

Press release

(Pursuant to art. 114 paragraph 5 of Legislative Decree 58/1998)

**SNAI Group – Results of operations as of and for period ended 31
December 2013**

Main consolidated economic and financial data

- Revenues of Euro 478.8 million
- EBITDA of Euro 92.6 million
- Net financial position of Euro -443.4 million

Milan, 20 March 2014 – SNAI S.p.A.'s Board of Directors, which met in Milan under Giorgio Sandi's chairmanship, approved the draft financial statement for the financial year ended on 31 December 2013, which states revenues of Euro 478.8 million and EBITDA of Euro 92.6 million.

| Total consolidated income statement | Year 2013 | Year 2012 | Diff. % |
|--|-----------|-----------|---------|
| Revenues | 478.8 | 514.4 | (6.9) |
| EBITDA | 92.6 | 64.5 | 43.5 |
| EBITDA Adj | 97.6 | 68.9 | 41.5 |
| EBIT | (41.8) | (13.9) | >100 |
| Net Income (loss) before tax | (100.9) | (56.5) | (78.7) |
| Results pertaining to the Group | (94.5) | (42.6) | >100 |
| Base/diluted loss per share | (0.81) | (0.36) | >100 |

The figures are expressed in millions of Euro

EBITDA refers to "Earnings before interest, taxes, depreciation and amortization" indicated in the total income statement adjusted for non-recurring costs and revenues determined for operating purposes. EBITDA Adj refers to EBITDA adjusted with respect to the current portion of the sums set aside to the receivables write-down reserve. EBIT refers to "Earnings before interest and taxes" indicated in the total income statement. EBITDA, EBITDA Adj and EBIT are considered alternative performance indicators but are not measurements defined on the basis of International Financial Reporting Standards ("IFRS") and may, therefore, not take into account the requisites imposed under the IFRS in terms of determination, valuation and presentation. We are of the view that EBITDA, EBITDA Adj and EBIT help to explain changes in operating performance and provide useful information on the capacity to management indebtedness and are commonly used by analysts and investors in the gaming sector, as performance indicators. EBITDA, EBITDA Adj and EBIT must not be considered alternatives to cash flows as a measurement of liquidity. As defined, EBITDA, EBITDA Adj and EBIT may not be comparable with the same indicators used by other companies.

In 2013, several activities were concluded which we summarize below:

- the payout on sports betting settled at 78.9%, and therefore turned out to be lower than the average registered by the other concessionaires ; the results were achieved also thanks to the effects of the new contractual agreement with betting shops and the improvement of automatic controls on the acceptance of sports bets .
- Installation of the 5,052 VLT rights acquired by SNAI was concluded;
- Virtual Events were launched in December
- A total amount of Euro 65.7 million (including interest) was paid as a settlement of the appellate proceedings pending against judgment no. 214/2012 issued by the Court of Auditors concerning the operation of the new-slot network, amounting to 30% of the damages quantified in the judgment of first instance;
- Cost optimization actions were continued.



The Group's revenues show a contraction of approximately 6.9%, falling from Euro 514.4 million in 2012 to Euro 478.8 million in 2013, to be attributed principally to the combined effect of the rise in revenues from sports betting and from VLTs, as well as the simultaneous decline in revenues from AWP, coupled with the effect of the % increase in taxation on gaming wagers from entertainment devices. The revenues deriving from sports betting rose with respect to the previous year thanks to a favorable payout of 78.9% as opposed to 82.7% in year 2012. Such results are also due to the risk management activities associated with the acceptance of sports bets which the company aimed to reinforce in 2013. As regards the increase in revenues from VLTs, this is thanks to the strong expansion in the installed network which, as of the end of December, also included the newly installed 5,052 VLT rights acquired by SNAI (with the installation of 4,956 VLTs in 733 premises, while the remaining VLTs are being moved to high performing premises). Important indicators of revenue growth have been provided by the On Line Skill and Casino Games sector, which is showing continuous growth, both in absolute terms and by market share. As of the beginning of December 2013 we launched betting on Virtual Events .

The decline in revenues from AWP is attributable essentially to the lower number of devices following the exit from our network of an important client which, as of 20 March 2013 became a direct concession holder, as well as the impact caused by the rise in tax pressure with the PREU which rose to 12.7% causing a decrease in the percentage of revenues for the Group. The rise in revenues from VLTs was reduced by the contemporaneous increase in PREU from 4% to 5%.

The Group's EBITDA, despite the decline in revenues, rose +43.5% with respect to the previous year, from Euro 64.5 million to Euro 92.6 million.

Non-recurring costs amount to Euro 77.5 million in 2013, as opposed to Euro 7.1 million in the previous year and were mainly related to costs incurred in connection with the settlement of the appellate proceedings pending against the court judgment no. 214/2012 related to the operation of the new-slot network, in the amount of 30% of the damages quantified in the judgment of first instance, in the amount of Euro 63 million.

The Group's EBIT is negative in the amount of Euro – 41.8 million as opposed to Euro -13.9 million in year 2012.

The net result pertaining to the Group in year 2013 is negative in the amount of Euro 94.5 million.

On 8 November, 2013, SNAI S.p.A. issued a non-subordinated, unsecured and non-convertible debenture loan in the total amount of Euro 35 million di euro, of which Euro 15 million consisted of "Series A" Notes and Euro 20 million consisted of "Series B" Notes, which were subscribed for in full. The proceeds from the Debenture Loan were used to refinance SNAI S.p.A. following the payment made by SNAI on 4 and 15 November 2013, of the amount of Euro 65.7 million (including interest), paid pursuant to art. 14, paragraph 2-ter of Draft Law no. 102 dated 31 August 2013 (converted into law on 28 October 2013), in order to settle the appellate proceedings pending against judgment no. 214 issued against the Company by the Court of Auditors, Lazio Section, on 17 February 2012.

On 4 December 2013, SNAI S.p.A. issued a Debenture Loan in the total amount of Euro 480 million having the following characteristics:

- Euro 320 million paying 7.625% and called Senior Secured Notes maturing on 15 June 2018;
- Euro 160 million paying 12.00% and called Senior Subordinated Notes maturing on 15 December 2018.

The proceeds from the issue of the Notes were used by the Company (i) to refinance a portion of its existing bank debt by repaying the medium/long-term loan granted to the Company by a pool of banks in 2011 and a number of related hedging instruments, (ii) to repay the Series A Notes issued by the Company on 8 November 2013.

On 27 November 2013, SNAI entered into, as borrower, a revolving facility agreement for Euro 30 million with UniCredit Bank AG, Milan Branch, as agent and security agent and, *inter alios*, Deutsche Bank S.p.A., Intesa Sanpaolo S.p.A. and UniCredit S.p.A. as lending banks. The Senior Revolving Facility had not been used by the Company as of 31 December 2013.

The SNAI Group's net financial indebtedness as of 31 December 2013 amounts to Euro 443.4 million, up from Euro 369.6 million at the end of 2012. With respect to the close of the previous year, net financial indebtedness rose by Euro 73.8 million. The increase is mainly due to the payment made following the confirmation by the Court of Auditors of the amount for the settlement of the appellate proceedings against judgment no. 214/2012 related to the operation of the new-slot network, in the amount of 30% of damages quantified in the judgment of first instance, for a total of Euro 65.7 million (including interest). A portion of the remaining increase is linked to the payment of taxes and sanctions related to PREU 2010 and the Single Tax (*Imposta Unica*) for 2009-2010 settled over the course of 2013. Lastly, let us point out that indebtedness rose mainly as the result of the slow-down in the collection of receivables from MIPAAF by the subsidiary Teippica S.r.l..

The parent company SNAI S.p.A. generated revenues in the amount of Euro 465.7 million, down 6.4% from Euro 497.7 million in 2012. EBITDA amounts to Euro 94.4 million (Euro 67.2 million in 2012), while EBIT is negative in the amount of Euro -34.5 million (Euro -7.4 million in 2012). The results for the year is negative in the amount of Euro -94.3 million



(Euro -46.1 million in 2012) to be attributed essentially to the reasons already stated in connection with the Group's results.

The Board of Directors also approved the Plan 2014/2016, focusing on the Group's development and growth strategies summarized below:

- focus on margins through greater control over Payout on sports bets in order to maximize the contractual benefits;
- better and more balanced territorial coverage of the network with a view to boosting the market share in important areas;
- full exploitation of the potential of Virtual Events, also in order to support the expansion of the distribution network;
- growth in the On Line Skill and Casino Games segment, including through commercial agreements with important players in the industry;
- optimization and requalification of Machines Gaming areas in shops and arcades;
- development of services dedicated to partners (training, dedicated website) and actions targeted at achieving loyalty;
- launch of services for citizens in order to maximum the opportunities of the distribution network;
- new focus on horse race activities.

The implementation of the guidelines will contribute toward keeping and maintaining economic and financial stability over time, and ensuring the availability of resources necessary for business development.

Milan, 20 March 2014

Public relations and press office

Valeria Baiotto – P. +39.02.4821.6254 – M. +39.334.600.6818 – e-mail valeria.baiotto@snai.it

Giovanni Fava – P. +39.02.4821.6208 – M. +39.334.600.6819 – e-mail giovanni.fava@snai.it

Luigia Membrino – P. +39.02.4821.6217 – M. +39.348.9740.032 - e-mail luigia.membrino@snai.it

The executive in charge of drafting accounting and corporate documents, Dr. Marco Codella, declares in accordance with paragraph 2 art. 154 bis of the Financial Services Code that the financial disclosure set forth in this press release reflects the data set forth in the relevant accounting documents, books and records.

All press releases issued by SNAI S.p.A. pursuant to article 114 of Legislative Decree No. 58 of 24 February 1998 and the related implementing provisions are also available on the company's website at www.snai.it.



In accordance with the requirements set forth in CONSOB prot. 10084105 dated 13 October 2010, set forth below is the disclosure on the company and the SNAI Group.

a) Net financial position of the Company and the SNAI Group

| | SNAI GROUP | | SNAI SPA | |
|--|------------------|------------------|------------------|------------------|
| | 31.12.2013 | 31.12.2012 | 31.12.2013 | 31.12.2012 |
| a) Liquidity | 45,500 | 11,011 | 43,861 | 9,590 |
| b) Current financial receivables | 6 | 7 | 7,754 | 3,948 |
| c) Current bank debts | (40) | (10,038) | (40) | (10,038) |
| d) Current portion of non-current indebtedness | 0 | (16,100) | 0 | (16,100) |
| e) Current financial debts | (7,467) | (10,057) | (8,423) | (12,322) |
| Current net financial indebtedness | 37,999 | (25,177) | 43,152 | (24,922) |
| f) Non-current bank debts | 0 | (328,866) | 0 | (328,866) |
| g) Notes/debt instruments issued | (479,214) | 0 | (479,214) | 0 |
| f) Other non-current financial receivables/debts | (2,174) | (15,570) | (2,174) | (15,559) |
| Total net financial indebtedness | (443,389) | (369,613) | (438,236) | (369,347) |

The figures are expressed in thousands of Euro

b) Overdue debt positions of the SNAI Group

| Current liabilities | Balance as of 31.12.2013 | Of which overdue as of 31.12.2013 |
|--|--------------------------|-----------------------------------|
| Financial debts | 7,507 | - |
| Trade debts | 37,539 | 5,292 |
| Tax debts | 11,853 | - |
| Debts owed to social security institutions | 2,466 | - |
| Other debts | 76,002 | - |
| | 135,367 | 5,292 |

The figures are expressed in thousands of Euro

Overdue sums as of 31 December 2013, in the amount of Euro 5,292 thousand, fall within the current day-to-day operations with suppliers of labor, services and material; a significant portion of such amounts was paid after 31 December 2013. In certain cases, a new payment date was agreed. At present, no initiatives have been taken in such regard by any supplier.

c) Related parties

Consob notice 6064293 dated 28 July 2006 requires that, in addition to the provisions set forth in the international accounting standard on "Financial statement disclosure on related party transactions" (IAS 24), information is provided on the incidence of related party transactions or positions, as classified under IAS 24, on the company's financial condition and assets.

The following table sets forth such incidences. The incidence of transactions on the results of operations and cash flows of the company and/or the Group must be analyzed bearing in mind that the main relationships with related parties are completely identical to the equivalent agreements in place with third parties.

The Group provides services to concessional holders who operate the points where horse race and sports wagers are accepted. A number of concession holders and operators of points of sale (horse race and sports shops) were related to members of the board of directors of the parent company who resigned on 14 May 2012. The transactions envisaged under standardized contracts are at market/arm's length terms that are completely identical to those in place with third party concession holders.

A few companies of the SNAI Group have relationships in place with Banca Popolare di Milano, Intesa San Paolo, Banca Popolare di Vicenza and Banco Popolare Società Cooperativa which are qualifiable as parties related to the SNAI Group as companies in which the shareholders of SNAI S.p.A. hold equity stakes.



Such transactions have been concluded in the Group's interest, in the ordinary course of business and are governed by arm's length terms.

It should be noted that the Senior Secured Notes and the Senior Revolving Facility are secured, inter alia, by a pledge over SNAI's shares granted by the Company's majority shareholder. The related agreement for the grant of the guarantee/security interest between SNAI S.p.A. and the majority shareholder was granted by a favorable binding opinion by SNAI's related parties committee. For further information, see the disclosure document published.

In summary, the following table sets forth the SNAI Group's relationships with related parties:

| thousands of Euro | 31.12.2013 | % incidence | 31.12.2012 | % incidence |
|--|--------------|--------------|------------|--------------|
| Trade receivables: | | | | |
| - owed by companies owned by directors of Snai S.p.A. | - | 0.00% | 92 | 0.10% |
| - owed by Global Games S.p.A. | 6 | 0.01% | 6 | 0.01% |
| - owed by companies owned by shareholders of Snai S.p.A. | - | 0.00% | 30 | 0.03% |
| | 6 | 0.01% | 128 | 0.14% |
| Other current assets: | | | | |
| - owed by companies owned by shareholders of Snai S.p.A. | - | 0.00% | 3 | 0.01% |
| - owed by Alfea S.p.A. | 1 | 0.00% | - | 0.00% |
| | 1 | 0.00% | 3 | 0.01% |
| Total assets | 7 | 0.00% | 131 | 0.02% |
| Trade debts: | | | | |
| - owed to companies owned by directors of Snai S.p.A. | 764 | 2.04% | - | 0.00% |
| - owed to Tivu + S.p.A. in liquidation | 43 | 0.11% | 43 | 0.10% |
| - owed to Connex S.r.l. | 201 | 0.54% | 212 | 0.48% |
| - owed to Alfea S.p.A. | - | 0.00% | 3 | 0.01% |
| | 1,008 | 2.69% | 258 | 0.59% |
| Other current liabilities: | | | | |
| - owed to companies owned by directors of Snai S.p.A. | 21 | 0.02% | 1 | 0.00% |
| - owed to companies owned by shareholders of Snai S.p.A. | 45 | 0.05% | - | 0.00% |
| - owed to directors of Teleippica S.r.l. | 2 | 0.00% | - | 0.00% |
| - owed to Global Games S.p.A. | 6 | 0.01% | 5 | 0.01% |
| | 74 | 0.08% | 6 | 0.01% |
| Total liabilities | 1,082 | 0.16% | 264 | 0.04% |

The assets are stated on a net basis after deducting the related reserves.

The following table sets forth the income statement figures pertaining to related parties:

| thousands of Euro | Year 2013 | % incidence | Year 2012 | % incidence |
|--|-----------|--------------|------------|--------------|
| Revenues from services provided and charge-backs: | | | | |
| - from companies owned by directors of Snai S.p.A. | 38 | 0.01% | 286 | 0.06% |
| - from companies owned by shareholders of Snai S.p.A. | - | 0.00% | 28 | 0.01% |
| | 38 | 0.01% | 314 | 0.07% |
| Other revenues | | | | |
| - from companies owned by directors of Snai S.p.A. | 2 | 0.16% | 1 | 0.06% |
| - from Global Games S.p.A. | 6 | 0.49% | 6 | 0.36% |
| - from companies owned by shareholders of Snai S.p.A. | - | 0.00% | 131 | 7.76% |
| | 8 | 0.65% | 138 | 8.18% |

Earned interest:

| | | | | |
|--|-----------|--------------|------------|--------------|
| - from companies owned by directors of Snai S.p.A. | - | 0.00% | 17 | 1.70% |
| | - | 0.00% | 17 | 1.70% |
| Total revenues | 46 | 0.01% | 469 | 0.09% |

Costs for raw materials and consumables used:

| | | | | |
|-----------------|----------|--------------|----------|--------------|
| - Connex S.r.l. | 6 | 0.52% | - | 0.00% |
| | 6 | 0.52% | - | 0.00% |

Costs for services provided and charge-backs:

| | | | | |
|--|--------------|--------------|---------------|--------------|
| - charged by companies owned by directors of Snai S.p.A. | 656 | 0.20% | 8.838 | 2.27% |
| - charged by companies owned by shareholders of Snai S.p.A. | 15 | 0.00% | 1.144 | 0.29% |
| - charged by companies owned by internal auditors of Snai S.p.A. | - | 0.00% | 1 | 0.00% |
| - charged by directors of Teleippica S.r.l. | 57 | 0.02% | - | 0.00% |
| - charged by Alfea S.p.A. | - | 0.00% | 19 | 0.00% |
| - charged by Connex S.r.l. | 619 | 0.19% | 711 | 0.18% |
| | 1.347 | 0.41% | 10.713 | 2.74% |

Other operating costs:

| | | | | |
|--|-----------|--------------|-----------|--------------|
| - charged by companies owned by directors of Snai S.p.A. | 13 | 0.01% | 32 | 0.11% |
| - charged by Connex S.r.l. | 3 | 0.00% | - | 0.00% |
| | 16 | 0.01% | 32 | 0.11% |

| | | | | |
|--------------------|--------------|--------------|---------------|--------------|
| Total costs | 1.369 | 0.32% | 10.745 | 2.29% |
|--------------------|--------------|--------------|---------------|--------------|

Revenues from services provided and charge-backs and other revenues attributable to related parties amount to 0.30% of Earnings before interest, taxes, depreciation and amortization in 2013 (down from 0.79% in 2012) and amount to 0.05% of total revenues in 2013 (down from 1.10% in 2012).

Costs for the purchase of semi-finished and finished goods, raw material and consumables and services provided and charge-backs attributable to related parties amount to 8.96% of Earnings before interest, taxes, depreciation and amortization in 2013 (down from 18.67% in 2012), and such total costs amount to 1.45% of Earnings (Loss) for the year in 2013 (down from 25.25% in 2012).

The Parent Company, SNAI S.p.A.

The following table sets forth the related party relationships of the Group's parent company, SNAI S.p.A.:

| thousands of Euro | 31.12.2013 | % incidence | 31.12.2012 | % incidence |
|---|--------------|--------------|--------------|--------------|
| Trade receivables: | | | | |
| - owed by Global Games S.p.A. | 6 | 0.01% | 6 | 0.01% |
| - owed by Società Trenno S.r.l. | 673 | 1.11% | 359 | 0.53% |
| - owed by Festa S.r.l. | 19 | 0.03% | 17 | 0.03% |
| - owed by Immobiliare Valcarenga S.r.l. | 4 | 0.01% | 4 | 0.01% |
| - owed by Teleippica S.r.l. | 116 | 0.19% | 59 | 0.09% |
| - owed by companies owned by shareholders | - | 0.00% | 31 | 0.05% |
| Total trade receivables | 818 | 1.35% | 476 | 0.72% |
| Other current assets: | | | | |
| - owed by Società Trenno S.r.l. | 96 | 0.35% | 6 | 0.02% |
| - owed by Festa S.r.l. | 710 | 2.55% | 709 | 1.93% |
| - owed by Immobiliare Valcarenga S.r.l. | 82 | 0.29% | 62 | 0.17% |
| - owed by Teleippica S.r.l. | 1,460 | 5.25% | 857 | 2.34% |
| - owed by Alfea S.p.A. | 1 | 0.00% | - | 0.00% |
| - owed by companies owned by shareholders | - | 0.00% | 3 | 0.01% |
| Total other current assets | 2,349 | 8.44% | 1,637 | 4.47% |

Financial receivables:

| | | | | |
|------------------------------------|---------------|---------------|--------------|---------------|
| - owed by Società Trenno S.r.l. | 5,190 | 19.11% | 2,821 | 19.88% |
| - owed by Teleippica S.r.l. | 2,558 | 9.42% | 1,113 | 7.84% |
| - owed by SNAI France | - | 0.00% | 7 | 0.05% |
| Total financial receivables | 7,748 | 28.53% | 3,941 | 27.77% |
| Total assets | 10,915 | 1.43% | 6,054 | 0.82% |

Trade debts:

| | | | | |
|--|--------------|--------------|--------------|--------------|
| - owed to companies owned by directors | 764 | 2.18% | - | 0.00% |
| - owed to Società Trenno S.r.l. | 143 | 0.41% | 15 | 0.05% |
| - owed to Festa S.r.l. | 522 | 1.49% | 516 | 1.55% |
| - owed to Teleippica S.r.l. | 340 | 0.97% | 254 | 0.76% |
| - owed to Connex S.r.l. | 183 | 0.52% | 212 | 0.64% |
| - owed to Tivu + S.p.A. in liquidation | 43 | 0.12% | 43 | 0.13% |
| - owed to Alfea S.p.A. | - | 0.00% | 3 | 0.01% |
| Total trade debts | 1,995 | 5.69% | 1,043 | 3.14% |

Other current liabilities

| | | | | |
|---|--------------|--------------|--------------|--------------|
| - owed to companies owned by directors | 21 | 0.02% | 1 | 0.00% |
| - owed to Global Games S.p.A. | 6 | 0.01% | 6 | 0.01% |
| - owed to Società Trenno S.r.l. | 4,762 | 5.08% | 2,593 | 2.99% |
| - owed to Festa S.r.l. | 551 | 0.59% | 194 | 0.22% |
| - owed to Immobiliare Valcarenga S.r.l. | 1 | 0.00% | 1 | 0.00% |
| - owed to Teleippica S.r.l. | 6 | 0.01% | 5 | 0.01% |
| - owed to companies owned by shareholders | 45 | 0.05% | - | 0.00% |
| Total other current liabilities | 5,392 | 5.76% | 2,800 | 3.23% |

Current financial debts:

| | | | | |
|---|--------------|---------------|--------------|--------------|
| - owed to Festa S.r.l. | 730 | 8.63% | 2,057 | 5.35% |
| - owed to Immobiliare Valcarenga S.r.l. | 245 | 2.89% | 221 | 0.57% |
| Total current financial debts | 975 | 11.52% | 2,278 | 5.92% |
| Total liabilities | 8,362 | 1.21% | 6,121 | 1.06% |

The assets are stated on a net basis after deducting the related reserves.

The following table sets forth the income statement figures pertaining to related parties:

| thousands of Euro | Year 2013 | % incidence | Year 2012 | % incidence |
|---|--------------|--------------|--------------|--------------|
| Revenues from services provided and charge-backs: | | | | |
| - from companies owned by directors | - | 0.00% | 198 | 0.04% |
| - from Società Trenno S.r.l. | 2,424 | 0.52% | 2,696 | 0.55% |
| - from companies owned by shareholders | - | 0.00% | 20 | 0.00% |
| Total revenues from services provided and charge-backs | 2,424 | 0.52% | 2,914 | 0.59% |

Other revenues

| | | | | |
|--|--------------|---------------|--------------|---------------|
| - from companies owned by directors | 2 | 0.09% | 1 | 0.02% |
| - from Global Games S.p.A. | 6 | 0.26% | 6 | 0.14% |
| - from Società Trenno S.r.l. | 1,122 | 47.99% | 2,853 | 67.45% |
| - from Festa S.r.l. | 115 | 4.92% | 106 | 2.51% |
| - from Mac Horse S.r.l. | - | 0.00% | 24 | 0.57% |
| - from Immobiliare Valcarenga S.r.l. | 12 | 0.51% | 11 | 0.26% |
| - from SNAI Olé S.A. | - | 0.00% | 1 | 0.02% |
| - from SNAI France | - | 0.00% | 1 | 0.02% |
| - from Faste S.r.l. in liquidation | - | 0.00% | 1 | 0.02% |
| - from Teleippica S.r.l. | 465 | 19.89% | 502 | 11.87% |
| - from companies owned by shareholders | - | 0.00% | 130 | 3.07% |
| Total other revenues | 1,722 | 73.66% | 3,636 | 85.95% |

Earned interest:

| | | | | |
|-------------------------------------|------------|---------------|------------|---------------|
| - from companies owned by directors | - | 0.00% | 17 | 1.40% |
| - from Società Trenno S.r.l. | 272 | 16.12% | 207 | 17.04% |
| - from Festa S.r.l. | - | 0.00% | 1 | 0.08% |
| - from Faste S.r.l. in liquidation | - | 0.00% | 8 | 0.66% |
| - from Teleippica S.r.l. | 155 | 9.19% | 6 | 0.49% |
| Total earned interest | 427 | 25.31% | 239 | 19.67% |

| | | | | |
|-----------------------|--------------|--------------|--------------|--------------|
| Total revenues | 4,573 | 0.98% | 6,789 | 1.36% |
|-----------------------|--------------|--------------|--------------|--------------|

Costs for services provided and charge-backs:

| | | | | |
|---|--------------|--------------|---------------|--------------|
| - charged by companies owned by directors | 648 | 0.20% | 8,807 | 2.29% |
| - charged by Società Trenno S.r.l. | 399 | 0.12% | 274 | 0.07% |
| - charged by Festa S.r.l. | 5,324 | 1.65% | 4,920 | 1.28% |
| - charged by Mac Horse S.r.l. | - | 0.00% | 230 | 0.06% |
| - charged by Teleippica S.r.l. | 2,361 | 0.73% | 2,261 | 0.59% |
| - charged by Connex S.r.l. | 619 | 0.19% | 711 | 0.18% |
| - charged by Alfea S.p.A. | - | 0.00% | 19 | 0.00% |
| - charged by companies owned by internal auditors | - | 0.00% | 1 | 0.00% |
| - charged by companies owned by shareholders | 3 | 0.00% | 1,144 | 0.30% |
| Total costs for services provided and charge-backs | 9,354 | 2.89% | 18,367 | 4.77% |

Costs of seconded personnel

| | | | | |
|--|------------|--------------|------------|--------------|
| - charged by Società Trenno S.r.l. | 44 | 0.18% | 132 | 0.66% |
| - charged by Festa S.r.l. | 113 | 0.46% | - | 0.00% |
| - charged by Teleippica S.r.l. | 31 | 0.13% | 1 | 0.01% |
| Total costs of seconded personnel | 188 | 0.77% | 133 | 0.67% |

Miscellaneous operating costs

| | | | | |
|--|-----------|--------------|-----------|--------------|
| - charged by companies owned by directors | 13 | 0.01% | 31 | 0.10% |
| - charged by Festa S.r.l. | - | 0.00% | 1 | 0.00% |
| - charged by Connex S.r.l. | 3 | 0.00% | - | 0.00% |
| - charged by Società Trenno S.r.l. | 5 | 0.01% | 1 | 0.00% |
| Total miscellaneous operating costs | 21 | 0.02% | 33 | 0.10% |

Interest paid and fees

| | | | | |
|--|--------------|--------------|---------------|--------------|
| Interest paid to Festa S.r.l. | 113 | 0.19% | 124 | 0.28% |
| Interest paid to Mac Horse S.r.l. | - | 0.00% | 12 | 0.03% |
| Interest paid to Immobiliare Valcarenga S.r.l. | 12 | 0.02% | 10 | 0.02% |
| Interessi paid to Teleippica S.r.l. | - | 0.00% | 64 | 0.14% |
| Total interest paid and fees | 125 | 0.21% | 210 | 0.47% |
| Total costs | 9,688 | 1.91% | 18,743 | 3.88% |



The Revenues from services provided and charge-backs and other revenues attributable to related parties amount to 20.61% of Earnings before interest, taxes, depreciation and amortization in 2013 (up from 10.68% in 2012) while total revenues attributable to related parties amount to 4.85% of Earnings (Loss) in 2013 (down from 14.74% in 2012). Costs for the purchase of semi-finished and finished goods, raw materials and consumables, services provided and charge-backs, costs of seconded personnel and miscellaneous operating costs attributable to related parties amount to 47.53% of Earnings before interest, taxes, depreciation and amortization in 2013 (up from 30.22% in 2012), while the total costs attributable to related parties amount to 10.27% of Earnings (Loss) in 2013 (down from 40.69% in 2012).

d) State of advancement of the Group's debt restructuring plan and development plans.

The Group has registered a net loss of Euro 94.5 million, which was attributable to, among other things, the effects of the settlement of the sanction imposed by the Court of Auditors in the amount of Euro 65.7 million, including interest, and the other costs defined as non-recurring for operating purposes, which gave rise to a reduction in net shareholders' equity to Euro 72.3 million. Net financial indebtedness, which rose to Euro 443.4 million at year end, consists mainly of debenture loans issued and subscribed for on 4 December 2013, the proceeds of which were used to repay the pre-existing bank loan early during the same month. The Group's EBITDA, despite the decline in revenues, recorded a +43.5% increase over the previous year, from Euro 64.5 million to Euro 92.6 million.

The costs defined as non-recurring for operating purposes amount to Euro 77.5 million in 2013, up from Euro 7.1 million the previous year and are mainly related to the costs incurred in connection with the settlement of the appellate proceedings against judgment no. 214/2012 related to the operation of the new-slot network, amounting to 30% of the damages quantified in the judgment of first instance, in the amount of Euro 63 million, plus interest.

The Directors wish to point out that the results for the year, on a net basis after taking into account the above-mentioned effects, are better than the previous year, albeit lower than expected.

In light of the foregoing, the Directors have prepared a new plan for years 2014 – 2016 (the "Plan 2014 – 2016" or the "Plan"), which at the end of the three-year period envisages significant growth in revenues and margins and the achievement of positive economic results, a level of net shareholders' equity in line with the current level, the generation of cash flows suitable to fund investments necessary for business development and to cover the financial costs/interests generated by the debt over the timeline of the plan, even if based upon current forecasts, the Group would not appear to be in a position to generate the resources necessary to fully repay the debenture loans in 2018.

Therefore, the Plan envisages a positive trend toward the achievement of a position of economic and financial stability. There do remain, however, a number of uncertainties related to (1) the actual achievement of results of operations and economic-financial results substantially in line with the expectations of growth in the revenues and margins of the various business areas, which is necessary to preserve the Group's net shareholders' equity, (2) the Group's capacity to repay or renegotiate at maturity the existing debenture loans and, more generally (3) the uncertainty related to the occurrence of future events and the characteristics of the relevant market, which could have adverse effects on the capacity to achieve the objectives set forth in the Plan, and, therefore future results and cash flows forming the basis of the main forecasts used to prepare this financial statement.

For purposes of reducing such uncertainties, the Group has implemented a series of initiatives which will enable the Group to benefit from, inter alia, the full positive effect of the completion of the installation of the 5,052 VLT rights for which a plan is in place, and will be completed by the end of 2014, for the relocation of more than 1000 terminals in higher performing locations.

An additional benefit will be reaped thanks to the positive effects of the collection of gaming wagers through Virtual Events which, during the initial launch period, attracting significant interest on the part of bettors with solid results in terms of wagers collected.

An additional positive contribution is expected to come from the digital segment, including "mobile" applications.

Lastly, the trend in the pay-out on sports bets will be more easily managed thanks to the combined effects of the new management agreement which better aligns Snai's interests with those of the Operators, and the improvement in automatic system-based controls on the acceptance of bets. Upon the positive achievement of the objectives set forth in the Plan, the Directors are of the view that the Group will be capable of securing the resources necessary to repay or replace its existing indebtedness.

Therefore, the Directors are of the view that the objectives envisaged under the Plan are reasonable and that the Group will be capable of overcoming the uncertainties mentioned above.

Based upon all of the foregoing considerations, the Directors are of the view that the Group has the capacity to continue its business operations in the foreseeable future and, therefore, drafted the financial statement based upon an assumption of business continuity.

e) Financial covenants

The Loan Agreements in place (the revolving credit line and the debenture loans) provide for, in accordance with standard practice for this type of loans, a series of obligations imposed upon the Group.



The above-mentioned agreements provide for, in accordance with standard practice in similar transactions, covenants imposed upon the Company aimed at safeguarding the lenders' credit positions, including a prohibition on distributing dividends before the maturity of the notes called the "Series B" notes and subsequent restrictions until the maturity of the other debenture loans, limitations on the early repayment of bonds, limitations on taking on financial indebtedness and on making certain investments and acts involving the disposal of corporate assets. A number of events of default are also envisaged, upon the occurrence of which the early repayment of the loans may become necessary.

SNAI S.p.A. has also undertaken to honor financial covenants pursuant to agreements reached with Unicredit S.p.A., Banca IMI S.p.A. and Deutsche Bank S.p.A. in connection with the opening of a Senior Revolving Facility for a total initial amount of Euro 30 million.

In particular, reference is made to maintaining a given minimum level of "Consolidated Pro-Forma EBITDA". "Consolidated Pro-Forma EBITDA" is defined in the loan agreement and refers to the consolidated earnings before interest, taxes, depreciation and amortization, all extraordinary, non-recurring items, adjusted with the effect generated by the complete roll-out of the portfolio of VLT machines (run-rate). This update shall remain valid until 31 December 2014.

SNAI S.p.A. is also required to provide to the lenders periodic evidence of final financial and economic figures, as well as key performance indicators for the SNAI Group, with regard to, inter alia, EBITDA and net financial indebtedness.

It should be noted that as of 31 December 2013, the above-mentioned covenants are honored .

f) State of advancement of the business plan.

The Business Plan 2014 – 2016 approved by the Board of Directors at the meeting held on 20 March 2014 is based upon the following:

- focus on margins through greater control over Payout on sports bets in order to maximize the contractual benefits;
- better and more balanced territorial coverage of the network with a view to boosting the market share in important areas;
- measures aimed at securing long-term loyalty from Points of Sale with high market shares;
- full exploitation of the potential of Virtual Events, also in order to support the expansion of the distribution network;
- growth in the Skill Games segment, including through commercial agreements with important players in the industry;
- optimization and requalification of ADI areas in shops and arcades;
- development of services dedicated to partners (training, dedicated website) and actions targeted at achieving loyalty;
- launch of services for citizens in order to maximum the opportunities of the distribution network;
- new focus on horse race activities, including through Expo 2015 & Finale Trotting World Master 2015.

The Board of Directors at the meeting held on 20 March 2014 approved the Plan 2014/2016, based upon the Group's development and growth strategies listed above which, once achieved, are expected to contribute toward achieving and maintaining over time economic and financial stability and making available the resources necessary for business development.

Schedules:

- **SNAI Group:**
 - Total consolidated income statement for year 2013
 - Prospectus setting forth the consolidated balance sheet as of 31 December 2013
 - Consolidated cash flow statement as of 31 December 2013
- **SNAI S.p.A.:**
 - Total income statement for year 2013
 - Prospectus setting forth the balance sheet as of 31 December 2013
 - Cash flow statement as of 31 December 2013

SNAI Group – Total consolidated income statement

| figures in thousands of Euro | Year | |
|--|------------------|-----------------|
| | 2013 | 2012 |
| Revenues from sales and services | 477,535 | 512,683 |
| Other revenues and proceeds | 1,228 | 1,689 |
| Change in leftover stock of finished and semi-finished products | 107 | (3) |
| Raw materials and consumables used | (1,162) | (1,206) |
| Costs for services and use of third party assets | (324,470) | (389,335) |
| Costs for personnel | (36,891) | (33,840) |
| Other operating costs | (102,579) | (33,697) |
| Costs for capitalized internal works | 1,337 | 1,096 |
| Earnings before interest, taxes, depreciation and amortization | 15,105 | 57,387 |
| Amortization and depreciation | (54,867) | (59,748) |
| Other amounts set aside as provisions | (2,039) | (11,529) |
| Earnings before interest and taxes | (41,801) | (13,890) |
| Proceeds and costs related to shareholdings | (398) | 1,451 |
| Financial proceeds/earned interest | 1,267 | 1,002 |
| Financial costs/interest paid | (59,983) | (45,027) |
| Total financial costs and proceeds/interest | (59,114) | (42,574) |
| BEFORE TAX RESULTS | (100,915) | (56,464) |
| Income taxes | 6,385 | 13,904 |
| Earnings (loss) for the year | (94,530) | (42,560) |
| (Loss)/earnings from remeasurement of defined benefits plans, net of taxes | 76 | (711) |
| Total other components of the total income statement which will not be subsequently reclassified as earnings/(loss) for the year net of taxes | 76 | (711) |
| (Loss)/earnings net of cash flow hedges | 2,572 | (2,850) |
| Total other components of the total income statement which will subsequently be reclassified as earnings/(loss) for the year, net of taxes | 2,572 | (2,850) |
| Total earnings/(loss) of the total income statement, net of taxes | 2,648 | (3,561) |
| Total earnings/(loss) for the year | (91,882) | (46,121) |
| <i>Attributable to:</i> | | |
| Earnings (loss) for the year pertaining to the Group | (94,530) | (42,560) |
| Earnings (loss) for the year pertaining to Third Parties | 0 | 0 |
| Total earnings (loss) for the year pertaining to the Group | (91,882) | (46,121) |
| Total earnings (loss) for the year pertaining to Third Parties | 0 | 0 |
| Earnings (loss) per base share in euro | (0.81) | (0.36) |
| Earnings (loss) per diluted share in euro | (0.81) | (0.36) |

SNAI Group – Consolidated balance sheet

| figures in thousands of Euro | 31.12.2013 | 31.12.2012 |
|---|----------------|----------------|
| ASSETS | | |
| Non-current assets | | |
| Owned real estate, equipment and machinery | 143,378 | 134,819 |
| Assets under financial lease | 9,405 | 17,294 |
| Total tangible fixed assets | 152,783 | 152,113 |
| Goodwill | 231,531 | 231,531 |
| Other intangible assets | 135,292 | 151,409 |
| Total intangible fixed assets | 366,823 | 382,940 |
| Shareholdings appraised as net equity | 2,866 | 3,264 |
| Shareholdings in other companies | 46 | 46 |
| Total shareholdings | 2,912 | 3,310 |
| Taxes paid in advance | 75,086 | 63,879 |
| Other non-financial assets | 2,413 | 2,341 |
| Total non-current assets | 600,017 | 604,583 |
| Current assets | | |
| Leftover stock | 1,329 | 3,384 |
| Trade receivables | 75,604 | 91,837 |
| Other assets | 26,687 | 36,364 |
| Current financial assets | 19,414 | 10,249 |
| Cash and cash equivalents | 45,499 | 11,010 |
| Total current assets | 168,533 | 152,844 |
| TOTAL ASSETS | 768,550 | 757,427 |
| LIABILITIES, NET SHAREHOLDERS' EQUITY | | |
| Net shareholders' equity pertaining to Group | | |
| Share capital | 60,749 | 60,749 |
| Reserves | 106,128 | 146,040 |
| Earnings (loss) for the year | (94,530) | (42,560) |
| Total Net Shareholders' Equity- Group | 72,347 | 164,229 |
| Net shareholders' equity – third parties | | |
| Total Net Shareholders' Equity | 72,347 | 164,229 |
| Non-current liabilities | | |
| Severance indemnity (TFR) | 4,387 | 5,190 |
| Non-current financial liabilities | 481,388 | 344,436 |
| Deferred taxes | 53,675 | 48,150 |
| Funds for future risks and costs | 16,617 | 25,136 |
| Misc. debts and other non-current liabilities | 3,623 | 1,951 |
| Total non-current liabilities | 559,690 | 424,863 |
| Current liabilities | | |
| Trade debts | 37,539 | 44,239 |
| Other liabilities | 91,467 | 87,901 |
| Current financial liabilities | 7,507 | 20,095 |
| Current quotas of long-term loans | 0 | 16,100 |
| Total financial liabilities | 7,507 | 36,195 |
| Total current liabilities | 136,513 | 168,335 |
| TOTAL LIABILITIES, NET SH EQUITY | 768,550 | 757,427 |

SNAI Group – Consolidated cash flow statement

| | figures in thousands of Euro | 31.12.2013 | 31.12.2012 |
|---|------------------------------|-----------------|-----------------|
| A. CASH FLOW FROM OPERATIONS FOR THE YEAR | | | |
| Earnings (loss) for the year of the Group | | (94,530) | (42,560) |
| Earnings (loss) for the year of third parties | | 0 | 0 |
| Amortization and depreciation | | 54,867 | 59,748 |
| Net change in assets (liabilities) due to taxes paid in advance (deferred taxes) | | (6,686) | (14,414) |
| Change in risks provisions | | (8,519) | 9,776 |
| (Capital gains) capital losses from the realization of non-current assets(inc.shareholdings) | | 86 | 409 |
| Quota of results of shareholdings appraised using the net equity method (-) | | 398 | (1,451) |
| Net change in non-current commercial assets and liabilities and other misc. changes | | 1,600 | (4,507) |
| Net change in current commercial assets and liabilities and other misc. changes | | 24,926 | 14,516 |
| Net change in severance indemnity (TFR) | | (698) | (824) |
| CASH FLOW GENERATED (ABSORBED) BY OPERATIONS FOR THE YEAR (A) | | (28,556) | 20,693 |
| B. CASH FLOW FROM INVESTMENT ACTIVITIES | | | |
| Investments in tangible assets (-) | | (20,780) | (16,540) |
| Investments in intangible assets (-) | | (19,028) | (5,269) |
| Proceeds received from sale of tangible, intangible and other non-current assets | | 207 | 37 |
| CASH FLOW GENERATED (ABSORBED) BT INVESTMENT ACTIVITIES (B) | | (39,601) | (21,772) |
| C. CASH FLOW FROM FINANCIAL ASSETS | | | |
| Change in financial receivables and other financial assets | | (9,165) | (9,992) |
| Change in financial liabilities | | (19,226) | (33,123) |
| Repayment of loan | | (4,600) | (5,750) |
| Grant/disbursement of loan | | 57,498 | 21,000 |
| Cancellation/repayment of loan | | (421,748) | 0 |
| Issuance of debt instruments/debenture loans | | 515,000 | 0 |
| Redemption of debt instruments/notes | | (15,000) | 0 |
| Change in debts owed to PAS on installment basis for purchase of "concessions" BUs | | (113) | (328) |
| CASH FLOW GENERATED (ABSORBED) BY FINANCIAL ASSETS (C) | | 102,646 | (28,193) |
| D. CASH FLOW FROM TERMINATED ASSETS OR ASSETS HELD FOR SALE | | | |
| E. TOTAL CASH FLOW (A+B+C+D) | | 34,489 | (29,272) |
| F. INITIAL NET AVAILABLE LIQUIDITY (INITIAL NET FINANCIAL INDEBTEDNESS) | | 11,010 | 40,282 |
| G. NET EFFECT OF THE CONVERSION OF FOREIGN CURRENCIES ON LIQUIDITY | | | |
| H. FINAL NET AVAILABLE LIQUIDITY (FINAL NET FINANCIAL INDEBTEDNESS) | | 45,499 | 11,010 |
| RECONCILIATION OF FINAL NET AVAILABLE LIQUIDITY (NET FINANCIAL INDEBTEDNESS) | | | |
| CASH AND CASH EQUIVALENTS NET OF SHORT-TERM FINANCIAL DEBTS AT THE BEGINNING OF THE PERIOD, DETAILED AS FOLLOWS: | | | |
| Cash and cash equivalents | | 11,010 | 40,282 |
| Bank overdrafts | | | |
| Terminated operating assets | | | |
| | | 11,010 | 40,282 |
| CASH AND CASH EQUIVALENTS NET OF SHORT-TERM FINANCIAL DEBTS AT THE END OF THE PERIOD, DETAILED AS FOLLOWS: | | | |
| Cash and cash equivalents | | 45,499 | 11,010 |
| Bank overdrafts | | | |
| Terminated operating assets | | | |
| | | 45,499 | 11,010 |

SNAI S.p.A. – Total income statement

| figures in thousands of Euro | Year | |
|---|-----------------|-----------------|
| | 2013 | 2012 |
| Revenues from sales and services | 463,356 | 493,492 |
| Other revenues and proceeds | 2,338 | 4,230 |
| Change in leftover stock of finished and semi-finished products | 107 | (3) |
| Raw materials and consumables used | (816) | (879) |
| Costs for services and use of third party assets | (321,778) | (384,329) |
| Costs for personnel | (24,656) | (19,855) |
| Other operating costs | (99,767) | (32,436) |
| Costs for capitalized internal works | 1,337 | 1,096 |
| Earnings before interest, taxes, depreciation and amortization | 20,121 | 61,316 |
| Amortization and depreciation | (52,979) | (57,705) |
| Other amounts set aside as provisions | (1,619) | (11,053) |
| Earnings before interest and taxes | (34,477) | (7,442) |
| Proceeds and costs from shareholdings | (6,100) | (6,771) |
| Financial proceeds/interest earned | 1,687 | 1,215 |
| Financial costs/interest paid | (59,959) | (45,042) |
| Total financial costs and proceeds | (64,372) | (50,598) |
| BEFORE TAX RESULTS | (98,849) | (58,040) |
| Income taxes | 4,513 | 11,977 |
| Earnings (loss) for the year | (94,336) | (46,063) |
| (Loss)/earnings from the remeasurement of fixed benefits plans net of taxes | 63 | (209) |
| Other components of the total income which will not be subsequently reclassified as earnings/(loss) for the year, net of taxes | 63 | (209) |
| Net (Loss)/earnings from cash flow hedges | 2,572 | (2,850) |
| Other components of the total income statement which will be subsequently reclassified as earnings/(loss) for the year, net of taxes | 2,572 | (2,850) |
| Earnings/(loss) of the total income statement, net of taxes | 2,635 | (3,059) |
| Total net earnings/(loss) for the year | (91,701) | (49,122) |

SNAI S.p.A. – Balance sheet

| figures in thousands of Euro | 31.12.2013 | 31.12.2012 |
|---|----------------|----------------|
| ATTIVITA' | | |
| Non-current assets | | |
| Owned real estate, equipment and machinery | 135,810 | 128,571 |
| Assets under financial lease | 9,396 | 17,273 |
| Total tangible fixed assets | 145,206 | 145,844 |
| Goodwill | 231,088 | 231,088 |
| Other intangible assets | 135,051 | 151,233 |
| Total intangible fixed assets | 366,139 | 382,321 |
| Shareholdings in subsidiaries and affiliates | 16,705 | 17,942 |
| Shareholdings in other companies | 46 | 46 |
| Total shareholdings | 16,751 | 17,988 |
| Taxes paid in advance | 73,471 | 62,372 |
| Other non-financial assets | 2,204 | 2,146 |
| Total non-current assets | 603,771 | 610,671 |
| Current assets | | |
| Leftover stock | 1,303 | 3,194 |
| Trade receivables | 60,656 | 67,591 |
| Other assets | 27,805 | 36,657 |
| Current financial assets | 27,162 | 14,190 |
| Cash and cash equivalents | 43,860 | 9,589 |
| Total current assets | 160,786 | 131,221 |
| TOTAL ASSETS | 764,557 | 741,892 |
| LIABILITIES, NET SHAREHOLDERS' EQUITY | | |
| Net Shareholders' Equity | | |
| Share capital | 60,749 | 60,749 |
| Reserves | 105,223 | 148,651 |
| Earnings (loss) for the year | (94,336) | (46,063) |
| Total net shareholders' equity | 71,636 | 163,337 |
| Non-current liabilities | | |
| Severance indemnity (TFR) | 1,509 | 1,643 |
| Non-current financial liabilities | 481,388 | 344,425 |
| Deferred taxes | 53,019 | 47,496 |
| Provisions for future risks and costs | 16,113 | 24,560 |
| Misc. debts and other non-current liabilities | 3,611 | 1,939 |
| Total non-current liabilities | 555,640 | 420,063 |
| Current liabilities | | |
| Trade debts | 35,112 | 33,219 |
| Other liabilities | 93,706 | 86,813 |
| Current financial liabilities | 8,463 | 22,360 |
| Current quotas of long-term loans | 0 | 16,100 |
| Total financial liabilities | 8,463 | 38,460 |
| Total current liabilities | 137,281 | 158,492 |
| TOTAL LIABILITIES, NET SH. EQUITY | 764,557 | 741,892 |

SNAI S.p.A. – Cash flow statement

| | figures in thousands of Euro | 31.12.2013 | 31.12.2012 |
|--|------------------------------|-----------------|-----------------|
| A. CASH FLOW FROM OPERATIONS FOR THE YEAR | | | |
| Earnings (loss) for the year | | (94,336) | (46,063) |
| Amortization and depreciation | | 52,979 | 57,705 |
| Depreciation and losses on shareholdings | | 6,100 | |
| Net change of assets (liabilities) for taxes paid in advance (deferred taxes) | | (6,576) | (13,991) |
| Change in risks provisions | | (8,447) | 9,300 |
| (Capital gains) capital losses from realization of non-current assets (inc. SHs) | | 126 | 391 |
| Net change in non-current commercial assets and liabilities and misc. other changes | | 1,616 | (4,415) |
| Net change in current commercial assets and liabilities and misc. other changes | | 26,560 | 21,517 |
| Net change in severance indemnity (TFR) | | (47) | (122) |
| CASH FLOW GENERATED (ABSORBED) BY OPERATIONS FOR THE YEAR (A) | | (22,025) | 24,322 |
| B. CASH FLOW FROM INVESTMENT ACTIVITIES | | | |
| Investments in tangible assets (-) | | (17,616) | (15,575) |
| Investments in intangible assets (-) | | (18,862) | (5,193) |
| Payments to cover losses on shareholdings | | (5,000) | (2,180) |
| Liquidation of shareholdings | | 137 | 0 |
| Proceeds received from the sale of tangible, intangible and other non-current assets | | 97 | 32 |
| CASH FLOW GENERATED (ABSORBED) BY INVESTMENT ACTIVITIES | | (41,244) | (22,916) |
| C. CASH FLOW FROM FINANCIAL ASSETS | | | |
| Change in financial receivables and other financial assets | | (12,972) | (8,693) |
| Change in financial liabilities | | (20,525) | (35,177) |
| Repayment of loan | | (4,600) | (5,750) |
| Grant/disbursement of loan | | 57,498 | 21,000 |
| Cancellation/repayment of loan | | (421,748) | 0 |
| Opening/issue of debenture loan/debt instruments | | 515,000 | 0 |
| Redemption of series "A" notes | | (15,000) | 0 |
| Change in debts owed to PAS for purchase of "concessions" business units | | (113) | (327) |
| CASH FLOW GENERATED (ABSORBED) BY FINANCIAL ASSETS (C) | | 97,540 | (28,947) |
| D. CASH FLOW FROM TERMINATED ASSETS/ASSETS HELD FOR SALE | | 0 | 0 |
| E. TOTAL CASH FLOW (A+B+C+D) | | 34,271 | (27,541) |
| F. INITIAL NET AVAILABLE LIQUIDITY (INITIAL NET FINANCIAL INDEBTEDNESS) | | 9,589 | 37,130 |
| G. NET EFFECT OF THE CONVERSION OF FOREIGN CURRENCIES ON LIQUIDITY | | 0 | 0 |
| H. FINAL NET AVAILABLE LIQUIDITY (FINAL NET FINANCIAL INDEBTEDNESS) | | 43,860 | 9,589 |

RECONCILIATION OF FINAL NET AVAILABLE LIQUIDITY (FINAL NET FINANCIAL INDEBTEDNESS)

CASH AND CASH EQUIVALENTS NET OF SHORT-TERM FINANCIAL DEBTS
AT THE BEGINNING OF THE PERIOD, DETAILED AS FOLLOWS:

| | | |
|-----------------------------|--------------|---------------|
| Cash and cash equivalents | 9,589 | 37,130 |
| Bank overdrafts | 0 | 0 |
| Terminated operating assets | 0 | 0 |
| | 9,589 | 37,130 |

CASH AND CASH EQUIVALENTS NET OF SHORT-TERM FINANCIAL DEBTS AT END OF PE.

| | | |
|-----------------------------|---------------|--------------|
| Cash and cash equivalents | 43,860 | 9,589 |
| Bank overdrafts | 0 | 0 |
| Terminated operating assets | 0 | 0 |
| | 43,860 | 9,589 |