AMPLIFON: THE FIRST HALF OF 2018 CONFIRMS THE STRONG GROWTH TREND IN REVENUES AND IMPROVEMENT IN PROFITABILITY

STRONG TOP-LINE GROWTH (+10.2% AT CONSTANT EXCHANGE RATES), DRIVEN BY ABOVE-MARKET ORGANIC GROWTH AND M&A IN CORE MARKETS

CONTINUOUS IMPROVEMENT IN ALL PROFITABILITY LINES: EBITDA INCREASES 8.5% (+35 BPS) AND NET PROFIT RISES SHARPLY BY 23.5%

SUCCESSFUL LAUNCH OF THE AMPLIFON PRODUCT LINE AND THE DIGITAL ECOSYSTEM IN ITALY

AFTER THE CLOSE OF THE QUARTER, AMPLIFON ANNOUNCED THE ACQUISITION OF GAES GROUP, THE LARGEST EVER M&A DEAL IN THE COMPANY'S HISTORY

Main results for the first half of 2018[1]:

- Consolidated **REVENUES** of 662.8 million euros, up 10.2% at constant exchange rates and 6.2% at current exchange rates compared to the same period of 2017
- **EBITDA** reached 112.2 million euros, an increase of 8.5%, with the margin coming in at 16.9% of revenues, an increase of 35 basis points compared to the same period of 2017 despite the adverse FX translative effect
- **NET PROFIT** amounted to 49.1 million euros, an increase of 23.5% compared to the first half of 2017
- **NET FINANCIAL DEBT** was 319.6 million euros, slightly higher than the 296.3 million euros reported at December 31st, 2017 and the 300.5 million euros reported at June 30th, 2017
- **FREE CASH FLOW** was positive for 44.5 million euros, an increase of 12.0 million euros compared to the same period of 2017

Milan, July 26th, 2018 – Today the Board of Directors of Amplifon S.p.A. (MTA; Bloomberg ticker: AMP:IM), global leader in hearing solutions and services, approved the Interim Financial Report as at June 30th, 2018 during a meeting chaired by Susan Carol Holland.

MAIN CONSOLIDATED ECONOMICAL AND FINANCIAL FIGURES – FIRST HALF 2018

(Euro millions)	**H1 2018 @ IFRS 2018**				H1 2017 @ IFRS 2017 (**)				
	Recurring	**Non recurring**	**Total**	**% on recurring**	Recurring	Non recurring	Total	% on recurring	**Change % on recurring**
Net revenues	659.6	-	659.6	100.0%	623.8	-	623.8	100.0%	5.7%
EBITDA	109.9	-	109.9	16.7%	103.4	(2.5)	100.9	16.6%	6.3%
EBIT	76.1	-	76.1	11.5%	73.0	(2.5)	70.4	11.7%	4.2%
Net income	47.0	-	47.0	7.1%	39.8	(1.7)	38.1	6.4%	18.2%
Free cash flow			44.5				32.5		

	30/06/2018 @ IFRS 2018	31/12/2017 @ IFRS 2017 (**)	**Change %**
Net Financial Position	319.6	296.3	7.9%

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[1] For sake of effective comparison with the figures for the first half of 2017, the 2018 data commented on in this press release refer to 2018 figures without the application of IFRS 15 accounting principle ("@ IFRS 2017"), unless stated otherwise

(Euro millions)	H1 2018 @ IFRS 2017 (*)				H1 2017 @ IFRS 2017 (**)				
	Recurring	**Non recurring**	**Total**	**% on recurring**	Recurring	Non recurring	Total	% on recurring	**Change % on recurring**
Net revenues	662.8	-	662.8	100.0%	623.8	-	623.8	100.0%	6.2%
EBITDA	112.2	-	112.2	16.9%	103.4	(2.5)	100.9	16.6%	8.5%
EBIT	78.3	-	78.3	11.8%	73.0	(2.5)	70.4	11.7%	7.4%
Net income	49.1	-	49.1	7.4%	39.8	(1.7)	38.1	6.4%	23.5%

(*) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures
(**) 2017 as reported figures

MAIN CONSOLIDATED ECONOMICAL AND FINANCIAL FIGURES – SECOND QUARTER 2018

(Euro millions)	Q2 2018 @ IFRS 2018				Q2 2017 @ IFRS 2017 (**)				
	Recurring	**Non recurring**	**Total**	**% on recurring**	Recurring	Non recurring	Total	% on recurring	**Change % on recurring**
Net revenues	350.2	-	350.2	100.0%	327.7	-	327.7	100.0%	6.9%
EBITDA	66.7	-	66.7	19.1%	62.5	(2.5)	60.0	19.1%	6.7%
EBIT	49.5	-	49.5	14.1%	47.0	(2.5)	44.4	14.3%	5.4%
Net income	32.4	-	32.4	9.3%	27.0	(1.7)	25.3	8.2%	20.1%

(Euro millions)	Q2 2018 @ IFRS 2017 (*)				Q2 2017 @ IFRS 2017 (**)				
	Recurring	**Non recurring**	**Total**	**% on recurring**	Recurring	Non recurring	Total	% on recurring	**Change % on recurring**
Net revenues	352.4	-	352.4	100.0%	327.7	-	327.7	100.0%	7.5%
EBITDA	68.2	-	68.2	19.4%	62.5	(2.5)	60.0	19.1%	9.1%
EBIT	51.0	-	51.0	14.5%	47.0	(2.5)	44.4	14.3%	8.6%
Net income	33.9	-	33.9	9.6%	27.0	(1.7)	25.3	8.2%	25.5%

(*) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures
(**) 2017 as reported figures

"The first half of 2018 continues to be the source of great satisfaction, despite an extremely challenging comparison base. We continue to post double digit growth, further consolidating our leadership position and increasing market share in core countries. These results allow us to face the second part of the year with great optimism and well positioned to continue with the execution of the strategic plan for 2020. We are also extremely satisfied with the success of the new Amplifon product line and the digital eco-system launched in May in Italy", said **Enrico Vita, Amplifon's Chief Executive Officer** *"On July 24th, we have also announced the acquisition of the GAES group, the largest privately-owned specialty hearing care retailer worldwide. This deal represents a key milestone in our Company's history and perfectly fits with Amplifon's growth strategy to consolidate our global leadership and allowing us to become market leader in Spain, consolidate our position in Portugal, while also building a position in Latin America. The combination with GAES' profitable and cash-generative business and the benefits of greater scale will enable us to successfully pursue our recently communicated development plans, thus creating tremendous new opportunities to drive growth and deliver significant shareholder value."*

Overview

Amplifon reported consolidated revenues of 662.8 million euros in the first half of 2018, an increase of 10.2% at constant exchange rates and of 6.2% at current exchange rates compared to the first half of the prior year, despite an extremely challenging comparison base. The excellent performance was driven by strong, above-market organic growth (+6.5%), and significant contribution of acquisitions (+3.7%). The foreign exchange effect was negative for 4.0%.

EBITDA rose 8.5% to 112.2 million euros in the period, with the margin rising 35 basis points compared to the first half of 2017 coming in at 16.9% of revenues despite the unfavorable foreign exchange effect. Net profit rose 23.5% to 49.1 million euros. The balance sheet and financial indicators continue to demonstrate the Group's strength: free cash flow increased 12.0 million euros compared to the same period in 2017 to 44.5 million euros, thanks to strong operating cash flow, while net debt was 319.6 million euros, about 23 million euros higher than the 296.3 million euros recorded at December 31st, 2017, compared to an increase of around 76 million euros reported in the prior year (from 224.4 million euros to 300.5 million euros), also after the distribution of higher dividends.

Amplifon posted excellent results also in the second quarter of 2018 despite the challenging comparison base and the persistently unfavorable foreign exchange effect. Revenues amounted to 352.4 million euros, an increase of 10.6% at constant exchange rates and of 7.5% at current exchange rates compared to the second quarter of 2017. The increase was driven by strong organic growth (+7.4%) and positive impact of acquisitions (+3.2%), despite the negative foreign exchange effect of 3.1%. EBITDA reached 68.2 million euros, with the margin rising 30 basis points to 19.4% of revenues despite, again, the unfavorable foreign exchange effect. Net profit rose 25.5% compared to first half of 2017 to 33.9 million euros.

The network expansion continued in the first half, both organically and through acquisitions, with the addition of 96 stores and 53 shop-in-shops[2], of which 38 stores and 31 shop-in-shops in the second quarter alone. The acquisitions, 70 stores and 9 shop-in-shops, were mainly made in core countries like France, Germany and Canada; while 26 stores and 44 shop-in-shops were opened. The total net cash-out for acquisitions amounted to 37.6 million euros.

Economic results for the first half of 2018

Consolidated revenues amounted to 662.8 million euros in the first half of 2018, an increase of 10.2% at constant exchange rates and of 6.2% at current exchange rates compared to the first half of the prior year. Revenues were driven by strong organic growth (+6.5%) and acquisitions (+3.7%), while the foreign exchange effect had a negative impact of 4.0% mainly due to the strengthening of the Euro against the US and Australian dollars. The half-year results were achieved despite an extremely challenging comparison base as in the first half of 2017 revenues were 14.6% higher than in the same period of 2016. The growth trend was supported by solid performances posted in all the geographic areas in which the Group operates: a strong increase in revenues was recorded in **EMEA** where outstanding organic growth, along with the acquisitions mainly made in Germany and France, also led to a significant increase in profitability; in the **AMERICAS**, thanks to the excellent performance of Miracle–Ear, as well as the positive contribution of Amplifon Hearing Health Care and Elite Hearing Network, revenues accelerated in the second quarter driven by strong organic growth resulting in a good overall performance for the period despite the particularly challenging comparison base and the negative foreign exchange effect; a strong performance was recorded in **APAC** driven by good results in Australia and the continuous outstanding organic growth in New Zealand, which almost entirely offset the particularly adverse foreign exchange effect.

Thanks to the strong growth in revenues and operating leverage, **EBITDA** maintained its solid growth trend rising 8.5% to 112.2 million euros, with the margin coming in at 16.9% of revenues, an increase of 35 basis points higher than in the first half of 2017 (on a recurring basis) despite higher investments in marketing. Looking at the different geographic areas in which the Group operates, in **EMEA** strong growth was posted in EBITDA which rose 19.6% in absolute terms while the margin showed exceptional improvement, rising

[2] Net of the disposal of Direito de Ouvrir's distribution network in Brazil.

130 basis points from 16.8% in the first half of 2017 to 18.1%. EBITDA in **AMERICAS** fell 3.7% in absolute terms compared to the first half of 2017 due to the negative foreign exchange effect, but thanks to operating excellence the margin rose 40 basis points to 19.1%. In **APAC** the negative foreign exchange effect also caused EBITDA to fall 6.4% compared to the same period of 2017, with margin contraction due also to increased investments in marketing.

EBIT amounted to 78.3 million euros or 11.8% of revenues, an increase of 7.4% compared to the same period of 2017 (on a recurring basis). This increase is due to the improvement in EBITDA, despite higher depreciation and amortization linked to network expansion.

Net profit (NP) reached 49.1 million euros, an increase of 23.5% compared to the first half of 2017, thanks also to the improvement in the tax rate which came in at 28.4% compared to 37.6% (calculated on as reported figure) in the same period of the prior year.

Performance by geographic area

EMEA: excellent top-line growth and strong improvement in profitability

Revenues in Europe, the Middle East and Africa (**EMEA**) reached 465.8 million euros in the first half of 2018, an increase of 12.1% at constant exchange rates and of 11.3% at current exchange rates, despite the challenging comparison with the first half of the prior year. This result is explained for 6.8% by strong organic growth (also thanks to the acceleration recorded in the second quarter), for 5.3% by acquisitions, while the foreign exchange effect had a negative impact of 0.8%.

In **Europe**, **Italy** reported solid growth supported by the launch of the new Amplifon product line and the digital ecosystem. In **France** and **Germany** revenues showed strong growth compared to the same period of the prior year, driven by both excellent organic growth and significant M&A activity. A strong increase in revenues was recorded in the **Iberian Peninsula**, supported mainly by double digit organic growth. A good performance was also reported in the **United Kingdom** where top-line growth accelerated in the second quarter.

EMEA continues to show strong improvement in EBITDA which rose 19.6%, while the margin rose 130 basis points from 16.8% in the first half of 2017 (on a recurring basis) to 18.1% in the same period of 2018 as a result of the increase in revenues, improved operational efficiency and the greater scale reached in core markets, despite the strong marketing investments.

AMERICA: solid performance with strong organic growth acceleration in the second quarter

Despite the particularly challenging comparison period, revenues in **AMERICAS** rose 5.0% in local currency, coming in at 109.7 million euros in the first half of 2018. This solid result was driven by solid organic growth (+4.2%), which significantly accelerated in the second quarter, and by acquisitions (+0.8%), primarily in Canada. Revenues were penalized noticeably by the unfavorable USD/EUR exchange rate which had a negative impact of 10.8% causing a 5.8% drop in revenues at current exchange rates. The excellent performance of **Miracle-Ear**, along with the positive contribution of **Amplifon Hearing Health Care** and **Elite Hearing Network,** supported Americas' solid performance.

EBITDA in **AMERICAS** fell 3.7% compared to the first half of 2017, due to the adverse FX translation effect, but thanks to operating leverage the margin rose 40 basis points against the comparison period coming in at 19.1%.

As announced previously, in the second quarter of 2018 the 51% stake in Direito de Ouvir Amplifon Brasil S/A was disposed to Frederico Vaz Guimarães Abrahão, Amplifon's former partner in the joint venture. The disposal was made as the business model was considered unsuitable for expansion in the South American markets. The transaction is not material from a financial standpoint, nor in terms of value or turnover of the company sold.

ASIA-PACIFIC: strong top-line performance affected by FX headwind

Revenues in **ASIA-PACIFIC** were 86.0 million euros in the first half of 2018, an increase of 7.4% in local currency despite the challenging comparison with the first half of the prior year. Revenues were, however, penalized by the unfavorable foreign exchange effect which had a negative impact of 9.6%. The result for the Region was driven by the solid organic growth posted in **Australia** and **New Zealand**.

In **ASIA-PACIFIC** EBITDA was 6.4% lower than in the same period of 2017 due to the adverse translative FX effect and the strong investments in marketing to support the launch of National Hearing Care's new brand identity and positioning. EBITDA amounted to 23.5 million euros which, however, still represents one of the Group's highest levels of profitability.

Balance sheet figures as at June 30th, 2018

The balance sheet and financial indicators show a positive trend, confirming the Group's strength and ability to sustain future growth opportunities. After the implementation of the new accounting standards, net equity amounted to 550.2 million euros at June 30th, 2018, down compared to the 588.4 million euros posted at December 31st, 2017. This decrease is explained for 52.6 million euros by the effects related to application of the new IFRS accounting standards and for 6.7 million euros by the foreign exchange effect.

Operating cash flow amounted to 70.4 million euros, 9.1 million euros higher than the 61.3 million euros reported in the 2017 comparison period. The free cash flow, positive for 44.5 million euros, also increased compared to the 32.5 million euros generated in the first half of 2017, after investments (net of disposals) of 26.0 million euros compared to 28.8 million euros in the first half of 2017. The net cash-out for acquisitions (37.6 million euros compared to 75.3 million euros in the first half of 2017), along with the investments in financial activities of 30.6 million euros, bring the net cash flow for the period to negative 23.7 million euros compared to negative 74.5 million euros in the same period of the prior year.

Net financial debt amounted to 319.6 million euros at June 30th, 2018 compared to 296.3 million euros at December 31st, 2017, with the net debt/EBITDA ratio coming to 1.39x.

Subsequent events after June 30th, 2018

After the close of the first half, on July 24th, Amplifon announced the that it has signed a definitive agreement for the acquisition of GAES group[3]. The equity value to be paid in cash amounts to Euro 528 million, with a net financial position expected to be around zero. GAES is the largest privately-owned specialty hearing care retailer worldwide, with a leadership positioning in Spain, the tenth largest hearing aid retail market in the world. The company is also present in Portugal as well as in different Latin American countries. GAES operates a network of around 600 points of sale, of which around 500 are in Spain. In 2017 GAES Group posted revenues of around Euro 210 million and an adjusted EBITDA of around Euro 30 million[4].

The acquisition of GAES represents a key strategic transaction for Amplifon, allowing the Company to consolidate its global leadership, become leader in the core Spanish market and, moreover, it represents the ideal combination thanks to GAES' highly valued and recognized brand and the most extensive store network in Spain, as well as a profitable business. In addition, the combination, which will also allow for a greater diversification of Amplifon's business, is expected to generate significant synergies.

Amplifon will finance the acquisition with a new bank financing fully underwritten by UniCredit S.p.A. The transaction is currently expected to be completed by the end of Q4 2018 and is subject to the receipt of required antitrust clearance.

[3] For further information, please refer to Amplifon's press release released on July 24th, 2018

[4] Pro-forma not audited financial data

Outlook

The Company expects the favorable growth trend to continue in the second half of 2018 with revenue growth outpacing the market, driven by solid organic growth and acquisitions thanks to the contribution of all the geographic areas in which Amplifon operates. This performance, sustained also by a strong focus on execution, will support the continuous increase in profitability thanks also to the ongoing improvement in operational efficiency and the greater scale reached in core markets. The increase in profitability will more than offset the investments in marketing and communication, network expansion and people, supporting sustainable long-term growth. The Company is well positioned to execute the strategic plan for 2020 and is confident in its ability to achieve the medium-long term targets, also thanks to the launch of the Amplifon product line and innovative multichannel ecosystem which will continue to be rolled-out in Italy in the second half of 2018, followed by the roll-out in other countries beginning in 2019.

Evaluation of the Board of Statutory Auditors' Independence

The Board of Directors verified the fulfillment of the requirements provided by law and by the bylaw to hold the office of statutory auditor for the members appointed by the Shareholders' Meeting held on April 20th, 2018.

Merger by incorporation of Hearing Supplies S.r.l. into Amplifon S.p.A.

Today Amplifon S.p.A.'s Board of Directors approved the merger by incorporation of the wholly-owned and controlled subsidiary Hearing Supplies S.r.l. into the parent company Amplifon S.p.A. as presented in the plan signed by the two companies' Boards of Directors on May 2nd, 2018.

Pursuant to Article 6 of the Corporate Governance Code for Listed Companies on the matter of transactions with related parties, it is clarified that Hearing Supplies S.r.l. is a related party to Amplifon S.p.A. once it is controlled by the latter and that the mentioned transaction – which does not appear to be a "significant transaction" – has been approved by positive voting by all the members of the Board of Directors of Amplifon S.p.A.. The transaction benefits from the exemption provided by the Article 14 of the Consob Regulation and by the article 4, letter (d) of the Amplifon regulation on the Transactions with Related Parties available on the website www.amplifon.com/corporate, *Governance* section. Due to this exemption, Amplifon S.p.A. will not publish the relating information document according to Article 5 of the Consob Regulation.

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The Company announces that the Interim Financial Statements as at June 30st, 2018 will be made available to the public from August 2nd at the Company's registered office, on the Company's website www.amplifon.com/corporate and on the authorized storage system eMarket STORAGE (www.emarketstorage.com).

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The results for Q2 2018 will be presented to the financial community today at 15:00 (CET) during a conference call and audiowebcast. To participate in the conference call dial one of the following numbers: +44 121 281 8003 (UK), +1 718 705 8794 (USA) or +39 02 805 88 11 (Italy); or access the audiowebcast directly through the following link: http://services.choruscall.eu/links/amplifon180726.html.

A few presentation slides will be made available prior to the beginning of the conference call, beginning at 14:30 CET, in the Investors section (Presentations) of the website: www.amplifon.com/corporate. Those who are unable to attend the conference call may access a recording which will be available immediately after the call until 24:00 (CET) of July 28th, 2017, by dialing the following numbers: +44 121 281 8005 (UK), +1 718 705 8797 (USA) or +39 02 72 495 (Italy), access code: 901#; or, if the recording is no *longer available, by accessing http://corporate.amplifon.com/bod-meeting-to-approve-the-interim-financial-report-at-30-06-2018*

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From January 1st, 2018, the Group has adopted the principle IFRS 15 "Revenue from contracts with customers" and IFRS 9 "Financial instruments", which have led to changes in accounting policies and in some cases adjustments to the amounts recognized in the financial statements. The comparative data for 2017 have not been restated, while the data for 2018 are also presented without the application of IFRS 15. The comparative analysis in this press release refers, unless otherwise specified, to 2018 data without the application of IFRS 15, since the impact of IFRS 9 is totally negligible.

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In compliance with paragraph 2 of Article 154 bis of the "Uniform Financial Services Act" (Legislative Decree 58/1998), the Manager charged with preparing the Company's financial reports, Gabriele Galli, declares that the accounting information reported in the present press release corresponds to the underlying documentary reports, books of account and accounting entries.

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This press release contains forward-looking statements. These statements are based on the Company's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: continued volatility and further deterioration of capital and financial markets, changes in general macro-economic conditions, economic growth and other changes in business conditions, changes in laws and regulations (both in Italy and abroad), and many other factors, most of which are outside of the Company's control.

About Amplifon

Amplifon, global leader in the hearing care retail market, empowers people to rediscover all the emotions of sound. Amplifon's 14,000 people worldwide strive every day to understand the unique needs of every customer, delivering exclusive, innovative and highly personalized products and services, to ensure everyone the very best solution and an outstanding experience. The Group operates through a network of over 10,000 points of sale in 21 Countries and 5 continents. More information about the Group is available at: www.amplifon.com/corporate .

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CONSOLIDATED NET REVENUES BY GEOGRAPHIC AREA – FIRST HALF 2018

(€ thousands)	**H1 2018 @ IFRS 2017 (*)**	**%**	H1 2017 @ IFRS 2017 (**)	%	**Change**	**Change %**	**Exchange diff.**	**Change % in local currency**	**Organic growth % (***)**
Total EMEA	465,809	70.3%	418,527	67.1%	47,282	11.3%	(3,467)	12.1%	6.8%
Total Americas	109,713	16.5%	116,460	18.7%	(6,747)	-5.8%	(12,593)	5.0%	4.2%
Total APAC	86,043	13.0%	87,989	14.1%	(1,946)	-2.2%	(8,411)	7.4%	7.4%
Corporate and intercompany elimination	1,187	0.2%	804	0.1%	383				
Total	**662,752**	**100.0%**	**623,780**	**100.0%**	**38,972**	**6.2%**	**(24,471)**	**10.2%**	**6.5%**

(*) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures
(**) 2017 as reported figures
(***) Organic growth is calculated as sum of same store growth and openings

CONSOLIDATED NET REVENUES BY GEOGRAPHIC AREA – SECOND QUARTER 2018

(€ thousands)	**Q2 2018 @ IFRS 2017 (*)**	**%**	HY 2017 @ IFRS 2017 (**)	%	**Change**	**Change %**	**Exchange diff.**	**Change % in local currency**	**Organic growth % (***)**
Total EMEA	249,253	70.7%	223,349	68.2%	25,904	11.6%	(1,741)	12.4%	7.9%
Total Americas	57,770	16.4%	58,722	17.9%	(952)	-1.6%	(4,713)	6.4%	5.9%
Total APAC	44,784	12.7%	45,163	13.8%	(379)	-0.8%	(3,595)	7.1%	7.1%
Corporate and intercompany elimination	604	0.2%	448	0.1%	156				
Total	**352,411**	**100.0%**	327,682	100.0%	**24,729**	**7.5%**	**(10,049)**	**10.6%**	**7.4%**

(*) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures
(**) 2017 as reported figures
(***) Organic growth is calculated as sum of same store growth and openings

CONSOLIDATED INCOME STATEMENT – FIRST HALF 2018

(€ thousands)	H1 2018 @ IFRS 2018				H1 2017 @ IFRS 2017 (*)				
	Recurring	**Non recurring**	**Total**	**% on recurring**	Recurring	Non recurring	Total	% on recurring	**Change % on recurring**
Revenues from sales and services	659,605	-	659,605	100.0%	623,780	-	623,780	100.0%	5.7%
Operating costs	(551,065)	-	(551,065)	-83.5%	(521,608)	(2,540)	(524,148)	-83.6%	-5.6%
Other costs and revenues	1,409	-	1,409	0.2%	1,226	-	1,226	0.2%	14.9%
Gross operating profit (EBITDA)	**109,949**	**-**	**109,949**	**16.7%**	**103,398**	**(2,540)**	**100,858**	**16.6%**	**6.3%**
Depreciation and write-downs of non-current assets	(23,691)	-	(23,691)	-3.6%	(21,479)	-	(21,479)	-3.4%	-10.3%
Operating result before the amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	**86,258**	**-**	**86,258**	**13.1%**	**81,919**	**(2,540)**	**79,379**	**13.1%**	**5.3%**
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(10,201)	-	(10,201)	-1.5%	(8,953)	-	(8,953)	-1.4%	-13.9%
Operating profit (EBIT)	**76,057**	**-**	**76,057**	**11.5%**	**72,966**	**(2,540)**	**70,426**	**11.7%**	**4.2%**
Income, expenses, valuation and adjustments of financial assets	158	-	158	0.0%	197	-	197	0.0%	-19.8%
Net financial expenses	(9,501)	-	(9,501)	-1.4%	(9,670)	-	(9,670)	-1.6%	1.7%
Exchange differences and non-hedge accounting instruments	(454)	-	(454)	-0.1%	15	-	15	0.0%	-3,126.7%
Profit (loss) before tax	**66,260**	**-**	**66,260**	**10.0%**	**63,508**	**(2,540)**	**60,968**	**10.2%**	**4.3%**
Tax	(19,273)	-	(19,273)	-2.9%	(23,699)	802	(22,897)	-3.8%	18.7%
Net profit (loss)	**46,987**	**-**	**46,987**	**7.1%**	**39,809**	**(1,738)**	**38,071**	**6.4%**	**18.0%**
Profit (loss) of minority interests	(51)	-	(51)	0.0%	14	-	14	0.0%	-464.3%
Net profit (loss) attributable to the Group	**47,038**	**-**	**47,038**	**7.1%**	**39,795**	**(1,738)**	**38,057**	**6.4%**	**18.2%**

(*) 2017 as reported figures

(€ thousands)	H1 2018 @ IFRS 2017 (**)				H1 2017 @ IFRS 2017 (*)				
	Recurring	**Non recurring**	**Total**	**% on recurring**	Recurring	Non recurring	Total	% on recurring	**Change % on recurring**
Revenues from sales and services	662,752	-	662,752	100.0%	623,780	-	623,780	100.0%	6.2%
Operating costs	(551,927)	-	(551,927)	-83.3%	(521,608)	(2,540)	(524,148)	-83.6%	-5.8%
Other costs and revenues	1,409	-	1,409	0.2%	1,226	-	1,226	0.2%	14.9%
Gross operating profit (EBITDA)	**112,234**	**-**	**112,234**	**16.9%**	**103,398**	**(2,540)**	**100,858**	**16.6%**	**8.5%**
Depreciation and write-downs of non-current assets	(23,690)	-	(23,690)	-3.6%	(21,479)	-	(21,479)	-3.4%	-10.3%
Operating result before the amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	**88,544**	**-**	**88,544**	**13.4%**	**81,919**	**(2,540)**	**79,379**	**13.1%**	**8.1%**
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(10,202)	-	(10,202)	-1.5%	(8,953)	-	(8,953)	-1.4%	-14.0%
Operating profit (EBIT)	**78,342**	**-**	**78,342**	**11.8%**	**72,966**	**(2,540)**	**70,426**	**11.7%**	**7.4%**
Income, expenses, valuation and adjustments of financial assets	158	-	158	0.0%	197	-	197	0.0%	-19.8%
Net financial expenses	(9,501)	-	(9,501)	-1.4%	(9,670)	-	(9,670)	-1.6%	1.7%
Exchange differences and non-hedge accounting instruments	(454)	-	(454)	-0.1%	15	-	15	0.0%	-3,126.7%
Profit (loss) before tax	**68,545**	**-**	**68,545**	**10.3%**	**63,508**	**(2,540)**	**60,968**	**10.2%**	**7.9%**
Tax	(19,449)	-	(19,449)	-2.9%	(23,699)	802	(22,897)	-3.8%	17.9%
Net profit (loss)	**49,096**	**-**	**49,096**	**7.4%**	**39,809**	**(1,738)**	**38,071**	**6.4%**	**23.3%**
Profit (loss) of minority interests	(51)	-	(51)	0.0%	14	-	14	0.0%	-464.3%
Net profit (loss) attributable to the Group	**49,147**	**-**	**49,147**	**7.4%**	**39,795**	**(1,738)**	**38,057**	**6.4%**	**23.5%**

(*) 2017 as reported figures
(**) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures

CONSOLIDATED INCOME STATEMENT – SECOND QUARTER 2018

(€ thousands)	**Q2 2018 @ IFRS 2018**				Q2 2017 @ IFRS 2017 (**)				
	Recurring	**Non recurring**	**Total**	**% on recurring**	Recurring	Non recurring	Total	% on recurring	**Change % on recurring**
Revenues from sales and services	350,198	-	350,198	100.0%	327,682	-	327,682	100.0%	6.9%
Operating costs	(283,823)	-	(283,823)	-81.0%	(266,842)	(2,540)	(269,382)	-81.4%	-6.4%
Other costs and revenues	349	-	349	0.1%	1,698	-	1,698	0.5%	-79.4%
Gross operating profit (EBITDA)	**66,724**	**-**	**66,724**	**19.1%**	**62,538**	**(2,540)**	**59,998**	**19.1%**	**6.7%**
Depreciation and write-downs of non-current assets	(12,077)	-	(12,077)	-3.4%	(10,914)	-	(10,914)	-3.3%	-10.7%
Operating result before the amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	**54,647**	**-**	**54,647**	**15.6%**	**51,624**	**(2,540)**	**49,084**	**15.8%**	**5.9%**
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(5,140)	-	(5,140)	-1.5%	(4,654)	-	(4,654)	-1.4%	-10.4%
Operating profit (EBIT)	**49,507**	**-**	**49,507**	**14.1%**	**46,970**	**(2,540)**	**44,430**	**14.3%**	**5.4%**
Income, expenses, valuation and adjustments of financial assets	9	-	9	0.0%	104	-	104	0.0%	-91.3%
Net financial expenses	(4,904)	-	(4,904)	-1.4%	(4,837)	-	(4,837)	-1.5%	-1.4%
Exchange differences and non-hedge accounting instruments	(183)	-	(183)	-0.1%	(45)	-	(45)	0.0%	-306.7%
Profit (loss) before tax	**44,429**	**-**	**44,429**	**12.7%**	**42,192**	**(2,540)**	**39,652**	**12.9%**	**5.3%**
Tax	(11,996)	-	(11,996)	-3.4%	(15,194)	802	(14,392)	-4.6%	21.0%
Net profit (loss)	**32,433**	**-**	**32,433**	**9.3%**	**26,998**	**(1,738)**	**25,260**	**8.2%**	**20.1%**
Profit (loss) of minority interests	(3)	-	(3)	0.0%	(14)	-	(14)	0.0%	78.6%
Net profit (loss) attributable to the Group	**32,436**	**-**	**32,436**	**9.3%**	**27,012**	**(1,738)**	**25,274**	**8.2%**	**20.1%**

(*) 2017 as reported figures

(€ thousands)	Q2 2018 @ IFRS 2017 (**)				Q2 2017 @ IFRS 2017 (*)				
	Recurring	**Non recurring**	**Total**	**% on recurring**	Recurring	Non recurring	Total	% on recurring	**Change % on recurring**
Revenues from sales and services	352,411	-	352,411	100.0%	327,682	-	327,682	100.0%	7.5%
Operating costs	(284,528)	-	(284,528)	-80.7%	(266,842)	(2,540)	(269,382)	-81.4%	-6.6%
Other costs and revenues	350	-	350	0.1%	1,698	-	1,698	0.5%	-79.4%
Gross operating profit (EBITDA)	**68,233**	-	**68,233**	**19.4%**	**62,538**	**(2,540)**	**59,998**	**19.1%**	**9.1%**
Depreciation and write-downs of non-current assets	(12,077)	-	(12,077)	-3.4%	(10,914)	-	(10,914)	-3.3%	-10.7%
Operating result before the amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	**56,156**	-	**56,156**	**15.9%**	**51,624**	**(2,540)**	**49,084**	**15.8%**	**8.8%**
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(5,140)	-	(5,140)	-1.5%	(4,654)	-	(4,654)	-1.4%	-10.4%
Operating profit (EBIT)	**51,016**	-	**51,016**	**14.5%**	**46,970**	**(2,540)**	**44,430**	**14.3%**	**8.6%**
Income, expenses, valuation and adjustments of financial assets	9	-	9	0.0%	104	-	104	0.0%	-91.3%
Net financial expenses	(4,904)	-	(4,904)	-1.4%	(4,837)	-	(4,837)	-1.5%	-1.4%
Exchange differences and non-hedge accounting instruments	(183)	-	(183)	-0.1%	(45)	-	(45)	0.0%	-306.7%
Profit (loss) before tax	**45,938**	-	**45,938**	**13.0%**	**42,192**	**(2,540)**	**39,652**	**12.9%**	**8.9%**
Tax	(12,038)	-	(12,038)	-3.4%	(15,194)	802	(14,392)	-4.6%	20.8%
Net profit (loss)	**33,900**	-	**33,900**	**9.6%**	**26,998**	**(1,738)**	**25,260**	**8.2%**	**25.6%**
Profit (loss) of minority interests	(3)	-	(3)	0.0%	(14)	-	(14)	0.0%	78.6%
Net profit (loss) attributable to the Group	**33,903**	-	**33,903**	**9.6%**	**27,012**	**(1,738)**	**25,274**	**8.2%**	**25.5%**

(*) 2017 as reported figures
(**) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures

CONSOLIDATED SEGMENT INFORMATION – FIRST HALF 2018

(€ thousands)	H1 2018 @ IFRS 2018					H1 2017 @ IFRS 2017 (*)				
	EMEA	**Americas**	**Asia Pacific**	**Corporate (***)**	**Total**	EMEA	Americas	Asia Pacific	Corporate (***)	Total
Net Revenues	462,961	109,339	86,118	1,187	659,605	418,527	116,460	87,989	804	623,780
EBITDA	**81,986**	**20,845**	**23,636**	**(16,518)**	**109,949**	**67,922**	**21,723**	**25,152**	**(13,939)**	**100,858**
% on sales	*17.7%*	*19.1%*	*27.4%*	*-2.5%*	*16.7%*	*16.2%*	*18.7%*	*28.6%*	*-2.2%*	*16.2%*
Recurring EBITDA	**81,986**	**20,845**	**23,636**	**(16,518)**	**109,949**	**70,462**	**21,723**	**25,152**	**(13,939)**	**103,398**
% on sales	*17.7%*	*19.1%*	*27.4%*	*-2.5%*	*16.7%*	*16.8%*	*18.7%*	*28.6%*	*-2.2%*	*16.6%*
EBIT	**59,737**	**18,317**	**17,072**	**(19,069)**	**76,057**	**48,956**	**19,259**	**18,533**	**(16,322)**	**70,426**
% on sales	*12.9%*	*16.8%*	*19.8%*	*-2.9%*	*11.5%*	*11.7%*	*16.5%*	*21.1%*	*-2.6%*	*11.3%*

(€ thousands)	H1 2018 @ IFRS 2017 (**)					H1 2017 @ IFRS 2017 (*)				
	EMEA	**Americas**	**Asia Pacific**	**Corporate (***)**	**Total**	EMEA	Americas	Asia Pacific	Corporate (***)	Total
Net Revenues	465,809	109,713	86,043	1,187	662,752	418,527	116,460	87,989	804	623,780
EBITDA	**84,290**	**20,916**	**23,546**	**(16,518)**	**112,234**	**67,922**	**21,723**	**25,152**	**(13,939)**	**100,858**
% on sales	*18.1%*	*19.1%*	*27.4%*	*-2.5%*	*16.9%*	*16.2%*	*18.7%*	*28.6%*	*-2.2%*	*16.2%*
Recurring EBITDA	**84,290**	**20,916**	**23,546**	**(16,518)**	**112,234**	**70,462**	**21,723**	**25,152**	**(13,939)**	**103,398**
% on sales	*18.1%*	*19.1%*	*27.4%*	*-2.5%*	*16.9%*	*16.8%*	*18.7%*	*28.6%*	*-2.2%*	*16.6%*
EBIT	**62,040**	**18,388**	**16,983**	**(19,069)**	**78,342**	**48,956**	**19,259**	**18,533**	**(16,322)**	**70,426**
% on sales	*13.3%*	*16.8%*	*19.7%*	*-2.9%*	*11.8%*	*11.7%*	*16.5%*	*21.1%*	*-2.6%*	*11.3%*

(*) 2017 as reported figures
(**) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures
(***) the impact of the centralized costs is calculated as a percentage of the Group’s total sales.

CONSOLIDATED SEGMENT INFORMATION – SECOND QUARTER 2018

(€ thousands)	**Q2 2018 @ IFRS 2018**					Q2 2017 @ IFRS 2017 (*)				
	EMEA	**Americas**	**Asia Pacific**	**Corporate (***)**	**Total**	EMEA	Americas	Asia Pacific	Corporate (***)	Total
Net Revenues	247,232	57,539	44,824	603	350,198	223,349	58,722	45,163	448	327,682
EBITDA	**51,576**	**11,885**	**11,953**	**(8,690)**	**66,724**	**42,083**	**11,898**	**13,145**	**(7,128)**	**59,998**
% on sales	*20.9%*	*20.7%*	*26.7%*	*-2.5%*	*19.1%*	*18.8%*	*20.3%*	*29.1%*	*-2.2%*	*18.3%*
Recurring EBITDA	**51,576**	**11,885**	**11,953**	**(8,690)**	**66,724**	**44,623**	**11,898**	**13,145**	**(7,128)**	**62,538**
% on sales	*20.9%*	*20.7%*	*26.7%*	*-2.5%*	*19.1%*	*20.0%*	*20.3%*	*29.1%*	*-2.2%*	*19.1%*
EBIT	**40,323**	**10,599**	**8,571**	**(9,986)**	**49,507**	**32,127**	**10,684**	**9,884**	**(8,265)**	**44,430**
% on sales	*16.3%*	*18.4%*	*19.1%*	*-2.9%*	*14.1%*	*14.4%*	*18.2%*	*21.9%*	*-2.5%*	*13.6%*

(€ thousands)	**Q2 2018 @ IFRS 2017 (**)**					Q2 2017 @ IFRS 2017 (*)				
	EMEA	**Americas**	**Asia Pacific**	**Corporate (***)**	**Total**	EMEA	Americas	Asia Pacific	Corporate (***)	Total
Net Revenues	249,253	57,770	44,784	604	352,411	223,349	58,722	45,163	448	327,682
EBITDA	**53,055**	**11,961**	**11,907**	**(8,690)**	**68,233**	**42,083**	**11,898**	**13,145**	**(7,128)**	**59,998**
% on sales	*21.3%*	*20.7%*	*26.6%*	*-2.5%*	*19.4%*	*18.8%*	*20.3%*	*29.1%*	*-2.2%*	*18.3%*
Recurring EBITDA	**53,055**	**11,961**	**11,907**	**(8,690)**	**68,233**	**44,623**	**11,898**	**13,145**	**(7,128)**	**62,538**
% on sales	*21.3%*	*20.7%*	*26.6%*	*-2.5%*	*19.4%*	*20.0%*	*20.3%*	*29.1%*	*-2.2%*	*19.1%*
EBIT	**41,801**	**10,675**	**8,525**	**(9,985)**	**51,016**	**32,127**	**10,684**	**9,884**	**(8,265)**	**44,430**
% on sales	*16.8%*	*18.5%*	*19.0%*	*-2.8%*	*14.5%*	*14.4%*	*18.2%*	*21.9%*	*-2.5%*	*13.6%*

(*) 2017 as reported figures
(**) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures
(***) the impact of the centralized costs is calculated as a percentage of the Group's total sales.

NON-RECURRING ITEMS

(€ thousands)	**H1 2018 @ IFRS 2018**	**H1 2018 @ IFRS 2017 (**)**	H1 2017 @ IFRS 2017 (*)
Restructuring charges related to the acquisition of the retail businesses of AudioNova in France and Portugal	-	-	(2,540)
Impact of the non-recurring items on EBITDA	-	-	**(2,540)**
Impact of the non-recurring items on EBIT	-	-	**(2,540)**
Impact of the non-recurring items pre-tax	-	-	**(2,540)**
Impact of the above items on the tax burden of the period	-	-	802
Impact of the non-recurring items on total net result	-	-	**(1,738)**

(€ thousands)	**Q2 2018 @ IFRS 2018**	**Q2 2018 @ IFRS 2017 (**)**	Q2 2017 @ IFRS 2017 (*)
Restructuring charges related to the acquisition of the retail businesses of AudioNova in France and Portugal	-	-	(2,540)
Impact of the non-recurring items on EBITDA	-	-	**(2,540)**
Impact of the non-recurring items on EBIT	-	-	**(2,540)**
Impact of the non-recurring items pre-tax	-	-	**(2,540)**
Impact of the above items on the tax burden of the period	-	-	802
Impact of the non-recurring items on total net result	-	-	**(1,738)**

(*) 2017 as reported figures
(**) 2018 figures without the application of IFRS 15 accounting principle in order to allow comparability with 2017 as reported figures

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(€ thousands)	**30/06/2018 @ IFRS 2018**	31/12/2017 @ IFRS 2017 (*)	**Change**
Goodwill	707,912	684,635	23,277
Customer lists, non compete agreements, trademarks and location rights	147,691	143,373	4,318
Software charges, licenses, other int.ass., wip and advances	55,946	56,583	(637)
Tangible assets	146,263	143,003	3,260
Fixed financial assets	41,806	43,392	(1,586)
Other non-current financial assets	24,949	7,576	17,373
Total fixed assets	**1,124,567**	**1,078,562**	**46,005**
Inventories	40,984	37,081	3,903
Trade receivables	138,328	132,792	5,536
Other receivables	68,780	47,584	21,196
Current assets	**248,092**	**217,457**	**30,635**
Total assets	**1,372,659**	**1,296,019**	**76,640**
Trade payables	-136,678	-137,401	723
Other payables	-192,338	-133,423	-58,915
Provisions for risks (current portion)	(2,156)	(4,055)	1,899
Short term liabilities	**-331,172**	**-274,879**	**-56,293**
Working capital	**-83,080**	**-57,422**	**-25,658**
Derivative instruments	(12,872)	(9,866)	(3,006)
Deferred tax assets	64,053	45,300	18,753
Deferred tax liabilities and tax payables	-62,011	-60,044	-1,967
Provisions for risks (non current portion)	(42,712)	(65,390)	22,678
Employee benefits (non current portion)	(16,646)	(16,717)	71
Loan fees	407	632	-225
Other long term payables	-101,845	-30,372	-71,473
NET INVESTED CAPITAL	**869,861**	**884,683**	**-14,822**
Shareholders' equity	549,942	588,681	(38,739)
Third parties' equity	273	(263)	536
Net equity	**550,215**	**588,418**	**(38,203)**
Long term net financial debt	239,206	119,193	120,013
Short term net financial debt	80,440	177,072	(96,632)
Total net financial debt	**319,646**	**296,265**	**23,381**
FINANCIAL DEBT AND NET EQUITY	**869,861**	**884,683**	**(14,822)**

(*) 2017 as reported figures

CONSOLIDATED NET FINANCIAL DEBT MATURITY PROFILE

(€ millions)	**2018**	**2019**	**2020**	**2021 and beyond**	**Total**
Eurobond	(275.0)				**(275.0)**
Private placement			(15.5)	(85.4)	**(100.9)**
Bank loans				(135.0)	**(135.0)**
Bank overdraft and accrued interest	(19.0)				**(19.0)**
Others	(7.8)	(3.5)	(1.4)	(0.8)	**(13.5)**
Cash and cash equivalents	223.8				**223.8**
Total	**(78.0)**	**(3.5)**	**(16.9)**	**(221.2)**	**(319.6)**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(€ thousands)	**H1 2018 @ IFRS 2018**	H1 2017 @ IFRS 2017 (*)
EBIT	**76,057**	**70,426**
Amortization, depreciation and write down	33,892	30,432
Provisions, other non-monetary items and gain/losses from disposals	9,499	16,477
Net financial expenses	(9,382)	(8,910)
Taxes paid	(17,177)	(16,632)
Changes in net working capital	(22,448)	(30,512)
Cash flow provided by (used in) operating activities (A)	**70,440**	**61,281**
Cash flow provided by (used in) operating investing activities (B)	(25,950)	(28,755)
Free Cash Flow (A) + (B)	**44,490**	**32,526**
Net cash flow provided by (used in) acquisitions (C)	(37,973)	(75,314)
(Purchase) sale of other investment and securities (D)	388	19
Cash flow provided by (used in) investing activities (B+C+D)	**(63,535)**	**(104,050)**
Cash flow provided by (used in) operating activities and investing activities	**6,905**	**(42,769)**
Dividends paid	(24,079)	(15,271)
Fees paid on medium/long-term financing	(146)	(75)
Treasury shares	(7,833)	(15,629)
Capital increases, third parties' contributions and dividends paid by subsidiaries to third parties	117	(3)
Hedging instruments and other changes in non-current assets	1,313	(793)
Net cash flow from the period	**(23,723)**	**(74,540)**

Net financial indebtedness as of period opening date	**(296,265)**	**(224,421)**
Effect of discontinued operation on financial position	24	-
Effect of exchange rate fluctuations on financial position	318	(1,575)
Change in net financial position	(23,723)	(74,540)
Net financial indebtedness as of period closing date	**(319,646)**	**(300,536)**

(*) 2017 as reported figures