Consolidated Financial Statements for the fiscal year ending December 31, 2014

This document was issued originally in Italian, and it has been translated into English, solely for the convenience of international readers

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> www.itway.com

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Directors' report on operation of the fiscal year ending December 31, 2014

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Board of Directors

(Until the approval of the December 31, 2016 Financial Statements)

Name last name	*Position*
Giovanni Andrea Farina	Chairman and Chief Executive Officer
Cesare Valenti	Managing director
Gabriele Brusa	Independent director
Giuseppe Parrello	Independent director
Claudia Palella	Independent director

Board of Statutory Auditors

(Until the approval of the December 31, 2016 Financial Statements)

Name Last name	*Position*
Alessandro Antonelli	Chairman
Daniele Chiari	Member
Silvia Caporali	Member

Manager mandated to draft corporate accounting documents

The board of directors named Sonia Passatempi (Administrative Manager of the Group) as the manager in charge of drafting corporate accounting documents for the Itway Group.

Auditing Firm

PricewaterhouseCoopers S.p.A.

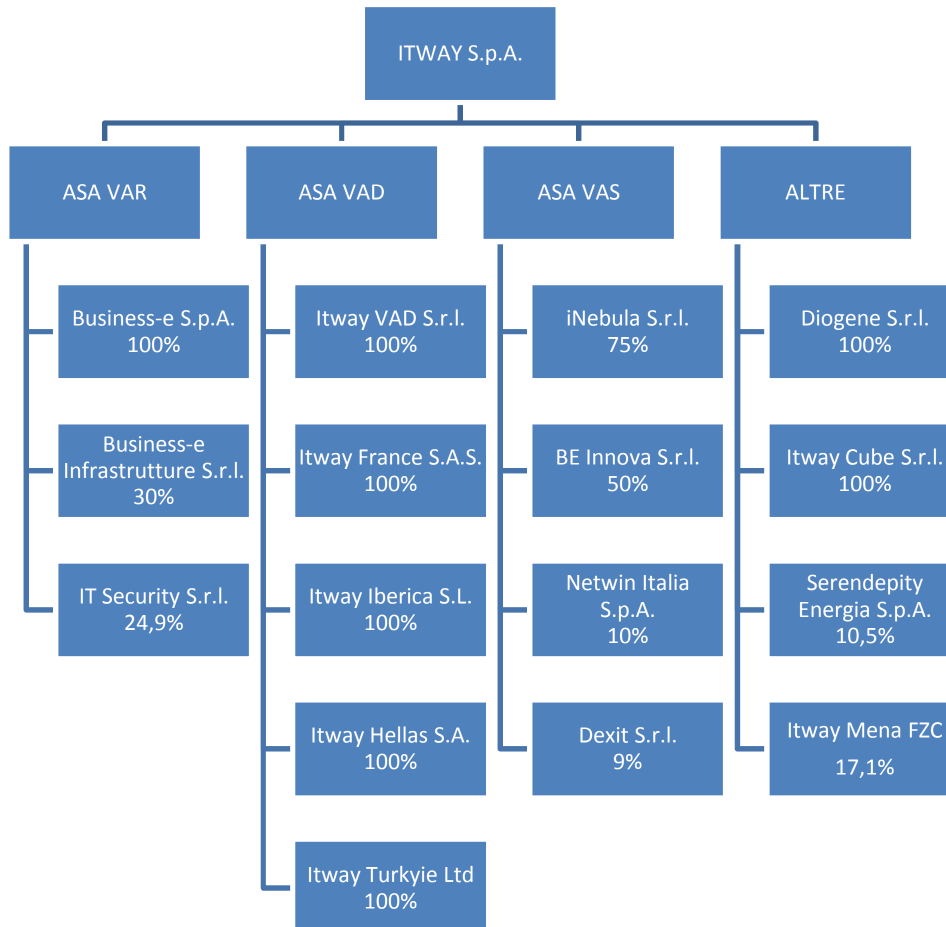
The mandate to the auditing company was given by the ordinary shareholders meeting of January 11, 2010 for the nine year period ending with the approval of December 31, 2017 Financial Statements and, pursuant to current regulations, it cannot be renewed.

Report on the ownership and on corporate governance

In accordance to current laws, please note the Report on Ownership and Corporate Governance, approved by the Board of Directors of Itway S.p.A, is available for the public at the headquarters in Ravenna, via Braille 15, and can be consulted on the Internet site www.itway.com at Investor Relation section.

Activities and Structure of the Group

Following is the structure of the Itway Group at December 31, 2014:



The parent Company does not have secondary headquarters but it is active with commercial offices in Milan, and Rome at the following addresses:

- Milan - Via A. Papa, 30
- Rome – Edoardo D'Onofrio 304.

The Itway Group operates in three main types of activities: the core business of Itway is value added distribution of "best of breed" software technology (the best among what is available, at all moments, on the market); it also offers services and consultancy aimed at training and supporting companies in the e-business, e-security, Central Access Management, Internetworking and Wireless. These sectors are in charge of the main Strategic Business Areas (SBU): the VAD SBU (Value Added Distribution) and the VAR SBU (Value Added Reseller) and the VAS SBU (Value Added Services). The VAD SBU also offers services for training, technical assistance and certification developed by Itway Academy, which is aimed at Value Added Resellers and System Integrators. The strong points of Itway are in its capability of offering, in a complementary manner, a broad array of software products

and the consultancy support necessary to guarantee their use and integration. Furthermore, the Group has an excellent capability on focusing on and interacting with the client (accounting) and offers and excellent training that is tailor-made for the specific needs of each client. The VAR SBU manages all Value Added Reseller, System Integration and Engineering activities. The VAS SBU is in a start—up phase and handles the Value Added Services activities.

Performance of the Group and the reference market

The accounting principles, the evaluation principles and the consolidation principles referred to in preparing the Management Report and the attached Consolidated Financial Statements as of December 31, 2014 are, as in the previous fiscal year, the international accounting principles defined as IFRS. In particular, these principles require forward looking statements, as indicated in the continuation of the current report, in particular in the section “Foreseeable Evolution of operations” and in detail in the explanatory Notes. In the context of the economic uncertainty illustrated below, please note that these forecasts have a component of risk and uncertainty. Therefore, it cannot be ruled out that in the near future the results achieved could be different from those forecast, therefore requiring revisions that today cannot be either estimated or forecasted.

The context that characterized the fiscal period that ended December 31, 2014 is still not positive.
The start of the financial crisis in 2008 was still felt in particular in the Countries of the Mediterranean area. During the Italian presidency of the European Union, the Eurozone countries started speaking not only of austerity policies that Germany so strongly demands, but also of development from which the Juncker Plan emerged. The plan aims to revive economic growth and produce investments without creating new public debt. It is an overall 315 billion euro plan with the constitution of the European Fund for Strategic Investments that we hope will lead to benefits during 2015. The ECB, under its president Mario Draghi, injected significant liquidity with the Long Term Refinancing Operations (LTRO) for those banks that took part in a bid to give the chance to refinance at advantageous interest rates the real economy of Countries. This move so far has not produced impressive results. GDP in the countries of the Mediterranean area grew as forecast, Italy is technically back in recession posting in 2014 a negative GDP of 0.4% (-0.5% in the fourth quarter) while the other Countries of the euro area are growing by zero point something percent rates with the exception of Turkey that is expected to grow by over 3%. This continuation of austerity measures that do not go hand in hand with an economic recovery has translated into persistently high unemployment rates and added a new class of poor people.

The austerity programs brought the economy, in particular of the Mediterranean countries of the EU, back by 30 years with depressive effects both on retail consumption and on investments by companies and public administrations without signs of any radical change.

The subject of growth and employment seem to have been brought, first timidly and then always more persistently, to the centre of Governments’ attention, and one can catch a glimpse of concrete policies to invert the trend. The measures like the one to add €80 in the pay check of 10 million workers (confirmed also for 2015) and the recently approved Jobs Act give greater security and flexibility for

workers and companies and are a first step, but not having acted in a determined way on the unproductive public spending with tens-of-billions of euros wasted, not having acted on a serious restructuring of the Public Administration, not having acted already in 2014 on the decrease of the IRAP tax, not having acted on the tax pressure that oppresses taxpayers and companies tells us how much work still has to be done. Italy is one of the few Countries, if not the only one, where a company with a pre-tax profit risks posting a loss after taxes.

As we have seen, despite the still not positive outlook for the economies where the Group operates, with the exception of Turkey, having kept or increased the relative market share and having in any case improved industrial profitability has to be considered a symbol of vitality and perseverance.

Obviously, the above mentioned macroeconomic situation continues to impact the performance of financial markets with tension, especially in terms of funding costs, that fortunately have been decreasing compared with the date at the beginning of the current financial statements. The drop in interest rates, however, only has marginal effects on the balance sheet.

For the Itway Group this translated, for some time now, into the need to support clients in a contracted credit situation with payments that are ever more delayed while the main vendors are not inclined to take on the burden of the systemic crisis, especially on the Italian and Iberian markets. In this context the Group is continuing to take measures to contain payment conditions and to use more non-recourse factoring transactions. These measures have started to produce some tangible result.

General context, performance of the ICT Market: The ICT market continues to suffer from a general slowdown, in particular for Hardware that saw a contraction of 7-8%. The segments where the Group operates are Security, Virtualization and the newly established Cloud Computing are defined as "additional components and innovative ICT"; while the so-called "traditional ICT components" segment is contracting 6.4%, the "additional components and innovative ICT" segment is growing 4.8% (Assinform 10/2014, data for Italy that can proportionally be estimated for other Countries).

The tensions on the Euro and on sovereign debts are limiting the credit given to families and households with the Distributor needing to take on the burden to financially support the market. The management of working capital in this context, as noted above, is ever more strategic. The positive performance of the US economy compared with a euro area that is essentially stagnating (and in recession for some Countries) prompted a progressive weakening of the euro currency compared to the US one. During 2014 the €/USD exchange rate progressively went from 1.38 in January 2014 to 1.21 in December 2014 and this had a significant impact on the gross margin of the Company since the speed of feedback in the recovery is ever more delayed.

Group's industrial policy: In the general context indicated, the industrial policy of the Group continued to focus on higher value added business lines like the VAR SBU and the VAS SBU. For the

VAD SBU, the results of this policy, that can impact the volumes generated, also in the difficult overall conditions, are being executed.

The alliance with Libanica S.A. led the Group to take part, in October 2014, in the constitution of Itway MENA with a 17.1% stake. The company is based in Dubai-Sharjah, in the United Arab Emirates. Exploiting its geopolitical and technical expertise of Libanica and the technical and specialized expertise of Itway, the newly constituted group will expand in markets in the Middle East and North Africa (MENA),

Following is the consolidated condensed Income Statements at December 31, 2014 compared with those of the same periods a year earlier:

In thousand of Euro	31/12/2014	31/12/2013
Turnover		
Revenues	86,189	99,919
Other operating revenues	2,944	1,744
Total Turnover	**89,133**	**101,663**
Operating Costs		
Cost of products	(68,267)	(79,302)
Personnel costs	(10,467)	(11,340)
Other costs and operating charges	(7,745)	(8,515)
Total operating costs	**86,479**	**99,157**
Ebitda*	**2,654**	**2,506**
Amortizations	(442)	(601)
Ebit*	**2,212**	**1,905**
Net financial charges	(1,530)	(1,677)
Recurrent pre-tax result	**682**	**228**
Non-recurring charges	(270)	-
Pre-tax result	**412**	**228**
Taxes	(937)	(763)
Net result	**(525)**	**(535)**

**The definition of Ebitda and Ebit is given in the Notes of the consolidated Financial Statements attached to the current Report*

The table above clearly sums up the strong recovery in industrial profitability of the Itway Group.

Summing up, in line with the management adopted in these last years of severe crisis, the Itway Group at an industrial level positioned itself in the most effective way to contrast the macro-economic performance and to be ready for the pick-up in the economies of the Countries where it operates.

At a Group level and always comparing the data at December 31, 20143 and 2013, while revenues fell (-12.3%), there was an increase in Ebitda that reached 2,654 thousand Euro compared with 2.506 thousand Euro in the previous fiscal year (+5.9%). This improvement of Ebitda is reflected even more

significantly on the Ebit line (+16.1%) and on the result before taxes that reached 412 thousand Euro from 228 thousand Euro in the earlier fiscal period (+80.7%).

Also, on July 30, 2014 CERVED Rating Agency S.p.a. assigned the Company a B1.2 (solvent) rating, equivalent to BBB- from S&P and Baa3 from Moody's.

Performance by segment of business: *Value Added Distribution*

Through the Value Added Distribution sector, the Group operates in the distribution of specialized software and hardware products, certification products on the software technologies distributed, and pre- and post-sales technical assistance services.

The clients of the companies are "System Integrators" and "Value Added Resellers" who sell products to the end-user.

Following is the brief income statement of the VAD SBU, compared with the values the previous fiscal year:

In thousand of Euro	**31/12/2014**	**31/12/2013**
Total turnover	66,009	78,920
Ebitda*	1,230	1,107
Ebit*	866	602
Pretax result	(221)	(692)
Recurrent Net Result	(490)	(908)
Non-recurrent charges	(270)	-
Net result	(808)	(908)

**The definition of Ebitda and Ebit is given in the Notes of the consolidated Financial Statements attached to the current Report*

Following is the analysis by Country.

The Italian market, the most important one for the Group, is the one where the negative impact from the "Country situation" and from the reorganization of the distribution activities of some Vendors; however, the countermeasures taken by the Group allowed a recovery in the gross margin with a positive result before taxes, despite a slight decrease in volumes.

The Turkish subsidiary achieved significant increases in volumes and margins, both in percentage terms and in absolute terms, maintaining a leadership in the IT security segment that, being out of the Euro area, confirms having significant development prospects.

The performance of the Greek subsidiary, after the reorganization that was completed in the past few months, broke even despite the difficult situation of the Country, with a return to profit at the end of the fiscal period.

The French subsidiary, which was subject to a further restructuring that has now ended, reduced losses, but with a result that is still negative. All business lines were closed and to date the subsidiary only has one employee while all costs have been brought to zero so during 2015 it should not post further significant losses. The subsidary is currently reviewing the role the Group will have on the French market.
The Iberian subsidiary is the one that most was most subject to the worsening of the macroeconomic situation with a contraction both in volumes and margins that brought to a result that is still not positive. The subsidiary is undergoing a restructuring, in terms of focus on the lines being distributed and in terms of structure, the effects of which will be fully seen starting from 2015.

Performance by segment of business: *Value Added Reseller SBU*

Through the *Value Added Reseller* SBU, the Group operates in the following market segments:

- Professional services and production of solutions and software technologies for e-business
- Distribution and integration of products and services for the logical security of information systems
- Professional services as system integrators and centralization of applications

Following is the brief income statement of the VAR SBU, compared with the values of the previous fiscal year:

In thousand of Euro	**31/12/2014**	**31/12/2013**
Total turnover	23,124	22,743
Ebitda*	1.424	1,399
Ebit*	1.346	1,303
Pretax result	903	920
Net result	283	373

**The definition of Ebitda and Ebit is given in the Notes of the consolidated Financial Statements attached to the current Report*

The 2014 fiscal year confirmed the positive trend that started in the past fiscal periods with the signing of some multi-year contracts that are important both in terms of volumes and in terms of the innovative technologies applied, consolidating therefore volumes and profitability. The current fiscal year, 2015, started with a strong order portfolio, double compared with the same period of 2014.

Sector performance: *Other sectors*

These sectors that are related to but do not coincide with the historical ones defined as VAD and VAR, in which the group entered in 2013 do not yet make a relevant contribution to the results of the fiscal year and therefore are not reported in the reporting by sector, but they are important in terms of

strategy to strengthen and diversify the business segments.

The new sectors are:

- **Gaming** through an investment in a company that holds the concession granted by the Autonomous Administration of the State Monopolies. The investment of the Itway Group focuses, as an industrial partner, only on the technological support in carrying out and managing the information network to connect the installed gaming machines with the Financial Administration;
- Cloud information services: Managed Services for SMEs in network and cloud environment in the areas of Security, Storage Management, Business Continuity, Green IT, Energy Recovery, intelligent analysis of video-surveillance flows, tracking of people and things;
- Assisted services in N+SOC and MSSP solutions to check networks.

Personnel

The average number of employees of the Group in the period was of 213 units, with a net decrease of 8 units due to the reduction in staff in France and Spain; however, when comparing the punctual end-2014 figure with that of 2013 there is a reduction of 26 units with a significant fall, once fully in force, in personnel costs, something that will lead to greater benefits in the 2015 fiscal period. Following is the breakdown by category compared with the data of the previous fiscal period.

	31/12/2014 *Avg Number*	**31/12/2013** *Avg Number*	**31/12/2014** *Actual*	**31/12/2013** *Actual*
Managers	10	9	7	10
Mid-managers	21	26	19	23
Employees	182	186	172	191
Total	**213**	**221**	**198**	**224**

Net financial position

Following is the detailed net financial position toward the financial system:

	31/12/2014	**31/12/2013**
Cash on hands	4,141	3,738
Bank overdraft and loans	(19,562)	(20,342)
Net current financial position	**(15,421)**	**(16,604)**
Non current financial liabilities	(2,494)	(2,631)
Total net financial position	**(17,915)**	**(19,235)**

The current net financial Position improved from December 31, 2013, confirming the process to contain working capital that has been carried out during the period as well as the effects of the

reduction of volumes at the end of the fiscal period and the use of non-recourse factoring of trade receivables.

A detailed analysis of the movements that generated the change in the Net Financial Position can be found in the Consolidated Cash Flow Statement.

The non-current net financial position reflects the medium term debt towards a leasing company for the rent of the Milan offices, in addition to the debt related to the purchase of the stake in Dexit in the previous years and to a new 24-month financing with Credito Emiliano (Credem) as well as other minors.

Reconciliation sheet between the parent company and consolidated data

Following is the reconciliation sheet of the consolidated net equity and consolidated results with those of the parent company:

	2014			2013		
	Recurrent assets	Non recurrent assets	Total	Recurrent assets	Non recurrent assets	Total
Net result of the Parent Company	**119**	**-**	**119**	**(71)**	**-**	**(71)**
Results achieved by subsidiaries	1,098	-	1,098	(465)	-	(465)
Adjustment of the values already included in the consolidated financial statements	(1,742)	-	(1,742)	-	-	-
Consolidated Net Result	**(525)**	**-**	**(525)**	**(535)**	**-**	**(535)**

	2014			2013		
	Recurrent assets	Non recurrent assets	Total	Recurrent assets	Non-recurrent assets	Total
Net equity of the Parent Company	**25,685**	**(7,800)**	**17,885**	**26,191**	**(7,800)**	**18,391**
Results achieved by subsidiaries	(9,920)	(1,589)	(11,509)	(9,792)	(1,589)	(11,381)
Other consolidated entries	(3,645)	-	(3,645)	(2,994)	-	(2,994)
Adjustment to values already included in the Consolidated Financial Statements		-	7,753	7,753	-	7,753
Consolidated Net Equity	**12,120**	**(1,636)**	**10,484**	**13,405**	**(1,636)**	**11,769**

Risk management

The Group is exposed to financial risks deriving from the economic situation at a global level; the Group uses, as a reference currency and for its purchasing and sales activities mainly the Euro and in a minor way the US Dollar and the Turkish lira. In order to analyze the financial risk management we refer to the consolidated Financial Statements Explanatory Notes.

Subsequent events

There were no relevant events after the end of the fiscal period 2014 and up today.

Foreseeable evolution of operations

Despite some forecasts showed a timid recovery in 2014 in the Euro area, the latest estimates still indicate a substantial stagnation. Italy and Spain are expected to recover, even though modestly, already in 2015. For Turkey (GDP +4%) the estimates are very different: there we expect our subsidary to continue to grow at double digit rates and to consolidate its leadership in the sector in the Country. For Greece there is still uncertainty over how and when the Country will come out of the crisis, while France no longer represents a reference market for the Group.

As already mentioned, in the first months of 2015, a year after the coming into office of the Renzi Government, there is positive news coming out of Italy. In particular the news regarding investments in Innovation and Information Technology, finally, as other European Countries have already carried out or are carrying out. Investments in the Digital Agenda, which would be very important as it would bring significant savings to the Current Public Spending in favour of the efficiency of services

The Itway Group has been for some time now well positioned in value added markets like Security of information systems and Virtualization (VAD SBU, VAR SBU) and the new and emerging Cloud Computing (VAS SBU) and aims at continuing to operate in these sectors with a role of primary player in Southern Europe. Some markets like Cloud Computing are growing and the Group will act as a start-up player and as a concentrating element of initiatives underway through the growing VAS SBU.

In these markets we will work especially on increasing our market share also thanks to the introduction of new products and on recovering profitability. Along with these measures we will work on significantly containing net working capital.

Significant, non-recurrent, atypical and/or unusual transactions

During the fiscal year ending December 31, 2014, there were no transactions that can be defined as significant, non-recurrent, atypical and/or unusual with third parties or among companies of the Group, as defined in Consob Communication of July 28, 2006 other than the non-recurring charges already mentioned.

Relationship with related parties

During the 2014 fiscal period, the Group had commercial and financial relationships with related parties. These relationships were part of normal management activity, regulated at market conditions that are established by contract by the parties in line with the standard procedures. Following is a synthesis:

In thousand of €uro	Receivables	Paybles	Costs	Revenues
Itway S.p.A. vs Giovanni Andrea Farina & Co. S.r.l.	211	-	-	1
Business-e S.p.A. vs Be Innova S.r.l.	908	10	8	298
TOTAL	**1,119**	**10**	**8**	**299**

Itway directs and coordinates its subsidiaries in Italy. This activity consists in indicating the general strategic and operational direction of the Group, defining and adjusting the Organizational Model and elaborating the general policies to manage human and financial resources.

No company directs or controls Itway S.p.A.

Research and Development activities

During the period a total of Euro 784 thousand was invested in research and development in particular in the VAR and VAS areas.

Own shares

The parent company at December 31, 2014 owned No. 703,075 own shares (equal to 8.80% of share capital) for a nominal value of 351,537.50 Euro and a cost of purchase in the fiscal year of some 519 thousand Euro. During the period 327,281 own shares were purchased (equal to 4.14 % of share capital) for a nominal value of 163,640.50 Euro, as authorized by the Shareholders meeting of Itway S.p.A while no shares were sold .

Stakes held by the directors as per art. 79 and 126 reg. CONSOB 24/02/98

The following table sums up the information requested by the Consob regulation regarding the stakes in the parent company held by Directors, Auditors, Managing directors their spouses, minors, both directly or through controlling companies, trusts or delegated third parties. Please not that the data, are normally updated with communication carried out between the Shareholders and the Company.

	Number of shares			
Last name and name	**owned as of 31/12/2013**	**purchased**	**sold**	**owned as of 31/12/2014**
Farina G.Andrea	2.573.787	0	0	2.573.787
Gavioli Anna Rita (*)	179.412	0	0	179.412
Valenti Cesare	1.090.284	0	55.000	1.035.284
Total	**3.843.483**	**0**	**55.000**	**3.788.483**

*spouse of Farina G. Andrea

The only shareholder that exceeds 10% of share capital is G. Andrea Farina and Cesare Valenti.

Ravenna, March 13, 2015
For the Board of Directors

Chairman and CEO
G.Andrea Farina

ITWAY
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CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2014

ITWAY GROUP

ITWAY
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CONSOLIDATED INCOME STATEMENT

Thousand of Euro	Notes	Total	Fiscal year as of 31 Dec 2014 not recurrent	recurrent	31 Dec 2013 Total recurrent
Revenues	1	86,189		86,189	99,919
Other operating revenues	2	2,944		2,944	1,744
Products	3	(68,267)		(68,267)	(79,302)
Costs of services	4	(5,835)		(5,835)	(6,291)
Costs of personnel	5	(10,531)	(270)	(10,261)	(11,340)
Other operating expenses	6	(2,116)		(2,116)	(2,224)
EBITDA**		**2,384**	**(270)**	**2,654**	**2,506**
Amortisation	7	(442)		(442)	(601)
EBIT**		**1,942**	**(270)**	**2,212**	**1,905**
Financial proceeds *	8	146		146	246
Financial charges	8	(1,676)		(1,676)	(1,923)
Profit before taxes		**412**	**(270)**	**682**	**228**
Taxes of the period	9	(937)		(937)	(763)
Result for the period from operations		**(525)**	**(270)**	**(255)**	**(535)**
Attributable to:					
Shareholders of parent company		(510)			(535)
Minorities		(15)			-
Result per share					
From operations:					
Basic	10	(0,07)			(0,07)
Diluted	10	(0,07)			(0,07)

** For the nature of the relationship with related parties, please see Note 31 "Information of related parties".*
***the definition of Ebit and Ebitda is given in the Notes of the consolidated Financial Statements attached to the current Report*

CONSOLIDATED INCOME STATEMENT

Thousand of Euro	31/12/14	31/12/13
Net result	(525)	(535)
Components that can be reclassified to the income statement:		
Profit/Losses from the conversion of the balance sheet of foreign subsidiaries	(11)	(382)
Components that cannot be reclassified to the income statement:		
Actuarial gain (losses) on defined-benefit plans	(236)	-
Comprehensive result	**(772)**	**(917)**
Attributable to:		
Shareholders of parent company	(757)	(917)
Minorities	(15)	-

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CONSOLIDATED FINANCIAL STATEMENT

Thousand of Euro	Notes	31/12/14	31/12/13
ASSETS			
Non current assets			
Property, plants and equipment	11	3,371	3,369
Goodwill	12	8,294	8,294
Other intangibile assets	13	1,952	1,203
Investmens	14	1,884	1,803
Deferred tax assets	15	1,876	1,761
Other non current assets	16	195	141
Total		**17,572**	**16,571**
Current assets			
Inventories	17	3,678	3,849
Account receivables - Trade	18	49,262	48,040
Other current assets *	19	2,749	2,405
Cash on hand	20	4,141	3,738
Total		**59,830**	**58,032**
Total assets		**77,402**	**74,603**
NET EQUITY AND LIABILITIES			
Share Capital and other reserves			
Share capital and reserves		11,006	12,304
Net Result of the Period		(510)	(535)
Total Net Equity	21	**10,496**	**11,769**
Share capital and reserves of minorities		(15)	2
Total Group Net Equity		**10,481**	**11,771**
Non current liabilities			
Severance indemnity	22	1,002	750
Provision for risks and charges	23	166	156
Deferred tax liabilities	24	795	886
Non current financial liabilities	25	2,494	2,631
Total		**4,457**	**4,423**
Current liabilities			
Financial current liabilities	26	19,562	20,342
Account payable - Trade	27	34,829	32,972
Tax payable	28	5,663	2,745
Other current liabilities	29	2,410	2,351
Total		**62,464**	**58,410**
Total liabilities		**66,921**	**62,833**
Totale Net Equity and Liabilities		**77,402**	**74,603**

** For the nature of the relationship with related parties, please see Note 31 "Information of related parties".*

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Consolidated statement of changes in equity

Thousand of Euro	Share capital	Own share reserve	Share premium reserve	Legal reserve	Voluntary reserve	Other reserves	Translation reserve	Result for the period	Net Equity of Group	Minority interest	Total Net Equity
					Cumulated profit (loss)						
Balance at January 1, 2013	**3,953**	**(901)**	**17,584**	**450**	**4,792**	**(10,353)**	**(228)**	**(2,898)**	**12,399**	-	**12,399**
Total operations with shareholders		289	-	-	-	-	-	-	289	-	289
Allocation of the result for the year	-	-	-	-	-	(2,898)	-	2,898	-	-	-
Variation in consolidation area	-	-	-	-	-	-	-	-	-	2	2
Result of the period	-	-	-	-	-	-	-	**(535)**	**(535)**	-	**(533)**
Other components of Comprehensive Result at 31 Dec 2013:											
Overall result	-	-	-	-	-	-	(382)	-	(382)	-	(382)
Comprehensive result	-	-	-	-	-	-	**(382)**	**(535)**	**(917)**	-	**(917)**
Balance at December 31, 2013Note 21	**3,953**	**(612)**	**17,584**	**450**	**4,792**	**(13,251)**	**(610)**	**(535)**	**11,771**	**2**	**11,773**

Thousand of Euro	Share capital	Own share reserve	Share premium reserve	Legal reserve	Voluntary reserve	Other reserves	Translation reserve	Result for the period	Net Equity of Group	Minority interest	Total Net Equity
					Cumulated profit (loss)						
Balance at January 1, 2014	**3,953**	**(612)**	**17,584**	**450**	**4,792**	**(13,251)**	**(610)**	**(535)**	**11,771**	2	**11,773**
Total operations with shareholders		(519)	-	-	-	-	-	-	(519)	-	(519)
Allocation of the result for the year	-	-	-	-	-	(535)	-	535	-	-	-
Result of the period	-	-	-	-	-	-	-	**(510)**	**(510)**	**(15)**	**(525)**
Other components of Comprehensive Result at 31 Dec 2014:											
Gain (losses) on defined-benefit palns	-	-	-	-	-	(236)	-	-	(236)	-	(236)
Overall result	-	-	-	-	-	-	(11)	-	(11)	-	(11)
Comprehensive result	-	-	-	-	-	**(236)**	**(11)**	**(510)**	**(757)**	**(15)**	**(772)**
Balance at December 31, 2014Note 21	**3,953**	**(1,131)**	**17,584**	**450**	**4,792**	**(14,022)**	**(621)**	**(510)**	**10,495**	**(13)**	**10,482**

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CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Thousand of Euro	Fiscal year ending	
	31/12/2014	**31/12/2013**
Results for the period from assets in use	(525)	(535)
Adjustments of items not affecting liquidity:		
Depreciation of tangible assets	196	258
Depreciation of other intangible assets	246	343
Allowance for doubtful accounts	373	453
Provision for severance indemnity, net of payments to social security bodies	168	161
Variation in non current assets/liabilities	(250)	(98)
Cash flow from operating activities, grosso f the variation in working capital	**208**	**582**
Payments of severance indemnity	(148)	(105)
Variation in trade receivable and other current assets	(1,940)	11,077
Variation in inventories	171	867
Variation in trade payables and other current liabilities	4,835	(7,151)
Cash flow from operations generated (absorbed) by changes in NWC	**2,918**	**4,688**
Cash flow from operations (A)	**3,126**	**5,269**
Additions in tangible assets (net of assets sold)	(198)	(74)
Change in non current financial liabilities	(137)	177
Additions in other intangibile assets(net of dismessa and reclassification)	(1,077)	(860)
Cash flow from investing activities (B)	**(1,412)**	**(757)**
Purchase of own shares	(519)	289
Cash flow from financial activities (C)	**(519)**	**289**
Net impact of the variation in translation of non Euro Exchange rates on cash on hand	(11)	(382)
Increase/(Decrease)of cash available and cash equivalents (A+B+C)	**1,184**	**4,419**
Short term Net Financial Position at the beginning of the period	(16,604)	(21,023)
Short term Net Financial Position at the end of the period	(15,421)	(16,604)

The taxes paid in the fiscal year totalled 828 thousand Euro (686 thousand Euro in the previous fiscal year).

The financial charges paid in the fiscal year totalled 1,676 thousand Euro (1,973 thousand Euro in the previous fiscal year).

EXPLANATORY NOTES OF THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

Itway S.p.A. (the “Company” or the “Parent Company”) is a public limited company constituted in Italy. The addresses of the legal headquarters and of the locations where the main activities of the Group are carried out are indicated below.

The Itway Group mainly operates in the distribution of information technology products (so-called Value Added Distribution Strategic Business Area) and offers a complete portfolio of services and technological solutions for the security of information and the management of the infrastructure (so-called Value Added Reseller Strategic Business Unit).

ACCOUNTING PRINCIPLES

General principles

In the consolidated Financial Statements and in the comparative data the Group adopted the International Reporting Standards (IFRS) issued by IASB, the updates of those pre-existing (IAS) as well as the International Financial Reporting Interpretations Committee (IFRIC) and those issued by the Standing Interpretation Committee (SIC), that were deemed as applicable to the transactions carried out by the Group.

The Financial Statements items were assessed based on generally accrual basis, in the context of the going concern, as forecasted on the basis of the Plans approved by the Board of Directors.

For the purpose of book entries, we give prevalence to the economic substance of transactions rather than to their legal form.

The accounting principles adopted are consistent and, as those adopted in the drafting of the consolidated Financial Statements as of December 31, 2013. These principles require estimates that, in the context of the current economic uncertainty, have for their own component of risk and uncertainty. Therefore, it cannot be ruled out that in the near future the results achieved could be different from those forecast, therefore requiring revisions that today cannot be either estimated or forecast.

Presentation of the Financial Statements

Presentation of the consolidated financial statement, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in financial position, the consolidated statement of changes in net equity and the data inserted in the notes are all expressed in thousands of Euro, unless otherwise indicated. In some cases the tables could be rounded down due to the fact they are expressed in thousands.

The Financial Statements are drafted in the following way:

- In the financial statement, current and non-current assets are reported separately. The consolidated financial statement as at December 31, 2014 was compared with the balances of the previous fiscal year, which ended on December 31, 2013;
- In the income statement, the representation of the costs is carried out on the basis of their own nature. The income statement on December 31, 2014 was compared with that of the previous fiscal year.
- The consolidated statement of comprehensive income acknowledges those changes to net equity which, not being pertinent to the transactions with shareholders, do not have an impact on the result of the fiscal year;
- The indirect method was used for the consolidated statement of changes in financial position;

- EBITDA (gross operating result) is an economic indicator not defined in the International Accounting Standards. Ebitda is used by the management of the Company to monitor and assess the operational performance of the Company and of the Group. Management considers Ebitda an important parameter to measure the performance of the Group as it is not impacted by the volatility generated by the different criteria used to determine taxable income, by the amount and the characteristics of employed capital as well as the related amortization and depreciation policies. Ebitda is defined as Profit/Loss before amortizations of material and immaterial assets, depreciation of material and immaterial assets, accruals to cover losses of subsidiaries, financial charges and income and income taxes;
- EBIT (operating Result) is an economic indicator not defined in the International Accounting Standards and it is defined as the Profit/Loss before of depreciation of material and immaterial assets, accruals to cover losses of subsidiaries, financial charges and proceeds and income taxes.

Consolidation procedures

The Financial Statements include the Financial Statements of the parent company and of the companies that it controls as of December 31, 2014, approved by the respective Board of Directors with the opportune adjustments, where necessary, to make them consistent with the accounting principles of the parent company.

The full consolidation method can be summarized in the following way as indicated later.

The subsidiaries purchased by the Group are booked with the acquisition method, on the basis of which, according to what was established by IFRS 3 “Business Combinations”:

- assets and liabilities are measured at their acquisition-date fair value;
- the excess of cost of the acquisition, respect to the fair value of the stake attributable to the Group in net assets of the company purchased is booked as goodwill.

Such goodwill, as detailed subsequently, is periodically, at least once every fiscal year, reviewed to check if it can be recovered through future cash flows generated from the underlying investment.

The higher values of the acquired assets and liabilities, since booked at the fair value on the date of their purchase, compared with values recognized for fiscal purposes, are considered to accrue deferred taxes.

Profits and losses deriving from transaction between subsidiaries that have not yet been carried out on behalf of third parties, and the credits and debts, costs, revenues among consolidated companies were eliminated.

Consolidation of foreign companies with exchange rates other than the Euro

The balances of the foreign subsidiary Itway Turkiye expressed in Turkish lira are converted into Euro applying the end-period exchange rate for assets and liabilities. For the conversion of the income statement items the average exchange rate of the period is used. The differences in exchange rate emerging from the conversion are booked to the translation reserve of the consolidated income statement.

Following are the exchange rate used for the conversion in Euro of the values of the company outside the Euro area:

	December 31, 2014		**December 31, 2013**	
	Average rate	End-period rate	Average rate	End-period rate
New Turkish lira	2,91	2,83	2,53	2,96

The consolidated Financial Statements of the Itway Group include the results of the parent company Itway S.p.A, and the companies it controls.

Following is a list of companies consolidated with the full consolidation method:

NAME	HEADQUARTERS	SHARE CAPITAL €uro	% Of direct ownership	% Of in direct ownership	% Of overall ownership
Itwayvad S.r.l,	Via L. Braille,15, Ravenna	10,000	100%	-	100%
Itway Iberica S.L.	Argenters 2, Cerdanyola del Vallès, Barcelona	560,040	100%	-	100%
Itway France S.A.S.	76, rue Thiers, Paris	100,000	100%	-	100%
Itway Hellas S.A.	Agiou Ioannou Str , 10 Halandri, Athens	846,368	100%	-	100%
Itway Turkiye Ltd.	Eski Uscudar Yolu NO, 8/18, Istanbul	1,500,000 *	100%		100%
Itway Cube S.r.l.	Via L. Braille,15, Ravenna	10,000	100%	-	100%
Diogene S.r.l.	Via V. Mazzola, 66, Rome	78,000	100%	-	100%
Business-e S.p.A.	Via L. Braille, 15, Ravenna	1,001,084	100%	-	100%

iNebula S.r.l.	Via L. Braille, 15, Ravenna	10,000	75%		75%

** The value is expressed in the New Turkish Lira (YTL)*

Following are the minority interests valued at a cost basis since there is no quoted market price on an active market available and the fair value cannot be determined in a reliable way

NAME	HEADQUARTERS	SHARE CAPITAL €uro	% Of direct ownership	% Of indirect ownership	% Of overall ownership,
Be Innova S.r.l.	Via Cesare Battisti 26, Trento	20,000	-	50%	50%
Be Infrastrutture S.r.l,	Via Trieste, 76 Ravenna	100,000	-	30%	30%
Itsecurity S.r.l.	Via A. De Gasperi, 320, Bari	20,000	-	24.9%	24.9%

The minority interests assessed with the cost method are:

NAME	HEADQUARTERS	SHARE CAPITAL €uro	% Of direct ownership	% of indirect ownership	% of overall ownership
Serendipity Energia S.p.A.	Piazza Bernini 2 - Ravenna	1.117.758	-	10,5%	10,5%
Dexit S.r.l.	Via G. Gilli 2 – Trento	700,000	9%	-	9%
Netwin Italia S.p.A.	Via Martiri Baffè, 2/A-Sant'Agata sul Santerno (RA)	5,000,000		10%\	10%
Itway MENA FZC	PO Box 53314, HFZ, Sharjah, United Arab Emirates	35,000		17.1%	17.1%

Following are the controlled interests that have not been consolidated as they are not yet operational:

NAME	HEADQUARTERS	SHARE CAPITAL €uro	% Of direct ownership	% of indirect ownership	% of overall ownership
iNebula Tech S.r.l.	Via L. Braille 15, Ravenna	10,000	100%	-	100%

Use of estimates

The drafting of the consolidated Financial Statements, applying IFRS principles, requires making estimates and assumptions that have an effect on the value of assets and liabilities and on information regarding potential asset and liabilities to the reference date. The estimates and assumptions are based on historical experience and on other factors that are considered to be relevant; the estimates and assumptions are reviewed periodically and the effects of each variation are reflected in the consolidated statement.

The Financial Statements item most subject to estimates is goodwill.

Following is the summary of the valuation processes and the estimate/assumptions deemed receptive, should the forecasted events not take place, in full or in part, of producing significant effects on the economic and financial situation of the Itway Group.

Main accounting principles

Property, plant and equipment

Tangible assets are recognized at cost including accessory charges net of the relative accumulated depreciation.

Ordinary maintenance expenses are fully charged to the income statement. Costs for improvements, modernization and transformations of an enhancing nature are accounted as assets.

The accounting value of tangible assets is subject to review in order to detect possible losses in value either annually or when events or changes in the situation indicate that the carrying value can no longer be recovered (for details please seen paragraph "loss of value – *impairment").*

Leasing – Leasing contracts are classified as financial leasing when the terms of the contract are such as to substantially transfer all risks and benefits of ownership to the lessee. The assets that are subject to the lease contracts are recognized among property, plant, machinery and are posted as assets at their fair value at the date when they were purchased, or, if lower, to the current value of minimum payments owed for the lease contract, and are depreciated on the basis of their estimated useful life as for assets owned. The corresponding liability towards the lessor is included in the financial statement. Payments for the lease are divided between capital and interest, directly charged to the income statement of the fiscal period.

Depreciation begins when assets are ready to be used. Property, plants and equipment are systematically depreciated on a straight basis on economic-technical rates that are deemed as representative of the residual possibility of using the assets, with the following indicated rates. Goods made up of components, of significant amounts, with different useful lives are considered separately when determining depreciation.

Depreciation is calculated on a straight basis, as a function of the expected useful lives and of the relative assets, periodically reviewed if necessary, applying the following percentage rates:

Property	2%
Weighing equipment	7.5%
Office furniture	12%
Computers and electronic office equipment	20%
Vehicles	25%
Electronic telephone systems	20%

Profits and losses deriving from the sale or dismissal of assets are determined as a difference between revenue and the net book value of the asset and are booked in the income statement, respectively in other operating revenues and other operating expenses.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is booked as an asset and is not amortized, but it is reviewed at least once a year to check that it did not incur loss of value (*impairment test)*, as indicated in the subsequent paragraph "Impairment". Eventually impairment losses are booked to the income statement and cannot be reversed successively.

Should a negative goodwill emerge, it would immediately be recognized in the income statement.

Such goodwill is allocated to cash-generating units represented by the single Legal Entities to which they refer.

Intangible assets

An intangible asset is booked only if it can be identified, if subjected to the control of the group, it is probable that it will generate future economic benefits and its cost can be determined in a reliable way. Intangible assets are registered at the cost determined according to criteria indicated for tangible assets. Should it be estimated that the assets have a defined useful life then they are amortized systematically during the estimated useful life and the amortization starts from the moment in which the assets are ready for use or in any case form when they start producing economic benefits for the company.

The costs incurred to develop products are capitalized when the technical feasibility and the technical capability of the Group to complete the intangible asset are proven, when there is the intention to complete it for future use or sale and when there is the capability of using or selling the intangible asset.
Eventual incurred costs for intangible assets are booked to the income statement in the fiscal period when they are incurred, should they not satisfy the above mentioned criteria.

Following is the useful life generally attributed to the different asset categories:

- Software licenses and similar rights: on the basis of the estimate of the period in which they will be used by the company;
- Brands: 10 fiscal years;
- Development costs: 3-5 fiscal years;
- Other intangible assets: 3 fiscal years.

Impairment

At least once per year, but at the end of each fiscal year, the Group reviews the book value of its tangible and intangible assets to determine if there are indications that these assets incurred in impairment. Should such indications emerge, the amount that can be recovered is estimated in order to

determine the amount of impairment loss. Should it not be possible to determine the recoverable value of a single asset, the Group carries out an estimate of the recoverable value of the cash generating unit to which the asset belongs.

The recoverable value is the higher amongst the net selling price and the value in use. The value in use is defined based on the actualization of future cash flows expected from the use of the good or from cash generating unit to which the asset belongs, discounted using an interest rate, net of taxes, that reflects the current money market value and the specific risks of the assets. The cash generating units have been identified consistently with the organizational and business structure of the Group, as homogeneous groupings that autonomously generate cash flows deriving from the constant use of assets.

If the recoverable amount of an asset (or of a cash generating unit) is estimated to be lower than the carrying value, the carrying value of the asset is reduced to the lower recoverable value. The loss of value is charged to the income statement.

When a devaluation no longer has reason to be maintained, the carrying value of the asset (or of the cash generating unit), with the exception of goodwill, is increased to the new value deriving from the estimate of its recoverable value, but not exceeding the book value that the asset would have had if there had been no impairment, net of depreciation that would have had to be calculated before the previous impairment. The reversal of the value is booked to the income statement.

Investments in minority interests

The Group's investments in minority interests or Joint Venture are accounted using the equity method.

The Group's investments in other companies are initially booked on a cost basis and then adjusted to the fair value at the balance sheet date, crediting/debiting in the consolidated income statement. Should the share price in an active market not be available and the fair value not able to be determined in a reliable manner, then they are valued on a cost of purchase basis, since it represents the best approximation of the fair value.

Inventories

Inventories are recognized as the lower of cost and market. Cost is determined, when possible at the specific purchasing cost or otherwise, using the average weighted cost method. The purchase costs include the additional charges incurred to bring the stock in the current place or in the current conditions. The net realized value is determined based on current selling value of the inventory at the end of the fiscal year minus the estimated necessary costs to sell the asset.
The value of obsolete and slow moving stock is devalued in relation to the possibility of using or selling, through accrual of an *ad hoc* provision.

Account receivables:

- **Trade receivables -** Trade receivables are recognized at the nominal value reduced by an adequate provision to reflect the estimate of the presumed losses on receivables, considering also a punctual analysis of the expired positions. When due to the allowed terms of payment there is a financial transaction, the receivables are discounted at the current value, booking the discount as an accrual basis in the income statement. Sale of receivables without recourse for which all risks and benefits are substantially transferred to the factor, determines the elimination of the receivables from assets.

- **Contract works in progress -** When the result of an order can be estimated with reason, the contract work in progress is assessed based on the earned revenue, according to the stage of completion (measured trough the so-called cost to cost), so as to book revenues and the results on accrual basis in the different fiscal periods on stage of completion. The positive or negative difference between the value of the contracts and the advanced payments is booked respectively to the assets or liabilities in the balance sheet. When the result of an order cannot be reasonably estimated, it is valued at recoverable costs ("zero profit method"). The costs of the order are charged to income statement when incurred. When it is probable that the total costs of the order are higher than the contractual revenues, the expected loss is immediately charged to the income statement.

Cash on hand

Cash on hand includes petty cash, checks and current accounts and deposits that can be refunded upon request , which can easily be converted in cash and are subject to an insignificant risk of changes in value.

Own shares

Own shares are stated at cost and reported debiting net equity, including ancillary expenses in buying and selling. The economic effects deriving from possible subsequent sales are recognized in net equity.

Non current financial liabilities

Financial liabilities are initially recognized at a cost basis, which corresponds to the fair value of the received amount, net of transaction costs that are directly attributed to the borrowing. Afterwards, borrowings are assessed with the criteria of the cost amortized using the effective interest rate method.

Employee benefits

Liabilities related to defined benefit plans (including severance pay for the quota matured before January 1, 2007) are calculated net of eventual assets serving the plan on the basis of actuarial hypothesis and on an accrual basis, coherently with the employment necessary to obtain the benefit; the liability is assessed by independent actuaries. The value of the actuarial profits and losses is booked in the other components of comprehensive income. Following

Financial Law No. 296 of December 27, 2006, for companies with over 50 employees the severance indemnity accrued from January 1, 2007 is considered a defined benefit plan.

Accruals for risks and charges

Accruals are booked when the Group has a real obligation as a result of a past event and it is probable that it will be asked to uphold this obligation. Provisions are allocated on the basis of the best estimate of costs requested to fulfil the obligation at the end of the fiscal year and are actualized, when there is a significant impact. In this case, provisions are determined actualizing future expected cash flows at an interest rate before taxes that reflects the current money market over time; the increase of the accrual with the passing of time is booked to the income statement at the “interest charges” line.

Accounts payable - Trade

Payables are recognized at a nominal value. When, owing to the agreed payment terms there is a financial transaction, then debts are booked at their current value, attributing the discount as financial cost on an accrual basis.

Other current liabilities

Refers to reports of different nature and are recognized at their nominal value.

Derivatives

Derivatives are solely used to cover exchange rate risk and relating liabilities are booked at fair value. Derivatives are classified as hedging instruments since formally documented and their effectiveness, periodically verified, is high.

The variations in fair value of hedging derivatives, formally not satisfying the accounting conditions for hedge accounting, are booked to the income statement.

Revenue recognition

Revenues are booked for the amount of the benefits that the Group will probably gain and for the amount that can be reliably determined. Following are the specific criteria that have to be respected before booking revenues to the income statement:

Sale of goods – pursuant to IAS 18, the revenue is recognized when all related significant risks and benefits associated with the ownership of the good are transferred to the buyer. In the specific case of the sale of licenses with activation keys, revenue is recognized when activation code is transmitted to the client. For tangible goods, the revenue is normally recognized at shipping of the good.

Services – Revenues deriving from services are booked depending on the stage of completion of the relative order, measured by the cost-to-cost method, as indicated above and pursuant to IAS 11.

Interest – are posted on an accrual basis.

Dividends – dividends are booked when the right to receive payment is established.

Costs

Costs and other operating charges are booked in the income statement when they are incurred, on an accrual basis and in correlation to revenues, when they do not produce future economic benefits or they do not have the prerequisites to be booked as assets in the financial statement. Financial charges are booked on an accrual basis as a function of time using the effective interest rate.

Income Taxes

The parent company Itway S.p.A. and its Italian subsidiaries exercised the option for the so-called domestic tax consolidation scheme as per articles 117 and following of the DPR 917/86 (TUIR) that allows determining the income tax on the basis of taxable income that is the algebraic sum of the single companies. The economic relationship, the responsibility and the reciprocal obligations between the consolidating companies and the subsidiaries are defined in the "regulation of the consolidation for the companies of the Itway Group".

The current income taxes are calculated based on the best estimate of the taxable income, in relation to current fiscal legislation in the Countries where the Group operates.

Deferred taxes
Deferred and prepaid taxes are calculated using the liability method, based on the time differences resulting, at the Financial Statements closing date, on the timing differences from the value of assets and liabilities posted in the balance sheet and the corresponding values recognized for tax purposes.

Active deferred taxes are posted against all timing deductible differences, and for possible tax losses carried forward, in the amount they are recoverable by future taxable income. The value of deferred tax assets is reviewed at the closing of each fiscal year and reduced if not recoverable. In particular, in planning Budget and Business Plans used for the impairment tests it has been considered future taxable income.

Deferred and prepaid taxes are calculated based on the tax rates that are forecast to be used in the fiscal year in which such activities will be reversed for tax purposes, taking into account existing tax rates in force at the date of the Financial Statements.

Foreign currency transactions

The functional currency of the Itway Group is the Euro, which is also used for presentation purposes. Foreign exchange transactions, initially, are booked at the exchange rate at the date of the transaction.

Assets and liabilities in foreign exchange are booked at the reference exchange rate at the fiscal year closing date and the relative profits and losses are booked in the Income Statement.

The assets booked at the historical cost in foreign currency are converted using the exchange rate in force on the first date of the transaction.

Earnings per share

The basic earnings per share is represented by the net result of the fiscal period that can be attributed to owners of ordinary shares considering the weighted average of ordinary shares outstanding in the fiscal year.

The diluted earnings per share is calculated on the weighted average of the shares outstanding, considering all potential ordinary shares with a dilution effect (ex. issuance of option rights, warrants, etc).

Recently issued accounting principles

The consolidated Financial Statements were drafted using the principles and criteria used to draft the consolidated Financial Statements at December 31, 2013, since they are compatible, except in terms of what is detailed below.

Accounting principles, amendments and interpretations applicable from January 1, 2013

The accounting principles in drafting the consolidated financial statements are coherent with those adopted for the drafting of the annual balance sheet for the fiscal period that ended December 31, 2013 with the exception of the adoption of new principles and interpretations that were applicable from January 1, 2014 and are as follows:

IFRS 10 - Consolidated Financial Statements: IASB issued the principle on May 12, 2011 supplying a guide to assess the existence of control, a determining factor to consolidate an entity, in those cases where it is not immediately obvious. The adoption of the principle has not entailed changes in the consolidation perimeter of the Group.IFRS 11 – Joint Arrangements. IASB issued the principle on May 12, 2011. The new principle in addition to governing joint arrangements, establishes the criteria to identify them based on the rights and duties that derive from the contract and not just the legal aspects of the agreement. IFRS 11 rules out the possibility of using the proportional method to consolidate joint arrangements. The adoption of this principle did not entail significant impact on the consolidated financial statements of the Group.

IFRS 12 - Disclosure of interest in other entities. IASB issued the principle on May 12, 2011. The new standard establishes a series of information that the company has to disclose related to interests in other entities, subsidiaries, special purpose vehicles and other special purpose

companies (off-balance sheet vehicles). The adoption of the new principle is not expected to have had significant impact on the consolidated financial statements of the Group.

IAS 27 - Separate financial statements. IASB issued the principle on May 12, 2011. It governs the accounting treatment of investments in separate financial statements. The new IAS 27 confirms that investments in subsidiaries, associates or joint ventures are booked at a cost basis or pursuant to IFRS 9; the entity will have to apply a principle that is homogeneous for each category of investment. Furthermore, if an entity decides to value the interest in an associate or joint venture at fair value (applying IFRS 9) in its consolidated financial statements, it will have to use the same principle also in the separate financial statements. The principle has to be applied retroactively. The adoption of the new principle is not expected to have had significant impact on the separate financial statements.

IAS 28 - Investments in associates and joint ventures. Following the issuing of IFRS 11, IASB on May 2011 issued IAS 28 to make it include, for the date in which the new principle came into force, also investments in joint arrangements. The adoption of the new principle is not expected to have had significant effects on the consolidated financial statements of the Group.

Amendments of IFRS 10, IFRS 12 and IAS 27 – Investment entities. IASB in October 2012 issued a set of amendments introducing the concept of investment entity. With this term, IASB aims to identify those subjects that invest their funds exclusively for returns on capital appreciation or investment income or both. IAS 10 was amended to make investees assess their subsidiaries at fair value instead of consolidating them in order to better reflect their business model. IFRS 12 was amended to impose the presentation of specific information regarding subsidiaries of investment entities. The amendments to IAS 27 also eliminated the possibility for the investment entity to choose to value the investments in some subsidiaries on a cost basis or at fair value in the separate financial statements. The adoption of the new principle is not expected to have had significant effects on the Group's consolidated financial statements.

Amendments to IAS 32 – Financial Instruments – Presentation. IASB on December 16, 2011 clarified the necessary requirements to offset active financial instruments with passive ones publishing an amendment to IAS 32 called "Offsetting Financial Assets and Financial Liabilities". The new amendments are retroactive and are not expected to have had a significant impact on the Group's consolidated financial statements.
Amendments to IAS 36 – additional disclosure on the value of recoverable value of non financial activities. In October 2012 IASB issued this principle in a bid to clarify the disclosure on the recoverable value of assets when this value is based on fair value net of sale costs only with regard to activities that have incurred a loss of value. The adoption of this new principle is not expected to have had significant impact on the Group's consolidated financial statements.

Amendments to IAS 39 – Novation of derivatives and continuation of hedge accounting. The amendments aim to address situations in which a derivative used as a hedging instrument is required to be novated to a central counterparty as a result of laws or regulations. The booking of the hedge can therefore continue notwithstanding the novation, something that without the amendment would not have been allowed. The adoption of the new principle is not expected to have had a significant effect on the Group's consolidated financial statements.

The adoption of the above mentioned principles did not have a significant impact on the Group's financial statements.

Accounting principles, amendments not yet effective and that the Group di not adopt in a pre-emptive manner

The following table lists the International accounting principles or amendments of already existing principles that come into force in a mandatory way from January 1, 2015 or subsequently (should the financial statements coincide with the calendar year). The group chose not to adopt these principles in a pre-emptive manner.

EU endorsement regulations	Title	In force from the fiscal period starting
(EU) Regulation 2015/29	**EU Regulation 2015/29 of the EU Commission dated December, 2014 published in the Official Journal L5 on January 9, adopts Amendments to IAS 19 – *Defined benefits plans – employee contribution.*** The changes aim to simplify and clarify the accounting of employee or third party benefits. related to defined benefit	Companies apply the amendments, at the latest, starting from the beginning of their first fiscal period that starts on February 1, 2015 or subsequently.
EU Regulation 2015/28	**EU Regulation 2015/28 dated December 17, 2014 of the EU Commission published in the Official Journal L5 on January 9 adopts the Annual improvements cycle to IFRS 2010-2012** The aim of the annual improvements is to address non-urgent but necessary issues discussed by IASB during the project cycle that began in 2011 on areas of inconsistency found in IFRS or where clarification of the wording was required. The amendments to IFRS 8 and IAS 16, 24, and 38 are clarifications or corrections to the respective standards. The amendments to IFRS 2 and 3 involve changes to the existing requirements and further indications on their application.	Companies must apply the amendments at the latest starting from the beginning of their first fiscal period that starts February 1, 2015 or subsequently.
EU Regulation 1361/2014	**EU Regulation 1361/2014 dated December 18, 2014 of the EU Commission published on the Official Journal L365 of December 19, 2014 adopts the annual improvement cycle to IFRS for *2011-2013*.** The objective of the annual improvements is to address non-urgent, but necessary issues discussed by the IASB during the project cycle that began in 2011 on areas of inconsistency in IFRS or where clarification of wording is required. The amendments to IFRS 3 and 13 are clarifications or corrections to their respective standards. The amendments to IAS 40 involve changes to the existing requirements or additional guidance on the implementation of those requirements	Companies apply the amendments starting from the beginning of their first fiscal period that starts the first day of the month following the entry into force of the current regulation or subsequently

EU Regulation 634/2014	**EU Regulation 634/2014 dated June 13, 2014 of the EU Commission, published in the Official Journal L 175 on June 14, 2014 adopts the IFRIC 21 interpretation: *Levies*** The interpretation addresses the accounting for a liability to pay a levy if that liability is within the scope of IAS 37. It also addresses the accounting for a liability to pay a levy whose timing and amount is certain.	Starting from the fiscal periods that start from June 17, 2014

During the fiscal period, IASB amended some IAS/IFRS principles that were previously issued and published new International accounting principles. None of these updates were used to draft the consolidated financial statements since the EU Commission still did not endorse them.

Other information

With regards to the Consob information request regarding significant transactions and balances with related parties, please not that these related parties, in addition to being highlighted in an *ad hoc* Note, if significant they are indicated separately in the financial statements schemes.

1. Revenues

Revenues for the fiscal period ending December 31, 2014 totalled 86,189 thousand euro and are comprised by:

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013	Variation
Revenues from sale of products	69,958	85,990	(16,032)
Revenues from services	16,231	13,929	2,302
Total	**86,189**	**99,919**	**(13,730)**

The Itway Group mainly operates in the information products distribution segment (hardware and software) and offers a complete portfolio of services and technological solutions for security of information and to manage IT infrastructures.

Information on the revenue drop is included in the Management Report.

2. Other operating revenues

Other operating revenues for the fiscal period ending December 31, 2014 totalled 2,944 thousand Euro and are comprised by:

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013	Variation
Advertising and Marketing Contributions	707	947	(240)
Refund of transportation and collection costs	43	38	5
Non operating income	193	69	124
Increase in activity for internal work	140	-	140
Other revenues and proceeds	1,861	690	1,171
Total	**2,944**	**1,744**	**1,200**

The advertising and marketing contributions refer to contribution by vendors for marketing and co-marketing activities carried out during the fiscal period. These fees are provided in the main distribution agreements.

Other revenues and proceeds includes proceeds deriving from the intermediation with two vendors for the assignment toward third parties of two distribution contracts in France and those deriving from the collaboration with Libanica for the launch of activities that led to the constitution of Itway Mena (see Note 14).

3. Products (net of charges in inventories of raw materials and goods)

Following is the breakdown:

Thousand of Euro	Fiscal year ending 31/12/20134	31/12/2013	Variation
Purchase of products	65,794	76,445	(10,651)
Costs for resold services	1,995	2,240	(245)
Additional purchasing charges (transportation)	215	318	(103)
Other purchases of consumption material and miscellaneous	263	299	(36)
Total	**68,267**	**79,302**	**(11,035)**

In the Purchase of Products item the drop is related in a more than proportional manner to the fall in sales volumes with a resulting recovery in margins as indicated in the management report

4. Costs of services

Following is the breakdown:

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013	Variation
Consultancy and collaborators	1,238	1,449	(211)
Advertising and trade expositions	530	613	(83)
Travel and representation	872	844	28
Directors' remunerations of the parent company and social charges	694	686	8
Directors' remunerations of subsidiaries and social charges	64	50	14
Auditing company fees	210	203	7
Agents	250	219	31
Telecom expenses	220	231	(11)
Services, courses and client assistance	381	501	(120)
Insurance	258	251	7
Specialist costs, IR and securities service	137	97	40
Compensation for statutory Auditors	101	95	6
Electricity, water and gas	85	99	(14)
Other expenses and services	795	953	(158)
Total	**5,835**	**6,291**	**(456)**

Please note that:

- The "consultancy and collaborators" item includes technical consultancies for 215 thousand Euro and commercial consultancy and collaborators for 448 thousand Euro, marketing consultancy and collaborators of 230 thousand Euro, administrative and financial

consultancies for 232 thousand Euro, fiscal, tax consultancy for Euro 283 thousand, legal or notary consultancy for 295 thousand Euro and various consultancy for 135 thousand Euro.

• In the table emoluments for the corporate entities deliberated by the Shareholders meeting including the relative social charges.

5. Costs of Personnel

Following is the breakdown, compared with the previous period:

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013	Variation
Salaries	7,286	7,816	(530)
Social Charges	2,250	2,357	(107)
Retirement costs for defined benefit plans	398	389	9
Other costs	597	778	(181)
Total	**10,531**	**11,340**	**(809)**

The following table details the number of employees per category compared with the same period the previous fiscal year and the effective position on December 31, 2014:

	31/12/2014 *Avg figure*	31/12/2013 *Avg figure*	Variation	31/12/2014 *Actual figure*	31/12/2013 *Actual figure*	Variation
Managers	10	9	1	7	10	(3)
Mid-managers	21	26	(5)	19	23	(4)
Employees	182	186	(4)	172	191	(19)
Total	**213**	**221**	**(8)**	**198**	**224**	**(26)**

The average number of employee of the Group during the fiscal period was of 213 units, down a net 8 units mainly due to the reduction in personnel in France and Spain. However, when comparing the punctual number at the end of 2014 with that of 2013 the difference is of 26 units with a resulting significant decrease, once fully in force, of personnel costs, something that will lead to greater benefits in the 2015 fiscal year. The non-recurring restructuring charges included in this item total Euro 270 thousand.

6. Other operating expenses

Following is the breakdown of the other operating expenses compared with the previous fiscal period:

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013	Variation
Rent for lease, offices and vehicles	1,317	1,426	(109)
Allowance for doubtful accounts	377	453	(76)
Other extraordinary	133	73	60
Other	289	272	17
Total	**2,116**	**2,224**	**(108)**

During the 2014 fiscal period, the Group renegotiated rent contracts in order to limit fixed costs also in the long term.

7. Depreciation and Amortization

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013	Variation
Depreciation of tangible assets	196	258	(62)
Amortization of intangible assets	246	343	(97)
Total	**442**	**601**	**(159)**

8. Interest income and expenses

Following is the breakdown of item:

Thousand of Euro	Fiscal period ending 31/12/2014	31/12/2013	Variation
Interest income	4	9	(5)
Income from investments	39	41	(2)
Other income	103	196	(93)
Total financial income	**146**	**246**	**(100)**
Interest charges	(1,373)	(1,578)	205
Bank commissions	(328)	(380)	52
Profits and (losses) on exchange	25	35	(10)
Total financial charges	**(1,676)**	**(1,923)**	**247**

The drop in financial charges is attributable both to the lower average exposure and to the drop in interest rates and of the spread that banking institutions applied during the fiscal period.

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9. Income taxes

Following is the breakdown of income taxes:

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013	Variation
Current income Taxes	718	375	343
Ires refund	383	362	21
Irap	(310)	(162)	(148)
Deferred/(prepaid) taxes	146	188	(42)
Total	**937**	**763**	**174**

The following table highlights the reconciliation of the theoretical fiscal charge and the effective fiscal charge relating to income taxes:

Thousand of Euro	Fiscal year ending 30/12/2014		31/12/2013	
	Taxable	Tax	Taxable	Tax
Result before taxes	**412**		**228**	
Theoretical tax rate (27.50%)		113		62
Temporary differences to be made in successive fiscal periods	171	47	966	266
Differences that will not be carried over to future years	1247	343	(828)	(228)
Carry forward of temporary differences from previous fiscal periods	401	110	71	20
Taxable income and related loss carry forward not booked	379	104	927	255
Taxable at 27.50%	2,610	718	1,364	375
Current taxes of the fiscal year		**718**		**375**
Deferred tax net of the use of taxes allocated in previous years		(217)		(228)
Anticipated tax net of use of anticipated taxes allocated in previous years		(87)		63
Net tax of the fiscal period		**414**		**210**

The following table highlights the reconciliation of the theoretical fiscal charge and the effective fiscal charge relating to the Irap tax:

Thousand of Euro	Fiscal year ending 31/12/2014		31/12/2013	
Result before taxes	412		228	
Results of foreign companies included in the consolidation , not subject to IRAP	(572)		1,104	
Result subject to IRAP	(160)		1,332	
Undeductable costs for IRAP purposes	7,329		7,123	
Total	7,169		8,455	
Theoretical fiscal charge (3.9%)		280		330
Temporary differences to be realized in future years			49	
Differences that will not be carried forward to future years	1,682		34	
Carry forward of temporary differences from previous years			(93)	
Tax rate	8,851		8,445	
Taxable at 4.82%	4,132	199	3,427	165
Taxable at 4.97%			96	5
Taxable at 3.90%	4,719	184	4,922	192
IRAP current fiscal period		**383**		**362**
Deferred tax net of use of taxes allocated in previous fiscal periods		(9)		(1)
Anticipated taxes net of use of taxes allocated in previous fiscal periods		3		3
Net IRAP of the fiscal period		**377**		**364**

10. Net result and earnings per share

The base result per share relative to the fiscal year that ended December 31, 2014, of a negative Euro 0.07, was determined dividing the loss of the appropriate fiscal year by the average weighted number of outstanding Itway shares in the fiscal period, excluding own shares.

The weighted average number of outstanding shares is 7,336,196.

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013
Net Result	(525)	(535)
Weighted average no. of shares outstanding	7,336,196	7,305,222
Net result per share in Euro:		
- Basic	(0,07)	(0,07)
- Diluted	(0,07)	(0,07)

There are that entail a dilution of the number of outstanding shares and therefore the base result coincides with the diluted one

11. Property, plant and equipment

Property, plants and equipment are expressed net of accumulated depreciation and have the following composition and variation in the last two fiscal years:

Thousand of Euro	Property and offices	Equipment	Tools	Other goods	Total
Purchase cost	3,321	233	10	3,843	7,407
Balance at 31.12.2012	**3,321**	**233**	**10**	**3,843**	**7,407**
Increases	4	14	1	94	113
Decreases	-	(3)	-	(184)	(187)
Book value as at 31.12.2013	**3,325**	**244**	**11**	**3,753**	**7,333**
Accumulated depreciation	259	217	10	3,368	3,854
Balance at 31.12.2012	**259**	**217**	**10**	**3,368**	**3,854**
Amortization for the period	69	15	1	173	258
Decreases		(3)		(145)	(148)
Balance amortization as at 31.12.2013	**328**	**229**	**11**	**3,396**	**3,964**
Net book value:					
As of December 31 2012	3,062	16	-	475	3,553
As of December 31 **2013**	**2,997**	**15**	**-**	**357**	**3,369**

Thousand of Euro	Property and offices	Equipment	Tools	Other goods	Total
Purchase cost	3,325	244	11	3,753	7,333
Balance at 31.12.2013	**3,325**	**244**	**11**	**3,753**	**7,333**
Increases	1	-	-	200	201
Decreases	-	-	-	(26)	(26)
Book value as at 31.12.2014	**3,326**	**244**	**11**	**3,927**	**7,508**
Accumulated depreciation	328	229	11	3,396	3,964
Balance at 31.12.2013	**328**	**229**	**11**	**3,396**	**3,964**
Amortization for the period	69	4	-	123	196
Decreases	-	-	-	(23)	(23)
Balance amortization as at 31.12.2014	**397**	**233**	**11**	**3,496**	**4,137**
Net book value:					
As of December 31 2013	2,997	15	-	357	3,369
As of December 31 **2014**	**2,929**	**11**	**-**	**431**	**3,371**

The item property and offices reflects the value of the Milan office, bought in October 2008 through an 18-year leasing agreement, booked including directly attributable accessory charges. The related residual debt is booked in the non current and current financing liabilities line (Note 25).

Investments made during the period essentially refer to the purchase of personal computers, network servers and telephone systems.

12. Goodwill

Goodwill as of December 31, 2014 totalled 8,294 thousand Euro. This goodwill is allocated to the units generating cash flows (Cash Generating Units), represented by the single companies that they refer to; no impairments were previously allocated to the CGUs to which goodwill was allocated today.

	Fiscal year ending	
Thousand of Euro	**31/12/2014**	**31/12/2013**
Business-e	3,284	3,284
Itway Iberica	2,977	2,977
Itway Hellas	1,843	1,843
Other minors *	191	191
Total	**8,294**	**8,294**

The Group updated the review of the recoverability of goodwill. The recoverable value of the CGU to which goodwill is attributed to is determined by identifying the value in use.

In order to verify the possible impairment of goodwill, the Discounted Cash Flow (DCF) method was used. This method requires discounting cash flows on the basis of an interest rate that represents the specific risk of any Cash Generating Units (CGU).

The expected cash flows are taken from the Budget of the next fiscal period, in the context of the five-year business plan to December 31, 2019 of the identified CGUs, approved by their respective Board of Directors, based on the performance expected of the market trends where the single CGU operate and acknowledged on the basis of the historical individual performances and the expected specificity. In addition to the expected flows expected for the 2015-2019 period, it has to add the so-called Perpetuity, which represents the Terminal Value. The medium/long term growth rate is equal to the expected value of inflativo in the reference country.

The discounted interest rate used (WACC – Weighted Average Cost of Capital) is between 6.3% and 15.7%, depending essentially on the Country risk of the where the single CGU operate.

In this context, the situation caused by the current economic and financial crisis entailed the need to make assumptions regarding a future performance that were characterized by significant uncertainty. Therefore, it cannot be ruled out that in the near future the results achieved could be different from those forecast, therefore requiring revisions that today cannot be either estimated or forecasted.

The review of the values as of December 31, 2014, also through the sensitivity analysis carried out, did not prompt the need to write-down goodwill.

13. Other intangible assets

Following is the breakdown and variation of other intangible assets:

Thousand of Euro	Development costs	Patent rights	Other	Work in progress	Total
Purchase costs	795	1,470	4,061	-	6,326
Balance at 31.12.2012	**795**	**1,470**	**4,061**	**-**	**6,326**
Increases	-	86	127	314	527
Decreases	-	-	-	-	-
Balance at historical cost as at 31.12.2013	**795**	**1,556**	**4,188**	**314**	**6,853**
Accrued amortizations	764	1,313	3,230	-	5,307
Balance as at 31.12.2012	**764**	**1,313**	**3,230**	**-**	**5,307**
Amortizations	22	243	78	-	343
Amortization balance as at 31.12.2013	**786**	**1,556**	**3,308**	**-**	**5,650**
Net value:					
December 31, 2012	31	157	831	-	1,019
December 31, 2013	**9**	**-**	**880**	**314**	**1,203**

Thousand of Euro	Development costs	Patent rights	Other	Work in progress	Total
Purchase costs	795	1,556	4,188	314	6,853
Balance at 31.12.2013	**795**	**1,556**	**4,188**	**314**	**6,853**
Increases	-	-	211	784	995
Decreases	-	-	-	-	-
Balance at historical cost as at 31.12.2014	**795**	**1,556**	**4,399**	**1,098**	**7,848**
Accrued amortizations	786	1,556	3,308	-	5,650
Balance as at 31.12.2013	**786**	**1,556**	**3,308**	**-**	**5,650**
Amortizations	8	-	238	-	246
Amortization balance as at 31.12.2014	**794**	**1,556**	**3,546**	**-**	**5,896**
Net value:					
December 31, 2013	9	-	880	314	1,203
December 31, 2014	**1**	**-**	**853**	**1,098**	**1,952**

The increase in Work in Progress refers to investments, the cost of which is deemed reliable, in development activities in particular in the VAR and VAS areas from which the Group expects significant economic returns in the near future and which the Group expects will be both feasible and economically and technically possible to complete.

The amortization will begin in the next fiscal periods from the moment in which the assets will start producing economic benefits for the company.

14. Investments in minority interests

Following are the non-controlling investments as at December 31, 2014:

- **BE Innova S.r.l. (formerly Business-e Trentino S.r.l.)** was constituted in 2011 and is 50% controlled by the subsidiary Business-e; it offers a combination of services that cover the whole range of activities connected to the management of information systems and security of large- and medium-sized firms.

- **Business-e Infrastrutture S.r.l.,** controlled by Cooperativa Muratori Cementisti-CMC aims at supplying Information Technology services in the construction sector. Business-e owns 30% of the share capital; as of December 31, 2014 this stake was valued with the equity method that coincides with the cost, since the company's mission is mainly to supply services at cost to the majority shareholder.
- **Dexit S.r.l**, which operates in the IT services sector for the public administration. The 9% investment is valued at its purchase cost;
- **Itsecurity S.r.l.**, which was constituted at the end of 2010, owned at 24.9%, with the aim of presiding over the logical security of systems market in Southern Italy. The company to date has just become operational.
- **Serendipity Energia S.p.A.**, a 10.5% stake from the Business-e subsidiary with the aim of ensuring the development part of remote control over alternative energy plants that the subsidiary will build.
- **Netwin Italia S.p.A.**, operating in legal gambling, started its operation in the fiscal period, and the main part of the gambling machines are operating with the network provided by the subsidiary Business-e;
- **iNebula Tech S.r.l**. is not operating;
- **Itway Mena FZC, 17**.1% controlled by Itway Vad S.r.l.. It was constituted at the end of October 2014 thanks to the partnership with Libanica that led the Group, after an in-depth study, to commit to a Partnership in the United Arab Emirates, in Dubai-Sharjah. Exploiting the geopolitical knowledge and techniques of Libanica, and the technical and specialist skills of Itway, the Company will expand on Middle Eastern and North African (MENA) markets.

The related book value posted in the financial statements of subsidiaries are as follows:

Thousand of Euro	Fiscal year ending 31/12/2014	31/12/2013
Inebula Tech S.r.l.	10	10
Not consolidated partecipations	**10**	**10**
BE Innova S.r.l.	828	828
Be Infrastrutture Srl	30	30
Itsecurity Srl	5	5
Related partecipations	**862**	**862**
Netwin Italia S.p.A.	500	439
Dexit S.r.l.	374	374
Serendipity Energia SpA	118	118
Itway MENA FZC	20	-
Other companies partecipations	**1,012**	**931**

The detail of total assets and liabilities, of revenues and of the result for the period of the investments is highlighted in the following table (data in thousand of Euro):

Company name	Country	Assets	Liabilities	Revenues	Result of the period
BE Innova S.r.l.*	Italia	1,801	984	1,051	-
Be Infrastrutture Srl*	Italia	482	333	1,050	-
Itsecurity Srl *	Italia	102	79	58	-

**Refer to December 31, 2013 the last available Financial Statements*

Company name	Country	Assets	Liabilities	Revenues	Result of the period
Netwin Italia S.p.A.*	Italia	18,038	13,643	32,553	(605)
Dexit srl*	Italia	5,182	3,112	9,030	609
Serendipity Energia SpA *	Italia	1,099	81	-	(2)
Itway MENA FZC	Emirati Arabi	-	-	-	-

**Refer to December 31, 2013 the last available Financial Statements*

15. Deferred tax assets

Deferred tax assets of Euro 1,876 thousand (Euro 1,761 thousand as of December 31, 2013) are comprised of the fiscal impact of: timing non-deductible provisions for Euro 447 thousand (Euro 447 thousand as of December 31, 2013), fiscal losses for Euro 1,225 thousand (Euro 1,106 thousand as of December 31, 2013) and other timing differences for Euro 204 thousand (Euro 208 thousand as of December 31, 2013) that the Group expects to recover in future fiscal years, based on the expected taxable income.

16. Other non current assets

Other non current assets total, as of December 31, 2014, Euro 195 thousand (Euro 141 thousand as of December 31, 2013).

17. Inventories

Inventories as of December 31, 2014 totalled Euro 3,678 thousand (Euro 3,849 thousand as of December 31, 2013) net of an allowance of Euro 371 thousand (Euro 445 thousand as of December 31, 2013).

18. Account receivables-Trade

Trade receivables as of December 31, 2014, all short term, totalled Euro 49,262 thousand (Euro 48,040 thousand as of December 31, 2013). The value is net of the allowance for doubtful accounts, which, as of December 31, 2014 stood at Euro 2,469 thousand (Euro 2,900 thousand as of December 31, 2013). Such allowance is considered congruous with the insolvency risks of the existing receivables.

Account receivables also include work in process on contracts for Euro 13,245 thousand (Euro 10,092 thousand as of December 31, 2013).

Following are the movements of the allowance for doubtful accounts:

	Fiscal year ending	
Thousand of Euro	**31/12/2014**	**31/12/2013**
Beginning balance	**2,900**	**2,557**
Provisions for the period	373	453
Use	(804)	(110)
Ending balance	**2,469**	**2,900**

Following is the breakdown of account receivables as at December 31, 2014 classified by expiration:

	Fiscal year ending	
Thousand of Euro	**31/12/2014**	**31/12/2013**
Expiring	42,740	39,261
Expired up to 30 days	1,176	1,744,
Expired from 30 to 60 days	745	1,941
Expired over 60 days	4,601	5,094
Total net receivables	**49,262**	**48,040**

19. Other current assets

Following is the breakdown of the other current assets:

	Fiscal year ending		
Thousand of Euro	**31/12/2014**	**31/12/2013**	**Variation**
Tax receivables	1,332	776	556
Other receivables	1,109	1,304	(195)
Accruals and Deferrals	308	325	(17)
Total	**2,749**	**2,405**	**344**

20. Cash on hand

Following is the breakdown:

	Fiscal year ending		
Thousand of Euro	**31/12/2014**	**31/12/2013**	**Variation**
Bank and Postal deposits in Euro	3,732	3,340	392
Bank Deposits in US Dollars	401	393	8
Money and petty cash	8	5	3
Total	**4,141**	**3,738**	**403**

Bank deposits in foreign exchange are valued at the exchange rate at the end of the period and generally are to make payments in foreign currency in the first days of the subsequent fiscal year.

The cash available is of a temporary nature as its origins lie in the normal short-term financial cycle that establishes a concentration of inflows from clients at the end of the month while payments to suppliers are less concentrated.

21. Net Equity

Share Capital

The paid-in share capital of the holding company as of December 31, 2014 is represented by No. 7,905,318 ordinary shares with a nominal value of 0.5 Euro each, equal to Euro 3,952,659.

Own shares reserve

This reserve recognizes the value of the own shares at the date of the current Financial Statements.

The parent company at December 31, 2014 owned No. 703,075 own shares (equal to 8.80% of share capital) for a nominal value of 351,537.50 Euro and a cost of purchase in the fiscal year of some 519 thousand Euro. During the period 327,281 own shares were purchased (equal to 4.14 % of share capital) for a nominal value of 163,640.50 Euro, as authorized by the Shareholders meeting of Itway S.p.A while no shares were sold .

Share premium

As of December 31, 2014, it totals Euro 17,584 thousand unchanged compared with the previous fiscal year.
Pursuant to article 2431 of the Civil Code please note that the share premium reserve can be eventually distributed if the legal reserve reaches a fifth of share capital.

Legal reserve

As of December 31, 2014 it stands at Euro 450 thousand.

Voluntary reserve

As of December 31, 2014, it stands at Euro 4,792 thousand, unchanged from the previous fiscal period.

Retained earnings (losses)

In addition to the reserves indicated above, this item is also comprised of the , the reserve for results carried forward, the reserve generated from the adoption of IFRS and, highlighted separately, the translation reserve generated from the conversion into Euro of the balance sheets expressed in different values different from euro.

22. Employee benefits

This item is comprised of severance indemnity of the Italian companies of the Group.

Following are the variations; among the movements are the transfers to pension funds and to the INPS treasury fund.

Thousand of Euro	**31/12/2013**	**Financial charges**	**Profits (Actuarial losses)**	**Increases**	**Use**	**Payments as per l. 296/2006**	**31/12/2014**
Employee benefits	750	20	368	236	(148)	(224)	1.002
Total	**750**	**20**	**368**	**236**	**(148)**	**(224)**	**1.002**

Following are the main assumptions used in the actuarial estimates of employee benefits:

Calculation date	**31/12/2014**
Mortality rate	IPS55 Tables
Invalidity rate	INP Tables -2000
Personnel rotation rate	3.00%
Discount rate	1.49%
Salary increase rate	3.00%
Rate of advances	2.00%
Inflation rate	1.50%

The actuarial hypothesis include:

a) Demographic hypothesis on the future characteristics of employees that are entitled to benefits include:
   - Mortality: mortality rate of employees (the death probability are those every-day tables used by insurers);

- Inability of the active population: the probability of becoming invalid during work activity (the probabilities are those every-day tables used by insurers and reinsurers);
- Turnover: is the probability of elimination due to reasons other than death, of inability and of retirement (the hypothesis used reflect the reality of the Group);
- Annual probability of requests for advances on the severance pay: the propensity to ask for an advanced payment of a part of the total accrued severance pay.

b) Financial hypothesis
- Discount rate: the interest rate used to bring to present value the liabilities related to after the end of the work relationship has to be calculated with reference to market returns at the reference date of the balance sheet; the medium/long-term average yield of high-quality corporate securities (those with at least an AA rating) is used, in line with the average duration of the services rendered;
- Salary increase rate: it is an estimate of future salary lines; it considers inflation and professional title;
- Expected inflation rate: the ISTAT long-term inflation rate is used.

Assuming a 50 basis point increase in the technical actuarial rate compared with the one effectively applied for assessments to December 31, 2014 and all other actuarial hypothesis being equal, the potential loss of current value of liabilities for defined benefit plans underway would total some Euro 51 thousand. At the same time, assuming a 50 basis point drop in the same interest rate, there would be a potential increase in the current value of the liability of some Euro 55 thousand.

The changes to the remaining actuarial hypothesis would generate a significantly lower impact on the current value of the liabilities for defined benefit plans booked in the balance sheet.

23. Accruals for risks and charges

Accruals of Euro 166 thousand as of December 31, 2014 (Euro 156 thousand as of December 31, 2013) are constituted by the sales agent leaving indemnity and charges for contingent liabilities.

It is to be underlined that, regarding the labour controversy dating back to 2002, for which a subsidiary was deemed responsible in the first degree, the arguments of the company were accepted and what was liquidated in a provisional manner was entirely recovered. The counterparty appealed to the Supreme Court.

No additional accrual has been posted since:

- The companies involved feel they can make their theses count also in light of previously acquired jurisprudence and the verdict of the Court of Appeals;

There are in any case settlements to make the charge fall on, if and as the losing party, the related company, the employer, and not on the Group.

24. Deferred tax liabilities

Deferred tax liabilities are booked against temporary differences taxable in future fiscal years and amount to, as of December 31, 2014 Euro 795 thousand (Euro 886 thousand as of December 31, 2013).

25. Non current financial liabilities

Following is the breakdown of the item:

Thousand of Euro	Fiscal year ending		Variation
	31/12/2014	**31/12/2013**	
Non-current debts for leasing	2,163	2,240	(77)
Special purpose financing for Dexit partecipation purchase	77	110	(33)
24-month financing from BPER	-	279	(279)
24-month financing from Credem	253	-	253
Others	1	2	(1)
Total	**2,494**	**2,631**	**(137)**

This item represents for Euro 2,163 thousand the non current quota of the residual debt towards the leasing institute for the Milan offices as previously said (Note 11), expiring in 2026. The main details of the leasing transaction are: cost of the property: 2,995 thousand Euro; variable interest rate (3-month Euribor plus spread 160bps), convertible into a fixed rate chosen by the lessee.

Following are the details of the residual non current leasing debt divided by expiry date:

	Fiscal year ending	
Thousand of Euro	**31/12/2014**	**31/12/2013**
Non current residual debt for leasing, including the interest quota:		
from 1 to 5 years	900	900
Over 5 years	1,572	1,766
Total	**2,472**	**2,666**
Interests	(309)	(426)
Residual leasing debt, net of interest	**2,163**	**2,240**

	Fiscal year ending	
Thousand of Euro	**31/12/2014**	**31/12/2013**
Residual leasing debt, net of interest:		
from 1 to 5 years	365	341
Over 5 years	1,798	1,899
Residual leasing debt, net of interest	**2,163**	**2,240**

Furthermore, non current financing liabilities reflect for Euro 77 thousand the funding of a special purpose financing for the purchase of the stake in Dexit S.r.l. and a 24-month financing with Credito Emiliano (Credem).

26. Bank overdrafts and Loans

As of December 31, 2014 they total Euro 19,562 thousand (Euro 20,342 thousand as of December 31 2013) and are essentially comprised of debts towards banks for advance payments on short-term account receivables, regulated at a 1-3 month Euribor plus an average spread of 425 bps (480 bps for the previous fiscal year) and are not covered by other guarantees. Furthermore, this item includes, for some Euro 1,085 thousand, the short-term quota of the leasing and for financial debts reported in Note 25.

27. Trade payables

Trade payables, including invoices not yet received, amount to Euro 34,829 thousand as of December 31, 2014 and Euro 32,972 thousand as of December 31, 2013.

28. Tax payables

Tax payables amounts to Euro 5,663 thousand as of December 31, 2014 (Euro 2,745 thousand as of December 31, 2013) with the following breakdown:

	Fiscal year ending		
Thousand of Euro	**31/12/2014**	**31/12/2013**	**Variation**
Debt for income tax	614	339	275
VAT	4,338,	1,860,	2,478,
Withholding on personnel compensations	441	483	(42)
Other	270	63	207
Total	**5,663**	**2,745**	**2,918**

In the fiscal year ending September 30, 2011 Itway S.p.A. and the subsidiary Business-e S.p.A. were, at two different moments, subject to two distinctive reviews by the Ravenna Province Tax Agency for the 2008 fiscal year. The reviews ended up with the official tax audit followed by notices of investigation. The companies of the Group, supported by their tax

consultants, challenge the notice and do not feel that these checks can bring to significant liabilities; as a result, no tax allowance fund was posted.

In January 2014 the parent company Itway S.p.A. was subject to a tax audit from the Ravenna Province Tax Agency for the 2009, 2010 and for 2014. The reviews ended up with an official tax audit report that was followed by notice of investigation for the 2009 fiscal period that the company settled and that foresaw liabilities of 14 thousand Euro reflected in the current financial statements. For the 2010 fiscal period, to date, there still has not been a notice of investigation. The Company does not feel that any significant liability can arise from this audit

29. Other current liabilities

As of December 31, 2014, the other current liabilities total Euro 2,410 thousand (Euro 2,351 thousand as of December 31, 2013) with the following breakdown:

	Fiscal year ending		
Thousand of Euro	**31/12/2014**	**31/12/2013**	**Variation**
Debt towards personnel for remuneration	367	365	2
Other debt towards personnel	449	506	(57)
Debt towards directors and collaborators	93	40	53
Debt towards social institutions	549	576	(27)
Accruals and deferrals	861	797	64
Advanced payments received and others	91	67	24
Total	**2,410**	**2,351**	**59**

The other debt towards personnel includes provisions for deferred remuneration (regular vacation and additional yearly payroll).
The accruals and deferrals mainly include deferrals for services invoiced, relevant in the subsequent fiscal year.

30. Obligations and guarantees

Following are the existing obligations and guarantees as of December 31, 2014:

- Obligations towards banks for the purchase of foreign currency for Euro 9,971 thousand to hedge exchange rates for specific commercial transactions to buy products;
- Goods held by third parties for 1,222 thousand Euro in their warehouse;
- Third party guarantees in our favour for 1,574 thousand Euro relative to bank guarantees on behalf of the Group in favour of suppliers or to take part in public tenders.

31. Information on related parties

During the 2014 fiscal year, the Group had commercial and financial relationships with related companies. These are normal business activities, regulated with contractual conditions established by the parities at fair value, consistent with the ordinary market procedures.

In thousand of Euro	Receivables	Payables	Costs	Revenues
Itway S.p.A. vs Giovanni Andrea Farina & Co. S.r.l.	211	-	-	1
Business-e S.p.A. vs Be Innova S.r.l.	908	10	8	298
TOTAL	**1,119**	**10**	**8**	**299**

The Group's relationship with its managers are summed up in the Remuneration Report of the Board of Directors.

Itway directs and coordinates its subsidiaries in Italy. This activity consists in indicating the general strategic and operational direction of the Group, defining and adjusting the Organizational Model and elaborating the general policies to manage human and financial resources.

No company directs or controls Itway S.p.A

32. Remuneration to directors, auditors, managing directors and managers with strategic responsibility

Following the introduction of article 123 ter of the TUF, the data on these remunerations are reported analytically on the report on remuneration that will be made available to the public within the terms foreseen by law at the legal headquarters. It will also be possible to consult them on the Internet site www.itway.com in the Investor Relation section.

33. Net financial position

Pursuant to Consob Communication No. 6064293 of July 28 2006, following is the breakdown of the Group's net financial position (NFP):

	31/12/2014	31/12/2013
Cash on hand	4,141	3,738
Current financial liabilities	(19,562)	(20,342)
Net current financial position	**(15,421)**	**(16,604)**
Non current financial liabilities	(2,494)	(2,631)
Total net financial position	**(17,915)**	**(19,235)**

The current Net Financial Position improved compared with December 31, 2013, confirming the process to contain working capital that has been carried out during the period as well as the effects of the reduction of volumes at the end of the fiscal period and the use of non-recourse factoring of trade receivables for Euro 8,665 thousand as of December 31, 2014 (Euro 6,925 thousand as of December 31, 2013).

The cash on hand is temporary in nature as it derives from the normal short-term financial cycle that entails a heavy concentration of inflows from clients at the end of the month while payments to suppliers are less concentrated.

The non current net financial position reflects the medium term debt towards a leasing company, for the rent of the Milan offices and the financings detailed in Note 25.

34. Information on the sector

The Group has two reference sectors: “Valued Added Distribution” and “Value Added Reseller” and “Value Added Services”. These sectors are determined on the basis of market segments in which the companies of the Group work in and reflect the organizational and internal reporting structure of the Group.

Through the Value Added Distribution sector the Group operates in the distribution of software and hardware products, specialized certification services on software technologies and pre- and post-sales technical assistance. Clients of the company are “system integrators” and “value added resellers” who sell products to end clients.
The VAS sector reported data is not material as still in the implementation phase and have therefore been aggregated in VAD sector.

Through the “e-business Services and Security Management” the group operates in the following market sectors:

• Professional and production services and software technologies for e-business;
• Distribution and integration of products and services for logical security of information systems;
• Professional services of system integrators and centralization of applications,

Following is the breakdown of the main economic data regarding the identified segments, in the fiscal year ending December 31, 2014:

Thousand of Euro	VAD recurrent	VAD not recurrent	VAD Total	VAR Total	Total Consolidated
Revenues					
Revenues	63,656		63,656	22,533	86,189
Other operating revenues	2,352		2,352	592	2,944
Total revenues	**66,008**	**-**	**66,008**	**23,124**	**89,133**
Operating costs					
Cost of products	(55,750)		(55,750)	(12,517)	(68,267)
Cost of personnel	(4,354)	(270)	(4,624)	(5,907)	(10,531)
Other costs and operating expenses	(4,675)		(4,675)	(3,276)	(7,951)
Total operating cost	**(64,778)**	**(270)**	**(65,048)**	**(21,700)**	**(86,749)**
EBITDA	**1,230**	**(270)**	**960**	**1,424**	**2,384**
Amortizations	(364)		(364)	(78)	(442)
EBIT	**866**	**(270)**	**596**	**1,346**	**1,942**
Financial income and charges	(1,086)		(1,086)	(444)	(1,530)
Pretax result	**(220)**	**(270)**	**(490)**	**902**	**412**

Following is the breakdown of the main economic data regarding the identified segments, in the fiscal year ending December 31, 2013:

Thousand of Euro	VAD	VAR	Total Consolidated
Revenues			
Revenues	77,514	22,405	99,919
Other operating revenues	1,406	338	1,744
Total revenues	**78,920**	**22,743**	**101,663**
Operating costs			
Cost of products	(66,853)	(12,449)	(79,302)
Cost of personnel	(5,579)	(5,761)	(11,340)
Other costs and operating expenses	(5,381)	(3,134)	(8,515)
Total operating cost	**(77,813)**	**(21,344)**	**(99,157)**
EBITDA	**1,107**	**1,399**	**2,506**
Amortizations	(505)	(96)	(601)
EBIT	**602**	**1,303**	**1,905**
Financial income and charges	(1,249)	(383)	(1,677)
Pretax result	**(692)**	**920**	**228**

Following is the breakdown of the main financial items of the identified segments as of December 31, 2014:

	VAD	VAR	Consolidated
Non-current assets			
Property, plants and equipment	3,324	47	3,371
Goodwill	7,129	1,166	8,295
Other intangible assets	1,659	293	1,952
Deferred Taxes assets	1,717	159	1,876
Investments	403	1,481	1,884
Other non current assets	164	31	195
Total	**14,396**	**3,177**	**17,574**
Current assets			
Inventories	3,468	210	3,678
Account receivables – Trade	24,552	24,675	49,227
Receivables towards other companies of the group	-	35	35
Other current assets	2,158	592	2,749
Cash on hand	2,635	1,506	4,141
Total	**32,812**	**27,018**	**59,830**
Total Assets	**47,209**	**30,195**	**77,404**
Net Equity	6,841	3,642	10,483
Non current liabilities			
Severance indemnity	751	251	1,002
Provision for risks and charges	49	117	166
Deferred tax liabilities	476	319	795
Non current financial liabilities	2,241	253	2,494
Total	**3,517**	**939**	**4,456**
Current liabilities			
Financial current liabilities	17,107	2,456	19,562
Intra-sector payables/receivables	(11,219)	11,219	-
Account payable – Trade	25,302	9,527	34,829
Tax payable	4,882	781	5,663
Other current liabilities	778	1,632	2,410
Total	**36,851**	**25,614**	**62,465**
Total liabilities	**47,209**	**30,195**	**77,404**

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Following is the breakdown of the main financial items of the identified segments as of December 31, 2013

Thousand of Euro	VAD	VAR	Total consolidated
Non current assets			
Property, plants and equipment	3,309	60	3,369
Goodwill	7,128	1,166	8,294
Other intangible assets	1,136	67	1,203
Deferred Taxes assets	1,571	190	1,761
Investments	384	1,419	1,803
Other non current assets	111	30	141
Total	**13,639**	**2,932**	**16,571**
Current assets			
Inventories	3,800	49	3,849
Account receivables – Trade	26,773	21,202	47,975
Receivables towards other companies of the group	-	65	65
Other current assets	1,904	501	2,405
Cash on hand	3,198	540	3,738
Total	**35,675**	**22,357**	**58,032**
Total assets	**49,314**	**25,289**	**74,603**
Net Equity	8,640	3,131	11,771
Non current liabilities			
Severance indemnity	626	124	750
Provision for risks and charges	40	116	156
Deferred tax liabilities	483	403	886
Non current financial liabilities	2,524	107	2,631
Total	**3,673**	**750**	**4,423**
Current liabilities			
Financial current liabilities	17,611	2,731	20,342
Intra-sector payables/receivables	(9,534)	9,534	-
Account payable – Trade	26,279	6,693	32,972
Tax payable	1,837	908	2,745
Other current liabilities	809	1,542	2,351
Total	**37,002**	**21,408**	**58,410**
Total liabilities	**49,314**	**25,289**	**74,603**

35. Subsequent events

There were no relevant events after the close of the fiscal period 2014 and up today.

36. Contingent liabilities

There are no potential liabilities related to those controversies that have not been considered for the allocation of funds in the consolidated balance sheet, commented in Note 23.

37. Non recurrent, atypical and/or unusual transactions

During the fiscal year that ended on December 31, 2014, no significant and/or non recurrent and/or atypical and/or unusual transactions were carried out with third parties or between the companies of the Group as defined by Consob Communication of July 28, 2006, other than the non-recurring charges already mentioned in Note 5.

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38. Financial risk management: objectives and criteria

The international accounting principle IFRS 7 requires providing disclosures in their financial statements that enable users to evaluate:

- the significance of financial instruments for the financial position and performances;
- the nature and entity of risks arising from financial instruments to which the Group is exposed during the fiscal year and as at the reporting date, and how the entity managed those risks.

The accounting principles regarding financial instruments applied in drafting the consolidated balance sheet are described in the section Accounting Principles and Main Assessment Criteria, while the definition of financial risks and the analysis of the degree of significance of the exposure of the Itway Group to the different categories of risks identified are reported hereinafter.

The main financial activities of the group are represented by account receivables, cash and cash on hand that directly derives from the operating activity. Financial liabilities are made up of short-term debt towards major credit institutes and medium- and long-term debt towards leasing companies.

The following sheet reconciles the balance sheet items that represent financial instruments and the financial assets and liabilities categories in accordance with accounting principle IAS 39:

ASSETS	December 31, 2014				
Thousand of Euro	*Carrying amount*	*Assets at FVTPL (*)*	*Loans and receivables*	*Derivatives used for hedging*	*Available-for-sale*
Other non current assets	195	-	195	-	-
Non current assets	**195**		**195**		**-**
Trade receivables	49,262	-	49,262	-	-
Other current assets	2,749	-	2,749	-	-
Cash on hand	4,141	-	4,141	-	-
Current assets	**56,152**	**-**	**56,152**	**-**	**-**

ASSETS	December 31, 2013				
Thousand of Euro	*Carrying amount*	*Assets at FVTPL (*)*	*Loans and receivables*	*Derivates used for hedging*	*Available-for- sale*
Other non current assets	141	-	141	-	-
Non current assets	**141**		**141**		**-**
Trade receivables	48,040	-	48,040	-	-
Other current assets	2,405	-	2,405	-	-
Cash on hand	3,738	-	3,738	-	-
Current assets	**54,183**	**-**	**54,183**	-	-

LIABILITIES	December 31, 2014			
Thousand of Euro	*Carrying amount*	*Liabilities at FVTPL (*)*	*Other financial liabilities*	*Derivates used for hedging*
Non current financial liabilities	2,494	-	2,494	-
Non current liabilities	**2,494**	**-**	**2,494**	**-**
Current financial liabilities	19,562	-	19,562	-
Trade payables	34,829	-	34,829	-
Tax payables	5,663	-	5,663	-
Other current liabilities	2,410	**-**	2,410	-
Current liabilities	**62,464**	**-**	**62,464**	**-**

LIABILITIES	**December 31, 2013**			
Thousand of Euro	***Carrying amount***	***Liabilities at FVTPL (*)***	***Other financial liabilities***	***Derivates used for hedging***
Non current financial liabilities	2,631	-	2,631	-
Non current liabilities	**2,631**	**-**	**2,631**	**-**
Current financial liabilities	20,342	-	20,342	-
Trade payables	32,972	-	32,972	-
Tax payables	2,745	-	2,745	-
Other current liabilities	2,351	-	2,351	-
Current liabilities	**58,410**	**-**	**58,410**	**-**

**Fair Value Trough Profit and Loss*

Financial assets and liabilities are booked at a value that is not different from the fair value.

Interest rate risk

The financial instruments of the Group include anticipated credits by banking institutes and bank deposits refundable upon request. Such instruments finance the Group's activities.
All loans obtained by the group foresee variable interest rates (generally 1-3 month Euribor). Therefore the interest rate risk is represented by the exposure of cash flows to interest rate fluctuations. The current policy of the Group is not to hedge interest rate fluctuations. On the basis of the short-term average exposure in the period, a fluctuation of 1 percentage point of interest rates would entail a change in interest payments of some 190 thousand Euro. On non current financial liabilities a 1 percentage point fluctuation in interest rates would entail a variation of +/- of interests of some Euro 25 thousand per fiscal year.

Foreign exchange risk

The Group uses as its main currency for its purchases and sales mainly the Euro and on an exceptional basis the US Dollar or the Turkish Lira.
In order to reduce the foreign exchange risk deriving from expected assets, liabilities cash flows in foreign currency the group uses hedging contracts.

Credit risk

The credit risk represents the Group's potential exposure to losses deriving from counter-parties not fulfilling their obligations. The Group does not have significant concentrations of credit risk therefore it isn't deemed it opportune to highlight quantitative and detailed information, except for the details regarding account receivables per expiration breakdown in Note 18. In order to check such risk the Group implemented procedures and measures to assess the clientele and the possible recovery measures. Regarding other financial activities,

including cash available and cash equivalents, financial counter-parties are exclusively highly solvable financial institutions and pertinent policies were adopted to limit credit risk exposure to a single credit institution.

Liquidity risk

The liquidity risk represents the risk that the financial resources available to the company are not enough to face the financial obligations in the preset terms and maturities. A punctual management of the optimization of financing of commercial activities at a central level by the parent company limits the liquidity risk of the Group. Utilization of credit lines and liquidity management is centrally managed in a bid to optimize the management of the Group's financial resources.

A prudent management of the liquidity risk is pursued maintaining sufficient resources in cash or easily convertible into cash and an adequate availability of credit lines. In addition to what has been already reported, in the other statements of the Financial Statements and in the notes regarding current financial liabilities, expiring within the end of next fiscal year, the following table analyzes the Group's non current liabilities, grouped together on the basis of the contract expiration compared with the balance sheet date.

Thousand of Euro	***31/12/2014***	***Contractual cash flows***	***1-2 years***	***2-5 years***	***other***
Non current liabilities					
	2,494	2,494	370	326	1,798
Non current liabilities	**2,494**	**2,494**	**370**	**326**	**1,798**

Thousand of Euro	***31/12/2013***	***Contractual cash flows***	***1-2 years***	***2-5 years***	***Over***
Non current liabilities					
	2,631	2,631	388	341	1,902
Non current liabilities	**2,631**	**2,631**	**388**	**341**	**1,902**

The Group to the date of the Financial Statements had approved credit lines not used for some Euro 14 million mainly for advances against invoices and about Euro 45 million for non-recourse receivable sales in addition to cash and cash on hand for Euro 4.1 million. With these amounts, along with those deriving from the collection of account receivables, the Group is able to face its commitments in the short and medium term.

Capital management

The main objective of capital management of the Group is to maintain adequate levels of capital indicators so as to support activities and to make the most value for shareholders. We feel the best assessment of capital indicators can be seen in the previous financial prospectus above.

39. Financial Instruments

The financial instruments of the Group booked in the consolidated financial statements are not significantly far from their fair value.

40. Seasonality of activities

Even though the sales trend is more intense towards the end of the calendar year, the IT sector is not significantly influenced by seasonal activities.

41. Compensation for the auditing firm - Art. 149 duodecies of Issuers Regulations - Prospectus

Description	**Thousand Euro**
Compensation for PwC for the auditing activity of the financial statements of the fiscal year and the consolidated financial statements of Itway SpA	61.56
Compensation for PwC for periodic auditing	5.51
Compensation for PwC for other services	-
Compensation to entities that are part of PwC network for other services	-
Compensation for PwC for auditing activities of subsidiaries	101.44
Total	**168.51**

In addition to the compensation mentioned above, no other mandates were given to the auditing firm.

42. Publication of the Financial Statements

The Board of Directors of Itway approved the Financial Statements at the March 13, 2015 meeting and also approved its publication, giving the Chairman the mandate to make changes or formal integrations should they be necessary or opportune to better draft and to make the text more complete.

43. Companies of the Itway S.p.A. Group

Following is the list of companies and relevant stake holdings of the Group, pursuant to Consob Deliberation No. 11971 of May 14 1999 and successive modification and Consob communication No. DEM/6064293 of July 28 2006.

Below is the list of companies broke down by type of control, type of consolidation. For each company the following is highlighted: name, headquarters, country affiliation, share capital in the original currency. Furthermore, also listed are the shareholdings, voting rights in ordinary shareholders meeting, if different from the stake of the capital and the controlling companies

PARENT COMPANY	HEADQUARTER	SHARE CAPITAL €uro
Itway S.p.A.	Ravenna	3,952,659

CONTROLLED COMPANIES CONSOLIDATED WITH THE FULL METHOD	HEADQUARTERS	SHARE CAPITAL €uro	%STAKE IN CAPITAL	CONTROLLING COMPANY
Itwayvad S.r.l.	Ravenna	10,000	100%	Itway S.p.A.
Itway Iberica S.L.	Barcelona	560,040	100%	Itway S.p.A
Itway France S.A.S.	Paris	100,000	100%	Itway S.p.A
Itway Hellas S.A.	Athens	846,368	100%	Itway S.p.A
Itway Cube S.r.l.	Ravenna	10,000	100%	Itway S.p.A
Diogene S.r.l.	Roma	78,000	100%	Itway S.p.A
Itway Turkiye Ltd.	Istanbul	1,500,000 *	100%	Itway S.p.A.
Business-e S.p.A.	Ravenna	1,001,084	100%	Itway S.p.A.
iNebula	Ravenna	10,000	75%	Itway S.p.A.

** the value is expressed in the New Turkish Lira (YTL)*

NON-CONSOLIDATED CONTROLLED COMPANIES	HEADQUARTERS	SHARE CAPITAL €uro	% STAKE IN CAPITAL	CONTROLLING COMPANY
iNebula Tech S.r.l.	Ravenna	10.000	100%	Itway S.p.A

OTHER COMPANIES	HEADQUARTERS	SHARE CAPITAL €uro	% STAKE IN CAPITAL	CONTROLLING COMPANY
Netwin Italia S.p.A.	Sant'Agata sul Santerno	5.000.000	10%	Business-e S.p.A.
Dexit S.r.l.	Trento Ravenna	700.000 100.000	9%	Itway S.p.A Business-e S.p.A.
Itway MENA FZC	Arabia Saudita	35.000*	17,1%	Itway S.p.A.
Serendipity Energia SpA	Ravenna	1.117.758	10,5%	Business-e S.p.A.

** the value is expressed in Dirham of Arabian United Emirates (AED)*