The Board of Directors approves the 2017 draft financial statements.
Total revenues of Euro 66.16 million. Improved EBIT
and consolidated results and parent company results.
Approval of the capital increase to be released through the transfer of 67.48% of the share capital of Gambero Rosso S.p.A.
A +3% increase in advertising revenues in the first quarter of 2018.
Cuts in costs totalling Euro 4 million on an annual basis in the first quarter.

Milan, 12 April 2018 - The Class Editori S.p.A. Board of Directors today approved the draft financial statements of the parent company and the consolidated financial statements.

Comments on the main consolidated results

Total revenues for the Publishing House for the year ended 31 December 2017 amounted to Euro 66.16 million, compared with Euro 72.72 million in the same period in 2016. The Publishing House's advertising revenue in Italy and abroad totalled Euro 36.13 million, a decrease of 3.2% from the previous year.
Operating costs amounted to Euro 74.13, a decrease of 5.9% compared to 2016 (Euro 78.75 million).
The gross operating margin shows a balance of Euro -7.97 million, compared with Euro -6.03 million in 2016.
Depreciation, amortisation and write-downs recorded during 2017 to complete the value adjustment process amounted to Euro 6.50 million, compared with Euro 9.46 million in the previous financial year.
The operating result (EBIT) shows a balance of Euro -15.45 million, an improvement of approximately Euro 0.20 million compared with Euro -15.65 million in the same period of the previous year.
The pre-tax result of Class Editori and its subsidiaries amounts to Euro -16.32 million, compared with Euro -18.14 million recorded in 2016. As per the three previous financial years, the Publishing House deemed it appropriate to not account for additional deferred tax assets on IRES losses accrued during 2017.
The Group net profit after minority interests and taxes amounted to Euro -15.54 million (compared with Euro -16.87 million recorded in 2016), with an improvement of approximately Euro 1.34 million.
The net debt of the Publishing House as at 31 December 2017 amounts to Euro 67.33 million, in line with that recorded during the previous financial year.

Comment on the main results of the Class Editori S.p. A parent company

The total operating revenue decreased from Euro 19.37 million as at 31 December 2016 to Euro 15.07 million as at 31 December 2017. Operating costs decreased by approximately 9.1% compared to 2016, from Euro 26.29 million to Euro 23.89 million. The gross operating margin (EBITDA) stood at Euro -8.82 million (compared with Euro -6.93 million in 2016). The company recorded a net loss after taxes totalling Euro 11.55 million (compared with Euro -12.63 million in 2016), which the Board of Directors approved to carry forward.

Main economic - financial events during the year

During the course of 2017 the Italian advertising market shrank by 2.1% (source: Nielsen) compared with the same period in 2016; however, excluding the general TV segment (-1.6%) not served by the Publishing House, the overall market performance saw an actual decline of approximately 3%. Only some media ended the year with a positive sign: GO TV (+12.3%), Radio (+5.4%), Transit (+4.9%) and Cinema (+2.4%). The negative trend of newspaper sales (-7.7%) and magazines (-6.2%) continued and widened. Internet (without search and social media for Over The Top - Ott) recorded a +1.7% increase.

In this unfavourable context, the Publishing House's advertising sales in Italy and abroad registered a decrease of 3.2%. In Italy, advertising revenues decreased by 4.2%, but with an increase in the GO TV (Telesia +7.2%), TV (+9.7% Class CNBC) and Internet (+12.8%) sectors, which together account for approximately 38% of the total turnover. The GO TV segment, in particular, is confirmed as the Publishing House's second most valuable business and leader in the reference market with an estimated share of over 50%, performance which rewards the continuous plan of enhancement and technological innovation accentuated after the company's listing on the AIM market of the Italian Stock Exchange in February 2017. Web segment results were also reassuring, recording an increase of 12.8% and confirming the validity of Class Editori's evolutionary strategy at the editorial, advertising and organisational level towards digital transformation.

The downturn in daily newspaper sales amounted to 2.6%, compared with a market that saw a decrease of 7.7%, thanks to the increase in advertising sales (+2.5%) obtained with the new proposed formats and a significant growth in the legal sector (+4.7%), while obligatory financial advertising slowed down (-9.3%) compared to -21% in 2016.

The decline in the sale of periodicals was partly contained thanks to the Publishing House's ability to offer numerous brand extension initiatives on the main periodical publications (*Class, Capital, Gentleman and MFF*) including the books published by *Capital*. Thanks to the improved profitability of these new publishing initiatives and the efforts to contain operating costs arising from the closure of a number of editorial publications, the segment was thus able to obtain a positive contribution margin. The result recorded by this segment also benefits from the solid performance of the *Global Finance* magazine, published in New York, partly mitigated by the dollar/euro exchange rate effect.

In 2017, as certified by Analytics' real traffic data of digital systems, MF-Milano Finanza's website registered a daily average of 129,144 unique users, an increase of 6% compared to 2016.

The number of readers following the news from the websites in real time on Twitter now exceeds 100,000 for MF-Milano Finanza and 38,000 for Italia Oggi.

With regard to the printed and digital circulation of publications, MF-Milano Finanza reported an average circulation of approximately 61,000 copies, Class of approximately 34,000 copies and Capital of approximately 36,000 copies (Ads data).

Notable events during the year include:

- On 16 February 2017 Borsa Italiana Spa approved the listing of ordinary shares on the AIM market of the Italian Stock Exchange and of the 2017-2019 Warrants of the subsidiary Telesia, which operates in the digital media and technology sector and is a leader in the GO TV sectors. The start of trading of the shares took place on 20 February 2017. As part of the listing 399,450 ordinary shares were subscribed, of which approximately 250,000 ordinary shares deriving from the capital increase approved by the extraordinary shareholders' meeting of Telesia Spa on 21 December 2016 and approximately 149,450 ordinary shares deriving from the sale by the Class Editori Spa shareholder. The total value of the investment was Euro 3.99 million.
  Telesia SpA's post-admission float amounts to 22.83% of the share capital. Class Editori SpA holds the remainder.

- In March 2017, Class Editori signed a Memorandum of Understanding (MoU) with Shenzhen Garment Industry Association aimed at establishing a strategic joint venture in the fashion sector. Shenzhen Garment Industry Association (SGIA) is a nonprofit organisation with more than 800 members and has as its purpose the promotion, representation and protection of interests of the fashion industry and clothing industry of China's most dynamic cities. By signing this MoU, Class Editori has become its official and exclusive Italian media partner in Europe and the official media partner of the Shenzhen Fashion Week. Class Editori will carry out editorial initiatives and special events for SGIA through MF Fashion and the Publishing House's TV stations.
- On 26 April 2017 a joint venture was set up between Class Editori and Giglio Group, which specialises in the distribution of television content world-wide and in e-commerce using new technologies that will be used for Class TV Moda. The Giglio Group acquired 50% of ClassTVModa Holding Srl. The operation is aimed at the growth of the global television network, which will integrate and enrich the Giglio Group's e-commerce 4.0 IBOX platform with new content and will ensure that Class Tv Moda becomes increasingly more international, growing its audience and strengthening its leadership in the market.
- During its extraordinary meeting held on 27 April 2017, the Board of Directors exercised the mandate granted by the Shareholders' Meeting held on 27 April 2012, giving it the right, pursuant to Article 2443, paragraph 1, second sentence of the Italian Civil Code, to increase the share capital by payment, in one or more tranches, within a maximum period of five years from the date of the resolution, by a maximum of 10% of the capital existing as of the date of the resolution. The Board thus agreed to a paid capital increase from Euro 28,321,907.40 to Euro 29,377,982.40, thus by the maximum of Euro 1,056,075, by issuing 3,520,250 ordinary category A shares, amounting to 3.6% of the Company, with a value of Euro 0.98 each, with a share premium of Euro 2,402,532.90, to be subscribed by PP Editore Srl, which in exchange conferred 120,000 shares in Class Pubblicità Spa amounting to 18.35% of the capital, enabling Class Editori to acquire directly and indirectly 94.63% of Class Pubblicità Spa.
- On 28 July 2017 Class Editori and Università Telematica Pegaso, absolute leader in legally recognised online university courses, formed a profit sharing agreement to implement a wide-ranging project covering everything from Master's to online training to the dissemination of high added value knowledge and information aimed at students, managers, executives and professionals. The agreement provides for the launch of the Milano Finanza Business School and of the ItaliaOggi Business School, as well as a

Master's degree in Business Administration that will be offered online, through the Internet portals of the Milano Finanza and ItaliaOggi Business Schools, but also in a mixed format with a classroom component.

- In July 2017, Class Editori acquired a 24.90% stake in the Standard Ethics Ltd, an independent agency based in London and specialising in sustainability ratings, with an institutional approach to CSR ratings (Corporate Social Responsibility). The company issues the Standard Ethics Rating, an assessment of sustainability and governance founded on voluntary compliance with the principles and guidelines of the United Nations, of the OECD and of the European Union.
- On November 7 an agreement was signed in Beijing between the president of the Xinhua News Agency and permanent member of the Politburo, Cai Mingzhao, and the vice president and Managing Director of Class Editori, Paolo Panerai. The agreement includes a series of cooperation projects covering all media, from press agency to television production and distribution and GO TV, from the web to big data, and ranges from economics and finance to the fashion and advertising sectors, with special emphasis on information relating to the Belt and Road project, the new Silk Road, through the partnership for the launch of the Xhsilkroad.cn platform for information, big data, databases, indicators, online and offline financial consulting, government reports and business plans.

Main events subsequent to 31 December 2017

- On 1 March 2018 Class Editori reported that StarTIP S.r.l. (a wholly owned subsidiary of Tamburi Investment Partners S.p.A.) invested in the Telesia Spa subsidiary, buying from Class Editori a minority share in the company, listed on the AIM Italia market, at a price of Euro 1.492 million. Following the transaction, the share in Telesia Spa held by Class Editori fell from 77.17% to 65.74%. The sale to StarTIP, company promoted by Tamburi Investment Partners S.p.A that brings together all the Group's holdings in start-ups and companies active in the digital sector and innovation, is part of the strategy to capitalise on the Go TV sector, currently experiencing strong growth, with qualified partners.

- On 16 March 2018 the Class Editori Board of Directors, resolved to accept the Binding Proposal received on 14 March 2018 by PIM S.p.A. (hereinafter "**PIM**"), controlling shareholder of Gambero Rosso S.p.A. (hereinafter "**Gambero Rosso**"), company listed on the AIM Italia market. The proposal concerns the transfer to Class Editori by PIM of the controlling interest (67.48%) in Gambero Rosso. The transaction aims to create the first Italian media company producing not only content, but also services for companies and consumers, in Italy and abroad, in the Made in Italy sectors of excellence. Today, the Board of Directors of Class Editori, approved the capital increase pursuant to Article 6, first paragraph, no. 1(a) of the company's Articles of Association and Article 2343, first paragraph, second sentence of the Italian Civil Code, with the issue of 38,025,000 new Category A shares to be paid by contribution in kind, according to Article 2441, fourth paragraph, first sentence of the Italian Civil Code, through the transfer of 9,750,000 shares in Gambero Rosso S.p.a. (amounting to 67.48% of the share capital), the details of which are explained below.

Outlook for operations

Although characterised by better estimates of GDP growth compared to 2017, the national economic context still does not offer continuous signs of improvement. Nonetheless, during the first quarter of the year the Publishing House recorded a significant increase in advertising revenues (+3% compared to the first quarter of 2017) in a market context which, however, continues to show losses in turnover. Moreover, the full positive effect resulting from entry into force on 1 October 2017 of the measure provided for in Decree Law 50/17 has still not been fully realised, concerning the granting of a tax credit from 75% to 90% of the value of incremental investments in advertising campaigns in print and local TV made by companies and professionals, for which the relative implementation decree has not yet been published. In addition to what has already been described in this report, the Publishing House continues its cost containment strategy, covering all sectors and all prpduct/service categories (from rental expenses to the abolition of technology outsourcing contracts for Class Cnbc and digital services to banks), starting from January 1st. These interventions, on an annual basis, are expected to result in savings of approximately Euro 4 million. The simplification of the corporate structure also continues. In terms of revenues the Company has launched a series of projects aimed at increasing its market share in the digital advertising sector, and significant revenue growth is expected for GO TV Telesia. All this, combined with a continued focus on special and reoccurring events and initiatives in upcoming years, including Motore Italia, Digital week, the Milan marketing festival (a total of 20 events and special initiatives already planned and quantified in expected revenues) and the development of platforms (in particular with Xinhua) for meetings between companies and investors, is predicting a further improvement in operating results.

Approval of Reports

The Board has approved the Report on Remuneration pursuant to Article 123-ter of Decree no. 58/1998 and the Report on Corporate Governance.

The Board also approved the Report of the Head of the Supervisory Board, pursuant to Law 231/2001, and the Report of the Head of Internal Audit and the Audit Plan scheduled for 2017.

Determination of the independence of Directors and Statutory Auditors and Annual assessment on the size, composition and functioning of the Board of Directors and of its Committees

The Board of Directors has proceeded to verify the independence requirements of Board Members Giorgio Luigi Guatri, Peter R. Kann, Samanta Librio, Vincenzo Manes, Maria Martellini and Maria Grazia Vassallo. The Board of Directors determined the current composition of the Board and of its Committees to be appropriate. However, taking into account the approved assignment in the Company of a controlling stake in Gambero Rosso Spa detailed below, it is considered appropriate to propose to the shareholders an increase in the number of Members of the Board, up to the maximum number prescribed in the Company's Articles of Association, adding three new members, with professional skills in the new areas in which the company will operate upon completion of the transfer. The "list voting system" does not apply to this increase. The appointments will therefore be made on the basis of the majority principle, while ensuring gender balance. Please note that the current Board of Directors was appointed entirely from the list submitted by the majority shareholder, with no minority list having been presented.

Approval of the capital increase to be released through the transfer of 67.48% of the share capital of Gambero Rosso S.p.A.

Today, the Board of Directors of Class Editori approved the capital increase pursuant to Article 6, first paragraph, no. 1 (a) of the company's Articles of Association and Article 2343, first paragraph, second sentence of the Italian Civil Code, for a total value of Euro 15,046,492.50 (of which Euro 11,407,500.00 to be allocated to the nominal capital and Euro 3,638,992.50 to the share premium), with the issue of 38,025,000 new Category A shares to be paid by contribution in kind, according to Article 2441, fourth paragraph, first sentence of the Italian Civil Code, through the transfer of 9,750,000 shares in Gambero Rosso S.p.a. (amounting to 67.48% of the share capital), to be completed by 13 September 2018.

The issue price of the new Class Editori shares is Euro 0.3957. Following the subscription of the capital increase by conferment in kind, the share capital of Class Editori will increase from Euro 29,377,982.40 to Euro 40,785,482.40 and will be divided into 135,931,608 Class A shares and 20,000 class B shares, all without an indication of the par value.

The contribution in kind shall not be effective before the limitation period of 30 days from the registration in the Register of Companies of the approved capital increase, also containing the declarations referred to in Article 2343-quater, third paragraph, letters (a), (b), (c) and (e). Within the aforementioned period, one or more shareholders representing, at the date of the resolution to increase the share capital, at least a twentieth of the share capital preceding the increase, may request that on the initiative of the Directors, a new re-evaluation is carried out pursuant to and for the purposes of Article 2343 of the Italian Civil Code.

In the absence of such a request, the Directors shall complete and receive the conferment after the expiration of the 30th day from the registration of the share capital increase resolution.

In consideration of the foregoing, the effectiveness of the capital increase and the contribution in kind is currently scheduled for the month of May 2018.

The effectiveness of the contribution in kind will entail the obligation by Class Editori, pursuant to Article 106 of the Consolidated Law on Financial Intermediation (whose legal obligations are voluntarily referred to in Article 12 of Gambero Rosso S.p.A.'s Articles of Association, in compliance with the provisions of Article 6-bis of AIM Italia Issuers' Regulation), to subsequently promote a public offer for the exchange of shares aimed at other Gambero Rosso shareholders (holding a total of 32.52% of the share capital), drawn up in accordance with the provisions of current legislation and of Gambero Rosso's Articles of Association, and based on the same terms and conditions used for the transfer and the consequent Capital Increase. Therefore, the Board of Directors today has also resolved to further increase the share capital, in tranches, for a maximum of Euro 5,497,830.00, with a total premium of Euro 1,753,807.77, by issuing a maximum number of 18,326,100 class A shares with no nominal value, to be offered to the other shareholders of Gambero Rosso holding a total of 32.52% of the company's share capital and therefore of 4,699,000 shares of the company.

The capital increases approved today will involve the issuance and admission to the listing of category A Class Editori shares, which will represent, in a twelve-month period, more than 20% of the number of shares of the same class already admitted to trading on the Italian Equities Market and, therefore, it shall be necessary to also publish an information prospectus for admission to trading pursuant to Articles 113 et seq. of the Consolidated Law on Financial

Intermediation and Articles 52 et seq. of the Issuers' Regulations, as well as solicitation for the purpose of the Public Exchange Offer.

Convocation of the Ordinary and Extraordinary Shareholders' Meeting

The shareholders' meeting has been convened in ordinary and extraordinary session on 22 May 2018 at 9:30 AM in Milan, in Via Marco Burigozzo 5, in first convocation and, if necessary, in second convocation on 23 May 2018, at the same time and place, to act upon the following agenda items:

ORDINARY AGENDA

1. Presentation of the annual and consolidated financial statements as at 31.12.2017 and the Reports of the Board of Directors, Board of Statutory Auditors and Independent Auditors. Related and consequent resolutions;
2. Remuneration report pursuant to Article 123-ter of Legislative Decree no. 58/1998;
3. Appointment of a Director;
4. Appointment of an Auditor;
5. Increase in the number of members of the Board of Directors from 15 to 18, in accordance with Article 18 of the company's Articles of Association, related and consequent resolutions;
6. Authorisation for the purchase and placement of own shares; simultaneous cancellation for the unused portion of the shareholders resolution of 25 May 2017, relative to the authorisation, purchase and the placement of own shares.

EXTRAORDINARY SESSION

1. Partial revocation and grant of a new proxy under Article 2443, first paragraph, second section of the Italian Civil Code, consequent amendment to Article 6, first paragraph point (a) of the company's Articles of Association.

For further information please contact:
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The management report as at 31 December 2017 will be made available to the public on the Publishing House's website, www.classeditori.it, prior to the legal deadline

Consolidated statement of comprehensive income for the year ended 31 December 2017

(thousands of euro)	**31 December 2016**	**31 December 2017**
Revenues	65,265	61,684
Other operating income	7,451	4,473
Total Returns	**72,716**	**66,157**
Purchase costs	(3,364)	(3,056)
Service costs	(55,514)	(51,814)
Payroll costs	(16,677)	(16,237)
Other operating costs	(3,192)	(3,024)
Total Operating Costs	**(78,747)**	**(74,131)**
Gross operating result – EBITDA	**(6,031)**	**(7,974)**
Non-core income/(charges)	(153)	(976)
Depreciation, amortisation and write-downs	(9,462)	(6,497)
Operating result - EBIT	**(15,646)**	**(15,447)**
Net financial income/(charges)	(2,492)	(876)
Pre-tax result	**(18,138)**	**(16,323)**
Taxes	(395)	(1,321)
Net result	**(18,533)**	**(17,644)**
Results attributable to NCI	*(1,659)*	(2,106)
Result attributable to owners of the parent	***(16,874)***	**(15,538)**
Other components of comprehensive income statement		
Profit (loss) from the foreign currency translation of financial statements	61	(221)
Actuarial income/(charges) not recorded in the income statement (Ias 19)	(379)	(184)
Total components of comprehensive income, net of tax effect	**(318)**	**(405)**
TOTAL COMPREHENSIVE INCOME	**(18,851)**	**(18,049)**
Attributable to:		
NON-CONTROLLING INTERESTS	**(1,699)**	**(2,198)**
OWNERS OF THE PARENT	**(17,152)**	**(15,851)**
TOTAL COMPREHENSIVE INCOME	**(18,851)**	**(18,049)**
Basic earnings per share	*(0.18)*	(0.18)
Diluted earnings per share	--	--

Consolidated statement of financial position as at 31 December 2017 (assets)

ASSETS ***(thousands of euro)***	**31 December 2016**	**31 December 2017**
Intangible assets with an indefinite life	42,416	42,056
Other intangible assets	12,410	9,878
Intangible assets	54,826	51,934
Property, plant and equipment	3,353	2,927
Investments valued at equity	6,775	6,844
Other equity investments	268	265
Non-current trade receivables	3,121	3,183
Non-current tax receivables	18,843	17,741
Other receivables	3,415	3,211
NON-CURRENT ASSETS	**90,601**	**86,105**
Inventories	1,649	1,417
Trade receivables	60,516	55,217
Financial receivables	8,425	8,682
Tax receivables	5,062	5,152
Other receivables	11,985	9,738
Cash and cash equivalents	2,505	4,106
CURRENT ASSETS	**90,142**	**84,312**
TOTAL ASSETS	**180,743**	**170,417**

Consolidated statement of financial position as at 31 December 2017 (liabilities and equity)

LIABILITIES AND EQUITY *(thousands of euro)*	31 December 2016	31 December 2017
Share capital	28,322	29,378
Premium reserve	52,851	55,254
Legal reserve	2,544	2,544
Other reserves	(41,671)	(60,863)
Profit (loss) for the year	(16,874)	(15,538)
Equity attributable to owners of parent	**25,172**	**10,775**
Minority share capital and reserves	8,000	7,859
Profit (loss) attributable to NCI	(1,659)	(2,106)
Equity attributable to NCI	**6,341**	**5,753**
SHAREHOLDERS' EQUITY	**31,513**	**16,528**
Financial payables	75,835	72,215
Deferred tax liabilities	1,197	1,231
Provisions for liabilities and charges	645	555
Severance indemnities and other payroll provisions	6,587	6,799
NON-CURRENT LIABILITIES	**84,264**	**80,800**
Financial payables	2,360	7,903
Trade payables	39,263	40,600
Tax payables	1,491	2,157
Other Payables	21,852	22,429
CURRENT LIABILITIES	**64,966**	**73,089**
TOTAL LIABILITIES	**149,230**	**153,889**
TOTAL EQUITY AND LIABILITIES	**180,743**	**170,417**

Consolidated net financial position

€ (thousands)	31/12/2016	31/12/2017	2017/2016 change	Change %
Cash and cash equivalents	2,505	4,106	1,601	*63.9*
Current financial receivables	8,425	8,682	257	*3.1*
Non-current financial payables	(75,835)	(72,215)	3,620	*4.8*
Current financial payables	(2,360)	(7,903)	(5,543)	*n.s.*
Net financial position	**(67,265)**	**(67,330)**	**(65)**	***(0.1)***

Statement of consolidated cash flows for the year ended 31 December 2017

	2016	2017

(thousands of euro)		
OPERATING ACTIVITIES		
Net profit (loss) for the year	(16,874)	(15,538)
Adjustments:		
- Depreciation and amortisation	5,660	5,402
Self-financing	**(11,214)**	**(10,136)**
Change in inventories	493	232
Change in current trade receivables	5,966	5,299
Change in current trade payables	824	1,337
Change in other current receivables	(602)	1,990
Change in other current payables	4,661	577
Change in current tax receivables/payables	(138)	576
Cash flows from operating activities (A)	**(10)**	**(125)**
INVESTING ACTIVITIES		
Change in intangible assets	(3,798)	(1,621)
Change in property, plant and equipment	(1,071)	(463)
Change in equity investments	483	(66)
Cash flows from investing activities (B)	**(4,386)**	**(2,150)**
FINANCING ACTIVITIES		
Change in amounts due to banks and other lenders	224	1,923
Change in provisions for liabilities and charges	89	(90)
Change in non-current tax receivables/payables	299	1,136
Change in non-current trade receivables/payables	(32)	(62)
Change in other non-current receivables/payables	(888)	204
Change in severance indemnities	207	212
Change in equity reserves	(317)	1,141
Change in equity attributable to NCI	(1,849)	(588)
Cash flow from financing activities (C)	**(2,267)**	**3,876**
Change in liquid funds (A) + (B) + (C)	**(6,663)**	**1,601**
Liquid funds, start of year	**9,168**	**2,505**
Liquid funds, end of year	**2,505**	**4,106**

Income Statement of the parent company as at 31 December 2017

	31 December	31 December

	2016	2017
Revenues	6,903,249	5,874,861
Other revenues and income	12,463,405	9,196,432
Total Returns	**19,366,654**	**15,071,293**
Purchase costs	(684,009)	(333,631)
Service costs	(23,853,180)	(22,054,793)
Payroll costs	(896,550)	(886,372)
Other operating costs	(860,304)	(616,205)
Total Operating Costs	**(26,294,043)**	**(23,891,001)**
Gross operating result – EBITDA	**(6,927,389)**	**(8,819,708)**
Non-core income/(charges)	(1,144,210)	(2,704,521)
Depreciation, amortisation and write-downs	(3,227,058)	519,685
Operating result - EBIT	**(11,298,657)**	**(11,004,544)**
Net financial income/(charges)	(1,274,673)	319,280
Pre-tax result	**(12,573,330)**	**(10,685,264)**
Taxes	(57,421)	(864,934)
NET RESULT	**(12,630,751)**	**(11,550,198)**

Statement of the parent company's financial position as at 31 December 2017 (assets)

ASSETS	31 December 2016	31 December 2017
NON-CURRENT ASSETS		
Intangible assets with an indefinite life	122,464	122,464
Other intangible assets	886,143	562,239
Total intangible assets	**1,008,607**	**684,703**
Property, plant and equipment	1,519,286	1,186,247
Other equity investments	49,281,995	53,199,301
Other trade receivables	3,120,535	3,183,090
Deferred tax assets	15,170,648	13,770,667
Other receivables	3,272,168	2,977,746
TOTAL NON-CURRENT ASSETS	**73,373,239**	**75,001,754**
CURRENT ASSETS		
Inventories	238,324	216,135
Trade receivables	64,983,413	50,695,891
Financial receivables	40,370,877	15,241,601
Tax receivables	1,577,420	1,693,776
Other receivables	7,914,798	5,104,502
Cash and cash equivalents	903,781	2,716,653
TOTAL CURRENT ASSETS	**115,988,613**	**75,668,558**
TOTAL ASSETS	**198,361,852**	**150,670,312**

Statement of the parent company's financial position as at 31 December 2017 (liabilities and equity)

LIABILITIES	31 December 2016	31 December 2017
Share capital	28,321,907	29,377,982
Share premium reserve	52,851,223	55,253,756
Legal Reserve	2,543,881	2,543,881
Other Reserves	1,753,129	1,734,744
Retained earnings (accumulated losses)	(45,264,691)	(57,895,441)
Profit (loss) for the year	(12,630,751)	(11,550,198)
SHAREHOLDERS' EQUITY	**27,574,698**	**19,464,724**
Financial payables	63,634,208	60,650,388
Severance indemnities and other payroll provisions	125,532	373,430
NON-CURRENT LIABILITIES	**63,759,740**	**61,023,818**
Financial payables	5,136,730	6,122,821
Trade payables	88,565,131	61,296,583
Tax payables	165,217	269,328
Other Payables	4,160,336	2,493,038
TOTAL CURRENT LIABILITIES	**98,027,414**	**70,181,770**
TOTAL LIABILITIES	**161,787,154**	**131,205,588**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**189,361,852**	**150,670,312**

Separate statement of cash flows of the parent company for the year ended 31 December 2017

	2016	**2017**
OPERATING ACTIVITIES		
Net profit (loss) for the year	(12,630,751)	(11,550,198)
Adjustments:		
- Depreciation and amortisation	940,585	770,218
Self-financing	**(11,690,166)**	**(10,779,980)**
Change in inventories	53,353	22,189
Change in trade receivables	(5,066,400)	14,224,967
Change in trade payables	21,643,899	(27,268,548)
Change in other current and non-current receivables	(2,309,220)	28,233,994
Change in other payables	(194,619)	(1,667,298)
Change in tax receivables/payables	139,428	1,387,736
Cash flows from operating activities (A)	**2,576,275**	**4,153,060**
INVESTING ACTIVITIES		
Intangible assets	(84,272)	(51,235)
Property, plant and equipment	(62,813)	(62,040)
Equity investments	(1,184,741)	(3,917,306)
Cash flows from investing activities (B)	**(1,331,826)**	**(4,030,581)**
FINANCING ACTIVITIES		
Change in amounts due to banks and other lenders	(7,271,864)	(1,997,729)
Change in provisions	--	--
Change in severance indemnities	(17,498)	247,898
Change in equity reserves	(12,458)	3,440,224
Cash flow from financing activities (C)	**(7,301,820)**	**1,690,393**
Change in liquid funds (A) + (B) + (C)	**(6,057,371)**	**1,812,872**
Liquid funds, start of year	**6,961,152**	**903,781**
Liquid funds, end of year	**903,781**	**2,716,653**