318	753	565
Bank Debts within 12 months	-4.767	-1.133	3.634
Long Term Financial Credits	6.545	6.983	-438
Long Term Financial Debits	-5.348	-4.658	-690
Bank Debts over 12 months	-9.685	-4.695	-4.990
(NFP) Net Financial Position	-9.551	288	-9.839
(E+NFP) Total Sources	-43.593	-32.740	-10.853

PITECO SpA

Net Financial Position	31.12.2018	31.12.2017	Changes	% 2018/2017
Cash and Deposits	2.386	3.039	-653	-21,5%
CASH	2.386	3.039	-653	-21,5%
Debts to other lenders within 12 months	-2.806	0		#DIV/0!
Bank Debts within 12 months	-1.961	-1.133	-828	73,1%
Short Term Financial Credits	1.318	753	565	75,0%
Current Financial Position	-3.449	-380	-3.069	807,6%
Current NET Financial Position	-1.063	2.659	-3.722	-140,0%
Long Term Financial Credits	6.545	6.983	-438	-6,3%
Bank Debts over 12 months	-9.685	-4.696	-4.989	106,2%
Debts to other lenders over 12 months	-5.348	-4.658	-690	14,8%
Non Current Financial Position	-8.488	-2.371	-6.117	258,0%
Net Financial Position	-9.551	288	-9.839	-3416,3%

PITECO SpA

Cash Flow Statement	31.12.2018	31.12.2017	
NET PROFIT (Loss)	4598	3756	
Financial Incomes (Costs)	135	359	
Taxes	377	-212	
Depreciation and amortization	355	303	
increases in fixed assets for internal processing and minus-plus	-364	-358	
Cash Flow from operation before change in NWC	5101	3848	
Financial Incomes (Costs) paid	-137	-360	
Taxes paid	-329	-183	
Total changes N.W.C.	333	653	
Total changes in funds	6	-9	
Operating Cash Flow	4974	3949	
	% on Net Sales	35%	29%
	% on Ebitda	86%	72%
Capex	-11327	-10592	
Free Cash Flow Before Debt Repairment	-6353	-6643	
Loan Disbursement (Repayment)	9311	1592	
Equity changes	-3612	-2780	
Financial Changes	5699	-1188	
Changes in Liquidity	-654	-7831	
Cash beginning of the year	3.039	10.870	
Cash at the end of the year	2.385	3.039	